

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

_____))
In the Matter of))
CHARLES EUGENE MCKEE,))
A former Employee and))
Institution Affiliated))
Party of))
Glendale Federal Bank,))
a Federal Savings Bank,))
Glendale, California.))
_____)

OTS Order No.: SF-98-005
Date: July 31, 1998

STIPULATION AND CONSENT
TO THE ISSUANCE OF AN ORDER OF PROHIBITION

WHEREAS, the Office of Thrift Supervision ("OTS"), based upon information derived from the exercise of its regulatory responsibilities, has informed Charles Eugene McKee ("MCKEE"), a former employee of Glendale Federal Bank, a Federal Savings Bank, Glendale California, OTS Docket Number 3088 ("Glendale"), that grounds exist to initiate an administrative prohibition proceeding against him pursuant to 12 U.S.C. § 1818(e),¹ and

WHEREAS, McKee 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, but

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

Charles Eugene McKee
Stipulation and Consent

admitting the statements and conclusions in paragraph 1 below, hereby stipulates and agrees to the following:

1. Jurisdiction. (a) Glendale 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);

(b) MCKEE was an employee of Glendale and was an "institution-affiliated party" as that term is defined in 12 U.S.C. § 1813(u) having served in such capacity within 6 years of the date hereof (see 12 U.S.C. § 1818(i) (3); and

(c) Pursuant to 12 U.S.C. § 1813(q), the Director of the OTS is the "appropriate Federal Banking agency" to maintain an administrative prohibition proceeding against such a savings association or its institution-affiliated parties. Therefore, MCKEE is subject to the jurisdiction of the OTS to initiate and maintain an administrative proceeding against him pursuant to 12 U.S.C. § 1818(e). The Director of the OTS has delegated to the Regional Director of the West Region of the OTS or his designee ("Regional Director") the authority to issue prohibition orders where the individual has consented to the issuance of the order.

2. OTS Findings of Fact. The OTS finds that on or around September 23, 1997, MCKEE misapplied approximately \$8,995 Of Glendale's funds by forging **one of** Glendale's official bank checks and converting the proceeds to his personal use. As a result of these actions, MCKEE (1) engaged in a violation of the law **or**

breached your fiduciary duty of honesty to Glendale; (2) Glendale suffered a financial loss and/or received a financial benefit or other gain (regardless of whether or not restitution was subsequently made); and (3) the violation of law or breach of fiduciary duty involved personal dishonesty.

3. Consent. MCKEE consents to the issuance by the OTS of the accompanying Consent Order of Prohibition ("Order"). MCKEE 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(e). 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. MCKEE waives the following:

(a) the right to be served with a written notice of the OTS's charges him (referred to as Notice of Intention to Prohibit, see 12 U.S.C. § 1818(e));

(b) the right to an administrative hearing of the OTS's charges against him as provided by 12 U.S.C. § 1818(e);

(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:

(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; and

(e) the right to assert this proceeding, his consent to 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 governmental entity.

6. Other Governmental Actions Not Affected. MCKEE acknowledges and agrees that the consent to the issuance of the Order is for the purpose of resolving this OTS enforcement matter only, the misapplication of \$8,995 from Glendale, and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of MCKEE that arise pursuant to this action or otherwise and that may be or have been brought by the OTS or another governmental entity.

7 Acknowledgment of Criminal Sanctions. MCKEE acknowledges that the Stipulation and Order are subject to the provisions of 12 U.S.C. § 1818(j).

8. 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' 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:

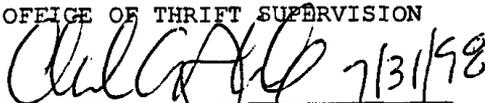
(d) The terms of this Stipulation and the Order represent the final written agreement of the parties with respect to the subject matters hereof, and constitute the sole agreement of the parties with respect to such subject matters; and

(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, MCKEE, executes this Stipulation and Consent to the Issuance of an Order of Prohibition, intending to be legally bound hereby.

Accepted by:

By: 
Charles Eugene McKee

OFFICE OF THRIFT SUPERVISION
 7/31/98
Charles Deardorff
Regional Director
West Region

Date: 7/31/98

Date: _____

(mckee ft proh stip jah/16)

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

_____))
In the Matter of)
CHARLES EUGENE MCKEE,) OTS Order No.: SF-98-005
))
A former Employee) Date: July 31, 1998
and Institution Affiliated)
Party of)

Glendale Federal Bank,
a Federal Savings Bank,
Glendale, California.
_____)

CONSENT ORDER OF PROHIBITION

WHEREAS, Charles Eugene McKee ("MCKEE") has executed a Stipulation and Consent to Entry of an Order of Prohibition ("Stipulation") on July 10, 1998; and

WHEREAS, MCKEE, by his execution of the Stipulation, has consented and agreed to the issuance of this Order of Prohibition ("Order") by the Office of Thrift Supervision ("OTS"), pursuant to 12 U.S.C. § 1818(e); and

NOW THEREFORE, IT IS ORDERED that:

1. MCKEE is prohibited from further participation, in any manner, in the conduct of the affairs of Glendale Federal Bank, a Federal Savings Bank ("Glendale"?), and any successor institution, holding company, subsidiary, and/or service corporation thereof.

Charles Eugene McKee
Order of Prohibition

2. MCKEE is and shall be subject to the statutory prohibitions provided by 12 U.S.C. § 1818(e) except upon the prior written consent of the OTS (acting through its Director or an authorized representative thereof) and any other "appropriate Federal financial institutions regulatory agency," for purposes of 12 U.S.C. § 1818(e)(7) (B) (ii), shall not:

(a) hold any office in, or participate in any manner in the conduct of the affairs of, any institution or agency specified in 12 U.S.C. § 1818(e)(7)(A), including, but not limited to:

- (i) any insured depository institution, e.g., savings and loan associations, savings banks, national banks, trust companies, and other banking institutions;
- (ii) any institution treated as an insured bank under 12 U.S.C. §§ 1818(b) (3) and 1818(b) (4), or as a savings association under 12 U.S.C. § 1818(b) (9), e.g., subsidiaries and holding companies of banks or savings associations;
- (iii) any insured credit union under the Federal Credit Union Act, 12 U.S.C. § 1781 et seq.;
- (iv) any institution chartered under the Farm Credit Act of 1971, 12 U.S.C. § 2001 et seq.;
- (v) any appropriate Federal depository institution regulatory agency, within the meaning of 12 U.S.C. § 1818(e) (7) (A) (v); and
- (vi) the Federal Housing Finance Board and any Federal Home Loan Bank.

(b) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights in any institution described in 12 U.S.C. § 1818(e) (7) (A);

(c) violate any voting agreement previously approved by the "appropriate Federal banking agency" within the meaning of 12 U.S.C. § 1813(q); or

(d) vote for a director, or serve or act as an "institution-affiliated party," as that term is defined at 12 U.S.C. § 1813(u), e.g., a director, officer, employee, controlling stockholder of, or agent for, an insured depository institution.

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

4. This Order is subject to the provisions of 12 U.S.C. § 1818(j).

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

6. 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 the OTS, acting through its Director,
Regional Director or other authorized representative.

OFFICE OF THRIFT SUPERVISION

By:



Charles Deardorff
Regional Director
West Region

(mckee ft proh ord jah/16)

Charles Eugene McKee
Order of Prohibition