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UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)
)
Robert L. Dickey)
)
Former Loan Officer and)
Branch Manager of)
)
Home Federal Savings Bank)
Rochester, Minnesota)
OTS No. 02818)
)

OTS Order No.: MW=08-06
Effective Date: June 20, 2008

ORDER TO CEASE AND DESIST
FOR AFFIRMATIVE RELIEF

WHEREAS, the Office of Thrift Supervision (OTS) is of the opinion that grounds exist to initiate an administrative cease and desist proceeding against **Robert L. Dickey (Dickey)**, former Loan Officer and Branch Manager of Home Federal Savings Bank, Rochester, Minnesota; and

WHEREAS, **Dickey** has executed a Stipulation and Consent to Issuance of an Order to Cease and Desist for Affirmative Relief (Stipulation); and

WHEREAS, **Dickey**, by execution of the Stipulation, has consented and agreed to the issuance of this Order to Cease and Desist for Affirmative Relief (Order) by the OTS, pursuant to 12 U.S.C. § 1818(b).

NOW THEREFORE, IT IS ORDERED pursuant to 12 U.S.C. § 1818(b) that:

1. **Dickey**, an institution-affiliated party (IAP) within the meaning of 12 U.S.C. § 1813(u), shall not engage, participate in, counsel or aid or abet in any unsafe or unsound practice, or breach any fiduciary duty, with respect to the operation or supervision of any federally insured depository institution, or violate any laws, rules or regulations governing the operation or supervision of any federally insured depository institution.

2. **Dickey**, while serving as an IAP of a federally insured banking institution within the meaning of 12 U.S.C. § 1818(e)(7)(A), shall ensure that he completes all of the institution's financial statements for which he is responsible and general ledger reports for which he is responsible, in a timely and accurate manner.

3. Within 180 days of the issuance of this Order, **Dickey** shall successfully complete at least 32 hours of appropriate training from a nationally recognized third-party vendor to understand and effectively apply the requirements of: (a) Bank Officer and Director Fiduciary Responsibility; (b) the Home Mortgage Disclosure Act, 12 U.S.C. Sec. 2801., et seq., and 12 C.F.R. Part 203; (c) Real Estate Settlement Procedures Act, 12 U.S.C. Sec. 2601 et seq., and 12 C.F.R. Part 3500, and; (d) OTS Mortgage Regulation, 12 C.F.R. Section 560.210.

4. While this Order is in effect, **Dickey** shall, prior to accepting any position as an IAP of any institution or agency specified in 12 U.S.C. § 1818(e)(7)(A), provide the chief executive officer and the board of directors of such institution or agency with a copy of this Order.

5. Within ten (10) days from and after his acceptance of any position described in paragraph 4 of this Order, **Dickey** shall provide written notice of such acceptance to the Regional Counsel of the Midwest Region of the OTS together with a written certification of his compliance with paragraph 4 of this Order. All such written notices and certifications required by this Order shall be sent to: Regional Counsel, Midwest Region, OTS, 225 E. John Carpenter

Freeway, Suite 500, Irving, TX 75062-2326.

6. The Stipulation is made a part hereof and is incorporated herein by this reference.

7. All technical words or terms used in this Order and Stipulation for which meanings are not specified or otherwise provided 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, the Home Owners' Loan Act, FDIA, and OTS Publications shall have meanings that are in accordance with the best custom and usage in the savings and loan industry.

8. **Dickey** shall promptly respond to any request from the OTS for documents that the OTS requests to demonstrate compliance with this Order.

9. 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.

11. This Order is and shall be issued and become effective on the Effective Date, as shown in the caption above. The Stipulation and the Order shall remain in effect until terminated, modified, or suspended in writing by OTS, acting through its Director, Senior Deputy Director, Regional Director, or other authorized representative.

