

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION
DEPARTMENT OF THE TREASURY

IN THE MATTER OF	:	
	:	
Donald R. Downs,	:	Re: OTS Order No. AP 91- 81
Former President and Director of	:	
First Standard Federal	:	
Savings, F.A.	:	Dated: November 7, 1991
Fairmont, West Virginia	:	
	:	

CONSENT TO ORDER TO CEASE AND DESIST,
ORDER OF PROHIBITION,
AND ASSESSMENT OF CIVIL MONEY PENALTY

Respondent, Donald R. Downs ("DOWNS" or "RESPONDENT"), the former President and Director of First Standard Federal Savings, F.A., Fairmont, West Virginia ("First Standard") hereby submits this Consent to Order to Cease and Desist, Order of Prohibition, and Assessment of Civil Money Penalty ("Consent") to the Office of Thrift Supervision of the United States Department of the Treasury ("OTS") pursuant to 12 C.F.R. § 509.20 (1991) for purposes of settlement of the proceeding brought by the OTS Notice of Charges for an Order to Cease and Desist and to Direct Restitution and Other Appropriate Relief; Notice of Intention to Prohibit the Respondent from Participation in the Conduct of the Affairs of

Federally Insured Depository Institutions; and Notice of Assessment of Civil Money Penalty ("Notice of Charges") issued against the RESPONDENT. The OTS, based upon an investigation, has issued the Notice of Charges, pursuant to Sections 8(b), 8(e) and 8(i) of the Federal Deposit Insurance Act ("FDIA"), as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Pub. L. No. 101-73, 103 Stat. 183 ("FIRREA") (12 U.S.C. §§ 1818(b), (e) and (i) (1988 & Supp. I 1989)). Without admitting or denying the allegations set forth in the Notice of Charges, except those allegations set forth in paragraph 1 below, which are admitted, DOWNS in an effort to save time and the cost of litigation of this action, hereby, without further notice, consents to the entry of the attached Order to Cease and Desist, Order of Prohibition, and Assessment of Civil Money Penalty ("Order"), pursuant to Sections 8(b), 8(e) and 8(i) of the FDIA, as amended by FIRREA (12 U.S.C. §§ 1818(b), (e) and (i) (1988 & Supp. I 1989)).

1. DOWNS admits the jurisdiction of the OTS over him and over the subject matter of this action and Sections 8(b), 8(e) and 8(i) of the FDIA, as amended by FIRREA (12 U.S.C. §§ 1818(b), (e) and (i)), and admits that he was an institution-affiliated party of First Standard, as that term is defined by Section 3(u) of the FDIA, as amended by FIRREA (12 U.S.C. § 1813(u) (1988 & Supp. I 1989)).

2. DOWNS hereby acknowledges service of the Notice of Charges and waives the filing of an answer thereto.

3. DOWNS acknowledges and states that he enters into this Consent willingly and without any coercion or promises of any kind from the OTS or any officer, attorney, agent or employee thereof.

4. DOWNS hereby waives his rights to a hearing, all post-hearing proceedings, and the entry to findings of fact and conclusions of law under the Administrative Procedure Act ("APA"), 5 U.S.C. § 554-557, Sections 8(b), 8(e) and 8(i) of the FDIA, as amended by FIRREA, (12 U.S.C. §§ 1818(b), (e) and (i) (1988 & Supp. I 1989)), and the OTS Rules of Practice and Procedure in Adjudicatory Proceedings, 12 C.F.R. §§ 509.1 (1991) et. seq., or any other applicable provision of law.

5. DOWNS hereby waives his right to appeal the Order pursuant to Section 8(h) of the FDIA, as amended by FIRREA (12 U.S.C. § 1818(h) (1988 & Supp. I 1989) or any other applicable provision of law.

6. DOWNS agrees that he will not assert the assessment nor payment of the civil money penalty set forth in the Order as the basis for a claim of double jeopardy in any future proceeding brought by another government entity.

7. DOWNS acknowledges and agrees that this proceeding, the payment of the penalty contemplated as part of the resolution thereof, and his consent to the entry of the Order is for the purpose of resolving this OTS civil proceeding only, and does not resolve, affect, or preclude any other civil or criminal proceeding which may be brought against him by any other governmental agency. DOWNS understands that the OTS has not relinquished the right to take additional action of a regulatory

or other nature based on facts other than those set forth in the Notice of Charges.

