

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of
MICHAEL K. MATARAZZO,
A Former Officer of
FIRST FEDERAL SAVINGS BANK,
Boston, Massachusetts
OTS Docket No. 03835

OTS Order No. NE 94 - 35
Date: September 21, 1994

ORDER OF PROHIBITION

WHEREAS, Mr. Michael K. Matarazzo has executed a Stipulation and Consent to Entry of Order of Prohibition ("Stipulation"); and

WHEREAS, Mr. Matarazzo, 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 Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(e);

NOW THEREFORE, IT IS ORDERED that:

1. Michael K. Matarazzo is prohibited from further participation, in any manner, in the conduct of the affairs of First Federal Savings Bank, Boston, Massachusetts ("the Association") and any holding company, subsidiary, and/or service corporation thereof.

2. Michael K. Matarazzo shall 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, 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, if applicable, the "appropriate Federal banking 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 any other "appropriate Federal banking agency" includes, without limitation: (1) the 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 or acting 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.

5. Mr. Matarazzo shall promptly respond to any request from the OTS for documents or other information that the OTS reasonably requests to demonstrate compliance with this Order.

OFFICE OF THRIFT SUPERVISION



ANGELO A. VIGNA
REGIONAL DIRECTOR

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STIPULATION AND CONSENT TO
ENTRY OF ORDER OF PROHIBITION

WHEREAS, the Office of Thrift Supervision ("OTS"), based upon information derived from the exercise of its regulatory responsibilities, has informed Mr. Michael K. Matarazzo, a former officer of First Federal Savings Bank, Boston, Massachusetts (the "Association") that the OTS is of the opinion that grounds exist to initiate an administrative prohibition proceeding against him pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(e); and

WHEREAS, Mr. Matarazzo, without admitting or denying that such grounds exist, desires to cooperate with the OTS to avoid the time and expense of such administrative litigation;

OTS and Mr. Matarazzo hereby stipulate and agree to the following terms:

1. Jurisdiction and Facts.

(a) The Association is 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, 12 U.S.C. § 1462(4).

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).

(b) Michael K. Matarazzo, as a former officer of the Association, and having served in such capacity within 6 years of the date hereof, 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), by virtue of Section 8(i)(3) of the FDIA, 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" to maintain an enforcement proceeding against such a savings association and/or its institution-affiliated parties. Therefore, Mr. Matarazzo is subject to the authority of the OTS to initiate and maintain a prohibition proceeding against him pursuant to Section 8(e) of the FDIA, 12 U.S.C. § 1818(e).

2. OTS Findings of Fact. The OTS is of the opinion that Mr. Matarazzo, while employed by the Association, caused improper accounting entries to be made on the books and records of the Association, resulting in his having obtained funds to which he was not lawfully entitled.

3. Consent. Mr. Matarazzo hereby consents to the issuance by the OTS of the accompanying Order of Prohibition ("Order"). He further agrees to comply with its terms upon issuance and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued by the OTS under the authority of Section 8(e) of the FDIA, 12 U.S.C. § 1818(e). Upon its issuance by the Regional Director for the Northeast

Region of the OTS, or his designee, it shall be a final order, 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. Mr. Matarazzo hereby waives the following:

(a) the right to be served with a written notice of the OTS's charges against him, otherwise provided by Section 8(e)(1) and (4) of the FDIA, 12 U.S.C. § 1818(e)(1) and (4);

(b) the right to an administrative hearing concerning such charges, otherwise provided by Section 8(e)(4) and (h)(1) of the FDIA, 12 U.S.C. § 1818(e)(4) and (h)(1); and

(c) the right to seek judicial review of the Order, including, without limitation, any such right provided by Section 8(h)(2) of the FDIA, 12 U.S.C. § 1818(h)(2), or otherwise to challenge the validity of the Order.

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

7. Other Government Actions Not Affected. Mr. Matarazzo acknowledges and agrees that the consent to the entry of the Order are for the purposes of resolving this OTS enforcement matter only, and does not release, discharge, compromise, settle,

dismiss, resolve, or in any way affect any actions, charges against, or liability of Mr. Matarazzo 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.

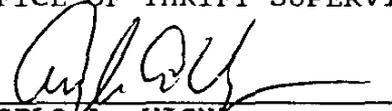
8. Acknowledgment of Criminal Sanctions. Mr. Matarazzo acknowledges that Section 8(j) of the FDIA, 12 U.S.C. 1818(j), sets forth criminal penalties for knowing violations of this Order.

WHEREFORE, Michael K. Matarazzo executes this Stipulation and Consent to Entry of Order of Prohibition, intending to be legally bound hereby.

By:

Accepted by:


MICHAEL K. MATARAZZO

OFFICE OF THRIFT SUPERVISION

ANGELO A. VIGNA
REGIONAL DIRECTOR

Date: 9/9/97

Date: 9/21/97