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UNITED STATES OF AMERICA
Before the
OFFICE OF THRIFT SUPERVISION

In the Matter of)
JANICE CALOMIRIS,)
an Institution-Affiliated)
Party of)
American Federal Savings Bank,)
Rockville, Maryland)

Order No. ATL-96-8

Date: October 31, 1996

STIPULATION AND CONSENT TO THE ENTRY OF AN ORDER TO
CEASE AND DESIST FOR AFFIRMATIVE RELIEF

WHEREAS, the Office of Thrift Supervision ("OTS"), based upon information derived from the exercise of its regulatory responsibilities, is of the opinion that grounds exist to initiate an administrative cease and desist proceeding against Janice Calomiris ("Calomiris"), former institution-affiliated party of American Federal Savings Bank, Rockville, Maryland ("American Federal" or the "institution"), pursuant to Section 8(b) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(b).¹

WHEREAS, Calomiris 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

¹ All references to the U.S.C. are as amended.

OTS's findings, conclusions or opinions set forth in this Stipulation or the attached Order to Cease and Desist for Affirmative Relief ("Order") (except those as to Jurisdiction, set forth in paragraph 2 below, which are admitted), hereby stipulates and agrees as follows:

1. Consent. Calomiris consents to the issuance by the OTS of the Order. She further agrees to comply with its terms upon issuance and stipulates that the Order complies with all requirements of law.

2. Jurisdiction.

(a) Calomiris is an architect licensed to practice in the District of Columbia. During the period September 1993 until approximately April 1994, she was contracted to perform services as an architect by American Federal. She is an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, 12 U.S.C. § 1813(u).

(b) American Federal is a "savings association" as defined by Section 2(4) of the Home Owners' Loan Act, 12 U.S.C. § 1462(4), and Section 3(b) of the FDIA, 12 U.S.C. § 1813(b)(1). Accordingly, it is an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, 12 U.S.C. § 1813(c).

(c) Pursuant to Section 3(q) of the FDIA, 12 U.S.C. § 1813(q), the Director of the OTS is the "appropriate Federal banking agency" to maintain an administrative proceeding against a savings association and/or its institution-affiliated parties.

(d) Calomiris is subject to the jurisdiction of the OTS to initiate and maintain a cease and desist proceeding against her pursuant to Section 8(b) of the FDIA, 12 U.S.C. § 1818(b).

(e) The Director of the OTS has delegated to the Regional Directors of the OTS the authority to issue orders to cease and desist on behalf of the OTS where the respondent has consented to the entry of the order.

3. Findings of Fact. The OTS finds as follows:

(a) American Federal engaged Calomiris to inspect the progress of construction at a low-income housing complex in the District of Columbia, and approve the disbursement of the proceeds of a loan the institution funded for the rehabilitation of the complex.

(b) Between October 1993 and April 1994, Calomiris approved the disbursement of American Federal loan proceeds for construction at the complex. During this period, she approved disbursement of approximately \$1.5 million in loan proceeds. Calomiris failed to ensure that construction work had been satisfactorily completed prior to disbursement of loan funds. Her approval of the disbursements of loan proceeds was unsafe and unsound given the lack of contemporaneous construction progress at the complex.

4. Finality. The Order is issued under 12 U.S.C. § 1818(b). Upon its issuance, it shall be a final order,

effective and fully enforceable by the OTS under the provisions of 12 U.S.C. § 1818(b) and (i).

5. Waivers.

(a) Calomiris waives her right to a notice of charges, and the administrative hearing provided by 12 U.S.C. § 1818(b) and further waives any right to seek judicial review of the Order, including any such right provided by 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order.

(b) Calomiris waives any and all claims for the award of fees, costs or expenses related to the OTS enforcement matter, whether arising under common law, the Equal Access to Justice Act, 5 U.S.C. § 504, or 28 U.S.C. § 2412.

6. Indemnification. Calomiris shall neither cause nor permit American Federal, or any subsidiary or holding company thereof, to incur, directly or indirectly, any expense for the amount of the restitution under the Order or any legal (or other professional expenses) incurred relative to the negotiation and issuance of the Order, nor obtain any indemnification (or other reimbursement) from American Federal, or any subsidiary or holding company thereof, with respect to such amounts. Any payments received by or on behalf of Calomiris in connection with this Order shall be returned to American Federal, or any subsidiary or holding company thereof.

7. Other Governmental Action Not Affected.

(a) Calomiris acknowledges and agrees that her consent to the entry and issuance of the Order is for the purpose of

resolving any OTS enforcement action against her arising from or in connection with her actions while serving as an architect for American Federal during 1993 and 1994, and does not resolve, affect, or preclude any other civil or criminal proceeding which may be brought by any governmental entities, other than the OTS.

(b) By signing this Stipulation, Calomiris agrees that she will not assert this proceeding, her consent to entry of the Order and/or entry 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 other than OTS.

