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UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION
DEPARTMENT OF THE TREASURY

In the Matter of)
LAKE SAVINGS AND LOAN)
ASSOCIATION,)
San Francisco, California)

Re: Enforcement Review
Committee Resolution
No. ERC 90-54

Dated: July 25, 1990

TEMPORARY ORDER TO CEASE AND DESIST

WHEREAS, in accordance with Section 5(d)(1)(A) of the Home Owners' Loan Act ("HOLA"), as amended by Title III of 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. § 1464(d)(1)(A)), and Section 8(b) of the Federal Deposit Insurance Act ("FDIA"), as amended by Title IX of the FIRREA (to be codified at 12 U.S.C. § 1818(b)), the Office of Thrift Supervision ("OTS"), having reasonable cause to believe Lake Savings and Loan Association, San Francisco, California ("Lake Savings"), is about to engage in an unsafe or unsound practice, has issued a Notice of Charges and Hearing ("Notice") against Lake Savings incorporated by reference herein; and

WHEREAS, such Notice, on the basis of particular facts and circumstances contained therein, specifies an unsafe or unsound practice about to be engaged in by Lake Savings; and

WHEREAS, the OTS has determined that the threatened unsafe or unsound practice specified in the Notice is likely to cause significant dissipation of assets or earnings of Lake Savings, or is likely to weaken the condition of Lake Savings, or otherwise prejudice the interests of its depositors, prior to the completion of proceedings initiated by such Notice;

NOW THEREFORE, in accordance with Section 8(c) of the FDIA, as amended by Title IX of the FIRREA (to be codified at 12 U.S.C. § 1818(c)), the OTS hereby issues this Temporary Order to Cease and Desist. Accordingly,

IT IS ORDERED that Lake Savings cease and desist from, directly or indirectly,

- (1) transferring assets or earnings to Lakeport Financial Corporation, without the prior written approval of OTS-San Francisco;
- (2) liquidating Lake Savings or selling or transferring any part or segment of Lake Savings without the prior written approval of OTS-San Francisco;
- (3) taking steps to remove any member of management or the Board of Directors of Lake Savings as such was constituted on June 1, 1990, without the prior written approval of OTS-San Francisco;
- (4) entering into or attempting to enter into any transaction with Lakeport Financial Corporation without the prior written approval of OTS-San Francisco; and
- (5) permitting Lakeport Financial Corporation to be involved in the day-to-day operations of Lake Savings.

For the purpose of this Order, "OTS-San Francisco" means the District Director or his designee of the Eleventh District of the Office of Thrift Supervision.

IT IS FURTHER ORDERED that all technical words or terms used in this Order, for which meanings are not specified or otherwise provided by the provisions of this Order, shall, insofar as applicable, have meaning as defined in the Code of Federal Regulations, Title 12, Chapter V, or as defined in FIRREA, the FDIA, or the HOLA, and any such words or terms undefined in the foregoing shall have meanings that accord with the best custom and usage in the savings association industry.

THIS ORDER shall be and is effective upon service on Lake Savings and shall remain effective and enforceable until the completion of the administrative proceeding initiated by the Notice, incorporated by reference herein, served upon Lake Savings and until such time as the OTS shall dismiss the charges specified in such Notice, or if a cease and desist order is issued against Lake Savings until the effective date of such order.

By the Enforcement Review Committee

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Rosemary Stewart
Director of Enforcement and
Secretary, Enforcement Review Committee