

12 C.F.R. § 563.99
12 C.F.R. § 226.18;
12 C.F.R. § 226.22;
12 U.S.C. § 375b; and
12 U.S.C. § 1464(c).

Books and Recordkeeping

2. The Board shall ensure that all corrective actions pertaining to Lincoln Park's books, recordkeeping, and reports cited in the Reports are implemented within 90 days from the effective date of this Order. Lincoln Park shall develop and maintain accounting systems and other records that provide an accurate and complete record of all business it transacts and its financial condition. Lincoln Park's books and recordkeeping shall be maintained in accordance with generally accepted accounting principles, except as OTS Regulations permit variation therefrom, and shall comply fully with all applicable laws, statutes, regulations, policies, statements, memoranda, guidelines, and bulletins, now or hereafter in effect, including, but not limited to, 12 C.F.R. §§ 563.170, 563.93, 563.233, 563.180, 12 C.F.R. Part 564, and 12 C.F.R. § 545.113. Within 90 days from the effective date of this Order, the Board shall engage the services of a qualified individual or firm to serve as an internal auditor and to review the books and records and to report to the Board on at least a quarterly basis commencing with the quarter ending March 31, 1993, the Association's compliance with this Section.

Internal Controls

3. Within 30 days from the effective date of this Order, the Board shall amend and readopt Lincoln Park's Internal Control Policy adopted by the Board at the April 21, 1992 Board meeting to include the areas of concern cited in the March 23, 1992 Report of Examination. Upon amending and readopting the Internal Control Policy, the Board shall ensure that Lincoln Park complies with the Policy in all respects.

Independent Audit

4. The Board shall ensure that management complies with 12 C.F.R. § 563.170(a)(2). The Board shall also ensure that management complies with all requirements of PA-7a to which the institution is subject; including, but not limited to, the filing of audit reports and audit report management letters. The Board shall also ensure that all criticisms and/or deficiencies noted in the 1990 and 1991 or future audit reports and/or management letters are promptly corrected and recommendations promptly implemented.

Operating Policies

5. a) The Board shall insure that Lincoln Park complies in all

respects with its Conflicts of Interest Policy and all conflict of interest regulations as set forth in Section 1 hereof and shall abstain from entering into any transaction which would create a conflict of interest or the appearance of a conflict of interest in accordance with the guidelines set forth in 12 C.F.R. § 571.7. Within 30 days from the effective date of this Order, the Board shall take all necessary actions including the amendment and readoption of its Conflicts of Interest Policy to address areas of concern cited in the Reports.

b) The Board shall ensure that Lincoln Park complies in all respects with the policies adopted at the April 21, 1992 Board meeting including but not limited to:

- i) the consumer loan underwriting standards and guidelines;
- ii) the rehabilitation loan underwriting and monitoring policies;
- iii) the collection policy; and
- iv) the asset classification and valuation allowance procedures.

Consumer Compliance and Community Reinvestment Act

6. The Board shall ensure that Lincoln Park shall adhere to the Consumer Compliance Program adopted at the April 21, 1992 Board meeting and the Community Reinvestment Act Program adopted at the May 26, 1992 Board meeting. The Board shall also ensure that Lincoln Park adheres to the compliance related policies adopted at the April 21, 1992 Board meeting including but not limited to:

- a) the Truth In Lending Act policy;
- b) the Home Mortgage Disclosure Act policy;
- c) the Bank Secrecy Act policy;
- d) the nondiscrimination in lending policy;
- e) the Bank Protection Act policy;
- f) the Real Estate Settlement Procedures Act policy;
- g) the Electronic Funds Transfer Act policy; and
- h) the Expedited Funds Availability Act policy.

Closings

7. (a) Any report or other document required by this Order to be submitted to the OTS shall be filed with the Office of Thrift Supervision, 111 East Wacker Drive, Suite 800, Chicago, IL 60601, Attn: Alan S. Esterman. All reports and other documents shall be deemed filed when received by the OTS.
- (b) Although the Board is by this Order required to submit certain proposed actions and programs for the review or approval of the Assistant Director or Regional Director, the Board has the ultimate responsibility for proper and sound management of Lincoln Park.
- (c) It is expressly understood and acknowledged by Lincoln Park that if, at any time, the OTS deems it appropriate in fulfilling the responsibilities placed upon it by the several laws of the United States of America to undertake any action affecting Lincoln Park, nothing in this Order shall in any way inhibit, estop, bar, or otherwise prevent the OTS from fulfilling such responsibilities.
- (d) Any time limitations imposed by this Order shall begin to run from the effective date of this Order unless otherwise provided for. Such time limitations may be extended by the Assistant Director or Regional Director for good cause shown upon written application by the Board.
- (e) All technical words or terms used in this Order, for which meanings are not specified or otherwise provided by the provisions of this Order, shall, insofar as applicable, have meanings as defined in the rules and regulations adopted by the OTS (including without limitation, 12 C.F.R. § 500.1 et seq., § 541.1 et seq., and § 561.1 et seq. (1990)). Any such technical words or terms used in this Order and undefined in said rules and regulations shall have meanings that accord with the best custom and usage in the thrift industry.
- (f) The provisions of this Order are effective upon issuance of this Order by the OTS, through its authorized representative whose signature appears below, and shall remain effective and enforceable,