WHEREFORE, intending to be legally bound thereby, DONALD R. DOWNS executes this Consent.

Dated:

 / S /

Donald R. Downs

* * * *

NOTARIZATION

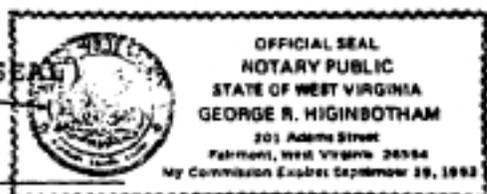
STATE OF WEST VIRGINIA)
) ss.
COUNTY OF MARION)

Donald R. Downs, being known to me, did subscribe to the foregoing in my presence, this 10th day of September, 1991.

[Handwritten Signature]

Notary Public

(SEAL)



My commission expires: 9/29/93

OFFICE OF THRIFT SUPERVISION
UNITED STATES DEPARTMENT OF THE TREASURY

OTS Order No.: AP 91-81
Date: November 7, 1991

WHEREAS, First Standard Federal Savings, F.A., Fairmont, West Virginia ("First Standard"), is a "savings association" within the meaning of Section 3(b) of the Federal Deposit Insurance Act ("FDIA"), as amended by Section 204 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Pub. L. No. 101-73, 103 STAT. 183, 450-464 ("FIRREA") (12 U.S.C. Section 1813(b) (1988 & Supp. I 1989)) and is an "insured depository institution" as that term is defined by 3(c) of the FDIA, as amended by Section 204 of the FIRREA (12 U.S.C. Section 1813 (c) (1988 & Supp. I 1989)); and

WHEREAS, Donald R. Downs is an "institution-affiliated party" within the meaning of Section 3(u) of the FDIA, as amended by the FIRREA (12 U.S.C. Section 1813(u) (1988 & Supp. I 1989)); and

WHEREAS, the Director of the Office of Thrift Supervision, a bureau within the United States Department of the Treasury ("OTS"), is the appropriate Federal banking agency with jurisdiction over savings associations and institution-affiliated parties as provided by FDIA Section 3(q), as amended by the FIRREA (12 U.S.C. Section 1813(q) (1988 & Supp. I 1989)); and

WHEREAS, the Director of OTS has reviewed: 1) a proposed Notice of Charges for an Order to Cease and Desist and to Direct Restitution and other Appropriate Relief; Notice of Intention to Prohibit the Respondent From Participation in the Conduct of the

Affairs of Federally Insured Depository Institutions; and Notice of Assessment of Civil Money Penalty ("Notice"); 2) a proposed Consent to Order to Cease and Desist, Order of Prohibition, and Assessment of Civil Money Penalty executed by Donald R. Downs ("Consent"); 3) a proposed Order to Cease and Desist, Order of Prohibition, and Assessment of Civil Money Penalty ("Order"); and 4) a recommendation from the Washington Enforcement staff to issue said Notice, Consent and Order against Respondent Donald R. Downs; and

WHEREAS, the Director finds reasonable cause to believe that with respect to his conduct relating to First Standard, DOWNS has violated the law, rules and regulations, has engaged in unsafe and unsound practices, has breached his fiduciary duty, has recklessly disregarded the law and applicable regulations, has been and continues to be unjustly enriched, has caused First Standard to suffer actual and probable financial loss and other damage, has received financial gain or other benefit, and has acted with personal dishonesty and with willful and continuing disregard for First Standard's safety and soundness; and

WHEREAS, the Director has reasonable cause to believe that with respect to his conduct relating to First Standard, DOWNS has violated laws and regulations, engaged in unsafe and unsound practices, has breached his fiduciary duty, and has knowingly and recklessly caused substantial loss to First Standard and a substantial pecuniary gain and other benefit to himself by reason of such violations, practices and breaches; and

WHEREAS, the Director, by the issuance of this ORDER has,

inter alia, served written notice of the intent of OTS to issue an Order of Prohibition against DOWNS pursuant to FDIA Section 8(e), as amended by FIRREA (12 U.S.C. § 1818(e)(1988 & Supp. I 1989)); and that prohibiting DOWNS from participating in any of the activities specified by Section 8(e)(6) of the FDIA, as amended by FIRREA (12 U.S.C. § 1818(e)(6)(1988 & Supp. I 1989)) is appropriate.

