

UNITED STATES OF AMERICA  
Before the  
OFFICE OF THRIFT SUPERVISION

In the Matter of )  
 )  
MILO L. PIKE, )  
Stockholder of HOME )  
OWNERS SAVINGS BANK, F.S.B. )  
 )  
Burlington, Massachusetts )  
 )

Re: Enforcement Review  
Committee Resolution  
No. 89-135  
dated November 20, 1989

STIPULATION AND CONSENT TO ISSUANCE OF AN ORDER  
IMPOSING REMEDIAL SANCTIONS AND CIVIL MONEY PENALTIES

The Office of Thrift Supervision ("OTS"), by and through its  
Enforcement Review Committee ("ERC"), and Milo L. Pike ("Pike")  
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 proceeding against Pike pursuant to Section 8(b) 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(b)), and an action to assess civil money penalties pursuant to Section 7 of the FDIA, as amended by FIRREA (to be codified at 12 U.S.C. § 1817(j)). Pike desires to cooperate with the OTS and to avoid the time and expense of litigation and, without admitting or denying any violation of any

law, rule or regulation or that such grounds exist, hereby stipulates and agrees to the following terms in consideration of the forbearance by the OTS from initiating either such administrative cease-and-desist litigation or action to assess civil money penalties based upon the matters covered in the accompanying Order Imposing Remedial Sanctions and Civil Money Penalties ("Order").

2. Jurisdiction.

(a) Home Owners Savings Bank, F.S.B., Burlington, Massachusetts ("Home Owners") 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) Pike is an "institution-affiliated party" within the meaning of Section 3 of the FDIA, as amended by FIRREA (to be codified at 12 U.S.C. § 1813(u)). Pike is also a "person" within the meaning of the Change in Bank Control Act of 1978, as amended by FIRREA, to be codified at 12 U.S.C. § 1817(j)).

(c) Pursuant to Section 3 of the FDIA, as amended by FIRREA, the Director of OTS is the "appropriate Federal banking agency" to maintain an enforcement proceeding against such a person. Therefore, Pike is subject to the authority of the OTS to initiate and maintain a cease and desist proceeding against him pursuant to Section 8(b) of the FDIA, as amended by FIRREA (to be codified at

12 U.S.C. § 1818(b)), and an action for civil money penalties pursuant to Section 7(j) of the FDIA, as amended by FIRREA, to be codified at 12 U.S.C. § 1817(j)).

3. Consent. Pike consents to the issuance by the ERC, on behalf of the OTS, of the 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(b) of the FDIA, as amended by FIRREA (to be codified at 12 U.S.C. § 1818(b)). Upon its issuance by the ERC, 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. Pike waives his right to a notice of charges 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 any 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 ERC, on behalf of the OTS, and Pike, execute this Stipulation and Consent to Issuance of an Order Imposing Remedial Sanctions and Civil Money Penalties.

OFFICE OF THRIFT SUPERVISION

MILO L. PIKE

151  
Rosemary Stewart  
Director of Enforcement  
Secretary, Enforcement Review  
Committee

151

UNITED STATES OF AMERICA  
Before the  
OFFICE OF THRIFT SUPERVISION

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In the Matter of )	
MILO L. PIKE )	Re: Enforcement Review
Stockholder of HOME OWNERS )	Committee Resolution
SAVINGS BANK, F.S.B. )	No. 89-135, dated November 20,
_____ )	
Burlington, Massachusetts )	
_____ )	

ORDER IMPOSING REMEDIAL SANCTIONS  
AND CIVIL MONEY PENALTIES

WHEREAS, Milo L. Pike ("Pike") has executed a Stipulation and Consent to Issuance of an Order Imposing Remedial Sanctions and Civil Money Penalties ("Stipulation") that is accepted and approved by the Enforcement Review Committee on behalf of the Office of Thrift Supervision ("OTS") and is incorporated herein by reference; and

WHEREAS, Pike, in the Stipulation, has consented and agreed to the issuance of this Order Imposing Remedial Sanctions and Civil Money Penalties ("Order") pursuant to Section 8(b) 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(b)).

NOW THEREFORE, IT IS ORDERED that Pike shall not violate nor aid and abet any violation of:

1. Section 7(j) of the FDIA, as amended by FIRREA, to be codified at 12 U.S.C. § 1817(j); and

2. Part 574 of Title 12 of the Code of Federal Regulations, 12 C.F.R. §§ 574.1-574.8 (1988), as amended at 53 Fed. Reg. 33104, 33108 (1988) (to be codified at 12 C.F.R. § 574.100), or any successor regulations;

IT IS FURTHER ORDERED THAT:

3. Within ninety calendar days of the effective date of this Order, Pike shall sell a sufficient number of shares of Home Owners common stock to bring the total number of shares of Home Owners common stock owned by him, plus those owned by others with whom he Acts in Concert, including but not limited to Paul Swenson and Henry Powers, to less than ten percent (10%) of the total number of shares of Home Owners common stock outstanding. This ninety calendar day period may be extended, in writing, for a reasonable period, for good cause shown, by the District Director of the First District of the OTS or his successor.

