

UNITED STATES OF AMERICA  
Before The  
OFFICE OF THRIFT SUPERVISION  
DEPARTMENT OF THE TREASURY

In the Matter of	)	
	)	Case No. OTS AP 91-62, 63, 64
SUMNER GLADSTONE,	)	
GEORGE E. CAIN, and	)	
ANTHONY F. DELAPA,	)	
	)	Re: OTS Order No. NE92-26
institution-affiliated	)	
parties of Home Federal	)	Date: March 19, 1992
Savings Bank, Worcester,	)	
Massachusetts	)	
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STIPULATION AND CONSENT OF GEORGE E. CAIN  
TO ISSUANCE OF FINAL AGENCY ORDERS

This Stipulation and Consent is made by and between the Office of Thrift Supervision ("OTS"), a bureau within the United States Department of the Treasury, and GEORGE E. CAIN, an individual who is represented by the law firm of Cullen & Butters, One Beacon Street, 13th Floor, Boston, Massachusetts.

RECITALS AND CONSIDERATION

WHEREAS, the OTS, in the exercise of authority conferred by the Federal Deposit Insurance Act ("FDIA") and the Home Owners' Loan Act ("HOLA") has commenced the above-captioned adjudicatory proceeding (the "Administrative Proceeding") by issuing a NOTICE OF CHARGES FOR CEASE-AND-DESIST ORDERS AND TO DIRECT RESTITUTION AND OTHER APPROPRIATE RELIEF; NOTICE OF INTENTION TO PROHIBIT; NOTICE OF ASSESSMENT OF CIVIL MONEY PENALTIES; AND NOTICE OF HEARING (the "Notice of Charges"), which has been served on GEORGE E. CAIN; and

WHEREAS, the Notice of Charges contains a written notice of the OTS's intention to seek final agency orders against GEORGE E.

CAIN pursuant to Section 8 of the FDIA and Section 10(i)(2) of the HOLA (12 U.S.C.A. §§ 1818, 1467a(i)(2)); and

WHEREAS, GEORGE E. CAIN, to avoid the time and expense of administrative litigation, and without either admitting or denying that the grounds alleged in the Notice of Charges exist, now wishes to settle the OTS's charges against him, and is willing to stipulate and consent to the issuance by the OTS of the attached final agency order captioned as ORDER OF PROHIBITION; ORDER TO CEASE AND DESIST; and FINAL CIVIL MONEY PENALTY ASSESSMENT ISSUED TO GEORGE E. CAIN (the "Order").

NOW, THEREFORE, in consideration of the foregoing premises, the parties hereto agree to the terms of this Stipulation and Consent.

1. Jurisdiction. GEORGE E. CAIN acknowledges that, within the last six years, he has been an officer of Home Federal Savings Bank ("Home Federal"), Worcester, Massachusetts. GEORGE E. CAIN further acknowledges that, by virtue of such relationship with Home Federal, he may be deemed to have been an "institution-affiliated party" of Home Federal within the meaning of the FDIA and the HOLA. GEORGE E. CAIN further acknowledges and agrees that the OTS, as the appropriate Federal banking agency, is authorized to issue the Order pursuant to 12 U.S.C.A. §§ 1818(b), 1818(e), 1467 (West 1989 & Supp. 1991)).

2. Consent. GEORGE E. CAIN stipulates and consents to issuance of the Order, and agrees to comply with its terms. The foregoing stipulation, consent, and agreement by GEORGE E. CAIN is in consideration of the OTS's settlement that is described below.

The OTS hereby stipulates and agrees that issuance of the Order settles, compromises and resolves the above-captioned proceeding and any and all administrative and civil actions that may be, or have been, brought by the OTS against GEORGE E. CAIN with respect to matters that: (i) are alleged in the Notice of Charges; (ii) are currently known by the OTS as of the date of the Order, as set forth in federal reports of examination of Home Federal; (iii) have been the subject of investigation by the OTS during the course of the OTS's formal examination proceeding concerning the ownership and affairs of Home Federal (No. BOS 90-2); or (iv) relate to OTS Temporary Order No. AP 91-64 (except as otherwise provided by paragraph 4 hereof).

3. No Effect on Actions by Other Agencies.

(a) This Stipulation and Consent, the Order and the payment by GEORGE E. CAIN of any monies or providing any other financial relief as contemplated by the Order, does not compromise, settle, dismiss, resolve, or in any way affect any civil actions, charges against, or liability of GEORGE E. CAIN that arise pursuant to this action or otherwise, and that may be or have been brought by the Resolution Trust Corporation or any other governmental entity other than the OTS.

