

UNITED STATES OF AMERICA  
Before The  
OFFICE OF THRIFT SUPERVISION  
DEPARTMENT OF THE TREASURY

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In the Matter of :  
: CAROL A. LITTLE :  
: A Former Assistant Vice :  
: President of :  
: First Trade Union Savings :  
: Bank, F.S.B., :  
: Boston, Massachusetts :  
:

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Re: Order NE 94-1

Dated: January 20, 1994

ORDER OF PROHIBITION AND ORDER TO  
CEASE AND DESIST AND TO DIRECT RESTITUTION

WHEREAS, the Regional Director for the Northeast Region ("Regional Director") of the Office of Thrift Supervision ("OTS") is of the opinion that Carol A. Little ("Little" or "Respondent"), a former Assistant Vice President of First Trade Union Savings Bank, F.S.B., Boston, Massachusetts ("First Bank" or "Association"), has engaged in conduct that warrants an administrative prohibition, cease and desist and restitution action; and

WHEREAS, Little has executed a Consent to Order of Prohibition and Order to Cease and Desist and to Direct Restitution ("Consent"), which is accepted and approved by the OTS pursuant to Sections 8(b) and (e) of the Federal Deposit Insurance Act ("FDIA"), as amended by the Financial Institutions Reform,

Recovery, and Enforcement Act of 1989, Pub. L. No. 101-73, 103 Stat. 183, 450-464 ("FIRREA") (12 U.S.C. §§ 1818(b) and (e) (1988 & Supp. I 1989); and

WHEREAS, the OTS is of the opinion that from on or about October 14, 1989 through July 23, 1992, Little diverted to her own use \$40,281.28 in cash payments made to First Bank by the Association's loan customers, and fraudulently transferred an additional \$76,145.47 in funds from other accounts at First Bank to her personal accounts and that both types of transactions relating to this \$116,426.75 misapplication of funds by Respondent involved her falsification of numerous Association documents; and

WHEREAS, the OTS is of the opinion that as a result of the aforementioned actions, Little has engaged in unsafe and unsound practices and violations of rules and regulations in connection with First Bank, and that the OTS further has grounds to demonstrate that Little's misconduct resulted in personal financial gain and unjust enrichment to Little, as well as financial loss to the Association, and that said conduct evidenced her personal dishonesty or her willful or continuing disregard for First Bank's safety and soundness.

NOW THEREFORE, IT IS ORDERED that:

1. Little is prohibited from further participation, in any manner, in the conduct of the affairs of First Bank and any

holding company, subsidiary, and/or service corporation thereof.

2. Little may not hold any office in, or participate in any manner in the conduct of the affairs of any Federally regulated depository institution or the other entities that are described in Section 8(e)(7)(A) of the FDIA, as amended by FIRREA (12 U.S.C. § 1818(e)(7)(A) (1988 & Supp. I 1989)), without the prior written approval of the OTS (acting through its Director or an authorized representative thereof) and the "appropriate Federal banking agency" for the Federally regulated depository institution involved. Due to the operation of Section 8(e)(6) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e)(6) (1988 & Supp. I 1989), conduct prohibited by this Order, without the said prior written approval of the OTS and of the "appropriate Federal banking agency," includes, without limitation: (a) the solicitation, procuring, transfer, attempt to transfer, vote, or the attempt to vote, any proxy, consent, or authorization with respect to any voting rights in any institution described in Section 8(e)(7)(A) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e)(7)(A) (1988 & Supp. I 1989), and (b) serving or acting as an institution-affiliated party.

3. As affirmative action to correct conditions resulting from violations and practices with respect to which the Order is issued, Little shall pay, within ten (10) days of the entry of this Order, restitution to First Bank in the amount of the balance of all vested funds as of March 31, 1993 (plus all subsequently

vested amounts until the date of withdrawal) in: (1) her First Bank Defined Benefit Pension Plan (approximate value \$7,281.00 as of March 31, 1993), and (2) her First Bank Incentive Savings Plan (approximate value \$6,434.33 as of March 31, 1993). Little shall take and cause to be taken all necessary acts required to be undertaken to complete the transfer of all of said funds to First Bank. Little's payment of this restitution shall be made payable to:

First Trade Union Savings Bank, F.S.B.,  
c/o Robert F. O'Connell  
Senior Vice President  
25 Drydock Avenue  
Boston, Massachusetts 02205

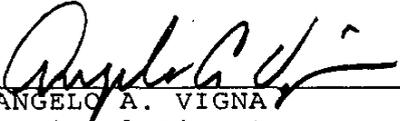
Copies of all the transmittal letters to First Bank and all other documents related to the restitution shall be provided by Little to:

Robert D. DeCuir  
Senior Deputy Director, Enforcement  
Office of Thrift Supervision  
1700 G Street, N.W.  
Washington, D.C. 20552

4. The Consent is made a part hereof and is incorporated herein by this reference.

5. The Order is subject to the provisions of Section 8(j) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818 (j) (1988 & Supp. I 1989), and shall become effective on the date it is issued, as shown in the caption above.

