

UNITED STATES OF AMERICA
BEFORE THE
OFFICE OF THRIFT SUPERVISION

In the Matter of)
Hutton Brown, Jr.)
Director of)
First Federal Savings and Loan)
Association of Giles County)
Pulaski, Tennessee)

Resolution No.: CIN 92-14
Dated: May 27, 1992

STIPULATION AND CONSENT TO ISSUANCE OF
ORDER OF ASSESSMENT OF CIVIL MONEY PENALTIES

The Office of Thrift Supervision ("OTS"), by and through its Regional Director for the Central Region, and Hutton Brown, Jr., a Director of First Federal Savings and Loan Association of Giles County, Pulaski, Tennessee, stipulate and agree as follows:

1. Consideration. The OTS, based upon information reported to it, is of the opinion that the grounds exist to initiate an administrative action for assessment of civil money penalties against Hutton Brown, Jr., pursuant to § 8(i) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(i) (Supp. I 1989). Hutton Brown, Jr., desires to cooperate with the OTS and to avoid the time and expense of such administrative litigation and, while neither admitting nor denying that such grounds exist, hereby stipulates and agrees to the following terms in consideration of the forbearance of OTS from initiating such administrative civil money penalty assessment proceeding against him pertaining to a breach of his fiduciary responsibility by failing to ensure compliance with OTS regulations, agreements with OTS and the association's own underwriting policies.

2. Jurisdiction

(a) First Federal Savings and Loan Association of Giles County is a "savings association" and an "insured depository institution" as defined by § 3 of the FDIA and § 2 of the Home Owners' Loan Act, 12 U.S.C. §§ 1813 and 1462 (Supp. I 1989).

(b) Hutton Brown, Jr., as a Director of First Federal Savings and Loan Association of Giles County, is an "institution-affiliated party" as defined by § 3(u) of the FDIA, 12 U.S.C. § 1813(u) (Supp. I 1989).

(c) Pursuant to Section 3 of the FDIA, 12 U.S.C. § 1813(q) (Supp. I 1989), the OTS is the "appropriate Federal banking agency" to maintain enforcement proceedings against such a savings association and its institution-affiliated parties. Therefore, Hutton Brown, Jr. is subject to the authority of the OTS to assess civil money penalties against him pursuant to § 8(i) of the FDIA, 12 U.S.C. § 1818(i) (Supp. I 1989).

3. Consent. Hutton Brown, Jr., consents to the issuance by the OTS of the accompanying Order of Assessment of Civil Money Penalties ("Order"). He further agrees to comply with its terms upon issuance and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued under § 8(i) of the FDIA, 12 U.S.C. § 1818(i) (Supp. I 1989). Upon its issuance by the Regional Director for the Central Region, OTS, it shall be a final order, effective and fully enforceable.

5. Waivers. Hutton Brown, Jr., waives the right to a Notice of Assessment of Civil Money Penalties provided by Section 8(i) of the FDIA, and further waives the right to seek judicial review of the Order,

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WHEREAS, Hutton Brown, Jr., Director of First Federal Savings and Loan Association of Giles County, Pulaski, Tennessee, has executed a Stipulation and Consent to Issuance of Order of Assessment of Civil Money Penalties ("Stipulation") which is accepted and approved by the Office of Thrift Supervision ("OTS"), acting through its Regional Director for the Central Region, and is incorporated herein by reference; and

WHEREAS, Hutton Brown, Jr., in the Stipulation, has consented and agreed to the issuance of this Order of Assessment of Civil Money Penalties ("Order") pursuant to the Federal Deposit Insurance Act, § 8(i), 12 U.S.C. § 1818(i) (Supp. I 1989).

NOW, THEREFORE, IT IS ORDERED that Hutton Brown, Jr., shall pay to OTS a sum of \$3,000. Payment shall be made by tendering to the OTS a

check made payable to the Treasurer of the United States in the sum of
\$3,000 within ten days of the effective date of this Order.

OFFICE OF THRIFT SUPERVISION

/S/

Ronald N. Kary
Regional Director
Central Region