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UNITED STATES OF AMERICA  
Before The  
OFFICE OF THRIFT SUPERVISION

In the Matter of	)	Order No.: SE-08-015
	)	
<b>SYKESVILLE FEDERAL SAVINGS ASSOCIATION</b>	)	Effective Date: October 3, 2008
Sykesville, Maryland	)	
	)	
OTS Docket No. 08217	)	
	)	

**ORDER TO CEASE AND DESIST**

**WHEREAS**, Sykesville Federal Savings Association, Sykesville, Maryland, OTS Docket No. 08217 (Association), by and through its Board of Directors (Board) has executed a Stipulation and Consent to the Issuance of an Order to Cease and Desist (Stipulation); and

**WHEREAS**, the Association, by executing the Stipulation, has consented and agreed to the issuance of this Order to Cease and Desist (Order) by the Office of Thrift Supervision (OTS) pursuant to 12 U.S.C. § 1818(b); and

**WHEREAS**, pursuant to delegated authority, the OTS Regional Director for the Southeast Region (Regional Director), is authorized to issue consent Orders to Cease and Desist where a savings association has consented to the issuance of an order.

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

**Order to Cease and Desist.**

1. The Association and its directors, officers, employees, and agents shall cease and desist from any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling or the aiding and abetting of any violation of applicable law and regulation, including but not limited to, the following:
  - a. the Currency and Foreign Transactions Reporting Act, as amended by the USA Patriot Act and other laws (the Bank Secrecy Act or BSA), 31 U.S.C. §§ 5311 et seq., and the related BSA regulations issued by the United States Department of the Treasury, 31 C.F.R. Part 103, and the OTS, 12 C.F.R. § 563.177 (collectively with the aforementioned laws and regulations, the BSA Laws and Regulations);
  - b. the OTS regulations governing suspicious activity reports (SAR) and other reports and statements set forth in 12 C.F.R. § 563.180 (SAR Regulations);
  - c. the Equal Credit Opportunity Act regulations at 12 C.F.R. Part 202;
  - d. the OTS regulations governing regulatory reporting standards at 12 C.F.R. Part 562;
  - e. the OTS regulations governing interest rate risk management procedures set forth in 12 C.F.R. § 563.176;
  - f. the real estate lending standards, including the Interagency Guidelines for Real Estate Lending Policies, at 12 C.F.R. § 560.101; and
  - g. the Interagency Guidelines Establishing Standards for Safety and Soundness set forth at 12 C.F.R. Part 570 – Appendix A.

**Management and Board Oversight.**

2. Within ninety (90) days, the Board shall retain a highly qualified individual with an adequate and demonstrated level and history of banking expertise and lending and operational experience to serve, on a full time basis, as President/Chief Executive Officer. The Board shall clearly define the duties, responsibilities and qualifications for this position in writing and ensure that the chosen candidate's time and effort is solely dedicated to the operation, management and oversight of the Association. The Board shall ensure the Association's retention of a new President/Chief Executive Officer complies with the requirements of Paragraph 24 of this Order. The Board shall provide the Regional Director with written updates on the status of its compliance with this Paragraph on a bi-weekly basis, with the first report due fourteen (14) days after the Effective Date of this Order.

3. Within thirty (30) days, the Board shall clearly define the duties, responsibilities and qualifications for the BSA/Compliance Officer and ensure that the BSA/Compliance Officer's time and efforts are solely dedicated to the management and oversight of the Association's compliance with the BSA Laws and Regulations and consumer and other compliance laws and regulations (Compliance Laws and Regulations).<sup>1</sup>

4. Within sixty (60) days, the Board shall submit to the Regional Director a written plan to strengthen and improve the Board's oversight of the management and operations of the Association (Board Oversight Plan) consistent with the guidance and responsibilities outlined in the OTS Director's Responsibility Guide and Section 310 of

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<sup>1</sup> The term "consumer and other compliance laws and regulations" means all laws and regulations identified, referenced or discussed in Section 1100 (Compliance Oversight Examination Program) of the OTS Examination Handbook.

the OTS Examination Handbook. The Board Oversight Plan shall, at a minimum, address and include:

- a. The training initiatives that will be undertaken to develop and strengthen the Board's knowledge and skills related to applicable Compliance Laws and Regulations;
- b. the actions, steps and measures the Board will take to strengthen its oversight and monitoring of, and maintain effective control over and supervision of, the Association's Senior Executive Officers<sup>2</sup> (Management) and major operations and activities, including the Association's lending activities; and
- c. the reports, systems and controls that will be adopted by the Board to ensure the Association and Management's compliance with applicable laws and regulations, Board approved policies and procedures and the requirements of this Order.

