

**UNITED STATES OF AMERICA**  
**Before the**  
**OFFICE OF THRIFT SUPERVISION**  
**DEPARTMENT OF THE TREASURY**

**In the Matter of:**

**UNITED SAVINGS ASSOCIATION OF TEXAS,  
and UNITED FINANCIAL GROUP, INC.**

**MAXXAM Inc.,**

**FEDERATED DEVELOPMENT CO.,**

**CHARLES E. HURWITZ, BARRY A. MUNITZ,  
JENARD M. GROSS, ARTHUR S. BERNER,  
RONALD HUEBSCH, and MICHAEL CROW,**

**Respondents.**

**OTS Order No. AP-99-2**

**Date: February 10, 1999**

**OFFER OF SETTLEMENT BY**  
**BARRY A. MUNITZ, JENARD M. GROSS,**  
**ARTHUR S. BERNER, RONALD HUEBSCH, and MICHAEL CROW**

**I.**

Respondents Barry A. Munitz, Jenard M. Gross, Arthur S. Berner, Ronald Huebsch, and Michael Crow (collectively, the "Individual Respondents") hereby submit this Offer of Settlement ("Offer") to the Office of Thrift Supervision ("OTS"). This Offer is submitted for the sole purpose of disposing of the allegations and issues raised in the Notice of Charges ("Notice"), OTS Order No. AP 95-40, December 26, 1995, issued by the OTS in this matter relating, among other things, to the Individual Respondents' participation as officers or directors of United Savings Association of Texas ("USAT") and United Financial Group, Inc. ("UFG").

II.

This Offer is submitted solely for the purpose of terminating this administrative proceeding against the Individual Respondents and shall be null and void and shall not be used in any manner in any proceeding if it is not accepted by the OTS as hereinafter set forth.

III.

Solely for the purposes of this proceeding, and without adjudication of any issue of fact or law, the Individual Respondents:

- A. Admit the jurisdiction of the OTS with respect to the matters set forth in the Notice;
- B. Stipulate that the record basis for the Opinion and Order Accepting Offer of Settlement of Barry A. Munitz, Jenard M. Gross, Arthur S. Berner, Ronald Huebsch, and Michael Crow ("Order") consists of the Notice, their Answers thereto, and this Offer;
- C. Acknowledge service of the Notice; and
- D. Waive:
  - (1) a hearing;
  - (2) all post-hearing procedures;
  - (3) entry of findings of fact and conclusions of law;
  - (4) judicial review of the Order by any court as provided by 12 U.S.C. § 1818(h), or otherwise challenge the validity of the Order;

- (5) any objection to the staff's participation in OTS's consideration of this Offer; and
- (6) any and all claims for the award of fees, costs or expenses arising under common law or under the Equal Access to Justice Act, 5 U.S.C. § 508 and 28 U.S.C. § 2412.

#### IV.

The Individual Respondents consent, solely by virtue of this Offer and not any adjudication of the merits, to the issuance of the Order by the OTS that contains the following terms:

#### CEASE AND DESIST

1. The Individual Respondents shall not engage in any unsafe or unsound practice, or breach any fiduciary duty, with respect to the operation or supervision of any insured depository institution, or violate any laws, rules, or regulations governing the operation or supervision of any insured depository institution.

2. At any time in which any of the Individual Respondents serves as a director, officer, or employee of an insured financial institution, or otherwise serves as an institution-affiliated party of an insured depository institution, he shall not participate, directly or indirectly, in the review, consideration, recommendation, or approval of:

(a) director, officer, or employee compensation, or compensation plans, policies, or agreements of an insured depository institution;

(b) the purchase or sale of mortgage-backed securities or high-yield bonds on behalf of an insured depository institution, except as provided

in paragraph 6 below;

- (c) any investment decisions or policies of or on behalf of an insured depository institution, except as provided in paragraph 6 below;
- (d) any application or report submitted to an insured depository institution's appropriate Federal banking agency, including the preparation or transmittal of any such application or report.

3. Respondents Munitz, Gross, and Crow, at any time in which any of them serves as a director, officer, or employee of an insured financial institution, or otherwise serves as an institution-affiliated party of an insured depository institution, shall not participate, directly or indirectly, in the review, consideration, recommendation, or approval of loans or investments involving commercial real estate of an insured depository institution.

4. Respondent Berner shall not provide, directly or indirectly, legal advice as to the interpretation of federal banking or thrift laws, rules, regulations, or guidelines to any insured financial institution, or to the officers, directors, or employees of any insured financial institution.