THE OFFICE OF THRIFT SUPERVISION

By:

/S/

C. K. Lee
Regional Director
Midwest Region

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OTS Order No.: **MW-08-06**

Effective Date: **June 20, 2008**

**STIPULATION AND CONSENT TO ISSUANCE OF AN ORDER
TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF**

WHEREAS, the Office of Thrift Supervision (OTS), acting by and through its Regional Director for the Midwest Region and based upon information derived from the exercise of its regulatory responsibilities, has informed **Robert L. Dickey (Dickey)**, former loan officer and branch manager of Home Federal Savings Bank, Rochester, Minnesota, OTS Docket Number 02818 (HFSB or the Institution), that the OTS is of the opinion that grounds exist to initiate an administrative cease and desist proceeding against **Dickey**, pursuant to 12 U.S.C. § 1818(b);

WHEREAS, the Regional Director, pursuant to delegated authority, may issue cease and desist orders to which institution-affiliated parties, such as **Dickey**, have consented; and

WHEREAS, **Dickey** desires to cooperate with the OTS to avoid the time and expense of such administrative proceedings and, without admitting or denying that such grounds exist to initiate administrative proceedings, except as to Jurisdiction (Paragraph 1, below), which is admitted, hereby stipulates and agrees to the following terms:

Robert L. Dickey
Stipulation to Order to Cease and Desist

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1. **Jurisdiction.**

(a) HFSB is a "savings association" within the meaning of 12 U.S.C. § 1813(b) and 12 U.S.C. § 1462(4). Accordingly, HFSB is an "insured depository institution" as that term is defined in 12 U.S.C. § 1813(c).

(b) **Dickey**, as former Loan Officer and Branch Manager of HFSB, is deemed to be an "institution-affiliated party" as that term is defined in 12 U.S.C. § 1813(u), having served in such capacity within six (6) years of the date hereof (see 12 U.S.C. § 1818(i)(3)).

(c) Pursuant to 12 U.S.C. § 1813(q), the OTS is the "appropriate Federal banking agency" with jurisdiction to maintain an enforcement proceeding against institution-affiliated parties. Therefore, **Dickey** is subject to the authority of the OTS to initiate and maintain cease and desist proceedings against him pursuant to 12 U.S.C. § 1818(b).

2. **OTS Findings of Fact.**

The OTS finds that:

(a) Beginning in 2003 and continuing until February 2005, **Dickey** approved and/or structured at least three (3) loans that were found by the OTS to contain unsafe and unsound practices, violations of laws or regulations and/or breaches of fiduciary duty. Among the deficiencies noted by the OTS were loans that lacked appropriate loan documentation, violated HFSB loan committee approval specifications and/or exceeded **Dickey's** lending authority; and,

(b) **Dickey** permitted the Institution to prepare and maintain inaccurate general ledger accounts that had the effect of concealing these deficiencies.

3. **Consent.**

Dickey consents to the issuance by the OTS of the accompanying Order to Cease and Desist for Affirmative Relief ("Order"). **Dickey** 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 by the OTS under the authority of 12 U.S.C. § 1818(b). Upon its issuance by the Regional Director or designee for the Midwest Region, it shall be a final order, effective and fully enforceable by the OTS under the provisions of 12 U.S.C. § 1818(i).

5. **Waivers.**

Dickey waives the following:

(a) The right to be served with a written notice of OTS's charges provided by 12 U.S.C §1818(b) and 12 C.F.R. Part 509;

(b) The right to an administrative hearing of the OTS's charges against him as provided by 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order;

(c) The right to seek judicial review of the Order, including, without limitation, any such right provided by 12 U.S.C 1818(h);

(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, whether arising under common law, federal statutes or otherwise.

6. **Other Government Actions Not Affected.**

(a) **Dickey** acknowledges and agrees that the consent to the issuance of the Order is for the purpose of resolving this action only, and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of **Dickey** that arise pursuant to this action or otherwise, and that may be or have been brought by any other government entity other than the OTS.

(b) By signing this Stipulation and Consent to Issuance of an Order to Cease and Desist for Affirmative Relief, **Dickey** agrees that he will not assert this proceeding, his consent to the issuance of the Order, and/or the issuance of the Order, as the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice or any other Federal or State governmental entity.