NOW THEREFORE IT IS ORDERED THAT said Notice, Consent and Order are hereby approved and issued. The Secretary is directed to serve or designate suitable persons to serve copies of the Notice, Consent and Order with this ORDER, upon the Respondent and on First Standard's successor, Community Bank & Trust Co., Fairmont, West Virginia; and

FURTHER, IT IS ORDERED THAT, upon payment in full by DOWNS of all sums required pursuant to the Order, the Order to Cease and Desist issued against First Standard by Resolution No. PIT 90- 19 on November 2, 1990 ("First Standard Cease and Desist Order"), freezing the accounts of DOWNS held in First Standard, is to be terminated. The Secretary is directed to serve or designate suitable persons to serve copies of this ORDER terminating the First Standard Cease and Desist Order, on the association's successor, Community Bank & Trust Co.

— /S/ —

Timothy Ryan
Director
Office of Thrift Supervision

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION
DEPARTMENT OF THE TREASURY

IN THE MATTER OF

Donald R. Downs,
Former President and Director of
First Standard Federal
Savings, F.A.,
Fairmont, West Virginia

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: Re: OTS Order No. AP 91-81
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Dated: November 7, 1991

ORDER TO CEASE AND DESIST, ORDER OF PROHIBITION,
AND ASSESSMENT OF CIVIL MONEY PENALTY

WHEREAS, the Director of the Office of Thrift Supervision ("OTS") has issued a Notice of Charges for an Order to Cease and Desist and to Direct Restitution and Other Appropriate Relief; Notice of Intention to Prohibit the Respondent from Participation in the conduct of the Affairs of Federally Insured Depository Institutions; and Notice of Assessment of Civil Money Penalty; and

WHEREAS, Donald R. Downs ("DOWNS") has executed a Consent to Order to Cease and Desist, Order of Prohibition, and Assessment of Civil Money Penalty ("Consent"), which is accepted and approved by the Office of Thrift Supervision ("OTS").

NOW THEREFORE, It is ORDERED that:

1. DOWNS is prohibited from further participation, in any manner, in the conduct of the affairs of First Standard Federal Savings, F.A., Fairmont, West Virginia ("First Standard").

2. Without the prior written approval of the District Director for the Pittsburgh District Office and, if appropriate, another Federal financial institutions regulatory agency, DOWNS 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, as amended by FIRREA (12 U.S.C. 1818(e)(7)(A) (1988 & Supp. I 1989)). Pursuant to Section 8(e)(6) of the FDIA, as amended by FIRREA (12 U.S.C. § 1818(e)(6)) (1988 & Supp. I 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.

3. As affirmative action to correct conditions resulting from violations and practices with respect to which the Order is issued, pursuant to 12 U.S.C. § 1818(b)(6)(A) (1988 & Supp. I 1989)), DOWNS shall pay, within ten (10) days of the entry of this Order, restitution in the amount of \$5,350 to the Resolution Trust Corporation, as receiver for First Standard. DOWNS' remittance of

this restitution shall be made payable to the Resolution Trust Corporation, as Receiver for First Standard and shall be delivered to:

Resolution Trust Corporation
c/o Jim Lomenick
100 Colony Square
Suite 2300
Atlanta, GA 30361

4. DOWNS shall also pay, within ten (10) days of the entry of this Order, a civil money penalty in the amount of \$16,050, pursuant to Section 8(i)(2) of the FDIA, as amended by FIRREA (12 U.S.C. § 1818(i)(2) (1988 & Supp. I 1989)). The civil money penalty of \$16,050 is equal to three times the \$5,350 that was misapplied from and/or improperly accounted for on the books and records of First Standard. DOWNS' remittance of this penalty shall be made payable to the Treasurer of the United States and delivered to:

Controllers' Division
Office of Thrift Supervision
U.S. Treasury Department
1700 G Street, N.W.
Washington, D.C. 20552

Copies of the transmittal letters to the Resolution Trust Corporation and the Controller's Division of OTS along with copies of the respective payments shall be sent to:

Robert D. DeCuir
Senior Deputy Director, Enforcement
Office of Thrift Supervision
1700 G Street, N.W.
Washington, D.C. 20552

