

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)	
PATRICIA A. CHASE)	Resolution No. TOP-91-30
)	Dated: August 13, 1991
Former Institution Affiliated))	
Party of Railroad Savings)	
Bank, FSB)	
Wichita, KANSAS)	

STIPULATION AND CONSENT TO
ISSUANCE OF ORDER OF PROHIBITION

The Office of Thrift Supervision ("OTS"), by and through its Regional Director for the Midwest Regional Office, and Patricia A. Chase, a former institution-affiliated party of Railroad Savings Bank, FSB, Wichita, Kansas ("Railroad"), 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, pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(e) (1988 and Supp. I 1989), against Patricia A. Chase in connection with her entry of a guilty plea to five felony counts of embezzlement of a financial institution and one felony count of embezzlement by a bank officer or employee. Patricia A. Chase 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 administrative prohibition litigation against Patricia A. Chase.

2. Jurisdiction.

(a) Railroad, at all times relevant to the allegations set forth herein, was a "savings association" within the meaning of Section 3(b) of the FDIA, 12 U.S.C. § 1813(b) (1988 and Supp. I 1989) and Section 2(4) of the Home Owners' Loan Act of 1933, 12 U.S.C. § 1462(4) (Supp. I 1989). Accordingly, it was an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, 12 U.S.C. § 1813(c) (1988 and Supp. I 1989).

(b) Until August 9, 1989, the accounts of Railroad were insured by the Federal Savings and Loan Insurance Corporation ("FSLIC") pursuant to Section 403(b) of the National Housing Act of 1934 ("NHA"), 12 U.S.C. § 1726(b), by reason of which it was an "insured institution" within the meaning of Section 401(a) of the NHA, 12 U.S.C. § 1724(a).

(c) As of August 9, 1989, pursuant to the provisions of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Pub. L. No. 101-73, 103 Stat. 183 ("FIRREA"), the insurance of the accounts of Railroad was transferred to the Federal Deposit Insurance Corporation.

(d) Patricia A. Chase was at all times relevant hereto an agent of Railroad who was charged with the operation of an agency office, including the receipt and disbursement of funds from

depositors. Therefore, Patricia A. Chase is a person participating in the conduct of the affairs of Railroad and an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, 12 U.S.C. § 1813(u) (1988 and Supp. I 1989).

(e) As an institution-affiliated party, Patricia A. Chase is subject to the authority of the OTS to initiate and maintain prohibition proceedings pursuant to Section 8(e) of the FDIA, 12 U.S.C. § 1818(e) (1988 and Supp. I 1989).

(f) Pursuant to Section 8(i) of the FDIA, 12 U.S.C. § 1818(i) (1988 and Supp. I 1989), neither Patricia A. Chase' termination as an agent of Railroad consequent cessation of participation in its affairs serve as a bar to the authority of the OTS to initiate and maintain prohibition proceedings against Patricia A. Chase.

(g) Until August 9, 1989, the Federal Home Loan Bank Board ("FHLBB"), as operating head of the FSLIC, was the regulatory agency with jurisdiction over Railroad and persons participating in the conduct of its affairs, including Patricia A. Chase, pursuant to Sections 403 and 407 of the NHA, 12 U.S.C. §§ 1726 and 1730.

(h) As of August 9, 1989, pursuant to Section 3(q) of the FDIA, 12 U.S.C. § 1813(q) (1988 and Supp. I 1989), the OTS succeeded to the interests of the FHLBB with respect to the supervision and regulation of all savings associations, and thus

became the "appropriate Federal banking agency" with jurisdiction over Railroad and persons participating in the conduct of the affairs thereof.

(i) Pursuant to Section 401(f) of FIRREA, FIRREA's abolition of Title IV of the National Housing Act, 12 U.S.C. § 1724 et seq., does not diminish or otherwise affect the validity of the either OTS' (as successor in interest to the FHLBB, as operating head of the FSLIC) right or duty to seek relief which would have arisen under Title IV of the NHA or Patricia A. Chase' duties pursuant to or arising under such Title IV of the NHA.

(j) The Director of the OTS has the authority to bring administrative prohibition proceedings against persons participating in the conduct of the affairs of Railroad and institution-affiliated parties, pursuant to Section 5(d)(1)(A) of the HOLA, 12 U.S.C. § 1464(d)(1)(A) (Supp. I 1989), and Section 8(e) of the FDIA, 12 U.S.C. § 1818(e) (1988 and Supp. I 1989).

(k) By virtue of Section 3(e) of the HOLA, 12 U.S.C. § 1462a(e) (Supp. I 1989), such enforcement authority of the director of OTS extends to enforcement powers which were originally vested in the FHLBB with respect to acts which occurred before the passage of FIRREA.

3. Consent. Patricia A. Chase 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.

