

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

_____)
In the Matter of)
)
) RE: OTS Order No. NE92-75
)
THOMAS D. HINKSON) Dated: July 28, 1992
)
)
former Consumer Loan Officer of)
First Federal of Western)
Pennsylvania)
Hermitage, Pennsylvania)
_____)

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 Thomas D. Hinkson, former Assistant Vice President of First Federal of Western Pennsylvania ("First Federal"), Hermitage, Pennsylvania, 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 Thomas D. Hinkson pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA") (12 U.S.C.A. § 1818(e)). Thomas D. Hinkson desires to cooperate with the OTS and to avoid the time and expense of such administrative litigation and, without admitting or denying that such grounds exist, hereby stipulates and agrees to the following terms in consideration of the forbearance of OTS from initiating such a proceeding against him with respect to the following matters:

As consumer loan officer, Thomas D. Hinkson had caused nominee loans to be made to a number of straw borrowers of which he received part or all of the proceeds of the loans. In addition to the loan kickbacks, Thomas D. Hinkson had caused the nominee borrowers to make false statements on the loan application.

2. Jurisdiction.

(a) First Federal 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) Thomas D. Hinkson, until about December 1991, served as an officer of First Federal, 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), Thomas D. Hinkson may be deemed to be an "institution-affiliated party" of First Federal 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, Thomas D. Hinkson 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. Thomas D. Hinkson 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)).

5. Waivers. Thomas D. Hinkson waives his right to a notice of intention to prohibit and the administrative hearing provided by Section 8(e) of the FDIA, (12 U.S.C.A. § 1818(e)), 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.A. § 1818(h)), or otherwise to challenge the validity of the Order.

WHEREFORE, in consideration of the foregoing, the Regional Director for the Northeast Regional Office, on behalf of the OTS, and Thomas D. Hinkson execute this Stipulation and Consent to the Entry of a Prohibition Order.

OFFICE OF THRIFT SUPERVISION

/S/

/S/

ANGELO A. VIGNA
Regional Director
Northeast Regional Office

THOMAS D. HINKSON

* * * *

NOTARIZATION

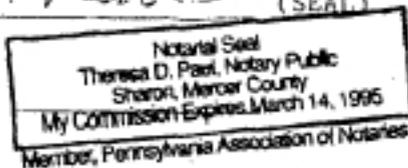
STATE OF PENNA)
COUNTY OF MERCER) ss.

On this 22 day of JULY, 1992, before me the subscriber, a Notary Public in and for the State of PENNA, personally appeared Thomas D. Hinkson, one of the individuals who executed the foregoing Stipulation and Consent, and he did acknowledge 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.

Theresa D. Paul
Notary Public (SEAL)

My commission expires:



UNITED STATES OF AMERICA
BEFORE THE
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DEPARTMENT OF THE TREASURY

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former Consumer Loan Officer of)
First Federal of Western)
Pennsylvania)
Hermitage, Pennsylvania)
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ORDER OF PROHIBITION

WHEREAS, Thomas D. Hinkson 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, Thomas D. Hinkson, 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. Thomas D. Hinkson is prohibited from further participation, in any manner, in the conduct of the affairs of First Federal of Western Pennsylvania, Hermitage, Pennsylvania, 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, Thomas D. Hinkson may not hold any office in, or participate in any manner in the conduct of the affairs of any institution or

5. Waivers. Thomas D. Hinkson waives his right to a notice of intention to prohibit and the administrative hearing provided by Section 8(e) of the FDIA, (12 U.S.C.A. § 1818(e)), 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.A. § 1818(h)), or otherwise to challenge the validity of the Order.

WHEREFORE, in consideration of the foregoing, the Regional Director for the Northeast Regional Office, on behalf of the OTS, and Thomas D. Hinkson execute this Stipulation and Consent to the Entry of a Prohibition Order.

OFFICE OF THRIFT SUPERVISION

/S/

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ANGELO A. VIGNA
Regional Director
Northeast Regional Office

THOMAS D. HINKSON

* * * *

NOTARIZATION

STATE OF PENNA)
COUNTY OF MERCER) ss.

On this 22 day of JULY, 1992, before me the subscriber, a Notary Public in and for the State of PENNA, personally appeared Thomas D. Hinkson, one of the individuals who executed the foregoing Stipulation and Consent, and he did acknowledge 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.

Theresa D. Paul
Notary Public

(SEAL)

My commission expires:

