

UNITED STATES OF AMERICA
Before the
OFFICE OF THRIFT SUPERVISION

In the Matter of
MARGARET A. GERAGHTY,
A Former Director of
Hyde Park Cooperative Bank,
Hyde Park, Massachusetts.

Order No. NE 98-11

Date: July 10, 1998

STIPULATION AND CONSENT TO THE ENTRY OF
AN ORDER OF ASSESSMENT OF CIVIL MONEY PENALTY

WHEREAS, the Office of Thrift Supervision ("OTS"), based upon information derived from the exercise of its regulatory responsibilities, has informed Margaret A. Geraghty ("Geraghty"), a former Director of Hyde Park Cooperative Bank, Hyde Park, Massachusetts ("Hyde Park"), that grounds exist to assess a civil money penalty against her pursuant to 12 U.S.C. § 1818(i),¹ and

WHEREAS, Geraghty desires to cooperate with the OTS and to avoid the time and expense of such administrative proceeding and, without admitting or denying that such grounds exist, or the Findings of Fact or opinions and conclusions of the OTS, except as to Jurisdiction, paragraph 1, below, which is admitted, hereby stipulates and agrees to the following terms:

1. Jurisdiction. (a) Hyde Park is a "savings association" within the meaning of 12 U.S.C. § 1813(b) and 12 U.S.C. § 1462(4). Accordingly, it is an "insured depository institution" as that term is defined in 12 U.S.C. § 1813(c)(2).

(b) Geraghty, having served as a Director of Hyde Park within six (6) years of the date

¹ All references to the United States Code ("U.S.C.") are as amended unless otherwise indicated.

hereof (see 12 U.S.C. § 1818(i)(3)), is an "institution-affiliated party" as that term is defined in 12 U.S.C. § 1813(u).

(c) Pursuant to 12 U.S.C. § 1813(q), the Director of the OTS is the "appropriate Federal banking agency" to maintain a civil money penalty proceeding against such a savings association or its institution-affiliated parties. Therefore, Geraghty is subject to the jurisdiction of the OTS to initiate and maintain a civil money penalty proceeding against her pursuant to 12 U.S.C. § 1818(i). The Director of the OTS has delegated to the Regional Director of the Northeast Region of the OTS or his designee ("Regional Director") the authority to issue orders of assessment of civil money penalties where the individual has consented to the issuance of the Order.

2. Findings of Fact. The OTS finds that:

(a) In January 1991, while Geraghty served as a director of Hyde Park, Hyde Park made a \$360,000.00 loan to Geraghty's daughter, which Geraghty's daughter used to purchase property from Geraghty Harbor Towers Realty Trust ("GHTRT"). When the loan was made, Geraghty was the trustee of GHTRT and had a substantial beneficial interest in it. Accordingly, Geraghty participated in a violation of 12 C.F.R. § 563.43 (1990), which proscribes loans to third parties that fund the purchase of property from institution-affiliated parties.

(b) In September 1989, while Geraghty served as a director of Hyde Park, Hyde Park made a \$17,000.00 loan to a third party secured by a condominium. The majority of the proceeds of the Hyde Park loan were used to pay an existing \$16,000.00 mortgage the third party had with Community Equity Company and which was secured by the condominium. When Hyde Park made the loan to the third party, Geraghty was the trustee of Community Equity Company and was the sole beneficiary of the trust that owned a majority interest in Community Equity Company. Accordingly, Geraghty participated in a violation of 12 C.F.R. § 563.43 (1989), which proscribes loans to third parties secured by property in which an institution-affiliated party holds a security interest.

3. Consent. Geraghty consents to the issuance by the OTS of the accompanying Order of Assessment of Civil Money Penalty ("Order"). Geraghty 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. The Order is issued under 12 U.S.C. § 1818(i). Upon its issuance by the OTS, 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. Geraghty waives the following:

(a) the right to be served with a written notice of the OTS's charges against her as provided by 12 U.S.C. § 1818(i);

(b) the right to an administrative hearing of the OTS's charges against her as provided by §1818(i);

(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, the Equal Access to Justice Act, 5 U.S.C. § 504, or 28 U.S.C. § 2412.