(b) GEORGE E. CAIN acknowledges and agrees that this proceeding, the assessment or payment of the penalty contemplated as part of the resolution thereof, and GEORGE E. CAIN's consent to the entry of the Order are for the purposes of resolving this OTS enforcement matter only, and do not resolve, affect or preclude any other civil or criminal proceedings which may or have been

brought against GEORGE E. CAIN by the OTS or another governmental entity. By signing this document GEORGE E. CAIN agrees that he will not assert the assessment or payment of this penalty as the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice or any other governmental entity.

(c) This Stipulation and Consent, the Order and the payment by GEORGE E. CAIN of any monies or providing any other financial relief as contemplated by the Order, shall in no way be construed as or deemed an admission of liability or an admission of the truth of the matters asserted in the Notice of Charges.

4. Provisions of OTS Order No. AP 91-64. The provisions of OTS Order No. AP 91-64 shall remain outstanding and effective as to GEORGE E. CAIN until GEORGE E. CAIN has complied fully with the requirements of paragraph 2 of the attached Order. The OTS's waiver of claims with respect to OTS Order No. AP-91-64 (as set forth in paragraph 2 above) shall not preclude the OTS from seeking available legal, equitable or administrative relief with respect to any violation(s) of Order No. AP-91-64 by GEORGE E. CAIN that may occur after the issuance of the Order attached hereto. Upon full compliance by GEORGE E. CAIN with paragraph 2 of the attached Order, OTS Order No. AP 91-64 shall cease to have any further force and effect as to GEORGE E. CAIN.

5. Finality. The Order is issued by the OTS under the authority of Sections 8(b) and 8(e) of the FDIA and Section 9 of the HOLA (12 U.S.C.A. §§ 1818(b), 1818(e), 1467 (West 1989 & Supp. 1991)). Upon issuance of the Order, it shall be a final

order that is effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA, 12 U.S.C.A. § 1818(i) (West 1989 & Supp. 1991).

6. Waivers. GEORGE E. CAIN, following consultation with his counsel, hereby waives the following legal rights: (i) the right to an administrative adjudicatory hearing of the OTS's charges against him; and (ii) the right to seek judicial review of the Order, including (but not limited to) any such right provided by Section 8(h) of the FDIA, 12 U.S.C.A. § 1818(h) (West 1989), or otherwise to challenge the validity of the Order.

7. Communications. (a) Except as otherwise provided in the ORDER, GEORGE E. CAIN shall send any and all payments, notices, or other communications required or permitted under the ORDER and this Stipulation and Consent, by prepaid first class mail, personal delivery, or express delivery service, to:

Steven A. Rosenberg, Esq.  
Senior Enforcement Counsel  
Office of Thrift Supervision  
10 Exchange Place, 17th Floor  
Jersey City, New Jersey 07302,

or to such other address as said Senior Enforcement Counsel (or his designee or successor) may otherwise specify in writing to GEORGE E. CAIN.

(b) The OTS may send all notices or other communications to GEORGE E. CAIN that relate to the ORDER or this Stipulation and Consent, by prepaid first class mail, personal delivery, or express delivery service, to:

Albert F. Cullen, Jr., Esq.  
Cullen & Butters  
One Beacon St., 13th Floor  
Boston, Massachusetts 02108,

or to such other address as said attorney (or his designee or successor) may otherwise specify in writing to the OTS.

WHEREFORE, in consideration of the foregoing and intending to be legally bound hereby, the parties hereto hereby execute this Stipulation and Consent, which shall be effective as of the date of the Order.

OFFICE OF THRIFT SUPERVISION  
By:

/S/  
\_\_\_\_\_  
ANGELO A. VIGNA  
REGIONAL DIRECTOR

/S/  
\_\_\_\_\_  
GEORGE E. CAIN

STATE OF \_\_\_\_\_ )  
COUNTY OF Suffolk ) SS:

On this 17<sup>th</sup> day of March, 1992, before me the subscriber, a Notary Public of the State of Mass., personally appeared GEORGE E. CAIN, one of the individuals who executed the foregoing Stipulation and Consent, and he acknowledged that he did examine and read the same and did sign the foregoing instrument, and that the same is his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

/S/  
\_\_\_\_\_  
*My commission expires 1/1/93*



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GEORGE E. CAIN, and	)	
ANTHONY F. DELAPA,	)	
institution-affiliated	)	OTS Order No. NE92-26
parties of Home Federal	)	Date: March 19, 1992
Savings Bank, Worcester,	)	
Massachusetts	)	

