

UNITED STATES OF AMERICA
BEFORE THE
OFFICE OF THRIFT SUPERVISION

In the Matter of)
)
B. Elwood Mullins)
)
Former Director of)
Family Federal Savings Bank)
of Paintsville)
Paintsville, Kentucky)
_____)

Resolution No. CIN 91-12
Dated: March 25, 1991

STIPULATION AND CONSENT TO ISSUANCE
OF ORDER OF PROHIBITION

The Office of Thrift Supervision ("OTS"), by and through its Deputy Regional Director for the Cincinnati District Office, and B. Elwood Mullins, former director of Family Federal Savings Bank of Paintsville, Kentucky ("Family Federal"), 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 B. Elwood Mullins pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C.A. § 1818(e) (West 1989). B. Elwood Mullins 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 prohibition litigation against him.

2. Jurisdiction

(a) Family 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) B. Elwood Mullins, as a former director of Family 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, B. Elwood Mullins 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. B. Elwood Mullins 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 Deputy Regional 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. B. Elwood Mullins waives his right to a notice of intention to prohibit and the administrative hearing provided by

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ORDER OF PROHIBITION

WHEREAS, B. Elwood Mullins 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 Deputy Regional Director for the Cincinnati District Office; and

WHEREAS, B. Elwood Mullins 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. B. Elwood Mullins is prohibited from further participation, in any manner, in the conduct of the affairs of Family Federal Savings Bank of Paintsville, Kentucky, and its service corporation(s).

2. Without the prior written approval of the Deputy Regional Director for the Cincinnati District Office of OTS and, if appropriate, another Federal financial institutions regulatory agency, B. Elwood Mullins 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, transfer, or exercise of any voting rights with respect to any securities issued by any 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 B. Elwood Mullins 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 B. Elwood Mullins 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. In addition, B. Elwood Mullins shall remove his law offices from the premises of Family Federal no later than 60 days from the date of this Order.

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