5. Respondent Crow shall not serve as Chief Financial Officer or a financial officer, or otherwise fulfill the duties and responsibilities normally associated with those offices, for a insured depository institution.

6. Notwithstanding any other provisions of this Offer or the Order, Respondent Crow is not precluded from acting as a securities broker for any entity, including an insured financial institution, or for customers of an insured financial institution, provided only that he (a) shall not, directly or indirectly, manage any discretionary securities account for an insured depository institution, or exercise discretionary power with respect to the purchase, sale, or exchange of any securities or commodities on behalf of an insured depository institution; and (b)

shall not, directly or indirectly, provide any insured depository institution with advice concerning the voting of any shares of stock, and shall vote any shares of stock on behalf of an insured depository institution only upon the instructions of the customer or beneficial owner of such shares.

7. Each Individual Respondent shall provide a copy of the Order to any insured financial institution prior to accepting a position as a director, officer or employee of such institution.

#### RESTITUTION

8. The Individuals Respondents shall pay restitution (but not as a penalty or fine) in the sum of One Million Thirty Thousand Dollars (\$1,030,000.00). This sum shall be paid by cashiers' check or bank draft made payable to the Federal Deposit Insurance Corporation ("FDIC"), and hand-delivered to Richard C. Stearns, Deputy Chief Counsel, OTS, 1700 G Street, N.W., Washington, D.C. 20552. The payment shall be made on the date of the issuance of the Order. The Individual Respondents shall be jointly and severally responsible for the payment of this sum.

#### MISCELLANEOUS

9. Definitions:

(a) "Appropriate Federal banking agency" shall have the meaning set forth in 12 U.S.C. § 1813(q).

(b) "Insured financial institution" refers to any and all of the following: any "insured depository institution" as that term is defined at 12 U.S.C. § 1813(c) (including but not limited to banks and savings associations); any direct or

indirect “subsidiary” of an insured depository institution, whether wholly or partly owned, as that term is defined at 12 U.S.C. § 1813(w)(4); any “insured credit union” within the meaning of 12 U.S.C. § 1752(7); any “savings and loan holding company” within the meaning of 12 U.S.C. § 1467a(a)(1); and any “bank holding company” within the meaning of 12 U.S.C. § 1841.

(c) “Insured depository institution” shall have the meaning set forth in 12 U.S.C. § 1813(c)(2) and (c)(3).

(d) “Institution-affiliated party” shall have the meaning set forth in 12 U.S.C. § 1813(u).

(e) “Discretionary securities account” means a securities or commodity account in which an agent is free to exercise discretionary power in trading on behalf of a customer or beneficial owner.

(f) “Discretionary power” means the authority to exercise discretion in the acquisition or disposition of securities or commodities, including the selection, amount and price to be paid or received.

(g) All other technical words or terms used in this Offer or in the Order, for which meanings are not specified or otherwise provided by the provisions of the Offer or the Order shall, insofar as applicable, have meanings as defined in Chapter 12 of the Code of Federal Regulations, the Home Owners’ Loan Act (“HOLA”), or the Federal Deposit Insurance Act (“FDIA”). Any such technical words or terms used in this Offer or in the Order and undefined in the Code of Federal Regulations, HOLA, or FDIA

shall have meanings that are in accordance with the best custom and usage in the savings and loan industry.

10. Reference in this Offer or the Order to provisions of statutes, regulations, OTS publications, and regulatory guidance shall be deemed to include reference to all amendments to such provisions as have been made as of the date of the Order and to successor provisions as they become applicable.

11. The section headings in this Offer and in the Order are for convenience only and shall not affect the construction thereof.

12. In case any provision of this Offer or the Order is ruled to be invalid, illegal, or unenforceable by decision of any court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions thereof shall not in any way be affected or impaired thereby.

13. The terms of this Offer shall be incorporated into the Order as if set forth separately therein. This Offer and the Order may be used in any proceeding brought by the OTS to enforce the Order.

14. The terms and provisions of the Order shall be binding upon, and shall inure to the benefit of, the parties hereto and their successors in interest. Nothing in this Offer or the Order, express or implied, shall give to any person or entity, other than the parties hereto, and their successors, any benefit, legal or equitable right, remedy, or claim, nor impose any legal or other restrictions or obligations upon any person or entity that is not a party to the Offer and the Order. The Offer and Order shall not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any claims in the Notice against any person or entity, other than the Individual Respondents.