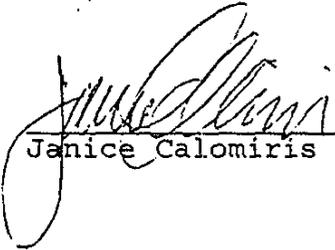
8. Agreement for Continuing Cooperation. Calomiris agrees that, at the OTS's request, on reasonable notice and without service of a subpoena, she will provide discovery and testify truthfully at any deposition and at any judicial or administrative proceeding related to any investigation, litigation, or other proceeding maintained by the OTS relating to American Federal, its subsidiaries and its institution-affiliated parties, except that Calomiris does not waive any privilege against self-incrimination under the Fifth Amendment of the United States Constitution. If Calomiris invokes a privilege against self-incrimination under the Fifth Amendment of the United States Constitution with respect to any matter about which the OTS inquires or the production of any document requested by the OTS and the OTS obtains a grant of immunity pursuant to 18 U.S.C. § 6001 et seq., Calomiris agrees, consistent with any

such grant of immunity, to provide discovery and testify truthfully at any deposition and at any judicial, administrative, or investigative proceeding on the matter for which immunity is given.

WHEREFORE, Janice Calomiris executes this Stipulation and Consent to the entry of an Order to Cease and Desist for Affirmative Relief, intending to be legally bound hereby.

Accepted By:

OFFICE OF THRIFT SUPERVISION



Janice Calomiris



John E. Ryan
Regional Director
Southeast Region

Dated: _____

Dated: October 31, 1996

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Order No. ATL-96-8

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ORDER TO CEASE AND DESIST
FOR AFFIRMATIVE RELIEF

WHEREAS, Janice Calomiris ("Calomiris") has executed a Stipulation and Consent to the Entry of an Order to Cease and Desist for Affirmative Relief ("Stipulation"); and

WHEREAS, Calomiris, in the Stipulation, has consented and agreed to the issuance of this Order to Cease and Desist for Affirmative Relief ("Order") pursuant to Section 8(b) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(b).¹

WHEREAS, the Director of the Office of Thrift Supervision ("OTS") has delegated to the Regional Director of the OTS the authority to issue Orders to Cease and Desist on behalf of the OTS where a party has consented to the issuance of the Order.

¹ All references to the U.S.C. are as amended.

NOW THEREFORE, IT IS ORDERED THAT:

1. Calomiris shall not serve as an officer, director, employee, agent for or independent contractor of American Federal Savings Bank, Rockville, Maryland, and any successor institution, holding company, subsidiary, and/or service corporation thereof ("American Federal").

2. Calomiris shall cease and desist from taking any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling or aiding and abetting any unsafe or unsound practice, or violation of law or regulation, in conducting the business of any "insured depository institution", as that term is defined in Section 3(c)(2) of the FDIA, 12 U.S.C. § 1813(c)(2), or any "insured credit union", as that term is defined in Section 101(7) of the Federal Credit Union Act, 12 U.S.C. § 1752(7).

3. Calomiris shall cease and desist from performing any property inspection of any multifamily residential property (including any mixed use property containing five or more residential units) for or on behalf of any insured depository institution and/or any insured credit union for the purpose of supporting, approving or certifying the disbursement by such entity of loan proceeds in connection with the acquisition, development, construction, rehabilitation, renovation or repair of such property.

4. (a) For a period of three (3) years from the date of this Order, Calomiris shall cease and desist from performing any

property inspection of any multifamily residential property for the purpose of supporting, approving or certifying the disbursement of loan proceeds in connection with the acquisition, development, construction, rehabilitation, renovation or repair of such property, where the report or other result of her property inspection is used or in any way relied upon in the approval of the disbursement of loan proceeds by any federally-insured depository institution and/or insured credit union for the acquisition, development, construction, rehabilitation, renovation or repair of such property, except as set forth in subparagraph (b).

(b) When performing any property inspection described in subparagraph (a), Calomiris shall ensure that any written report of her property inspection shall be concurred in and certified as accurate and correct by a licensed architect, having at least three (3) years experience in conducting property inspections of multifamily residential properties. The concurrence and certification shall be in writing and signed by the architect.

5. Pursuant to the provisions of 12 U.S.C. §1818(b)(6)(A), and the provisions of a Release and Settlement Agreement between Calomiris and American Federal in Design Group v. American Federal Savings Bank, Civil Action No. 94 CA 10021 (D.C. Sup. Ct.) with an effective date of October 1, 1996, and within seven (7) calendar days of the date of this Order, Calomiris shall pay restitution to American Federal in the total amount of

\$425,000.00. Said restitution payment shall be delivered to American Federal in accordance with the terms of that Settlement Agreement, with a copy provided by facsimile to Beth Mizuno, Senior Enforcement Attorney, Office of Thrift Supervision, 1700 G Street, N.W., Washington, DC 20552, facsimile number (202) 906-7005.

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

7. This Order is and shall become effective on the date it is issued, as shown in the caption on the first page hereof.

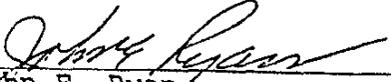
8. All technical words or terms used in this Order, for which meanings are not specified or otherwise provided for by the provisions of this Order shall, insofar as applicable, have meanings as defined in the rules and regulations adopted by the OTS (including, without limitation, 12 C.F.R. § 500.1 et seq., 541.1 et seq., and § 561.1 et seq. (1995)). Any such technical words or terms used in this Order and undefined in said rules and regulations shall have meanings that accord with the best custom and usage in the thrift industry.

9. In the event that any provisions of this Order shall be declared invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

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

OFFICE OF THRIFT SUPERVISION

By:



John E. Ryan
Regional Director
Southeast Region