

UNITED STATES OF AMERICA  
BEFORE THE  
OFFICE OF THRIFT SUPERVISION  
DEPARTMENT OF THE TREASURY

\_\_\_\_\_  
In the Matter of )

WILLIAM K. CALLAHAN )

A former officer of Brilie Corp., )  
Elmira, New York (d.b.a. ES&L )  
Financial Services), a wholly-owned )  
subsidiary of )  
ELMIRA SAVINGS AND LOAN, FA )  
Elmira, New York )  
\_\_\_\_\_ )

RE: OTS Order No. NE92- 60

Dated: June 2, 1992

STIPULATION AND CONSENT TO THE ENTRY  
OF A PROHIBITION ORDER

The Office of Thrift Supervision ("OTS"), by and through its Regional Director for the Northeast Regional Office, and William K. Callahan, former officer of Brilie Corporation, Elmira, New York (d.b.a. ES&L Financial Services), a wholly-owned subsidiary of Elmira Savings and Loan, FA, Elmira, New York, ("Elmira") hereby 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 prohibition proceeding against William K. Callahan pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA") (12 U.S.C.A. § 1818(e)). William K. Callahan desires to cooperate with the OTS and to avoid the time and expense of such administrative litigation and, while denying that such grounds exist, hereby stipulates and agrees to the following terms in consideration of the forbearance of OTS from initiating such administrative prohibition litigation against him.

## 2. Jurisdiction.

(a) Elmira is a "savings association" within the meaning of Section 3 of the FDIA and Section 2 of the Home Owners' Loan Act of 1933, as amended by FIRREA. Accordingly, it is an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, (12 U.S.C. § 1813(c)).

(b) William K. Callahan, until about July 15, 1990, served as an officer of Brillie Corporation, (d.b.a. ES&L Financial Services), Elmira, New York, a wholly-owned subsidiary service corporation of Elmira, a "savings association" within the meaning of 12 U.S.C.A. §1813(b). It is further stipulated and agreed that, due to the operation of 12 U.S.C.A. §1818(b)(8), William K. Callahan may be deemed to be an "institution-affiliated party" of Elmira and its service corporation, Brillie Corporation, for the purposes of Section 8 of the FDIA.

(c) Pursuant to Section 3 of the FDIA as amended by FIRREA, the OTS is the "appropriate Federal banking agency" to maintain enforcement proceedings against such a savings association or its institution-affiliated parties. Therefore, William K. Callahan is subject to the authority of the OTS to initiate and maintain a prohibition proceeding against him pursuant to Section 8(e) of the FDIA, (12 U.S.C.A § 1818(e)).

3. Consent. William K. Callahan consents to the issuance by the OTS of the accompanying Order of Prohibition ("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 Section 8(e) of the FDIA (12 U.S.C.A § 1818(e)). Upon its issuance by the Regional Director for the Northeast Regional Office, it shall be a final order, effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA (12 U.S.C.A § 1818(i)).



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Financial Services), a wholly-owned )  
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ELMIRA SAVINGS AND LOAN, FA )  
Elmira, New York )

RE: OTS Order No. NE92-60

Dated: June 2, 1992

ORDER OF PROHIBITION

WHEREAS, William K. Callahan has executed a Stipulation and Consent to the Entry of a Prohibition Order ("Stipulation"), which is accepted and approved by the Office of Thrift Supervision ("OTS") acting through its Regional Director for the Northeast Regional Office; and

WHEREAS, William K. Callahan, in the Stipulation has consented and agreed to the issuance of this Order of Prohibition ("Order") pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), (12 U.S.C.A. §1818(e)).

NOW THEREFORE, IT IS ORDERED that:

1. William K. Callahan is prohibited from further participation, in any manner, in the conduct of the affairs of Elmira Savings and Loan, FA, Elmira, New York, its holding company(ies), or service corporation(s).

2. Without the prior written approval of the Regional Director for the Northeast Regional Office and, if appropriate, another Federal financial institutions regulatory agency, William K. Callahan may not hold any office in, or participate in any manner in the conduct of the affairs of any institution or

agency specified at 12 U.S.C.A. §1818(e)(7)(A), including but not limited to Brillie Corporation (d.b.a. ES&L Financial Services), or any other federally insured depository institutions and subsidiaries thereof. Pursuant to 12 U.S.C.A. §1818(e)(6), conduct prohibited by this Order includes, inter alia, the solicitation, transfer, or exercise of any voting rights with respect to any securities issued by any insured depository institution.

3. The Stipulation is made a part hereof and is incorporated herein by this reference.

4. This Order is a final order, and is subject to the provisions of Section 8(j) of the FDIA, (12 U.S.C.A. §1818(j)), and shall become effective and enforceable on the date of issuance hereof.

IT IS SO ORDERED on this 2nd day of June, 1992.

OFFICE OF THRIFT SUPERVISION

/S/

~~ANGELO A. VIGNA~~  
Regional Director  
Northeast Regional Office