

96309

UNITED STATES OF AMERICA  
Before The  
OFFICE OF THRIFT SUPERVISION

In the Matter of	)	Order No.: ATL-2007-19
	)	
R-G CROWN BANK	)	Effective Date: October 19, 2007
Casselberry, Florida	)	
	)	
OTS Docket No.: 08159	)	
	)	

**ORDER OF ASSESSMENT OF A CIVIL MONEY PENALTY**

**WHEREAS**, R-G Crown Bank, Casselberry, Florida, OTS Docket No. 08159 (Crown or Bank), by and through its Board of Directors (Board), has executed a Stipulation and Consent to the Issuance of an Order of Assessment of a Civil Money Penalty (Stipulation); and

**WHEREAS**, Crown, by executing the Stipulation, has consented and agreed to the issuance of this Order of Assessment of Civil Money Penalty (Order) by the Office of Thrift Supervision (OTS), pursuant to Section 102(f) of the National Flood Insurance Act, 42 U.S.C. § 4012a(f) (Act); and

**WHEREAS**, the Director of the OTS, pursuant to delegated authority, has delegated to the Regional Directors of the OTS the authority to issue Orders of Assessment of a Civil Money Penalty on behalf of the OTS where the savings association that is the subject of the Order has consented to the issuance of the Order.

**NOW THEREFORE, IT IS ORDERED** that:

**1. Payment of Civil Money Penalty**

Within ten (10) calendar days after the date of this Order, Crown shall pay the sum of twenty thousand four hundred five dollars (\$20,405.00) by tendering a certified check or bank draft made payable to the order of the National Flood Insurance Program – Mitigation Fund, together with a copy of the executed CMP Order and a cover letter referencing Crown Bank, Casselberry, Florida, OTS Docket No. 08159 to: Kevin Montgomery, Financial Management Specialist, Federal Emergency Management Agency, National Flood Insurance Program, 7700 Hubble Drive, Lanham, Maryland 20706. A copy of the certified check or bank draft and the cover letter shall be provided by U.S. Mail or overnight courier to Karen Bruton, Regional Counsel, Office of Thrift Supervision, 1475 Peachtree St., N.E., Atlanta, Georgia, 30309.

**2. Duration, Termination or Suspension of Order.**

This Order is and shall become effective on the date it is issued, as shown in the caption hereof. The Stipulation and the Order shall remain in effect until terminated, modified, or suspended in writing by OTS, acting through its Director, Regional Director, or other authorized representative.

**THE OFFICE OF THRIFT SUPERVISION**

By: \_\_\_\_\_ /s/  
John E. Ryan  
Regional Director

**UNITED STATES OF AMERICA**  
**Before The**  
**OFFICE OF THRIFT SUPERVISION**

In the Matter of	)	Order No.: ATL-2007-19
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R-G CROWN BANK	)	Effective Date: October 19, 2007
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	)	
OTS Docket No.: 08159	)	

**STIPULATION AND CONSENT TO THE ISSUANCE OF  
AN ORDER OF ASSESSMENT OF A CIVIL MONEY PENALTY**

**WHEREAS**, the Office of Thrift Supervision (OTS), based upon information derived from the exercise of its regulatory and supervisory responsibilities, has informed R-G Crown Bank, Casselberry, Florida, OTS Docket No. 08159 (Crown or Bank), that grounds exist to initiate an administrative civil money penalty assessment proceeding against the Bank pursuant to Section 102(f) of the National Flood Insurance Act, 42 U.S.C. § 4012a(f) (Flood Insurance Act); and

**WHEREAS**, Crown, prior to the adjudication of or finding on any issue of fact or law related to the subject matters addressed herein, desires to cooperate with the OTS to resolve such matters and avoid the time and expense of an administrative civil money penalty proceeding; and

**WHEREAS**, Crown enters into this Stipulation and Consent to the Issuance of an Order of Assessment of a Civil Money Penalty (Stipulation) (i) without admitting or denying that grounds exist to initiate an administrative civil money penalty proceeding, except as to Jurisdiction (Paragraph 1 below), which jurisdiction is admitted, and (ii) solely for the purpose of

settling this matter in accordance with Rule 408 of the Federal Rules of Evidence and equivalent state provisions.

