

UNITED STATES OF AMERICA  
BEFORE THE  
OFFICE OF THRIFT SUPERVISION

\_\_\_\_\_  
In the Matter of )  
 )  
Jeffrey C. Smith, Former Employee )  
of )  
Centre Savings Association )  
Arlington, Texas )  
\_\_\_\_\_)

Resolution No.: DAL-91-207  
Dated: November 20, 1991

STIPULATION AND CONSENT TO  
THE ENTRY OF A PROHIBITION ORDER

The Office of Thrift Supervision ("OTS"), by and through its Regional Director for the Midwest Regional Office in Dallas, Texas, and Jeffrey C. Smith ("Smith"), a former employee of Centre Savings Association, Arlington, Texas ("Centre"), 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 Smith pursuant to Section 8(e) 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"), at 12 U.S.C. § 1818(e) (1988 & Supp. I 1989). Smith 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 Smith.

2. JURISDICTION

- (a) Centre, at all times relevant to the allegations set forth herein, was a "savings association" within the meaning of Section 3 of the FDIA (12 U.S.C. § 1813(b)) and Section 2 of the Home Owners' Loan Act of 1933, as amended by Section 301 of FIRREA at 12 U.S.C. § 1462(4). Accordingly, it was an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, as amended by FIRREA at 12 U.S.C. § 1813(c).
- (b) Smith was employed at Centre from October 22, 1990, to March 29, 1991, when he was terminated due to his failure to disclose to the Management at Centre that he was subject to an Order to Cease and Desist dated August 4, 1989.
- (c) Smith was at all times relevant to the allegations set forth herein, an employee of Centre and as such was an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, as amended by FIRREA at 12 U.S.C. § 1813(u).
- (d) Pursuant to Section 3(q) of the FDIA, as amended by Section 204 of the FIRREA at 12 U.S.C. § 1813(q), the OTS is the "appropriate Federal banking agency" to maintain an enforcement proceeding against such a savings association or its institution-affiliated parties. Smith is subject to the authority of the OTS

to initiate and maintain a prohibition against him pursuant to Section 8(e) of the FDIA, 12 U.S.C. § 1818(e) (1988 & Supp. I 1989).

3. CONSENT

Smith consents to the issuance by the OTS of the accompanying Order of Prohibition. 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 of Prohibition is issued under Section 8(e) of the FDIA, as amended by FIRREA at 12 U.S.C. § 1818(e). Upon its issuance by the Regional Director for the Midwest Regional Office of the OTS in Dallas, Texas, it shall be a final order, effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA, as amended by FIRREA at 12 U.S.C. § 1818(i).

5. WAIVERS.

Smith waives his right to a notice of intention to prohibit and the administrative hearing provided by Section 8(e) of the FDIA, as amended by FIRREA at 12 U.S.C. § 1818(e), and further waives his right to seek judicial review of the Order of Prohibition, including any such right provided by Section 8(h) of the FDIA, as amended by FIRREA at 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order of Prohibition.



UNITED STATES OF AMERICA  
BEFORE THE  
OFFICE OF THRIFT SUPERVISION

\_\_\_\_\_  
In the Matter of )  
 )  
Jeffrey C. Smith, Former Employee )  
of )  
Centre Savings Association )  
Arlington, Texas )  
\_\_\_\_\_)

Resolution No.: DAL-91-207

Dated: November 20, 1991

ORDER OF PROHIBITION

WHEREAS, Jeffrey C. Smith ("Smith") has executed a Stipulation and Consent to the Entry of a Prohibition Order ("Stipulation"), which is accepted and approved by the Office of Thrift Supervision ("OTS") acting through its Regional Director for the Midwest Regional Office, Dallas, Texas; and

WHEREAS, Smith, in the Stipulation has consented and agreed to the issuance of this Order of Prohibition ("Order"), pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA"), Pub. L. No. 101-73, 103 Stat. 183.

NOW THEREFORE, IT IS ORDERED that:

1. Smith is prohibited from further participation, in any manner, in the conduct of the affairs of Centre Savings Association, Arlington, Texas and its service corporations.
2. Without the prior written approval of the Regional Director for the Midwest Regional Office and, if appropriate, another Federal

financial institutions regulatory agency, Smith 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 at 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 at 12 U.S.C. § 1818(e)(6), conduct prohibited by this Order includes, inter alia, the solicitation, the transfer or the exercise of any voting rights with respect to any securities issued by any insured depository institution.

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, as amended by FIRREA at 12 U.S.C. § 1818(j) 1988 & Supp. I 1989), and shall become effective on the date it is issued.

OFFICE OF THRIFT SUPERVISION

BY: \_\_\_\_\_ /S/  
BILLY C. WOOD  
REGIONAL DIRECTOR  
MIDWEST REGIONAL OFFICE  
DALLAS, TEXAS