

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)

CYRUS S. STEED, JR.,)
Director of)

Talladega Federal Savings and)
Loan Association)

Talladega, Alabama)

Resolution No.:ATL-92-56

Dated: June 5, 1992

**STIPULATION AND CONSENT TO THE ISSUANCE OF AN
ORDER OF CIVIL MONEY PENALTY ASSESSMENT**

The Office of Thrift Supervision ("OTS"), by and through its Regional Director for the Southeast Region ("Regional Director"), and Cyrus S. Steed, Jr., ("Steed") Director of Talladega Federal Savings and Loan Association, Talladega, Alabama, OTS No. 7344 ("Talladega" or "Institution"), stipulate and agree as follows:

1. Consideration

Talladega and its then directors entered into a written agreement on February 20, 1991, with the OTS, as a result of a prior examination by the OTS. As a result of a recent examination by the OTS, it was noted that there were several violations of the Supervisory Agreement and violations of Section 22(h) of the -- Federal Reserve Act, and its implementing regulation, Regulation O, found at 12 C.F.R. Section 214.5(d).

The OTS, based upon information derived from the exercise of its supervisory and regulatory powers, is of the opinion that grounds exist to initiate an administrative civil money penalty assessment proceeding against Steed pursuant to Section 8(i)(2) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(i)(2) (1988 & Supp. I 1989) and pursuant to Section 18(j)(4) of the FDIA, 12 U.S.C. § 1828(j)(4). The grounds include repeated violations of Section 22(h) of the Federal Reserve Act, 12 U.S.C. § 375b (Prohibitions respecting loans, extensions of credit and

overdrafts to executive officers and directors) and repeated violations of paragraph number 2 of the Supervisory Agreement entered into between OTS and Talladega on February 20, 1991, not by Steed.

Steed desires to cooperate with the OTS and to avoid the time and expense of such administrative proceeding. Without admitting or denying the statements, conclusions or terms herein, Steed hereby stipulates and agrees to the following terms in consideration of the forbearance by the OTS from initiating such proceeding against him for so long as he is in compliance with the provisions of the accompanying Order of Civil Money Penalty Assessment ("Order").

This Stipulation and the attached Order are issued solely to settle this proceeding. Steed acknowledges and agrees that this proceeding, the assessment or payment of the penalty contemplated as part of the resolution thereof, and Steed's consent to the entry of the Order are for the purposes of resolving this OTS enforcement matter only, and does not resolve, affect or preclude any other civil or criminal proceeding which may be brought against Steed by the OTS or another government entity.

By signing this document Steed agrees that he will not assert the assessment or payment of this penalty as the basis for a claim of double jeopardy in any future proceeding brought by another government entity, not the OTS. Further, this Stipulation and Consent, the Order and the payment by the Respondent 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 the Respondent 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.

2. Jurisdiction

(a) Talladega is a "savings association" within the meaning of Section 3(b)(1) of the FDIA, 12 U.S.C. § 1813(b)(1), and Section 2(4) of the Home Owners' Loan Act of 1933 ("HOLA"), 12 U.S.C. § 1462(4). The Institution is an "insured depository institution" as that term is defined in Section 3(c)(2) of the FDIA, 12 U.S.C. § 1813(c)(2).

(b) Steed is an "institution-affiliated party" of an insured depository institution within the meaning of Section 3(u)(1) of the FDIA, 12 U.S.C. § 1813(u)(1).

(c) Pursuant to Section 3(q)(4) of the FDIA, 12 U.S.C. § 1813(q)(4), the Director of the OTS is the "appropriate Federal

banking agency" in the case of any savings association. Therefore, Steed is subject to the authority of the OTS to initiate and enforce an Order of Civil Money Penalty Assessment pursuant to Section 8(i) of the FDIA, 12 U.S.C. § 1818(i) and Section 18(j) of the FDIA, 12 U.S.C. § 1828(j).

3. Consent

Steed consents to the issuance by OTS of the accompanying Order and 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(i) of the FDIA, 12 U.S.C. § 1818(i) and Section 18(j) of the FDIA, 12 U.S.C. § 1828(j). Upon its issuance by the Regional Director, it shall be a final order, effective and fully enforceable by OTS.

5. Waivers

Steed waives the right to a Notice of Assessment of Civil Money Penalty provided by Section 8(i) of the FDIA, 12 U.S.C. § 1818(i) and Section 18(j) of the FDIA, 12 U.S.C. § 1828(j), and the administrative hearing provided by these Sections, and further waives his right to seek judicial review of the Order, including any such right provided by Section 8(h) of the FDIA, 12 U.S.C. § 1818(h), or to otherwise challenge the validity of the Order.

WHEREFORE, in consideration of the foregoing, the OTS, by and through its Regional Director, and Steed execute this Stipulation and Consent to Issuance of an Order of Civil Money Penalty Assessment.

OFFICE OF THRIFT SUPERVISION

By:

John E. Ryan
Regional Director
Southeast Region

Cyrus S. Steed, Jr.

