

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of:

THOMAS F. CASSIDY,

Former Employee and
Institution-Affiliated Party
of:

RED RIVER FEDERAL SAVINGS
AND LOAN ASSOCIATION
LAWTON, OKLAHOMA

RE: OTS Order No. DAL-94-15

Dated: May 3, 1994

ORDER OF PROHIBITION AND ORDER
TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF

WHEREAS, Thomas F. Cassidy ("CASSIDY") has executed a Stipulation and Consent to Entry of an Order of Prohibition and Order to Cease and Desist for Affirmative Relief ("Stipulation") on April 23, 1994; and

WHEREAS, CASSIDY by his execution of the Stipulation, has consented and agreed to the issuance of this Order of Prohibition and Order to Cease and Desist for Affirmative Relief ("Orders") by the Office of Thrift Supervision ("OTS"), pursuant to Sections 8(b) and (e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. §§ 1818(b) and (e).

NOW THEREFORE, IT IS ORDERED that:

ORDER OF PROHIBITION

1. CASSIDY is prohibited from further participation, in any manner, in the conduct of the affairs of Red River Federal Savings and Loan Association, Lawton, Oklahoma, and any successor

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

2. CASSIDY shall not hold any office in, or participate in any manner in the conduct of the affairs of any Federally regulated depository institution or any of the other entities that are described in Section 8(e)(7)(A) of the FDIA, 12 U.S.C. §1818(e)(7)(A), without the prior written approval of OTS (acting through its Director or an authorized representative thereof) and, the "appropriate Federal financial institutions regulatory agency" for the Federally regulated depository institution which is involved. Due to the operation of Section 8(e)(6) of the FDIA, 12 U.S.C. §1818(e)(6), conduct prohibited by this Order, without the said prior written approval of the OTS and the "appropriate Federal banking agency", also includes, without limitation: (1) soliciting, procuring, transferring, attempting to transfer, voting, or the attempting 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, 12 U.S.C. §1818(e)(7)(A); and (2) voting for a director, or serving as an institution-affiliated party.

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

4. This Order is subject to the provisions of Section 8(j) of the FDIA, 12 U.S.C. §1818(j), and shall become effective on the date it is issued, as shown in the caption above.

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

ORDER TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF

6. CASSIDY shall pay restitution to the Resolution Trust Corporation ("RTC") as Receiver for Red River, in the amount of \$9,000.00 plus interest as set forth in the AGREEMENT ("Agreement") by and between the United States Attorney and CASSIDY, signed by CASSIDY on November 11, 1993, as it may be subsequently amended from time to time in the future.

7. The Agreement, as fully executed and delivered, is and shall be incorporated herein by reference and, in addition to the remedies set forth in the Agreement, shall be enforceable by the OTS as a term of this Order as though fully set forth in this Order.

8. Notice of payments to the RTC should be provided to the OTS Midwest Regional Director by U.S. Mail at:

Mr. Fred Casteel
Midwest Regional Director
OFFICE OF THRIFT SUPERVISION
P. O. Box 619027
Dallas/Ft. Worth, Texas 75261-9027

THE OFFICE OF THRIFT SUPERVISION
By:



Frederick R. Casteel
Midwest Regional Director

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RED RIVER FEDERAL SAVINGS
AND LOAN ASSOCIATION
LAWTON, OKLAHOMA

RE: OTS Order No. DAL-94-15

Dated: May 3, 1994

STIPULATION AND CONSENT TO ENTRY OF AN ORDER
OF PROHIBITION AND 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, has informed Thomas F. Cassidy ("CASSIDY"), former employee and institution-affiliated party of Red River Federal Savings and Loan Association, Lawton, Oklahoma, ("Red River" or the "Institution") that the OTS is of the opinion that grounds exist to initiate administrative cease and desist and prohibition proceedings against CASSIDY pursuant to Sections 8(b) and 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. §§ 1818(b) and (e).¹

WHEREAS, CASSIDY desires to cooperate with the OTS to avoid the time and expense of such administrative litigation and, without admitting or denying that such grounds exist, but admitting the statements and conclusions in Paragraph 1 below,

1. All references in this Stipulation and Consent and the Order of Prohibition and Order to Cease and Desist for Affirmative Relief to the U.S.C. are as amended.

