

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)
BARRY E. CHAPNICK,)
A Former Director)
and President of)
COMMONWEALTH SAVINGS)
AND LOAN ASSOCIATION,)
Fort Lauderdale, Florida.)

Re: Enforcement Review
Committee Resolution
No. ERC-89-41
Dated: May 7, 1990

STIPULATION AND CONSENT TO
ISSUANCE OF ORDER OF PROHIBITION

The Office of Thrift Supervision ("OTS"), by and through its Enforcement Review Committee ("ERC"), and Barry E. Chapnick, a former director and officer of Commonwealth Savings and Loan Association, Fort Lauderdale, Florida ("Commonwealth"), hereby stipulate and agree as follows:

1. Consideration. On August 8, 1989 the Federal Savings and Loan Insurance Corporation ("FSLIC"), the predecessor agency of the OTS, issued a Notice of Charges and Hearing and Notice of Intention to Prohibit, ERC Resolution No. ERC 89-103 ("Notice"). On September 1, 1989, Barry E. Chapnick filed an Answer denying the OTS's allegations that grounds exist for the

issuance of an Order to Cease and Desist or the issuance of an Order of Prohibition ("Answer"). In order to avoid the time and expense of such administrative litigation, without withdrawing his Answer to the Notice, and upon his understanding that neither this Stipulation nor the Order entered pursuant to it shall be a finding of fact or a conclusion of law in this or any other proceeding, Barry E. Chapnick stipulates and agrees to the following terms.

2. Jurisdiction

(a) Commonwealth was a "savings association" within the meaning of Section 3 of the FDIA and Section 2 of the Home Owners' Loan Act of 1933, as amended by FIRREA, at all times relevant to the Notice and Answer. Accordingly, it was an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA"), Pub. L. No. 101-73, 103 Stat. 183, 12 U.S.C. § 1813(c).

(b) Barry E. Chapnick, as a former director of Commonwealth, was an "institution-affiliated party" as that term is defined in Section 3(c) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1813(c).

(c) Pursuant to Section 3 of the FDIA as amended by FIRREA, the OTS is the "appropriate Federal banking agency" to maintain an enforcement proceeding against such a savings

association or its institution-affiliated parties. Therefore, Barry E. Chapnick is subject to the authority of the OTS to initiate and maintain a prohibition proceeding against him pursuant to Section 8(e) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e).

3. Consent. Barry E. Chapnick consents to the issuance by the OTS of the accompanying Order ("Order"). He further agrees to comply with its terms upon issuance and stipulates that the Order complies with all requirements of law. He further agrees that the Order shall have no effect on any claims which have been made or will in the future be made by the Resolution Trust Corporation or any other person or entity for money damages or otherwise arising out of Barry E. Chapnick's relationship with Commonwealth Savings and Loan Association.

4. Finality. The Order is issued under Section 8(b) and 8(e) of the FDIA, as amended by FIRREA, 12 U.S.C. §§ 1818(b) and (e). Upon its issuance by the ERC, 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. Barry E. Chapnick waives his right to the administrative hearing provided by Section 8(e) of the FDIA, as amended by FIRREA, 12 U.S.C. §§ 1818(b) and (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.

6. Application for Relief. At any time after the issuance of the Order, Barry E. Chapnick may apply for relief therefrom in accordance with the provisions of Section 8(e)(7)(B) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e)(7)(B). The OTS (and, if appropriate, another Federal financial institutions regulatory agency) shall determine such application in light of such facts and according to such criteria as it deems appropriate.

WHEREFORE, in consideration of the foregoing, the ERC, on behalf of the OTS, and Barry E. Chapnick execute this Stipulation and Consent to Issuance of Order of Prohibition.

OFFICE OF THRIFT SUPERVISION

By: 1/31
Rosemary Stewart
Secretary, Enforcement
Review Committee and
Director of Enforcement

1/31
Barry E. Chapnick

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ORDER

WHEREAS, Barry E. Chapnick has executed a Stipulation and Consent to Issuance of Order ("Stipulation"), which is accepted and approved by the Office of Thrift Supervision ("OTS") acting through its Enforcement Review Committee; and

WHEREAS, Barry E. Chapnick, having filed an Answer denying OTS's allegations that grounds exist for the issuance of an Order of Prohibition, and understanding that neither his Stipulation nor this Order constitutes a finding of fact or conclusion of law in this or any other proceeding, has consented and agreed to the issuance of this Order of Prohibition ("Order") pursuant to Section 8(b) and (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, 12 U.S.C. § 1818(b) and (e); and

WHEREAS, Barry E. Chapnick has stipulated that this Order shall have no effect on any claims which have been made or will in the future be made by the Resolution Trust Corporation or any other person or entity for money damages or otherwise arising out of Barry E. Chapnick's relationship with Commonwealth Savings and Loan Association.

NOW THEREFORE, IT IS ORDERED that:

1. Barry E. Chapnick is prohibited from further participation, in any manner, in the conduct of the affairs of Commonwealth Savings and Loan Association, Fort Lauderdale, Florida, ("Commonwealth") or any successor thereto, its holding companies, or service corporations.

2. Without the prior written approval of the OTS (and, if appropriate, another Federal financial institutions regulatory agency as the term is defined in Section 8(e)(7)(B) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e)(7)(B)), Barry E. Chapnick may not hold any office in, become an institution-affiliated party of, or participate in any manner in the conduct of the affairs of, any institution or other entity within the scope of Section 8(e)(7)(A) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e)(7)(A). Pursuant to Section 8(e)(6) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e)(6), 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. 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, 12 U.S.C. § 1818(j), and shall be effective upon issuance.

THE OFFICE OF THRIFT SUPERVISION

By: / S /
Rosemary Stewart
Secretary, Enforcement Review
Committee and
Director of Enforcement