

UNITED STATES OF AMERICA
BEFORE THE
OFFICE OF THRIFT SUPERVISION

In the Matter of)
Joseph H. Pilkington)
Former Director of)
First Federal Savings and Loan)
Association of Toledo)
Toledo, Ohio)

Re: Resolution No. CIN 91-4
Dated: January 29, 1991

STIPULATION AND CONSENT TO ISSUANCE
OF ORDER OF PROHIBITION

The Office of Thrift Supervision ("OTS"), by and through its District Director for the Cincinnati District Office, and Joseph H. Pilkington, former director of First Federal Savings and Loan Association of Toledo ("First Federal"), Toledo, Ohio, 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 removal and prohibition proceeding against Joseph H. Pilkington pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(e)(West 1989). Joseph H. Pilkington 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, removal and prohibition litigation against him.

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. Accordingly, it is an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, 12 U.S.C.A. § 1813(c)(West 1989).

(b) Joseph H. Pilkington, as a former director of First Federal, is an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, 12 U.S.C.A. § 1813(u)(West 1989).

(c) Pursuant to Section 3 of the FDIA, the OTS is the "appropriate Federal banking agency" to maintain enforcement proceedings against such a savings association or its institution-affiliated parties. Therefore, Joseph H. Pilkington is subject to the authority of the OTS to initiate and maintain a prohibition proceeding against him pursuant to Section 8(e) and 8(b)(8) of the FDIA, 12 U.S.C.A. § 1818(e) and (b)(8)(West 1989).

3. Consent. Joseph H. Pilkington 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) and 8(b)(8) of the FDIA, 12 U.S.C.A. § 1818(e) and (b)(8)(West 1989). Upon its issuance by the District Director for the Cincinnati District, OTS, 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)(West 1989).

5. Waivers. Joseph H. Pilkington waives his right to a notice of intention to prohibit and the administrative hearing provided by

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ORDER OF PROHIBITION

WHEREAS, Joseph H. Pilkington has executed a Stipulation and Consent to Issuance of Order of Prohibition ("Stipulation"), which is accepted and approved by the Office of Thrift Supervision ("OTS") acting through its District Director for the Cincinnati District Office; and

WHEREAS, Joseph H. Pilkington in the Stipulation has consented and agreed to the issuance of this Order of Prohibition ("Order") pursuant to Section 8(e) and 8(b)(8) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C.A. Sec. 1818(e) and (b)(8)(West 1989).

NOW THEREFORE, IT IS ORDERED that:

1. Joseph H. Pilkington is prohibited from further participation, in any manner, in the conduct of the affairs of First Federal Savings and Loan Association of Toledo, Toledo, Ohio, and its service corporation(s).

2. Without the prior written approval of the District Director for the Cincinnati District Office of OTS and, if appropriate, another Federal financial institutions regulatory agency, Joseph H. Pilkington may not hold any office in, or participate in any manner in the conduct of the affairs of any institution(s) or other entity as set forth in Section 8(e)(7)(A) of

the FDIA, 12 U.S.C.A. § 1818(7)(A)(West 1989). Pursuant to Section 8(e)(6) of the FDIA, 12 U.S.C.A. § 1818(e)(6)(West 1989), conduct prohibited by this Order includes, inter alia, the solicitation or transfer, of any voting rights with respect to any securities issued by any insured depository institution, provided, however, that this Order shall not prohibit the purchase, ownership, or sale by Joseph H. Pilkington, for the purpose of investment and not to change or influence the control of any insured depository institution, of up to 5 percent of the outstanding shares of any class of security issued by an insured depository institution and publicly traded on any national securities exchange, NASDAQ, or in the over the counter market. Joseph H. Pilkington shall retain the ability to exercise the voting rights with respect to such shares, provided that his ownership interest (either individually or with any person with whom he would be presumed to be "acting in concert" as defined in 12 C.F.R. §§ 574.2(c) and 574.4(d)) remains below 5 percent of the outstanding shares of such insured depository institution. The OTS will not consider the phrase "participating in the conduct of the affairs" of a financial institution as utilized in this Order as precluding Joseph H. Pilkington from performing legal services for financial institutions solely as an independent contractor on an arms length, case-by-case basis, provided, however, that such services may not be performed in a manner that would make Joseph H. Pilkington an "institution-affiliated party" as that term is defined at 12 U.S.C. sec. 1813(u), as amended by section 204(f) of FIRREA.

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

4. This Order is subject to the provisions of Section 8(j) of the FDIA, § 1818(j)(West 1989), and shall become effective on the date it is issued.

THE OFFICE OF THRIFT SUPERVISION

By: _____ /S/
Thomas A. Hamilton
District Director
Cincinnati District Office