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CASSIDY hereby stipulates and agrees to the following terms of this STIPULATION AND CONSENT TO ENTRY OF AN ORDER OF PROHIBITION AND ORDER TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF ("Stipulation") and to the issuance of the attached ORDER OF PROHIBITION AND ORDER TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF ("Orders"), in consideration of the agreement of the OTS to forbear from initiating any other civil or administrative proceeding against CASSIDY arising out of CASSIDY'S actions, known or discovered by the OTS prior to the issuance of the attached Orders:

1. Jurisdiction.

(a) Red River, at all times relevant hereto, was a "savings association" within the meaning of Section 3(b) of the FDIA, 12 U.S.C. § 1813(b), and Section 2(4) of the Home Owners' Loan Act ("HOLA"), 12 U.S.C. § 1462(4). Accordingly, Red River was an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, 12 U.S.C. § 1813(c).

(b) CASSIDY, as a former employee of Red River, is deemed to be an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, 12 U.S.C. § 1813(u), having served in such capacity within six (6) years of the date hereof (see 12 U.S.C. § 1818(i)(3)).

(c) Pursuant to Section 3(q) of the FDIA, 12 U.S.C. §1813(q), the OTS is the "appropriate Federal banking agency"

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with jurisdiction to maintain an enforcement proceeding against institution-affiliated parties. Therefore, CASSIDY is subject to the authority of the OTS to initiate and maintain cease and desist and prohibition proceedings against him pursuant to Sections 8(b) and (e) of the FDIA, 12 U.S.C. §§ 1818(b) and (e).

2. OTS Findings of Fact. The OTS finds that on or about August 31, 1992, CASSIDY, without authorization, misapplied \$9,000.00 of the funds of Red River to his own use. As a result of his actions, CASSIDY (1) engaged in a violation of the law or breached his fiduciary duty of honesty to Red River; and (2) Red River suffered a financial loss and he received a financial benefit or other gain and (3) the violation of law or breach of fiduciary duty involved personal dishonesty on his part.

3. Consent. CASSIDY consents to the issuance by the OTS of the accompanying Order of Prohibition and Order to Cease and Desist for Affirmative Relief. He further agrees to comply with its terms upon issuance and stipulates that the Orders comply with all requirements of law.

4. Finality. The Orders are issued by the OTS under the authority of Sections 8(b) and (e) of the FDIA, 12 U.S.C. §§ 1818(b) and (e). Upon their issuance by the Regional Director or designee for the Midwest Region, OTS, they shall be final



orders, effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA, 12 U.S.C. § 1818(i).

5. Waivers. CASSIDY waives the following:

(a) the right to be served with a written notice of the OTS's charges against him (see Sections 8(b) and (e) of the FDIA);

(b) the right to an administrative hearing of the OTS's charges against him (see Sections 8(b) and (e) of the FDIA); and

(c) the right to seek judicial review of the Orders, including, without limitation, any such right provided by Section 8(h) of the FDIA, 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Orders.

6. Indemnification. CASSIDY shall neither cause nor permit Red River (or any successor institution, holding company, subsidiary or service corporation thereof) to incur, directly or indirectly, any expense for any legal (or other professional expenses) incurred relative to the negotiation and issuance of the Orders, nor obtain any indemnification (or other reimbursement) from the Institution (or any successor institution, holding company, subsidiary or service corporation thereof) with respect to such amounts. Any such payments received by or on behalf of Red River in connection with this action shall be returned to Red River (or the successor

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institution, holding company, subsidiary or service corporation thereof).

7. Other Government Actions Not Affected.

(a) CASSIDY acknowledges and agrees that the consent to the entry of the Orders is for the purpose of resolving this cease and desist and prohibition action only, and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of CASSIDY that arise pursuant to this action or otherwise, and that may be or have been brought by any other government entity other than the OTS.

(b) By signing this Stipulation and Consent to Entry of an Order of Prohibition and Order to Cease and Desist for Affirmative Relief, CASSIDY agrees that he will not assert this proceeding, his consent to the entry of the Orders, and/or the entry of the Orders, 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 federal or state governmental entity.

8. Acknowledgment of Criminal Sanctions. CASSIDY acknowledges that Section 8(j) of the FDIA, 12 U.S.C. §1818(j), sets forth criminal penalties for knowing violations of the Orders.

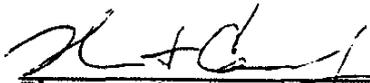
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WHEREFORE, CASSIDY executes this Stipulation and Consent to Entry of an Order of Prohibition and Order to Cease and Desist for Affirmative Relief, intending to be legally bound hereby.

By:

Accepted by:
Office of Thrift Supervision



Thomas F. Cassidy



Frederick R. Casteel
Midwest Regional Director

Dated: 4/23/94

Dated: 5-3-94

Handwritten mark