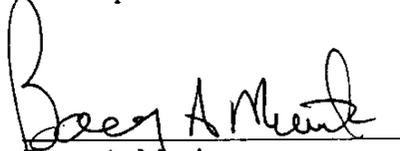
15. The Order constitutes the final disposition of all monetary and non-monetary claims for relief that have been or could have been brought by the OTS against the Individual Respondents in connection with the Notice and any aspect of their participation in the conduct of the affairs of USAT, UFG, MAXXAM, Inc. ("MAXXAM"), or Federated Development Co. ("Federated"). All OTS proceedings against the Individual Respondents relating to the Notice are terminated upon issuance of the Order and no further proceedings against the Individual Respondents relating to the Notice or any aspect of their participation in the conduct of the affairs of USAT, UFG, MAXXAM, or Federated shall be commenced, other than to enforce the terms of the Order.

16. The Individual Respondents shall execute written releases of the OTS, FDIC, their employees, agents, and attorneys from all claims and counterclaims that have been or may be asserted against them arising out of or in any way related to USAT, UFG, MAXXAM, and Federated, including, but not limited to, the subject matter of this administrative proceeding and *FDIC v. Hurwitz, et al.*, Civil No. H-95-3956, in the United States District Court for the Southern District of Texas, Houston Division, including all claims and counterclaims for costs, fees and sanctions. Such written releases, attached hereto as Exhibit A, shall be executed prior to issuance of the Order.

17. The Order is effective upon issuance by the OTS, acting through its authorized representative, as indicated by the date in the caption of the Order. The Order shall remain in effect for three (3) years following the date of its issuance, unless earlier suspended or terminated in writing by the OTS, acting through its authorized representative.

The undersigned state that they have read the foregoing Offer and declare that no promise or inducement of any kind has been made by OTS or its staff to induce the undersigned to tender this Offer, and that the submission of this Offer is a free and voluntary act on their part.

This Offer may be simultaneously executed in several counterparts, and all such counterparts shall constitute but one and the same instrument.

  
\_\_\_\_\_  
Barry A. Munitz

Date: \_\_\_\_\_

\_\_\_\_\_  
Jenard M. Gross

Date: \_\_\_\_\_

\_\_\_\_\_  
Arthur S. Berner

Date: \_\_\_\_\_

\_\_\_\_\_  
Ronald Huebsch

Date: \_\_\_\_\_

\_\_\_\_\_  
Michael Crow

Date: \_\_\_\_\_

The undersigned state that they have read the foregoing Offer and declare that no promise or inducement of any kind has been made by OTS or its staff to induce the undersigned to tender this Offer, and that the submission of this Offer is a free and voluntary act on their part.

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\_\_\_\_\_  
Barry A. Munitz

Date: \_\_\_\_\_



\_\_\_\_\_  
Arthur S. Berner

Date: 2/18/99

\_\_\_\_\_  
Jenard M. Gross

Date: \_\_\_\_\_

\_\_\_\_\_  
Ronald Huebsch

Date: \_\_\_\_\_

\_\_\_\_\_  
Michael Crow

Date: \_\_\_\_\_

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This Offer may be simultaneously executed in several counterparts, and all such counterparts shall constitute but one and the same instrument.

\_\_\_\_\_  
Barry A. Munitz

\_\_\_\_\_  
Jenard M. Gross

Date: \_\_\_\_\_

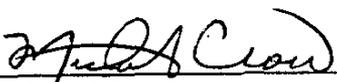
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Arthur S. Berner

\_\_\_\_\_  
Ronald Huebsch

Date: \_\_\_\_\_

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Michael Crow

Date: 3/6/99

The undersigned state that they have read the foregoing Offer and declare that no promise or inducement of any kind has been made by OTS or its staff to induce the undersigned to tender this Offer, and that the submission of this Offer is a free and voluntary act on their part.

This Offer may be simultaneously executed in several counterparts, and all such counterparts shall constitute but one and the same instrument.

\_\_\_\_\_  
Barry A. Munitz

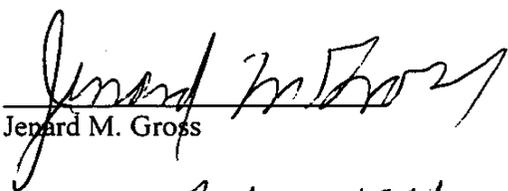
Date: \_\_\_\_\_

\_\_\_\_\_  
Arthur S. Berner

Date: \_\_\_\_\_

\_\_\_\_\_  
Michael Crow

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Gerard M. Gross

Date: Feb 8, 1999

\_\_\_\_\_  
Ronald Huebsch

Date: \_\_\_\_\_

The undersigned state that they have read the foregoing Offer and declare that no promise or inducement of any kind has been made by OTS or its staff to induce the undersigned to tender this Offer, and that the submission of this Offer is a free and voluntary act on their part.