**NOW, THEREFORE,** Crown hereby stipulates and agrees as follows:

**1. Jurisdiction.**

a. Crown, at all times relevant hereto, is a “savings association” within the meaning of Section 3(b) of the Federal Deposit Insurance Act (FDIA), 12 U.S.C. § 1813(b), and Section 2(4) of the Home Owners’ Loan Act (HOLA), 12 U.S.C. § 1462(4) and a “regulated lending institution” within the meaning of Section 3(a)(10) of the Flood Insurance Act, 12 U.S.C. § 4003(a)(10).

b. Pursuant to Section 3(q) of the FDIA, 12 U.S.C. § 1813(q), and Section 3(a)(5) of the Flood Insurance Act, 42 U.S.C. § 4003(a)(5), the Director of the OTS is the “appropriate Federal Banking agency” and “appropriate Federal entity for lending regulation” to initiate and maintain a civil money penalty proceeding against the Bank pursuant to Section 102(f) of the Flood Insurance Act, 42 U.S.C. § 4012a(f).

c. The Director of the OTS has delegated to the Regional Director of the Southeast Region of the OTS or his or her designee (Regional Director) the authority to issue civil money penalty assessment orders where a savings association has consented to the issuance of the order.

**2. OTS Findings of Fact.**

Crown has failed to comply with the requirements set forth in 42 U.S.C. §§ 4001-4128, and the OTS implementing regulations set forth at 12 C.F.R. Part 572. Specifically, the OTS finds that Crown failed to (i) establish an effective process, with appropriate policies, systems and procedures, to assess the adequacy of flood insurance for condominium units; (ii) provide standard flood hazard determination notices to borrowers where flood insurance was required;

and (iii) continued to utilize noncompliant flood related forms. The OTS finds that these actions constituted a pattern or practice of violations under Section 102(f)(1) of the Flood Insurance Act, 42 U.S.C. § 4012a(f)(1) and that the Flood Insurance Act requires the assessment of a civil money penalty in the amount of twenty thousand four hundred five dollars (\$20,405.00).

**3. Consent.**

Crown consents to the issuance by the OTS of the accompanying Consent Order of Assessment of a Civil Money Penalty (Order). The Bank further agrees to comply with the terms of the Order upon issuance and stipulates that the Order complies with all requirements of law.

**4. Finality.**

This Order is issued by the OTS under the authority of Sections 102(f)(1) and 102(f)(5) of the Flood Insurance Act, 42 U.S.C. §§ 4012a(f)(1) and 4012a(f)(5). Upon its issuance by the Regional Director, it shall be a final order, effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA, 12 U.S.C. §§ 1818(i), and Section 102(f) of the Flood Insurance Act, 42 U.S.C. § 4012a(f).

**5. Waivers.**

Crown waives the following:

- a. the right to be served with a written notice of OTS's assessment of a civil money penalty against it as provided by Section 8(i) of the FDIA, 12 U.S.C. § 1818(i); Section 102(f)(4) of the Flood Insurance Act, 42 U.S.C. § 4012a(f)(4); and 12 C.F.R. Part 509;
- b. the right to an administrative hearing of the OTS's charges against it as provided by Sections 8(i) of the FDIA, 12 U.S.C. § 1818(i) and Section 102(f)(4) of the Flood Insurance Act, 42 U.S.C. § 4012a(f)(4);

c. the right to seek judicial review of the Order, including, without limitation, any such right provided by Sections 8(i) of the FDIA, 12 U.S.C. §§ 1818(i), or otherwise to challenge the validity of the Order; and

d. any and all claims against the OTS, including its employees and agents, and any other governmental entity for the award of fees, costs, or expenses related to this OTS enforcement matter and/or the Order, whether arising under common law, the Equal Access to Justice Act, 5 U.S.C. § 504, or 28 U.S.C. § 2412.

