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UNITED STATES OF AMERICA
BEFORE THE
OFFICE OF THRIFT SUPERVISION

In the Matter of

E. Ted Yoch

Re: Resolution No. ^{DM}90-11
Dated: 7-3-90

Former Chairman of the
Board and Director of
United Federal Savings Bank
Windom, Minnesota

STIPULATION AND CONSENT TO ISSUANCE
OF ORDER OF PROHIBITION

The Office of Thrift Supervision ("OTS"), by and through its District Director for the Des Moines District Office, and E. Ted Yoch, Former Director and Chairman of the Board of United Federal Savings, Windom, Minnesota ("United"), 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 E. Ted Yoch 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)). E. Ted Yoch 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) United 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) E. Ted Yoch, as a former Director and Chairman of the Board of United, 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, E. Ted Yoch 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. E. Ted Yoch 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.

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Former Chairman of the
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Windom, Minnesota

ORDER OF PROHIBITION

WHEREAS, E. Ted Yoch 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 Des Moines District Office; and

WHEREAS, E. Ted Yoch 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, because he desires to cooperate with the OTS and to avoid the time and expense of administrative litigation and he denies that grounds exist for an administrative prohibition proceeding;

NOW THEREFORE, IT IS ORDERED that:

1. Except as provided in paragraph 3 below, E. Ted Yoch is prohibited from further participation, in any manner, in the conduct of the affairs of United Federal Savings Bank, Windom, Minnesota ("United"), its holding company(ies), or service corporation(s).

2. Without the prior written approval of the District Director for the Des Moines District Office and, if appropriate, another Federal financial institutions regulatory agency, E. Ted Yoch may not hold any office in, or participate in any manner in the conduct of the affairs of any institution(s) or other entities 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. Nothing in this Order is intended to prevent Director Yoch from continuing in his present capacities on behalf of Winstar Corporation to direct, prosecute, defend, or otherwise participate in claims or litigation relating to Winstar Corporation or from winding up the business of Winstar Corporation unrelated to United Federal Savings Bank, including, if appropriate, deregistration or decertification as a holding company. Furthermore, nothing in this Order shall

prevent Director Yoch from acting on behalf of the plaintiffs in the litigation described below, nor Winstar Corporation, United Federal Savings Bank, the United States or any of its agencies from representing their respective interests in the actions entitled Winstar Corp., et al. v. United States, No. 90-8-C (U.S. Claims Court, filed Jan. 2, 1990) and Winstar Corp., et al. v. Director, Office of Thrift Supervision, et al., Civil Action 90-1358 (D.D.C., filed June 8, 1990), provided, however, that regardless of the outcome of the litigation identified above, this Order of Prohibition continues to be in effect. The parties understand and agree that the OTS enters into this Stipulation on its own behalf only, and neither the United States nor any of its agencies, other than the OTS, is a party to this Stipulation or bound by any of its terms.

4. The OTS will not consider the phrase "participating in the conduct of the affairs" of a financial institution, as used in this Order, as precluding Mr. Yoch from performing real estate services including, but not limited to, brokerage or property management services, for a financial institution solely as an independent contractor so long as such activities are conducted on an arms length, case-by-case basis, provided, however, that such activities may not be performed in a manner that would make Mr. Yoch an "institution-affiliated party" as that term is defined at 12 U.S.C. § 1813(u), as amended by Section 204(f) of the FIRREA.

5. The Stipulation is made a part hereof and is incorporated herein by this reference.

6. 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: 151
Donald W. Wente
District Director
Des Moines District Office

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