4. Within ten calendar days of the effective date of this Order, Pike shall pay to the OTS a sum of fifty thousand dollars (\$50,000), by tendering to OTS a check in that amount made payable to the United States Treasury.

5. Within thirty (30) calendar days of the effective date of this Order, Pike shall file with Enforcement of the OTS a report of all Voting Stock of all Covered Companies directly or indirectly owned by him or by those with whom he Acts in Concert. Such report shall fully and accurately disclose, as to each such share of Voting Stock, the following: the name of the Covered Company, the record and the beneficial owner(s), the date of the Acquisition, the total consideration paid and the Terms of Financing. When the number of shares of any single class of Voting Stock, otherwise required to be reported pursuant to this paragraph, totals less than two (2) percent of the outstanding shares of that class of Voting Stock, then no report shall be required pursuant to this paragraph as to such Voting Stock.

6. Pike shall report to Enforcement of the OTS each Acquisition or Disposition of any share(s) of Voting Stock in a Covered Company that occurs within eight years after the effective date of this Order. Pike shall file such reports within thirty (30) calendar days of each such Acquisition or Disposition. Pike shall disclose in such report(s), as to each Acquisition or Disposition, the following: the name of the Covered Company, the name of the person(s) or entity(ies) who made the Acquisition or

Disposition, the date of the transaction, whether it was an Acquisition or a Disposition, the total consideration paid and the Terms of Financing.

7. Paragraph six (6) of this Order shall not apply to Acquisitions of shares of any class of Voting Stock immediately after which Pike, and all persons or entities with whom Pike Acts in Concert, together directly or indirectly own a total of less than two (2) percent of the outstanding shares of that class of Voting Stock. Paragraph six (6) of this Order shall not apply to Dispositions of shares of any class of Voting Stock immediately prior to which Pike, and all persons or entities with whom Pike Acts in Concert, together directly or indirectly owned a total of less than two (2) percent of the outstanding shares of that class of Voting Stock.

8. All reports required by this Order shall be in writing. They shall be filed with Enforcement, Office of Thrift Supervision, 1700 G Street, N.W., Washington, D.C. 20552, or at any other address designated by the Director of Enforcement of OTS. All reports shall be deemed filed when received by OTS.

9. All reports filed by Pike pursuant to this Order shall be given confidential treatment in accordance with 12 C.F.R. § 505.5(a)(4) (1988).

10. The following definitions shall apply to this Order:

Act in Concert. Act in concert shall have the same definition as that in 12 C.F.R. § 574.2, or any successor regulation, and shall also include all presumed concerted action as defined in 12 C.F.R. § 574.4(d). For purposes of this Order, the words "insured institution" as used in 12 C.F.R. § 574.4(d) shall mean any federally insured depository institution.

Acquisition. Acquisition shall include any direct or indirect purchase, assignment or other transfer of Voting Stock in a Covered Company by or to Pike or any person or entity with whom Pike Acts in Concert.

Covered Company. Covered Company shall include: (i) any federally insured depository institution; and, (ii) any entity that Pike knows or has reason to know owns, directly or indirectly, more than five percent of any class of the Voting Stock of any federally insured depository institution.

Disposition. Disposition shall include any sale, assignment or other transfer of Voting Stock in a Covered Company by Pike or by any person or entity with whom Pike Acts in Concert.

Terms of Financing. Terms of Financing shall include the identity of each lender and borrower, the amount of the loan principal, the interest rate, the payment due date(s), and a

description of any collateral for any loan.

Voting Stock. Voting Stock shall have the same meaning as given in 12 C.F.R. § 574.2, or any successor regulation.

11. Three (3) years after the effective date of this Order, Pike shall have the right to request that the OTS terminate the reporting requirements of paragraphs five (5) through eight (8) of this Order. The decision to terminate those reporting requirements will rest in the sole discretion of the OTS. The reporting requirements of paragraphs five (5) through eight (8) shall be effective for eight (8) years from the effective date of this Order unless earlier terminated by the OTS.

181

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Rosemary Stewart  
Director of Enforcement  
Secretary, Enforcement Review  
Committee