**Board Compliance Committee.**

5. Within thirty (30) days, the Board shall appoint a committee (the Regulatory Compliance Committee) comprising three or more Directors, the majority of whom shall not be employees of the Association, to monitor and coordinate the Association's compliance with the provisions of this Order and the corrective actions required in the 2007 Examination. Nothing contained herein shall diminish the responsibility of the entire Board to ensure the Association's compliance with the provisions of this Order and the corrective actions required in the 2007 Examination.

6. Within thirty (30) days after the end of each calendar quarter, beginning with the quarter ending on December 31, 2008, the Regulatory Compliance Committee shall submit a written progress report to the full Board detailing the actions taken to comply with each provision of this Order and the corrective actions required by the 2007

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<sup>2</sup> The term "Senior Executive Officer" is defined at 12 C.F.R. § 563.555.

Examination and the results of those actions (Regulatory Compliance Report). The Board shall review each quarterly Regulatory Compliance Report at the next regular Board meeting and adopt a resolution: (a) certifying that each director has reviewed the progress report; (b) detailing the Association's compliance with the provisions of this Order and the directives and corrective actions contained in the 2007 Examination; (c) identifying each instance of noncompliance; and (d) setting forth in detail additional corrective actions or steps adopted or required by the Board to address each instance of noncompliance.

7. Within ten (10) days after the Board's review of the Regulatory Compliance Report, beginning with the quarter ending on December 31, 2008, the Board shall submit to the Regional Director: (a) a copy of the Regulatory Compliance Report required by Paragraph 6; and (b) a copy of the Board resolution required by Paragraph 6, including the Board meeting minutes.

**Consumer Compliance.**

8. Within sixty (60) days, the Board shall review the Association's 2007 Examination and ensure that the Association's written compliance management program (Consumer Compliance Program) is amended to strengthen and enhance the Association's compliance with Compliance Laws and Regulations and address all violations and deficiencies cited in the 2007 Examination. At a minimum, the Board shall ensure that the Consumer Compliance Program:

a. is comprehensive and adequate for the Association's size, complexity and product lines;

- b. is designed to maintain the Association's compliance with applicable Compliance Laws and Regulations;
- c. satisfies the requirements of OTS Chief Executive Officer Letter No. 171;
- d. comports with the guidance contained in OTS Regulatory Bulletin (RB) No. 37-8; and
- e. complies with the requirements of this Order.

The Board shall require the Association's Compliance Officer to monitor the Association's adherence to its Consumer Compliance Program.

9. Within thirty (30) days after the end of each calendar quarter, beginning with the quarter ending on December 31, 2008, the Association's Compliance Officer shall provide the Board with a quarterly written report that, at a minimum: (a) assesses the effectiveness of the Association's Consumer Compliance Program; (b) discusses the Association's compliance with applicable Compliance Laws and Regulations; (c) identifies recommended corrective actions to address any noted weaknesses or deficiencies; and (d) provides information for the Board to monitor the timeliness and completion of all corrective actions (Consumer Compliance Report). The Board shall review each quarterly Consumer Compliance Report at the next regular Board meeting. The Board's review, including any adopted corrective actions and timeframes for completion, shall be fully documented in the Board meeting minutes. A copy of the quarterly Consumer Compliance Report to the Board and the Board meeting minutes detailing the Board's review of the quarterly Consumer Compliance Report shall be provided to the Regional Director within ten (10) days after the Board's review of the Consumer Compliance Report, beginning with the quarter ending December 31, 2008.

**Bank Secrecy Act/Anti-Money Laundering.**

10. Within sixty (60) days, the Board shall revise the Association's current written BSA Compliance Program to comply with (a) the BSA Laws and Regulations; (b) the SAR Regulations; and (c) the OFAC Regulations, based upon an assessment of the Association's BSA and anti-money laundering (AML) risks, and to address the violations of the BSA Laws and Regulations cited in the 2007 Examination.

