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UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)	
)	
First Federal Savings and Loan)	OTS No.: CIN 90-8
Association of Ironton)	Dated: July 18, 1990
Ironton, Ohio)	
)	

STIPULATION AND CONSENT TO ISSUANCE
OF ORDER TO CEASE AND DESIST

The Office of Thrift Supervision ("OTS"), by and through its District Director for the Cincinnati District Office of OTS and First Federal Savings and Loan Association of Ironton, Ohio ("First Federal") stipulate and agree as follows:

1. Consideration. The OTS, based upon information reported to it, is of the opinion that grounds exists to initiate an administrative Cease and Desist proceeding against First Federal pursuant to Section 8(b) of the Federal Deposit Insurance Act ("FDIA"), as amended by 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. Sec. 1818(b)). First Federal desires to cooperate with the OTS and to avoid the time and expense of such administrative litigation and, without admitting that such grounds exists, hereby stipulates and agrees to the following terms in consideration of the forbearance of the OTS from initiating such an administrative Cease and Desist litigation against First Federal with respect to the matters covered in the accompanying Order to Cease and Desist ("Order").

2. Jurisdiction.

(a) First Federal 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) 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. Therefore, First Federal is subject to the authority of the OTS to initiate and maintain a cease and desist proceeding against it pursuant to Section 8(b) of the FDIA, as amended by FIRREA (to be codified at 12 U.S.C. § 1818(b)).

3. Consent. First Federal consents to the issuance by the OTS of the Order. It further agrees to comply with the terms of the Order upon its issuance and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued under Section 8(b) of the FDIA, as amended by FIRREA (to be codified at 12 U.S.C. § 1818(b)). Upon its issuance by the District Director for the Cincinnati District Office, OTS, the Order 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. First Federal waives its right to a notice of intention to prohibit and the administrative hearing provided by Section 8(b) of the FDIA, as amended by FIRREA (to be codified at 12 U.S.C. § 1818(b)), and

further waives its 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 Cincinnati District Office, on behalf of the OTS, and First Federal execute this Stipulation and Consent to Issuance of Order to Cease and Desist.

OFFICE OF THRIFT SUPERVISION

FIRST FEDERAL SAVINGS AND LOAN
ASSOCIATION OF IRONTON
by a majority of its directors:

By:

LS/
Lawrence B. Muldoon
District Director
Cincinnati District Office

LS/
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LS/

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)

First Federal Savings and Loan)
Association of Ironton)
Ironton, Ohio)

Re: OTS No.: CIN 90- 8

Dated: July 18, 1990

ORDER TO CEASE AND DESIST

WHEREAS, First Federal Savings and Loan Association of Ironton, Ohio ("First Federal"), through its directors, has executed a Stipulation and Consent to Issuance of Order to Cease and Desist, which is incorporated herein by reference ("Stipulation") and is accepted and approved by the Office of Thrift Supervision ("OTS"), acting through its District Director for the Cincinnati District Office; and

WHEREAS, First Federal, in the Stipulation, has consented and agreed to the issuance of this Order to Cease and Desist ("Order") pursuant to Section 8(b) of the Federal Deposit Insurance Act, as amended by the Financial Institution 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(b)).

NOW THEREFORE, IT IS ORDERED that First Federal and its directors, officers, employees, agents, and service corporations shall cease and desist from and shall take the following corrective action:

1. Cease any violation of the Supervisory Agreement dated March 19, 1986 between First Federal and the Federal Home Loan Bank Board, predecessor to OTS, particularly First Federal shall:

(a) Take all reasonable steps to appoint independent directors as necessary to provide for a directorate of not less than seven (7) directors;

(b) Evaluate any outstanding negative items contained in credit reports for borrowers, and prepare a written report signed by a responsible employee of the Association;

(c) Verify and analyze material items in the borrower's financial statements to insure that the borrower has sufficient assets and cash flow to retire the loan;

(d) Provide a copy of its Board minutes to OTS Cincinnati within one week of the date of each meeting.

2. Terminate the lease/rental arrangement with Director Harding on or before August 31, 1990, and do not provide office space to any other director, family member or affiliated person without prior written approval of the OTS District Director or his designee; further, First Federal should not lease or rent space to anyone for less than the market rate;

3. Cease and desist from allowing First Federal employees to work for the business operations of Director Harding, any other director, family member or affiliated party;

4. Evaluate and correct the current practice of providing blanket hazard insurance to borrowers, at above market rate, without prior notification and a reasonable time within which the borrower can comply;

5. Recover \$42,000 from Director John Harding for rent lost as a result of the provision of office space by First Federal to Harding at below market rates since 1962;

6. Recover Harding's pro rata share of the utilities, including but not limited to, gas and electric since December 1988 and telephone throughout the lease/rental period;

7. Recover \$1,685 from Director Harding for employee wages for an insurance clerk who has been working for Harding's insurance agency while being compensated by First Federal;

8. Eliminate deficiencies in title searches and opinions;

9. No employee of the association shall be terminated, directly or indirectly, without the prior written approval of the OTS District Director or his designee;

All technical words or terms used in this Order, for which meanings are not specified or otherwise provided shall, insofar as applicable, have meanings as defined in Chapter V of Title 12 of the Code of Federal Regulations, Home Owners' Loan Act, as amended, ("HOLA"), or Federal Deposit Insurance Act, as amended, ("FDIA"), and any such technical

words or terms used in this Order, and undefined by the statutes, rules and regulations contained in said Code of Federal Regulations, HOLA, FDIA or OTS Memoranda, shall have meanings that accord with the best custom and usage in the savings and loan industry.

THE OFFICE OF THRIFT SUPERVISION

BY: LSI

Lawrence B. Muldoon
District Director
Cincinnati District of the
Office of Thrift Supervision