This Offer may be simultaneously executed in several counterparts, and all such counterparts shall constitute but one and the same instrument.

\_\_\_\_\_  
Barry A. Munitz

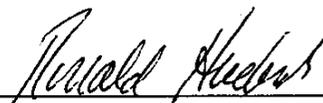
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Jenard M. Gross

Date: \_\_\_\_\_

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Arthur S. Berner

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Ronald Huebsch

Date: \_\_\_\_\_

\_\_\_\_\_  
Michael Crow

Date: \_\_\_\_\_

**UNITED STATES OF AMERICA**  
**Before the**  
**OFFICE OF THRIFT SUPERVISION**  
**DEPARTMENT OF THE TREASURY**

**In the Matter of:** )  
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**UNITED SAVINGS ASSOCIATION OF TEXAS,** )  
**and UNITED FINANCIAL GROUP, INC.** )  
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**MAXXAM Inc.,** )  
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**FEDERATED DEVELOPMENT CO.,** )  
 )  
**CHARLES E. HURWITZ, BARRY A. MUNITZ,** )  
**JENARD M. GROSS, ARTHUR S. BERNER,** )  
**RONALD HUEBSCH and MICHAEL CROW,** )  
 )  
**Respondents.** )  
 )

**OTS Order No. AP- 99-2**

**Date: February 10, 1999**

**OPINION AND ORDER ACCEPTING**  
**OFFER OF SETTLEMENT BY**  
**BARRY A. MUNITZ, JENARD M. GROSS,**  
**ARTHUR S. BERNER, RONALD HUEBSCH, and MICHAEL CROW**

WHEREAS, the Office of Thrift Supervision (“OTS”) has issued a Notice of Charges (“Notice”), OTS Order No. AP 95-40, December 26, 1995, against Respondents Barry A. Munitz, Jenard M. Gross, Arthur S. Berner, Ronald Huebsch and Michael Crow (collectively, the “Individual Respondents”), and others, asserting certain enforcement claims arising out of the Individual Respondents’ participation as officers or directors of United Savings Association of Texas (“USAT”) and United Financial Group, Inc. (“UFG”); and

WHEREAS, the Individual Respondents have submitted an Offer of Settlement ("Offer") in the above-captioned proceeding. Upon consideration, the OTS has determined to accept the Offer.<sup>1</sup> Solely on the basis of the consent evidenced by the Offer, the OTS HEREBY ORDERS THAT:

CEASE AND DESIST

1. The Individual Respondents shall not engage in any unsafe or unsound practice, or breach any fiduciary duty, with respect to the operation or supervision of any insured depository institution, or violate any laws, rules, or regulations governing the operation or supervision of any insured depository institution.

2. At any time in which any of the Individual Respondents serves as a director, officer, or employee of an insured financial institution, or otherwise serves as an institution-affiliated party of an insured depository institution, he shall not participate, directly or indirectly, in the review, consideration, recommendation, or approval of:

- (a) director, officer, or employee compensation, or compensation plans, policies, or agreements of an insured depository institution;
- (b) the purchase or sale of mortgage-backed securities or high-yield bonds on behalf of an insured depository institution, except as provided in paragraph 6 below;

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<sup>1</sup> In the Offer, solely for purposes of this proceeding and without any adjudication of the facts or law, the Individual Respondents acknowledge service of the Notice of Charges ("Notice"); admit the jurisdiction of the OTS with respect to the matters set forth in the Notice; waive a hearing with respect to the matters set forth in the Notice, all post-hearing procedures with respect to the matters set forth in the Notice, judicial review of the Opinion and Order Accepting Offer of Settlement ("Order") by any court as provided by 12 U.S.C. § 1818(h) or otherwise, challenges to the validity of this Order, any objection to the staff's participation in the OTS's consideration of the Order, and any and all claims for the award of fees, costs or expenses arising under common law or under the Equal Access to Justice Act, 5 U.S.C. § 2412.

- (c) any investment decisions or policies of or on behalf of an insured depository institution, except as provided in paragraph 6 below;
- (d) any application or report submitted to an insured depository institution's appropriate Federal banking agency, including the preparation or transmittal of any such application or report.

