

UNITED STATES OF AMERICA
BEFORE THE
OFFICE OF THRIFT SUPERVISION

In the Matter of)
)
Clay W. Stone,)
Former President of HSA)
Mortgage Company, Inc.)
)
Midland, Texas)
_____)

Re: Resolution No. DAL-91-230

Dated: December 27, 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 Clay W. Stone ("Stone"), former President of HSA Mortgage Company, Inc., ("HSA"), a subsidiary of AmWest Savings Association, Bryan, Texas ("AmWest"), 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 Stone 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, 450-464 ("FIRREA"), 12 U.S.C. § 1818(e) (1988 & Supp. I 1989). Stone desires to cooperate with the OTS and to avoid the time and expense of such administrative litigation. He therefore stipulates and agrees to the following terms in consideration of the forbearance of OTS from initiating such administrative prohibition litigation or any other

enforcement proceeding against Stone, including Civil Money Penalties and/or Cease and Desist Orders for restitution for expenses incurred by Stone from 1988 to 1990 during his employment at HSA.

2. JURISDICTION

- (a) AmWest is a "savings association" within the meaning of Section 3(b) of the FDIA, as amended by Section 204 of the FIRREA, 12 U.S.C. § 1813(b) and Section 2(4) of the Home Owners' Loan Act of 1933, as amended by Section 301 of FIRREA at 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, as amended by Section 204 of the FIRREA, at 12 U.S.C. § 1813(c)(2).
- (b) Pursuant to Section 3(q) of the FDIA, as amended by Section 204 of the FIRREA, 12 U.S.C. § 1813(q) (1988 & Supp. I 1989), the OTS is the "appropriate Federal banking agency" to maintain an enforcement proceeding against such savings association and its institution-affiliated parties.
- (c) Stone was employed by HSA from November 14, 1988 to December 8, 1990. On July 12, 1989, he was appointed President of HSA.
- (d) Stone is subject to the OTS's authority to maintain a prohibition proceeding against him pursuant to Section 8(e) of the FDIA, 12 U.S.C. § 1818(e) (1988 & Supp. I 1989).

3. CONSENT

Stone 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) of the FDIA, as amended by FIRREA, 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, 12 U.S.C. § 1818(i).

5. WAIVERS.

Stone 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, 12 U.S.C. § 1818(e), and further waives his right to seek judicial review of the Order, including any such right provided by Section 8(h) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order.

financial institutions regulatory agency, Clay V. Stone 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, 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

/S/

BY: _____
BILLY C. WOOD
REGIONAL DIRECTOR
MIDWEST REGIONAL OFFICE
DALLAS, TEXAS