

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)	
Kenneth B. Rice)	
Former Chairman of the Board)	
of Directors of Executive)	
Banc Savings Association,)	
New Braunfels, Texas)	
)	

Re: Resolution No. DAL-90-06
Dated: May 15, 1990

STIPULATION AND CONSENT TO ISSUANCE OF
ORDER OF PROHIBITION

The Office of Thrift Supervision ("OTS"), by and through its District Director for the Dallas District Office, and Kenneth B. Rice, a Major Stockholder and Former Chairman of the Board of Directors of Executive Banc Savings Association, New Braunfels, Texas ("Executive Banc"), 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 Kenneth B. Rice 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") (to be codified at 12 U.S.C. § 1818(e)). Kenneth B. Rice desires to cooperate with the OTS and to avoid the time and expense of such administrative litigation and, while 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 him.

2. Jurisdiction.

(a) Executive Banc is 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. Accordingly, it is an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, as amended by FIRREA (to be codified at 12 U.S.C. § 1813(c)).

(b) Kenneth B. Rice, as a former chairman of the board of directors of Executive Banc, is an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, as amended by FIRREA (to be codified at 12 U.S.C. § 1813(u)).

(c) Pursuant to Section 3 of the FDIA as amended by FIRREA, the OTS is the "appropriate Federal banking agency" to maintain enforcement proceedings against such a savings association or its institution-affiliated parties. Therefore, Kenneth B. Rice 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 (to be codified at 12 U.S.C. § 1818(e)).

3. Consent. Kenneth B. Rice 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 (to be codified at 12 U.S.C. §

1818(e)). Upon its issuance by the District Director for the Dallas District Office, 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 (to be codified at 12 U.S.C. § 1818(i)).

5. Waivers. Kenneth B. Rice 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 (to be codified at 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 (to be codified at 12 U.S.C. § 1818(h)), or otherwise to challenge the validity of the Order.

WHEREFORE, in consideration of the foregoing, the District Director for the Dallas District Office, on behalf of the OTS, and Kenneth B. Rice execute this Stipulation and Consent to Issuance of Order of Prohibition.

OFFICE OF THRIFT SUPERVISION

By:

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Billy C. Wood
District Director
Dallas District Office

151
Kenneth B. Rice

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Former Chairman of the Board)
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Re: Resolution NO. DAI-90-06
Dated: May 15, 1990

ORDER OF PROHIBITION

WHEREAS, Kenneth B. Rice has executed a Stipulation and Consent to Issuance of Order of Prohibition ("Stipulation"), which is accepted and approved by the Office of Thrift Supervision ("OTS") acting through its District Director for the Dallas District Office; and

WHEREAS, Kenneth B. Rice, 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. Kenneth B. Rice is prohibited from further participation, in any manner, in the conduct of the affairs of Executive Banc Savings Association, New Braunfels, Texas ("Executive Banc"), its holding company(ies), or service corporation(s).

2. Without the prior written approval of the District Director for the Dallas District Office and, if appropriate, another Federal financial institutions regulatory agency, Kenneth B. Rice 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 (to be codified at 12 U.S.C. § 1818(e)(7)(A)). Pursuant to Section 8(e)(6) of the FDIA, as amended by FIRREA (to be codified at 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 (to be codified at § 1818(j)), and shall become effective on the date it is issued.

THE OFFICE OF THRIFT SUPERVISION

By:

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Billy C. Wood
District Director
Dallas District Office