

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)
Bernard M. Trager and) Re: Resolution No. CHI-94-33
Steven Trager) Dated: November 15, 1994
Institution-Affiliated Parties of)
Republic Savings Bank, F.S.B.)
Louisville, Kentucky)

MODIFICATION TO THE ORDER TO CEASE AND DESIST FOR RESTITUTION
OFFICE OF THRIFT SUPERVISION RESOLUTION NUMBER CHI-94-28
DATED SEPTEMBER 26, 1994

WHEREAS, Bernard M. Trager and Steven Trager have formally requested that the Regional Director for the Central Region of the Office of Thrift Supervision ("OTS") modify various terms and conditions contained in the Order to Cease and Desist for Restitution, OTS Resolution Number CHI-94-28, dated September 26, 1994 ("Order"); and

WHEREAS, the Regional Director for the Central Region has considered the request of Bernard M. Trager and Steven Trager, and has determined that various terms and conditions contained in the Order should be modified.

NOW THEREFORE, IT IS ORDERED THAT Bernard M. Trager and Steven Trager, who are jointly and severally liable for the payment of remedial restitution required in the Order, shall make remedial restitution payable pursuant to the modified terms set-forth below:

a) Payment of \$398,127 was made to Republic Savings Bank, F.S.B. ("Republic"), 601 West Market Street, Louisville, Kentucky 40202-2700, on October 26, 1994;

b) Bernard M. Trager shall execute a \$90,000 note, made payable to Republic, which shall represent the remaining portion of the restitution required in the Order. The terms of the note shall include the repayment of the \$90,000 principal, plus interest on the outstanding balance which is to be calculated at an annual interest rate equal to three (3) percentage points plus the "New York Prime" as regularly published in the Wall Street Journal. Principal and interest on the note shall be due no later than January 2, 1995. Copies of all documents evidencing the pay-off of the note shall be sent to Senior Attorney Michael L. Del Medico, Office of Thrift Supervision, 111 East Wacker Drive, Suite 800, Chicago, Illinois 60601-4360; and

c) Payment of \$15,000 was made to the OTS on October 26, 1994, representing reimbursement for the expenses incurred by the OTS in conducting investigation and enforcement activities in pursuit of this matter.

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This Order shall become effective upon its execution by the
OTS, through its authorized representative whose signature
appears below.

THE OFFICE OF THRIFT SUPERVISION

By: Ronald N. Karr
Ronald N. Karr
Regional Director
Central Region

Date: 11-15-94