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UNITED STATES OF AMERICA  
Before The  
OFFICE OF THRIFT SUPERVISION

- C Supervisory File
- C Corporate File
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\_\_\_\_\_ )  
 In the Matter of )  
 )  
 Johnny F. Coleman )  
 Director American Savings Bank )  
 Livingston, Tennessee )  
 \_\_\_\_\_ )

OTS No.: CIN 90-13

(Date)

Dated: October 5, 1990

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 Johnny F. Coleman ("Coleman"), a director and person affiliated with American Savings Bank, Livingston, Tennessee ("American") 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 Coleman pursuant to the Federal Deposit Insurance Act ("FDIA"), sec. 8(b), 12 U.S.C.A. sec. 1818(b) (West 1989). Coleman 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 him with respect to the matters covered in the accompanying Order to Cease and Desist ("Order").

2. Jurisdiction.

(a) American is a "savings bank" and "insured depository institution" as that term is defined in 12 U.S.C.A. secs. 1462 and 1813 (West 1989); and Coleman is an "institution affiliated party" as that term is defined by 12 U.S.C.A. sec. 1813(u) (West 1989).

(b) OTS is the "appropriate Federal Banking Agency" to maintain a cease and desist proceeding against Coleman pursuant to 12 U.S.C.A. sec. 1818(b) (West 1989).

3. Consent. Coleman consents to the issuance by the OTS of the Order. He 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 12 U.S.C.A. sec. 1818(b) (West 1989). 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 12 U.S.C.A. sec. 1818(i) (West 1989).

5. Waivers. Coleman waives his right to a notice of intention to prohibit and the administrative hearing provided by 12 U.S.C.A. sec. 1818(b) (West 1989), and further waives his right to seek judicial review of the Order, including any such right provided by 12 U.S.C.A. sec. 1818(h) (West 1989), 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 Coleman execute this Stipulation and Consent to Issuance of Order to Cease and Desist.

OFFICE OF THRIFT SUPERVISION

By

151  
Lawrence B. Muldoon  
District Director  
Cincinnati District Office

151  
Johnny F. Coleman, Director  
AMERICAN SAVINGS BANK

UNITED STATES OF AMERICA  
Before The  
OFFICE OF THRIFT SUPERVISION

In the Matter of )

Johnny F. Coleman )  
Director of American Savings Bank )  
Livingston, Tennessee )

OTS No: CIN 90- 13

Dated: October 5, 1990

ORDER TO CEASE AND DESIST

WHEREAS, Johnny F. Coleman, ("Coleman"), a director and person affiliated with American Savings Bank, Livingston, Tennessee, ("American"), 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, Coleman, in the Stipulation, has consented and agreed to the issuance of this Order to Cease and Desist ("Order") pursuant to the Federal Deposit Insurance Act ("FDIA"), sec. 8(b), 12 U.S.C.A. sec. 1818(b) (West 1989).

NOW THEREFORE, IT IS ORDERED, in consideration of the OTS's forbearance as stated in the Stipulation, that:

1. To the extent that Coleman owns or controls, directly or indirectly, ten percent (10%) or more of the voting stock of American ("excess stock"), he shall transfer such excess stock to a trust within 10 days of the date this Order is issued. The excess stock shall be

properly endorsed for transfer or accompanied by fully endorsed stock powers. The trust terms and the trustee shall be approved in writing in advance by American's Supervisory Agent at the OTS, Cincinnati ("Supervisory Agent"). During the period the trustee has possession of the excess stock, Coleman shall not exercise any control, directly or indirectly, over said trust or trustee, except that he may direct the trustee to sell all or a portion of the excess stock subject to the restrictions set forth in paragraph 6 herein. If such a sale takes place, Coleman shall be entitled to the proceeds from the sale less the costs of administering the trust.

2. The trustee shall vote the excess stock on a pro-rata basis in accordance with the votes of the other common stockholders of American. In order to effect this requirement, the trustee shall provide written instructions to the Secretary of American that the excess stock shall be voted on this basis and shall furnish a copy of such instructions to the Supervisory Agent. Coleman shall promptly take whatever action may be requested of him by the trustee in order to enable the trustee to take such actions.

