

1. Jurisdiction.

(a) Homeland, 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, 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) McCoy, as a former employee of Homeland, 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(1)(3)).

(c) Pursuant to Section 3(q) of the FDIA, 12 U.S.C. § 1813(q), the OTS is the "appropriate Federal banking agency" with jurisdiction to maintain an enforcement proceeding against such a savings association and/or its institution-affiliated parties. Therefore, McCoy is subject to the authority of the OTS to initiate and maintain a prohibition proceeding against her pursuant to Section 8(e) of the FDIA, 12 U.S.C. § 1818(e).

2. OTS Findings of Fact. The OTS finds that McCoy, while serving as an employee and institution-affiliated party of Homeland, engaged, over a period from 1991 to 1994, in the following conduct:

(a) withholding checks, totaling more than five hundred thousand dollars, of Homeland's customers, including her own checks and checks of her mother-in-law, when such checks were drawn on accounts with insufficient funds for payment, rather than overdrawing such accounts, returning such checks, or otherwise processing such checks in accordance with Homeland's policy for handling checks drawn on insufficient funds, thus causing substantial losses to Homeland; and

(b) making false entries on Homeland's general ledger to make it appear that checks had been returned to the Federal Home Loan Bank of Dallas on numerous occasions when she knew that such checks had not been so returned.

It is further the finding of the OTS: (1) that, in engaging in the conduct described above, McCoy engaged in an unsafe and unsound practice in connection with Homeland, an insured depository institution, and/or engaged in an act, omission or practice which constitutes a breach of her fiduciary duty to Homeland; (2) that by reason of such practice and/or such breach as described above, Homeland, an insured depository institution, has suffered or will probably suffer financial loss or other damage and/or McCoy has received financial gain or other benefit; and (3) that such practice or breach demonstrates personal dishonesty on the part of McCoy and/or demonstrates willful or continuing disregard by McCoy for the safety and soundness of Homeland, an insured depository institution. Therefore, the OTS finds factual grounds to support an order of prohibition pursuant to Section 8(e) of the FDIA, 12 U.S.C. § 1818(e).

3. Consent. McCoy consents to the issuance by the OTS of the accompanying Order of Prohibition ("Order"). She further agrees to comply with the terms of the Order 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 Midwest Region, OTS, or his designee, it shall be a final order, effective and fully enforceable by the OTS under the provisions of federal law, including Section 8(i) of the FDIA, 12 U.S.C. § 1818(i).

5. Waivers. McCoy voluntarily and knowingly waives the following:

(a) the right to be served with a written notice of the OTS's charges against her (including but not limited to a Notice of Intention to Prohibit and Notice of Charges and Hearing), which notice is provided by Section 8(e) of the FDIA, 12 U.S.C. § 1818(e) and/or other applicable law;

(b) the right to an administrative hearing of the OTS's charges against her, which hearing is provided by provisions of Section 8 of the FDIA, 12 U.S.C. § 1818; see e.g., 12 U.S.C. §§ 1818(e) and 1818(h)(1);

(c) the right to seek judicial review of the Order, 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 Order; and

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

6. Indemnification. McCoy shall neither cause nor permit Homeland (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 Order of Prohibition, 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 McCoy in connection with this action shall be returned to Homeland (or the successor institution, holding company, subsidiary or service corporation thereof).

7. Other Government Actions Not Affected.

(a) McCoy acknowledges and agrees that the consent to the entry of the Order and the OTS's issuance of the Order are for the purpose of resolving this prohibition action only, and do not release, discharge, compromise, settle, dismiss, resolve, or in any way affect or preclude any actions, claims, civil or criminal charges against, or liability of McCoy that arise pursuant to this action or otherwise, that may be or have been brought by the OTS, the Resolution Trust Corporation, the Department of Justice, or any other government entity.

(b) By signing this Stipulation and Consent to Entry of an Order of Prohibition, McCoy agrees that she will not assert this proceeding, her consent to the entry of the Order, and/or the 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 federal or state governmental entity.

8. Acknowledgment of Criminal Sanctions. McCoy acknowledges that Section 8(j) of the FDIA, 12 U.S.C. § 1818(j), sets forth criminal penalties for knowing violations of the Order, which is an Order issued under Section 8(e) of the FDIA, 12 U.S.C. § 1818(e).

9. Agreement for Continuing Cooperation. McCoy agrees to cooperate fully and voluntarily with the OTS, any other federal agency, and Homeland by providing, without service of a subpoena, truthful, complete, and forthright information whenever, to whomever, and in whatever form an attorney for the OTS or for the other federal agency or for Homeland requests related to any investigation, litigation or other proceeding maintained by the OTS, any other federal agency, or Homeland pertaining to Homeland, its holding companies, its subsidiaries or its institution-affiliated parties. The term "whatever form"

includes, but is not limited to: oral responses to questions; sworn, written statements; interrogatories; depositions; sworn testimony in court; and documentary materials.