**6. Other Governmental Actions.**

a. Upon issuance of the accompanying Order, following the OTS's acceptance of this Stipulation as executed by the Bank, the OTS agrees not to institute further proceedings against the Bank, any members of Crown's Board of Directors, and/or its Management, for the specific acts, omissions, or violations in the Findings of Fact set forth in Paragraph 2 above to the extent known to the OTS as of the Effective Date of the accompanying Order, unless such acts, omissions, or violations reoccur. The violations in Paragraph 2 of this Stipulation may be utilized by the OTS in future enforcement actions to establish a pattern or practice of violations or the continuation of a pattern or practice of violations. This Stipulation shall not preclude or affect any right of the OTS to determine and ensure compliance with the terms and provisions of this Stipulation and the accompanying Order.

b. Crown acknowledges and agrees that its consent to the issuance of the accompanying Order is solely for the purpose of resolving the matters addressed herein, consistent with Paragraph 6(a) above, and does not otherwise release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, liability, or other administrative, civil, or criminal proceeding that arises pursuant to this action or otherwise, and

that may be or have been brought by the OTS or by any other Federal or state agency, department, or governmental entity.

**7. Miscellaneous.**

a. The construction and validity of this Stipulation and the Order shall be governed by the laws of the United States of America.

b. If any provision of this Stipulation and the Order is ruled to be invalid, illegal, or unenforceable by the decision of any Court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby, unless the Regional Director in his or her sole discretion determines otherwise;

c. All references to the OTS in this Stipulation and the Order shall also mean any of the OTS's predecessors, successors, and assigns.

d. The section and paragraph headings in this Stipulation and the Order are for convenience only, and such headings shall not affect the interpretation of this Stipulation or the Order.

e. The terms of this Stipulation and the Order represent the final agreement of the parties with respect to the subject matters hereof and constitute the sole agreement of the parties with respect to such subject matters.

f. This Stipulation and the Order shall remain in effect until terminated, modified, or suspended in writing by the OTS, acting through its Director, Senior Deputy Director, Regional Director, or other authorized representative.

**8. Signature of Directors.**

Each Director signing this Stipulation attests that he or she voted in favor of a Board resolution authorizing execution of the Stipulation.

**WHEREFORE**, Crown, by its directors, executes this Stipulation intending to be legally bound hereby.

**OFFICE OF THRIFT SUPERVISION**

\_\_\_\_\_/s/\_\_\_\_\_  
John E. Ryan  
Regional Director

Dated: \_\_\_\_\_ October 19, 2007 \_\_\_\_\_

**CROWN BANK**  
Casselberry, Florida

\_\_\_\_\_  
Victor J. Galan, Chairman

\_\_\_\_\_/s/\_\_\_\_\_  
Rolando Rodriguez, President

\_\_\_\_\_  
Benigno R. Fernandez, Director

\_\_\_\_\_/s/\_\_\_\_\_  
John R. Shipe, Director

\_\_\_\_\_/s/\_\_\_\_\_  
Roberto Gorbea, Director

\_\_\_\_\_/s/\_\_\_\_\_  
Ralph S. Spano, Director

\_\_\_\_\_/s/\_\_\_\_\_  
John E. Knight, Director

\_\_\_\_\_/s/\_\_\_\_\_  
Steven Stein, Director

\_\_\_\_\_/s/\_\_\_\_\_  
H. Douglas Miller, Director

\_\_\_\_\_/s/\_\_\_\_\_  
Ileana M. Colon-Carlo, Director

\_\_\_\_\_/s/\_\_\_\_\_  
Gilberto Rivera-Arreaga, Director