11. The Association's revised BSA Compliance Program must provide for the following requirements: (i) a system of internal controls to ensure ongoing compliance with the BSA Laws and Regulations; (ii) independent testing of the Association's BSA/AML compliance; (iii) a designated individual responsible for managing the Association's BSA/AML compliance (BSA Compliance Officer); and (iv) BSA/AML training for appropriate personnel. The revised BSA Compliance Program shall include specific policies and procedures to ensure that the Association:

- a. accurately identifies and monitors all higher risk accounts for suspicious transactions or activities;
- b. identifies and conducts an objective investigation of all suspicious transactions to determine whether a SAR must be filed;
- c. thoroughly documents in writing the results of all investigations of suspicious activities and ensures that all decisions and determinations regarding the filing of SARs are fully supported;
- d. timely files any required SARs with appropriate regulatory agencies and law enforcement authorities in compliance with applicable law and regulation; and

e. that the BSA/Compliance Officer provides written monthly updates to the Board detailing the Association's compliance with the BSA Compliance Program.

12. The Board shall provide the draft BSA Compliance Program to the Regional Director within ten (10) days after review and revision by the Board. The Board's review of the draft BSA Compliance Program shall be fully detailed in the Board meeting minutes. Within ten (10) days after receiving a response from the Regional Director, the Association shall incorporate any changes required by the Regional Director and the Board shall adopt the revised BSA Compliance Program for implementation by the Association. The Board's review and adoption of the revised BSA Compliance Program shall be fully detailed in the Board meeting minutes. A copy of the Board minutes reflecting the Board's review and adoption of the revised BSA Compliance Program shall be provided to the Regional Director within ten (10) days after review and adoption. Thereafter, the Board shall ensure that the Association complies with the revised BSA Compliance Program.

**Fair Lending.**

13. Effective immediately, the Board shall ensure that the Association maintains and adheres to comprehensive written policies, procedures, and internal control systems to comply with the requirements of: (a) the Equal Credit Opportunity Act; (b) the regulations contained at 12 C.F.R. Part 202 (Regulation B); (c) the Interagency Fair Lending Examination Procedures; and (d) this Order (ECOA Policies).

14. Within thirty (30) days, the Board shall review the Association's 2007 Examination and prepare and adopt, consistent with the ECOA Policies in Paragraph 13, a comprehensive written action plan with specific corrective actions and completion

timeframes to address all violations and deficiencies cited in the 2007 Examination (ECOA Plan). The Board's review and adoption of the ECOA Plan shall be fully detailed in the Board meeting minutes. A copy of the Board minutes reflecting the Board's review and adoption of the ECOA Plan shall be provided to the Regional Director within ten (10) days after review and adoption. Thereafter, Management shall provide the Board an update regarding compliance with the ECOA Plan at each regular Board meeting. The Board's review of the monthly ECOA Plan update, including any adopted corrective actions and timeframes for completion, shall be fully documented in the Board meeting minutes. A copy of the monthly updates to the Board regarding the Association's compliance with the ECOA Plan and the Board meeting minutes detailing the Board's review shall be provided to the Regional Director within ten (10) days after the end of each calendar quarter, beginning with December 31, 2008.

**Financial Reporting.**

15. Effective immediately, the Association shall maintain and adhere to effective internal control processes and systems to ensure: (a) accurate and timely preparation and filing of financial reports with the OTS; (b) maintenance of an effective and accurate documentation and recordkeeping function; (c) timely review and reconciliation of the Association's financial accounts, reports and statements; (d) timely review and correction of deficiencies cited in internal or external audit reports or reviews; and (e) compliance with this Order (Financial Reporting Policies).

16. Within sixty (60) days, the Board shall review the Association's 2007 Examination and the 2007 independent audit report and management letter and prepare and adopt, consistent with the Financial Reporting Policies in Paragraph 15, a

comprehensive written action plan with specific corrective actions and completion timeframes to address all deficiencies cited in the 2007 Examination and the 2007 independent audit report (Financial Reporting Plan). At a minimum, the Financial Reporting Plan shall contain policies, procedures, controls, and reporting requirements to ensure that:

- a. account reconciliations are current and that all future reconciliations are completed in a timely manner;
- b. accounting, general ledger, or audit issues are resolved timely and sufficiently explained and documented in the Association's records and reported to the Board; and
- c. financial reports submitted to or filed with the OTS including, but not limited to, the Thrift Financial Report and Schedule CMR (Consolidated Maturity/Rate), are accurate.