10. Miscellaneous.

(a) The construction and validity of this Stipulation and the Order shall be governed by the laws of the United States of America.

(b) All references to the OTS in this Stipulation and the Order shall also mean any of the OTS's predecessors, successors and assigns.

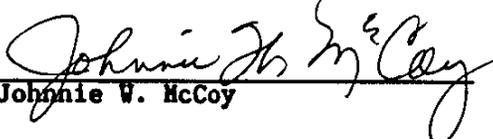
(c) The section and paragraph headings in this Stipulation and the Order are for convenience only, and such headings shall not affect the interpretation of this Stipulation or the Order.

(d) The terms of this Stipulation and the Order represent the final written agreement of the parties with respect to the subject matters hereof, and constitute the sole agreement of the parties with respect to such subject matters.

WHEREFORE, McCoy executes this Stipulation and Consent to Entry of an Order of Prohibition, intending to be legally bound hereby.

By:

Accepted by:
OFFICE OF THRIFT SUPERVISION


Johnnie W. McCoy


Frederick R. Casteel
Regional Director
Midwest Region

Dated: 2/24/95

Dated: 3-7-95

* * * * *

ACKNOWLEDGMENT

State of Louisiana)

Parish of Jackson)

On this 24th day of February, 1995, before me, the undersigned notary public, personally appeared Johnnie W. McCoy and acknowledged her execution of the foregoing Stipulation and Consent to Entry of Order of Prohibition.



Notary Public

My commission expires: At Death

Seal:

2. McCoy is and shall be subject to the statutory prohibitions provided by Section 8(e) of the FDIA, 12 U.S.C. § 1818(e). Due to, and without limitation on the operation of, Sections 8(e)(6) and 8(e)(7) of the FDIA, 12 U.S.C. §§ 1818(e)(6) and 1818(e)(7), McCoy, except upon the prior written consent of the OTS (acting through its Director or an authorized representative thereof) and any other "appropriate Federal financial institutions regulatory agency" for the Federally-regulated depository institution, if any, which is involved, for purposes of Section 8(e)(7)(B)(ii) of the FDIA, 12 U.S.C. § 1818(e)(7)(B)(ii), shall not:

(A) 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 specified in Section 8(e)(7)(A) of the FDIA, 12 U.S.C. § 1818(e)(7)(A) ("Covered Institution"), including, but not limited to:

(i) any insured depository institution, as defined in Section 3(c) of the FDIA, 12 U.S.C. § 1813(c), e.g., savings and loan associations, savings banks, national banks, trust companies, and other banking institutions;

(ii) any institution treated as an insured bank under Sections 8(b)(3) and 8(b)(4) of the FDIA, 12 U.S.C. §§ 1818(b)(3) and 1818(b)(4), or as a savings association under Section 8(b)(9) of the FDIA, 12 U.S.C. § 1818(b)(9), e.g., subsidiaries and holding companies of banks or savings associations;

(iii) any insured credit union under the Federal Credit Union Act, 12 U.S.C. § 1751 et seq.;

(iv) any institution chartered under the Farm Credit Act of 1971, 12 U.S.C. § 2001 et seq.;

(v) any appropriate Federal financial institutions regulatory agency, within the meaning of Section 8(e)(7)(D) of the FDIA, 12 U.S.C. § 1818(e)(7)(D);

(vi) the Federal Housing Finance Board and any Federal Home Loan Bank; and

(vii) the Resolution Trust Corporation.

(B) solicit, procure, transfer, attempt to transfer, vote or attempt to vote any proxy, consent or authorization with respect to any voting rights in any Covered Institution;

(C) violate any voting agreement previously approved by the "appropriate Federal banking agency" within the meaning of Section 3(q) of the FDIA, 12 U.S.C. § 1813(q); or

(D) vote for a director, or serve or act as an "institution-affiliated party", as that term is defined at Section 3(u) of the FDIA, 12 U.S.C. § 1813(u), e.g., a director, officer, employee, controlling stockholder of, or agent for, an insured depository institution.

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

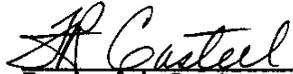
4. This Order is subject to the provisions of Section 8(j) of the FDIA, 12 U.S.C. § 1818(j), and shall become effective on the date it is issued, as shown in the caption hereof. Due to issuance of this Order, McCoy is a person "subject to an Order in effect under subsection (e)" of Section 8 of the FDIA, 12 U.S.C. § 1818, for purposes of Section 8(j) of the FDIA, 12 U.S.C. § 1818(j).

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

6. The terms and provisions of this Order shall be binding upon, and inure to the benefit of, the parties hereto and their successors in interest. This Order shall remain in effect until it is terminated, modified or suspended, which may occur only upon formal, written action of the OTS.

THE OFFICE OF THRIFT SUPERVISION

By:



Frederick R. Casteel
Regional Director
Midwest Region