3. Respondents Munitz, Gross, and Crow, at any time in which any of them serves as a director, officer, or employee of an insured financial institution, or otherwise serves as an institution-affiliated party of an insured depository institution, shall not participate, directly or indirectly, in the review, consideration, recommendation, or approval of loans or investments involving commercial real estate of an insured depository institution.

4. Respondent Berner shall not provide, directly or indirectly, legal advice as to the interpretation of federal banking or thrift laws, rules, regulations, or guidelines to any insured financial institution, or to the officers, directors, or employees of any insured financial institution.

5. Respondent Crow shall not serve as Chief Financial Officer or a financial officer, or otherwise fulfill the duties and responsibilities normally associated with those offices, for a insured depository institution.

6. Notwithstanding any other provisions of this Offer or the Order, Respondent Crow is not precluded from acting as a securities broker for any entity, including an insured financial institution, or for customers of an insured financial institution, provided only that he (a) shall not, directly or indirectly, manage any discretionary securities account for an insured depository institution, or exercise discretionary power with respect to the purchase, sale, or exchange of any securities or commodities on behalf of an insured depository institution; and (b) shall not, directly or indirectly, provide any insured depository institution with advice concerning

the voting of any shares of stock, and shall vote any shares of stock on behalf of an insured depository institution only upon the instructions of the customer or beneficial owner of such shares.

7. Each Individual Respondent shall provide a copy of the Order to any insured financial institution prior to accepting a position as a director, officer or employee of such institution.

#### RESTITUTION

8. The Individuals Respondents shall pay restitution (but not as a penalty or fine) in the sum of One Million Thirty Thousand Dollars (\$1,030,000.00). This sum shall be paid by cashiers' check or bank draft made payable to the Federal Deposit Insurance Corporation ("FDIC"), and hand-delivered to Richard C. Stearns, Deputy Chief Counsel, OTS, 1700 G Street, N.W., Washington, D.C. 20552. The payment shall be made on the date of the issuance of the Order. The Individual Respondents shall be jointly and severally responsible for the payment of this sum.

#### MISCELLANEOUS

9. Definitions:

(a) "Appropriate Federal banking agency" shall have the meaning set forth in 12 U.S.C. § 1813(q).

(b) "Insured financial institution" refers to any and all of the following: any "insured depository institution" as that term is defined at 12 U.S.C. § 1813(c) (including but not limited to banks and savings associations); any direct or indirect "subsidiary" of an insured depository institution, whether wholly or

partly owned, as that term is defined at 12 U.S.C. § 1813(w)(4); any “insured credit union” within the meaning of 12 U.S.C. § 1752(7); any “savings and loan holding company” within the meaning of 12 U.S.C. § 1467a(a)(1); and any “bank holding company” within the meaning of 12 U.S.C. § 1841.

(c) “Insured depository institution” shall have the meaning set forth in 12 U.S.C. § 1813(c)(2) and (c)(3).

(d) “Institution-affiliated party” shall have the meaning set forth in 12 U.S.C. § 1813(u).

(e) “Discretionary securities account” means a securities or commodity account in which an agent is free to exercise discretionary power in trading on behalf of a customer or beneficial owner.

(f) “Discretionary power” means the authority to exercise discretion in the acquisition or disposition of securities or commodities, including the selection, amount and price to be paid or received.

(g) All other technical words or terms used in this Offer or in the Order, for which meanings are not specified or otherwise provided by the provisions of the Offer or the Order shall, insofar as applicable, have meanings as defined in Chapter 12 of the Code of Federal Regulations, the Home Owners’ Loan Act (“HOLA”), or the Federal Deposit Insurance Act (“FDIA”). Any such technical words or terms used in the Offer or in the Order and undefined in the Code of Federal Regulations, HOLA, or FDIA shall have meanings that are in accordance with the best custom and

usage in the savings and loan industry.

10. Reference in the Offer or this Order to provisions of statutes, regulations, OTS publications and regulatory guidance shall be deemed to include reference to all amendments to such provisions as have been made as of the date of this Order and to successor provisions as they become applicable.

11. The section headings in the Offer and in this Order are for convenience only and shall not affect the construction thereof.

12. In case any provision of the Offer or this Order is ruled to be invalid, illegal or unenforceable by decision of any court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions thereof shall not in any way be affected or impaired thereby.

13. The terms of the Offer are incorporated into this Order as is set forth separately herein. The Offer and this Order may be used in any proceeding brought by the OTS to enforce this Order.