THE OFFICE OF THRIFT SUPERVISION  
By:

  
\_\_\_\_\_  
ANGELO A. VIGNA  
Regional Director  
Northeast Regional Office



("FDIA"), as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Pub. L. No. 101-73, 103 Stat. 183, 45-464 ("FIRREA"), 12 U.S.C. §§ 1818(b) and (e) (1988 & Supp. I 1989). While neither admitting nor denying that such grounds exist, except those allegations as set forth in Paragraph 1 below, Jurisdiction, which are admitted, Little consents to the entry of the attached Order pursuant to Sections 8(b) and (e) of the FDIA, as amended by FIRREA, 12 U.S.C. §§ 1818(b) and (e) (1988 and Supp. I 1989).

1. Jurisdiction. Little admits the jurisdiction of the OTS over her, and over the subject matter of this action, pursuant to Sections 8(b) and (e) of the FDIA, as amended by FIRREA, 12 U.S.C. §§ 1818(b) and (e) (1988 and Supp. I 1989). Specifically, Little admits that:

(a) The Association is a "savings association" within the meaning of Section 2(4) of the Home Owners' Loan Act of 1933, as amended by FIRREA, 12 U.S.C. § 1813(b) (1988 & Supp. I 1989). Accordingly, it is an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1813(c) (1988 & Supp. I 1989).

(b) Little, as a former Assistant Vice President of the Association, is deemed to be an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1813(u) (1988 & Supp. I 1989). Little served

in such capacity within 6 years of the date hereof. See 12 U.S.C. § 1818(i)(3) (1988 & Supp. I 1989).

(c) Pursuant to Section 3(q) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1813(q) (1988 & Supp. I 1989), the OTS is the "appropriate Federal banking agency" to maintain an enforcement proceeding against such a savings association and/or its institution-affiliated parties. Therefore, Little is subject to the authority of the OTS to initiate and maintain a prohibition, cease and desist and restitution proceeding against her pursuant to Sections 8(b) and (e) of the FDIA, as amended by FIRREA, 12 U.S.C. §§ 1818(b) and (e) (1988 & Supp. I. 1989).

2. Consent. Little consents to the issuance by the OTS of the accompanying Order, agrees to comply with its terms upon issuance, and stipulates that the Order complies with all requirements of law.

3. Acknowledgment. Little acknowledges and states that she enters into this Consent willingly and without any coercion or promises of any kind from the OTS or any officer, attorney, agent or employee thereof. Further, Little acknowledges and agrees that her consent to the entry of the accompanying Order is for the purpose of resolving this OTS enforcement matter as it relates to Little only, and does not resolve, affect, or preclude any other civil or criminal proceeding that may be or has been brought against Little by the OTS or another governmental agency.

4. Finality. The Order is issued by the OTS under the authority of Sections 8(b) and (e) of the FDIA, as amended by FIRREA, 12 U.S.C. §§ 1818(b) and (e) (1988 & Supp. I 1989). Upon issuance of the Order, it shall be a final order that is effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(i) (1988 & Supp. I 1989)).

5. Waivers. Little waives her right to a notice of charges and the administrative hearing provided by Sections 8(b) and (e) of the FDIA, as amended by FIRREA, 12 U.S.C. §§ 1818(b) and (e) (1988 & Supp. I 1989)), and waives her right to all post-hearing proceedings, and the entry of findings of fact or conclusions of law under the Administrative Procedure Act ("APA"), 5 U.S.C. §§ 554-557, 12 U.S.C. §§ 1818(b) and (e) (1988 & Supp. I 1989), and the OTS Rules of Practice and Procedure in Adjudicatory Proceedings, 12 C.F.R. Part 509 (1993), or any other applicable provision of law. Little waives her right to appeal the Order pursuant to Section 8(h) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(h) (1988 & Supp. I. 1989), or any other applicable provision of law.

6. Representations. OTS' decision to accept this Consent has been predicated, in part, upon sworn statements submitted to OTS by Little that the tax returns, statement of her financial condition and statement as to the final disposition of the proceeds of the \$116,426.75 taken from the Association

("Financial Disclosures") are true and correct. Respondent understands that should the OTS discover or learn from any source that the Financial Disclosures made by her were false, including but not limited to Respondent's failure to identify and/or properly value any asset or liability, the OTS reserves the right to void the settlement reached between the OTS and Little, including this Consent and the Order, and initiate an administrative proceeding against Respondent or take any other legal action that the OTS, in its sole discretion, deems appropriate.

7. Effective Date. This Order shall be effective when it is issued by the OTS.

8. Service. A copy of this Order shall be served upon Little.

9. Construction. The construction and validity of this Consent and Order shall be governed by the laws of the United States of America.

10. Authority. Authority to accept this Consent and issue the Order has been delegated by the OTS to the Regional Director of the Northeast Regional Office.

WHEREFORE, intending to be legally bound hereby, Carol A. Little executes this Consent to Order of Prohibition and Order to Cease and Desist and to Direct Restitution.

THE RESPONDENT

*Carol A. Little*  
Carol A. Little

\* \* \* \*

NOTARIZATION

COMMONWEALTH OF MASSACHUSETTS )  
COUNTY OF )

ss. *Middlebury*

Carol A. Little, being known to me, did subscribe to the foregoing in my presence, this 3/8 day of OCT, 1993.

*Thomas A. Lee* (SEAL)  
Notary Public  
v

My commission expires: \_\_\_\_\_