3. The trustee shall not exercise or attempt to exercise, directly or indirectly, control or a controlling influence over the management or policies of American. While the trustee has control of the excess stock of American, he or she shall not, directly or indirectly:

(a) seek or accept any representation on the board of director of American;

- (b) have or seek to have any representative serve on an executive or other committee of the board of directors of American;
- (c) engage in any transactions with American, except for those to which the Supervisory Agent has given prior written consent;
- (d) influence or attempt to influence in any way the loan and credit decisions or policies of American;
- (e) influence or attempt to influence the dividend policies and practices of American, or any decision or policies of American as to, the offering, purchase, sale or exchange of any security;
- (f) have or seek to have any representative serve as an officer, agent or employee of American;
- (g) propose a director or slate of directors in opposition to a nominee or slate of nominees proposed by the management or board of directors of American;
- (h) directly or indirectly solicit proxies with respect to any matter presented to the stockholders of American; or
- (i) seek to amend, or otherwise take action to change, the bylaws, articles of incorporation, or charter of American.

4. If, for any reason, including, but not limited to, the merger of American, the issuance of additional stock by American, or the divestment by Coleman of a portion or all of his excess stock, Coleman's stock ownership falls below 10% of the outstanding shares of American,

and he is otherwise acting in accordance with applicable laws and regulations in connection therewith, the trust may be dissolved and the voting instructions to the Secretary of American may be rescinded, subject to the provisions of paragraph 10 below.

5. The trustee shall sell the excess stock of American owned by Coleman within 6 months of the date this Order is issued. If the trustee is unable to sell the excess stock after making a good faith effort, he or she may request an extension in writing of an additional six (6) months from the Supervisory Agent, who shall have the authority to grant or deny such extension in writing. Coleman shall take whatever action may be requested of him by the trustee in order to enable the trustee to effect the sale of the excess stock of American required by this paragraph.

6. In the event the trustee must sell the excess stock of American owned by Coleman, then he or she:

(a) shall not sell such excess stock to individuals or companies that are "affiliates" of American as defined by 12 C.F.R. sec. 574.2(d), nor to any member of Coleman's "immediate family" as defined by 12 C.F.R. sec. 574.2(j), nor to any person with any existing business relationship with Coleman; and

(b) shall reasonably determine that any such purchasers have neither written nor oral understandings, arrangements or agreements with Coleman, relating to any repurchase or other disposition of the stock of American.

7. The costs of administering the trust shall be paid from the proceeds of the sale of the excess stock owned by Coleman.

8. Until the excess stock owned by Coleman is transferred to the trust, Coleman shall refrain from voting the shares owned or controlled by him, directly or indirectly, that exceed 10% of the total outstanding share of American common stock, on any matter put to a stockholder vote.

9. All technical words or terms used in this Order, for which meanings are not specified or otherwise provided for by the provisions of this Order, shall, insofar as applicable, have meanings as defined in Chapter V of Title 12 of the Code of Federal Regulations. Any technical words or terms used in this Order and which are undefined in said Code of Federal Regulations shall have meanings that accord with their best custom and usage in the thrift industry.

10. (a) This Order has been duly authorized, executed and delivered, and constitutes, in accordance with its terms, a valid and binding obligation of Coleman. It is understood and agreed that this Order is a "written agreement" entered into with the OTS as that phrase is used in 12 U.S.C.A. sec. 1818(b)(1)(West 1989). The terms and provisions of this Order shall be binding upon, and inure to the benefit of, the parties hereto and their successors in interest.

(b) This Order shall remain in effect until terminated by the OTS.

(c) In no event, however, may this Order, or any part thereof, be terminated before the Corporate and Securities Division of the OTS determines that Coleman is in compliance with applicable law and regulations.

THE OFFICE OF THRIFT SUPERVISION

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