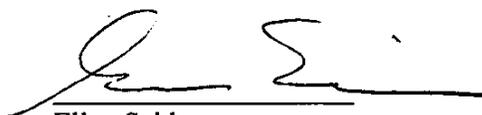
14. The terms and provisions of the Order shall be binding upon, and shall inure to the benefit of, the parties hereto and their successors in interest. Nothing in the Offer or the Order, express or implied, shall give to any person or entity, other than the parties hereto, and their successors, any benefit, legal or equitable right, remedy, or claim, nor impose any legal or other restrictions or obligations upon any person or entity that is not a party to the Offer and the Order. The Offer and Order shall not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any claims in the Notice against any person or entity, other than the Individual Respondents.

15. The Order constitutes the final disposition of all monetary and non-monetary claims for relief that have been or could have been brought by the OTS against the Individual Respondents in connection with the Notice and any aspect of their participation in the conduct of the affairs of USAT, UFG, MAXXAM, Inc. ("MAXXAM"), or Federated Development Co. ("Federated"). All OTS proceedings against the Individual Respondents relating to the Notice are terminated upon issuance of the Order and no further proceedings against the Individual Respondents relating to the Notice or any aspect of their participation in the conduct of the affairs of USAT, UFG, MAXXAM, or Federated shall be commenced, other than to enforce the terms of the Order.

16. The Individual Respondents shall execute written releases of the OTS, FDIC, their employees, agents, and attorneys from all claims and counterclaims that have been or may be asserted against them arising out of or in any way related to USAT, UFG, MAXXAM, and Federated, including, but not limited to, the subject matter of this administrative proceeding and *FDIC v. Hurwitz, et al.*, Civil No. H-95-3956, in the United States District Court for the Southern District of Texas, Houston Division, including all claims and counterclaims for costs, fees and sanctions. Such written releases, attached hereto as Exhibit A, shall be executed prior to issuance of the Order.

17. This Order is effective upon issuance by the OTS, acting through its authorized representative, as indicated by the date in the caption of this Order. This Order shall remain in effect for three (3) years following the date of its issuance, unless earlier suspended or terminated in writing by the OTS, acting through its authorized representative.

Dated: February 10, 1999

A handwritten signature in black ink, consisting of a large, stylized 'E' followed by a series of loops and a long horizontal stroke.

Ellen Seidman  
Director  
Office of Thrift Supervision

**Exhibit A**

**SETTLEMENT AGREEMENT  
AND RELEASE**

This SETTLEMENT AGREEMENT AND RELEASE ("Agreement") is entered into as of this 10<sup>th</sup> day of February, 1999 by and between the Federal Deposit Insurance Corporation as manager of the FSLIC Resolution Fund ("FDIC"), the Office of Thrift Supervision of the Department of the Treasury ("OTS"), and Messrs. Barry A. Munitz, Ronald E. Huebsch, Arthur S. Berner, Michael Crow and Jenard M. Gross (collectively, the "Individual Parties").

The FDIC, OTS and the Individual Parties, hereby state as follows:

WHEREAS, certain disagreements have arisen between the FDIC, the OTS, and the Individual Parties pertaining to the operations of a savings and loan association formerly known as United Savings Association of Texas ("USAT"), as well as the operations of United Financial Group ("UFG"), MAXXAM, Inc. and Federated Development Co., and

WHEREAS, the FDIC, the OTS, and the Individual Parties now wish to resolve all disputes and claims between them in order to avoid the expense and risk of additional litigation and controversy;

NOW THEREFORE, it is stipulated and agreed to by and among the undersigned that in consideration of the mutual covenants herein and for good and valuable consideration, the sufficiency of which is hereby acknowledged:

1. The FDIC for itself, legal representatives, predecessors, successors, and assigns, and all persons or entities in privity, remise, give up, quit-claim, settle, compromise, fully release, forever discharge and hereby generally and unconditionally releases, acquits and forever discharges each of the Individual Parties, from any and all claims, suits, controversies, accounts, covenants, promises, judgments, damages, executions, causes of action, rights, duties, expenses, debts, liabilities, demands,

obligations, contracts, agreements, costs, and actions of any kind and character, at law or in equity, whether or not well founded in law or fact, whether known or unknown, suspected or unsuspected, direct or indirect, relating to, arising out of, or in connection with the operation of USAT and any of its subsidiaries, or affiliates, or UFG, MAXXAM, Inc. or Federated Development Co., including without limitation, claims that were or could have been asserted in FDIC v. Hurwitz, Case No. 95-3956 (the "Federal Litigation") currently pending in the United States District Court for the Southern District of Texas or in In the Matter of United Savings Association of Texas, et al., OTS No. AP95-40 (the "Administrative Proceeding") or in any other court, forum or proceeding. The FDIC expressly warrants to the Individual Parties that no claims, demands, controversies, actions, causes of action, liabilities, damages, injuries, losses, or other rights which are mentioned in this Agreement have been assigned, conveyed, or in any manner whatsoever transferred to any other person or entity.