6. Other Governmental Actions Not Affected. Geraghty acknowledges that this Stipulation, the Order, her compliance with the Order and the forbearance of the OTS to maintain administrative proceedings against her, resolve all claims presently known to the OTS that the OTS could bring against Geraghty based upon, or arising from, her directorship at Hyde Park, except for a failure to comply with the Stipulation and Order, but do not resolve, affect, or preclude any other administrative, civil or criminal proceeding which may be or has been brought by any other governmental agency.

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

(c) 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.

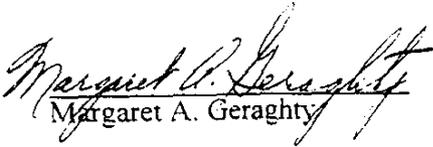
(d) The terms of this Stipulation and the Order represent the final written agreement of the parties with respect to the subject matters hereof, and constitute the sole agreement of the parties with respect to such subject matters.

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

WHEREFORE, Margaret A. Geraghty executes this Stipulation and Consent to the Entry of an Order of Assessment of Civil Money Penalty, intending to be legally bound hereby.

Accepted By:

OFFICE OF THRIFT SUPERVISION


Margaret A. Geraghty


Robert C. Albanese
Regional Director
Northeast Region

Dated: June 8, 1998

Dated: 7/10/98

UNITED STATES OF AMERICA
Before the
OFFICE OF THRIFT SUPERVISION

In the Matter of)
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MARGARET A. GERAGHTY,)
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A Former Director of)
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Hyde Park Cooperative Bank,)
Hyde Park, Massachusetts.)
_____)

OTS Order No. *NE 98-11*

Date: *July 10, 1998*

CONSENT ORDER OF
ASSESSMENT OF CIVIL MONEY PENALTY

WHEREAS, Margaret A. Geraghty ("Geraghty") has executed a Stipulation and Consent to the Issuance of an Order of Assessment of Civil Money Penalty ("Stipulation");

WHEREAS, Geraghty, by her execution of the Stipulation, has consented and agreed to the issuance of this Order of Assessment of Civil Money Penalty ("Order") pursuant to 12 U.S.C. § 1818(i)¹; and

WHEREAS, the Director of the Office of Thrift Supervision ("OTS") has delegated to the Regional Directors of the OTS the authority to issue Orders of Assessment of Civil Money Penalties on behalf of the OTS where a party has consented to the issuance of the Order.

NOW THEREFORE, IT IS ORDERED THAT:

1. Within ten (10) calendar days of the date of this Order, Geraghty shall pay to the Office of Thrift Supervision the sum of \$10,000.00, by tendering a certified check or bank draft made payable to the order of the Treasurer of the United States. The check or bank draft and a

¹ All references to the United States Code ("U.S.C.") are as amended, unless otherwise indicated.

copy of the Order shall be delivered, together with a cover letter stating the name of the association, to the following address: Controller's Division, Office of Thrift Supervision, 1700 G Street, N.W., Washington, D.C. 20552. A copy of the check or bank draft and the cover letter shall be provided by U.S. Mail to Beth Mizuno, Senior Enforcement Attorney, Office of Thrift Supervision, 1700 G Street, N.W., Washington, D.C. 20552.

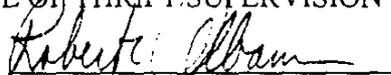
2. The Stipulation is made a part hereof and is incorporated herein.

3. Geraghty shall promptly respond to any request from the OTS for documents that the OTS reasonably requests to demonstrate compliance with this Order.

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

OFFICE OF THRIFT SUPERVISION

By:



Robert C. Albanese
Regional Director
Northeast Region