17. The Board shall require the Association's Management to adhere to the Financial Reporting Plan, as adopted by the Board, and provide written monthly updates to the Board detailing the Association's compliance with the Financial Reporting Plan and the status of all corrective actions. The Board's review and adoption of the Financial Reporting Plan shall be fully detailed in the Board meeting minutes. A copy of the Board minutes and the Financial Reporting Plan shall be provided to the Regional Director within ten (10) days after review and adoption. A copy of the monthly updates to the Board and the Board meeting minutes detailing the Board's review shall be provided to the Regional Director within ten (10) days after the end of each calendar quarter, beginning with the quarter ending December 31, 2008.

**Interest Rate Risk Management.**

18. Effective immediately, the Board shall ensure that the Association: (a) maintains and adheres to a comprehensive written program with detailed policies, procedures, and internal control systems to effectively manage the Association's interest rate risk sensitivity; (b) complies with applicable laws, regulations and regulatory guidance including, but not limited to, 12 CF. § 563.176(b), OTS TB 13a, and OTS Examination Handbook Sections 500, 600, and 650; and (c) complies with the requirements of this Order (IRR Policies).

19. Within sixty (60) days, the Board shall review the Association's 2007 Examination and prepare and adopt, consistent with the IRR Policies in Paragraph 18, a comprehensive written action plan with specific corrective actions and completion timeframes to address all violations and deficiencies cited in the 2007 Examination, including, but not limited to, the loan coding errors detailed on Pages 7 and 8 of the 2007 Examination (IRR Plan). The Board shall require the Association's Management to implement the IRR Plan, as adopted by the Board, and provide written monthly updates to the Board detailing the Association's compliance with the IRR Plan and the status of all corrective actions. The Board's review and adoption of the IRR Plan shall be fully detailed in the Board meeting minutes. A copy of the Board minutes and the IRR Plan shall be provided to the Regional Director within ten (10) days after review and adoption. A copy of the monthly updates to the Board and the Board meeting minutes detailing the Board's review shall be provided to the Regional Director within ten (10) days after the end of each calendar quarter, beginning with the quarter ending December 31, 2008.

**Loan Underwriting.**

20. Effective immediately, the Board shall ensure that the Association maintains and adheres to a comprehensive written loan underwriting and administration program with detailed policies, procedures, and internal control systems that complies with: (a) the requirements of 12 C.F.R. § 560.101; (b) the safety and soundness standards set forth in Appendix A to 12 C.F.R. Part 570; (c) the guidance contained in the OTS Examination Handbook; and (d) the requirements of this Order (Loan Underwriting Policies).

21. Within sixty (60) days, the Board shall prepare and submit for Regional Director review and approval, a comprehensive written action plan that is consistent with the Loan Underwriting Policies in Paragraph 20 and contains specific corrective actions and completion timeframes for all violations and deficiencies cited in the 2007 Examination (Loan Underwriting Plan).

22. Within thirty (30) days after receipt of the Regional Director's comments, the Board shall amend the Loan Underwriting Plan as required by the Regional Director. The Board shall adopt the amended Loan Underwriting Plan and require the Association's Management to implement the amended Loan Underwriting Plan. The Board shall require Management to provide written monthly updates to the Board detailing the Association's compliance with the amended Loan Underwriting Plan and the status of all corrective actions. The Board's review and adoption of the amended Loan Underwriting Plan and review of Management's monthly updates shall be fully detailed in the Board meeting minutes. A copy of Management's monthly updates to the Board and the Board meeting minutes detailing the Board's review shall be provided to

the Regional Director within ten (10) days after the end of each calendar quarter, beginning with the quarter ending December 31, 2008.

**Management Changes.**

23. Effective immediately, the Association shall comply with the prior notification requirements for changes in directors and senior executive officers set forth in 12 C.F.R. Part 563, Subpart H.