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**ORDER OF PROHIBITION; ORDER TO CEASE AND DESIST; and  
FINAL CIVIL MONEY PENALTY ASSESSMENT ISSUED TO GEORGE E. CAIN**

WHEREAS, on October 7, 1991, the Office of Thrift Supervision ("OTS") commenced the above-captioned adjudicatory proceeding by, inter alia, issuing a NOTICE OF CHARGES FOR CEASE-AND-DESIST ORDERS AND TO DIRECT RESTITUTION AND OTHER APPROPRIATE RELIEF; NOTICE OF INTENTION TO PROHIBIT; NOTICE OF ASSESSMENT OF CIVIL MONEY PENALTIES; AND NOTICE OF HEARING, which has been served on GEORGE E. CAIN; and

WHEREAS, GEORGE E. CAIN has stipulated and consented to the issuance of this Order by executing the attached Stipulation and Consent of George E. Cain to Issuance of Final Agency Orders, the terms of which are hereby incorporated into this Order by this reference.

NOW THEREFORE, the OTS, pursuant to Section 8 of the Federal Deposit Insurance Act ("FDIA") and Section 9 of the Home Owners' Loan Act ("HOLA"), 12 U.S.C.A. §§ 1818, 1467a (West 1989 & Supp. 1991), HEREBY ORDERS that:

1. PROHIBITION; RESTRICTIONS ON ACTIVITIES.

(a) GEORGE E. CAIN is prohibited from participation, in any manner, in the conduct of the affairs of HOME FEDERAL SAVINGS BANK ("HOME FEDERAL"), Worcester, Massachusetts, and any subsidiaries thereof.

(b) GEORGE E. CAIN shall be subject to the prohibitions of FDIA § 8(e)(7) (12 U.S.C.A. § 1818(e)(7)), and, except as provided by (i) subparagraph (B) of FDIA § 8(e)(7), or (ii) the provisions of subparagraph 1(d) of this Order, GEORGE E. CAIN shall not hold any office in or participate in any manner in the conduct of the affairs of any institution or agency specified in subparagraph (A) of FDIA § 8(e)(7), including, but not limited to holding companies and subsidiaries of depository institutions (collectively the "Covered Institutions"), as provided by, inter alia, 12 U.S.C.A. § 1818(b)(7).

(c) GEORGE E. CAIN shall not participate in any of the specified activities prohibited by FDIA § 8(e)(6) (12 U.S.C.A. § 1818(e)(6)).

(d) Commencing on April 1, 1997, the prohibitions and restrictions of subparagraph (b) above shall cease to have further force and effect, except that: (i) thereafter GEORGE E. CAIN, without prior written approval of the appropriate Federal banking agency (as defined at 12 U.S.C.A. § 1813(q)), shall not hold any office in or directly or indirectly serve as a director or officer of any Covered Institution; and (ii) if, after April 1, 1997, GEORGE E. CAIN

becomes an employee, consultant or agent of any Covered Institution, within 30 days of commencement of such service, GEORGE E. CAIN shall provide written notice thereof to the appropriate Federal banking agency.

(e) The provisions of paragraph 1 of this Order are issued pursuant to Sections 8(e), 8(b)(7) and 8(b)(8) of the FDIA (12 U.S.C.A. §§ 1818(e), 1818(b)(7), 1818(b)(8)).

2. FINAL CIVIL MONEY PENALTY ASSESSMENT.

GEORGE E. CAIN shall pay a final civil money penalty in the amount of \$10,000.00 (U.S. Dollars), but if GEORGE E. CAIN shall tender to the OTS (through its Senior Enforcement Counsel) the amount of \$2,500.00 (U.S. Dollars) within ten (10) days from the date of this Order, then that \$2,500.00 payment shall fully discharge and satisfy the aforesaid civil money penalty obligation. The form of payment shall be in one or more certified or cashiers checks, which check(s) shall be made payable to the order of the Treasurer of the United States. The civil-money-penalty provisions of this Order are made and issued pursuant to Section 10(i)(2) of the HOLA (12 U.S.C.A. § 1467a(i)(2)).

3. EFFECTIVE DATE.

This Order shall be and is effective upon the date of issuance shown below.

IT IS SO ORDERED on this 19th day of March, 1992.

OFFICE OF THRIFT SUPERVISION  
By:

/S/

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ANGELO A. VIGNA  
REGIONAL DIRECTOR