2. The OTS for itself, legal representatives, predecessors, successors, and assigns, and all persons or entities in privity, remise, give up, quit-claim, settle, compromise, fully release, forever discharge and hereby generally and unconditionally releases, acquits and forever discharges each of the Individual Parties, from any and all claims, suits, controversies, accounts, covenants, promises, judgments, damages, executions, causes of action, rights, duties, expenses, debts, liabilities, demands, obligations, contracts, agreements, costs, and actions of any kind and character, at law or in equity, whether or not well founded in law or fact, whether known or unknown, suspected or unsuspected, direct or indirect, relating to, arising out of, or in connection with the operation of USAT and any of its subsidiaries, or affiliates, or UFG, MAXXAM, Inc. or Federated Development Co., including without limitation, claims that were or could have been asserted in the Federal Litigation, the Administrative Proceeding or in any other court, forum or proceeding. The OTS

expressly warrants to the Individual Parties that no claims, demands, controversies, actions, causes of action, liabilities, damages, injuries, losses, or other rights which are mentioned in this Agreement have been assigned, conveyed, or in any manner whatsoever transferred to any other person or entity.

3. By this Agreement, the FDIC and the OTS do not release the Individual Parties from any liability incurred as the maker, endorser or guarantor of any promissory note or other written evidence of indebtedness owed USAT, the FDIC, or any other financial institution and/or its affiliates, subsidiaries and successors, except that the FDIC and the OTS do intend that this Agreement release, and the FDIC and the OTS each does hereby release (as provided for in paragraphs 1 and 2 of this Agreement, respectively) Jenard Gross from any liability arising from or related to that certain Promissory Note, dated June 24, 1985, between Jenard Gross and United Financial Group, Inc. Further, by this Agreement, the FDIC and the OTS do not and cannot release the claims of any other administrative agencies whether local, state or federal or of the United States acting by and through the Department of Justice or the United States attorneys offices for any judicial district in the United States. Neither the FDIC nor the OTS is aware of any such claims.

4. By this Agreement, the FDIC and the OTS do not undertake to release and relinquish any claims against any person or entity other than the Individual Parties, known or unknown to the FDIC or the OTS, including but not limited to Charles E. Hurwitz, MAXXAM, Inc., Federated Development Company and their related entitles.

5. ~~The Individual Parties for themselves and for their heirs, executors, administrators, successors in interest and assigns, do generally and unconditionally release, acquit and forever discharge FDIC and the OTS (including their assigns, successors, predecessors, subsidiaries, affiliates, officers, directors, agents, employees,~~

servants, attorneys and other representatives) from any and all claims, suits, controversies, accounts, covenants, promises, judgments, damages, executions, causes of action, rights, expenses, debts, liabilities, demands, obligations, contracts, agreements, costs, and actions of any kind and character, at law or in equity, whether or not well founded in law or fact, whether known or unknown, suspected or unsuspected, direct or indirect, including, without limitation, claims for contribution arising out of, related to in any fashion, or associated with any activities by the FDIC or the OTS or any other federal agency with respect to USAT including but not limited to any claims that were or could have been asserted in the Federal Litigation, the Administrative Proceeding, or any other court, forum, or proceeding. The Individual Parties each warrants to the FDIC and the OTS that no claims, demands, controversies, actions, causes of action, liabilities, damages, injuries, losses, or other rights which are mentioned in this Agreement have been assigned, conveyed or in any manner, whatsoever transferred to any other person or entity.

6. The Individual Parties shall, within five business days of the execution of this Agreement, cause to be filed with the court in the Federal Litigation appropriate pleadings seeking to dismiss, as to the Individual Parties only, all motions, claims, counterclaims or other requests before the court to the extent that such motions, claims or counterclaims or other requests are still pending. These dismissals shall be with prejudice and with each side to bear its own costs. The FDIC agrees to join in such requests for dismissal. It is expressly understood that the FDIC and the OTS shall not be responsible for any costs or expenses or fees or other assessments incurred by the Individual Parties in the Federal Litigation or the Administrative Proceeding.