**Employment Contracts and Compensation Arrangements.**

24. Effective immediately, the Association shall not enter into, renew, extend or revise any contractual arrangement relating to compensation or benefits for any Senior Executive Officer or director of the Association, unless it first provides the OTS with not less than thirty (30) days prior written notice of the proposed transaction. The notice to the OTS shall include a copy of the proposed employment contract or compensation arrangement or a detailed, written description of the compensation arrangement to be offered to such officer or director, including all benefits and perquisites. The Board shall ensure that any contract, agreement or arrangement submitted to the OTS fully complies with the requirements of 12 C.F.R. Part 359, 12 C.F.R. §§ 563.39 and 563.161(b), and 12 C.F.R. Part 570 – Appendix A.

**Severance and Indemnification Payments.**

25. Effective immediately, the Association shall not make any golden parachute payment<sup>3</sup> or prohibited indemnification payment<sup>4</sup> unless, with respect to each such payment, the Association has complied with the requirements of 12 C.F.R. Part 359 and, as to indemnification payments, 12 C.F.R. § 545.121.

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<sup>3</sup> The term “golden parachute payment” is defined at 12 C.F.R. § 359.1(f).

<sup>4</sup> The term “prohibited indemnification payment” is defined at 12 C.F.R. § 359.1(l).

**Effective Date, Incorporation of Stipulation.**

26. This Order is effective on the Effective Date as shown on the first page. The Stipulation is made a part hereof and is incorporated herein by this reference.

**Duration.**

27. This Order shall remain in effect until terminated, modified or suspended, by written notice of such action by the OTS, acting by and through its authorized representatives.

**Time Calculations.**

28. Calculation of time limitations for compliance with the terms of this Order run from the Effective Date and shall be calendar based, unless otherwise noted.

29. The Regional Director may extend any of the deadlines set forth in the provisions of this Order upon written request by the Association that includes reasons in support for any such extension. Any OTS extension shall be made in writing.

**Submissions and Notices.**

30. All submissions, including progress reports, to the OTS that are required by or contemplated by this Order shall be submitted within the specified timeframes.

31. Except as otherwise provided herein, all submissions, requests, communications, consents or other documents relating to this Order shall be in writing and sent by first class U.S mail (or by reputable overnight carrier, electronic facsimile transmission or hand delivery by messenger) addressed as follows:

- a. To the OTS:  
John E. Ryan, Regional Director  
Office of Thrift Supervision  
1475 Peachtree St., N.E.  
Atlanta, Georgia 30309

- b. To the Association:  
Robert F. Wilson, Chairman  
Sykesville Federal Savings Association  
1321 Liberty Road  
Sykesville, Maryland 21784-6412

**No Violations Authorized.**

32. Nothing in this Order or the Stipulation shall be construed as allowing the Association, its Board, officers or employees to violate any law, rule, or regulation.

**IT IS SO ORDERED.**

**OFFICE OF THRIFT SUPERVISION**

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

Date: See Effective Date on page 1

UNITED STATES OF AMERICA  
Before The  
OFFICE OF THRIFT SUPERVISION

In the Matter of	)	Order No.: SE-08-015
	)	
<b>SYKESVILLE FEDERAL</b>	)	
<b>SAVINGS ASSOCIATION</b>	)	Effective Date: October 3, 2008
<b>Sykesville, Maryland</b>	)	
	)	
OTS Docket No. 08217	)	
	)	

**STIPULATION AND CONSENT TO ISSUANCE OF ORDER TO CEASE AND DESIST**

**WHEREAS**, the Office of Thrift Supervision (OTS), acting by and through its Regional Director for the Southeast Region (Regional Director), and based upon information derived from the exercise of its regulatory and supervisory responsibilities, has informed Sykesville Federal Savings Association, Sykesville, Maryland, OTS Docket No. 08217 (Association), that the OTS is of the opinion that grounds exist to initiate an administrative proceeding against the Association pursuant to 12 U.S.C. § 1818(b);

**WHEREAS**, the Regional Director, pursuant to delegated authority, is authorized to issue Orders to Cease and Desist where a savings association has consented to the issuance of an order; and

**WHEREAS**, the Association desires to cooperate with the OTS to avoid the time and expense of such administrative cease and desist proceedings by entering into this Stipulation and Consent to the Issuance of Order to Cease and Desist (Stipulation) and, without admitting or denying that such grounds exist, but only admitting the statements and conclusions in Paragraph

1 below concerning Jurisdiction, hereby stipulates and agrees to the following terms:

**1. Jurisdiction.**

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

b. Pursuant to 12 U.S.C. § 1813(q), the Director of the OTS is the “appropriate Federal banking agency” with jurisdiction to maintain an administrative enforcement proceeding against a savings association. Therefore, the Association is subject to the authority of the OTS to initiate and maintain an administrative cease-and-desist proceeding against it pursuant to 12 U.S.C. § 1818(b).

**2. OTS Findings of Fact.**

The OTS finds that the Association has engaged in certain unsafe and unsound practices and violated various laws and regulations to which the Association is subject, as outlined in detail in the OTS’s December 27, 2007 Report of Examination (2007 Examination). Such violations include, but are not limited to:

a. the Currency and Foreign Transactions Reporting Act, as amended by the USA Patriot Act and other laws (the Bank Secrecy Act or BSA), 31 U.S.C. §§ 5311 et seq., and the related BSA regulations issued by the United States Department of the Treasury, 31 C.F.R. Part 103, and the OTS, 12 C.F.R. § 563.177 (collectively with the aforementioned laws and regulations, the BSA Laws and Regulations);

b. the OTS regulations governing suspicious activity reports (SAR) and other reports and statements set forth in 12 C.F.R. § 563.180 (SAR Regulations);

c. the Equal Credit Opportunity Act regulations at 12 C.F.R. Part 202;

d. the OTS regulations governing regulatory reporting standards at 12 C.F.R. Part 562; the OTS regulations governing interest rate risk management procedures set forth in 12 C.F.R. § 563.176;

e. the real estate lending standards, including the Interagency Guidelines for Real Estate Lending Policies, at 12 C.F.R. § 560.101; and

f. the Interagency Guidelines Establishing Standards for Safety and Soundness set forth at 12 C.F.R. Part 570 – Appendix A.

**3. Consent.**

The Association consents to the issuance by the OTS of the accompanying Order to Cease and Desist (Order). The Association further agrees to comply with the terms of the Order upon the Effective Date of the Order and stipulates that the Order complies with all requirements of law.

**4. Finality.**

The Order is issued by the OTS under 12 U.S.C. § 1818(b) and upon the Effective Date 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.**

The Association waives the following:

- a. The right to be served with a written notice of the OTS's charges against it as 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 as provided by 12 U.S.C. § 1818(b) and 12 C.F.R. Part 509;
- c. The right to seek judicial review of the Order, including, without limitation, any

such right provided by 12 U.S.C. § 1818(h), 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, federal statutes or otherwise.

**6. OTS Authority Not Affected.**

Nothing in this Stipulation or accompanying Order shall inhibit, estop, bar or otherwise prevent the OTS from taking any other action affecting the Association if at any time the OTS deems it appropriate to do so to fulfill the responsibilities placed upon the OTS by law.

**7. Other Governmental Actions Not Affected.**

The Association acknowledges and agrees that its consent to the issuance of the Order is solely for the purpose of resolving the matters addressed herein, consistent with Paragraph 6 above, and does not otherwise release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of the Association that arise pursuant to this action or otherwise, and that may be or have been brought by any governmental entity other than the OTS.

**8. Miscellaneous.**

a. The laws of the United States of America shall govern the construction and validity of this Stipulation and of the Order;

b. If any provision of this Stipulation and/or 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 shall not affect the interpretation of this Stipulation or the Order;

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

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

**9. Signature of Directors/Board Resolution.**

Each Director signing this Stipulation attests that he or she voted in favor of a Board Resolution authorizing the consent of the Association to the issuance of the Order and the execution of the Stipulation.

**WHEREFORE**, the Association, by its directors, executes this Stipulation.

**SYKESVILLE FEDERAL  
SAVINGS ASSOCIATION  
Sykesville, Maryland**

Accepted by:

**OFFICE OF THRIFT SUPERVISION**

By: \_\_\_\_\_ /s/  
Robert F. Wilson  
Chairman

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

Date: See Effective Date on page 1