7. The undersigned agree to utilize their best efforts, including all steps and efforts contemplated by this Agreement and any other steps and efforts which may

become reasonably necessary, to effectuate this Agreement at the earliest practicable date.

8. This Agreement represents the entire agreement and understanding between and among the parties hereto regarding the subject hereof. No amendment, modification, or waiver of this Agreement shall be valid unless in writing and signed by all parties hereto.

9. By this Agreement, no party admits or concedes any allegation of wrongdoing or liability made in the Federal Litigation or the Administrative Proceeding or any responsibility or liability for damages or for any other relief of any kind or nature whatsoever. By this Agreement, the FDIC and the OTS do not admit or concede that the allegations of wrongdoing or liability which were or could have been made against any of the Individual Parties in either the Federal Litigation, Administrative Proceeding or in any other forum or proceeding were without merit. Further, the FDIC and the OTS do not admit or concede the validity of any defense or responsive allegation which was made or could have been made by the Individual Parties in the Federal Litigation or the Administrative Proceeding.

10. The undersigned represent that they are fully authorized to enter into the terms and conditions of, and to execute and to be bound by, this Agreement.

11. The undersigned parties acknowledge that they are represented by counsel; that they have read this Agreement in its entirety; that they understand the terms of this Agreement; that the Agreement shall be binding on his, its, and their heirs, executors, administrators, successors in interest, and assigns; and that they have entered into this Agreement voluntarily and with full knowledge of the effects thereof.

12. This document and the agreements contained herein, their scope, and their interpretation shall be subject to, governed by, and construed according to the laws of Texas.

13. This Agreement may be simultaneously executed in several counterparts, and all such counterparts shall constitute but one and the same instrument.

FEDERAL DEPOSIT INSURANCE CORPORATION As Manager of the FSLIC Resolution Fund

OFFICE OF THRIFT SUPERVISION, THE DEPARTMENT OF THE TREASURY

By:   
COUNSEL, FDIC

By: \_\_\_\_\_

BARRY A. MUNITZ

\_\_\_\_\_  
RONALD E. HUEBSCH

\_\_\_\_\_  
ARTHUR S. BERNER

\_\_\_\_\_  
MICHAEL CROW

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JENARD M. GROSS

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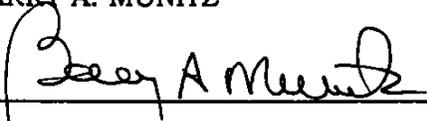
FEDERAL DEPOSIT INSURANCE  
CORPORATION As Manager of the FSLIC  
Resolution Fund

OFFICE OF THRIFT SUPERVISION, THE  
DEPARTMENT OF THE TREASURY

By: \_\_\_\_\_

By: \_\_\_\_\_

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*Ronald E Huebsch*  
\_\_\_\_\_

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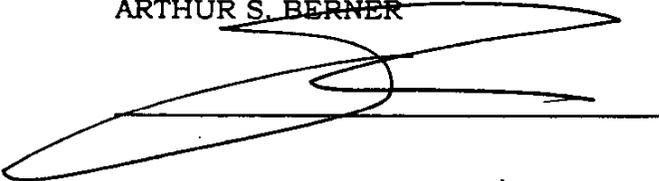
BARRY A. MUNITZ

\_\_\_\_\_

RONALD E. HUEBSCH

\_\_\_\_\_

ARTHUR S. BERNER

A large, stylized handwritten signature in black ink, appearing to read 'MICHAEL CROW', is written over the signature line and extends upwards into the name 'ARTHUR S. BERNER'.

MICHAEL CROW

\_\_\_\_\_

JENARD M. GROSS

\_\_\_\_\_

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\_\_\_\_\_

ARTHUR S. BERNER

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MICHAEL CROW

*Michael Crow*  
\_\_\_\_\_

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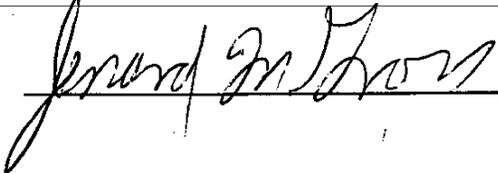
ARTHUR S. BERNER

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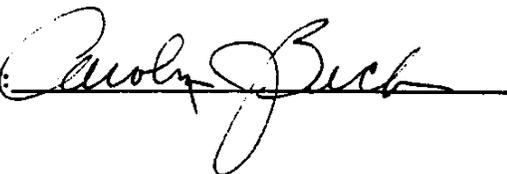
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