

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)
)
THOMAS R. EVERETT)
)
 A Former President and Director of)
)
Genoa Savings and Loan Company)
 Genoa, Ohio)
)
(OTS No. 00318))

Order No. NE-03-06

Dated: September 16, 2003

CONSENT ORDER OF PROHIBITION

WHEREAS, Thomas R. Everett ("EVERETT") has executed a Stipulation and Consent to the Issuance of an Order of Prohibition ("Stipulation"); and

WHEREAS, EVERETT, 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 12 U.S.C. § 1818(e).

NOW THEREFORE, IT IS ORDERED that:

1. EVERETT, 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 purposes of 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 institution or agency specified in 12 U.S.C. § 1818(e)(7)(A), including, but not limited to:

- (i) any insured depository institution, 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 12 U.S.C. §§ 1818(b)(3) and 1818(b)(4), or as a savings association under 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. § 1781 et seq.];
- (iv) any institution chartered under the Farm Credit Act of 1971 [12 U.S.C. § 2001 et seq.];
- (v) any appropriate Federal depository institution regulatory agency, within the meaning of 12 U.S.C. § 1818(e)(7)(A)(v); and
- (vi) the Federal Housing Finance Board and any Federal Home Loan Bank.

(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 institution described in 12 U.S.C. § 1818(e)(7)(A);

(c) violate any voting agreement previously approved by the “appropriate Federal banking agency” within the meaning of 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 12 U.S.C. § 1813(u), e.g., a director, officer, employee, controlling stockholder of, or agent for, an insured depository institution.

2. This Order is subject to the provisions of Section 8(j) of the FDIA, 12 U.S.C. § 1818(j).

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

4. **EVERETT** shall promptly respond to any request from the OTS for documents and/or information that the OTS reasonably requests to demonstrate compliance with this Order.

5. This Order is and shall become effective on the date it is issued, as shown in the caption hereof. The Stipulation and the Order shall remain in effect until terminated, modified or suspended, in writing by the OTS, acting through its Director, Regional Director or other authorized representative.

OFFICE OF THRIFT SUPERVISION

By:



Robert C. Albanese
Northeast Regional Director

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(OTS No. 00318) _____)

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STIPULATION AND CONSENT TO ISSUANCE
OF AN ORDER OF PROHIBITION

WHEREAS, the Office of Thrift Supervision ("OTS"), based upon information derived from the exercise of its regulatory responsibilities, has informed Thomas R. Everett ("EVERETT"), former President and Director of Genoa Savings and Loan Company, Genoa, Ohio (hereinafter "GENOA" or the "Institution") that the OTS is of the opinion that grounds exist to initiate an administrative removal and prohibition and cease and desist proceeding against EVERETT pursuant to 12 U.S.C. §§ 1818(e),¹ and

WHEREAS, EVERETT desires to cooperate with the OTS to avoid the time and expense of such administrative proceedings and, without admitting or denying that such grounds exist, but only admitting the statements and conclusions in Paragraph 1 below, hereby stipulates and agrees to the following terms:

¹ All references in this Stipulation and Consent to Issuance of an Order of Prohibition ("Stipulation") and the related Order are to the United States Code as amended.

1. Jurisdiction.

(a) **GENOA**, at all times relevant hereto, was a "savings association" within the meaning of 12 U.S.C. § 1813(b), and 12 U.S.C. § 1462(4). Accordingly, **GENOA** was an "insured depository institution" as that term is defined in 12 U.S.C. § 1813(c).

(b) **EVERETT**, as President and Director of **GENOA** at all times relevant hereto, was an "institution-affiliated party" as that term is defined in 12 U.S.C. § 1813(u).

(c) Pursuant to 12 U.S.C. § 1813(q), the OTS is the "appropriate Federal banking agency" with jurisdiction to maintain an enforcement proceeding against savings associations' institution-affiliated parties. Therefore, **EVERETT** is subject to the authority of the OTS to initiate and maintain administrative removal and prohibition and cease and desist proceedings against him pursuant to 12 U.S.C. §§ 1818(e).

2. OTS Findings of Fact.

The OTS finds that **EVERETT** violated laws and regulations, breached his fiduciary duty to the Institution and engaged in unsafe and unsound practices while serving as President and Director of **GENOA** in that **EVERETT** made a nominee loan to a straw borrower and used the proceeds of the loan for his own personal benefit. By that conduct, **EVERETT** received personal benefit and acted with personal dishonesty and continuing disregard for the safety and soundness of **GENOA**.

3. Consent.

EVERETT consents to the issuance by the OTS of the accompanying Consent Order of Prohibition ("the Order"). **EVERETT** 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 12 U.S.C. §§ 1818(e). Upon its issuance by the Regional Director or designee for the Northeast Region, OTS, the Order shall be a final order, effective and fully enforceable by the OTS under the provisions of 12 U.S.C. § 1818(i).

5. Waivers.

EVERETT waives the following:

- (a) the right to be served with a written notice of the OTS's charges against him;
- (b) the right to an administrative hearing of the OTS's charges against him; and
- (c) the right to seek judicial review of the Order, including, without limitation, any such right provided by 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order.

6. Indemnification.

EVERETT shall neither cause nor permit **GENOA** (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. Nor shall **EVERETT** 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 **EVERETT** in connection with this action shall be returned to **GENOA** (or the successor institution, holding company, subsidiary, or service corporation thereof).

7. Other Government Actions Not Affected.

EVERETT acknowledges and agrees that the consent to the issuance of the Order is for the purpose of resolving any and all actions or causes of action that the OTS has or may have against **EVERETT** as of the effective date of the Order and any and all actions **EVERETT** has against the OTS or its Director, as of the effective date of the Order, and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of **EVERETT** 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. Miscellaneous

- (a) The construction and validity of this Stipulation and the Orders 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; and

(e) This Stipulation and the Order shall remain in effect until terminated, modified, or suspended in writing by the OTS, acting through its Director, Regional Director, or other authorized representative.

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

By:

Thomas R. Everett
Thomas R. Everett

Dated: 9/9/03

Accepted by:
Office of Thrift Supervision

Robert C. Albanese
Robert C. Albanese
Northeast Regional Director

Dated: 9/16/03

ACKNOWLEDGMENT

State of Lucas, Ohio

County of Lucas

On this 9th day of September, 2003, before me, the undersigned notary public, personally appeared Thomas R. Everett and acknowledged his execution of the foregoing Stipulation and Consent to Issuance of an Order of Prohibition.


Notary Public

My Commission expires:

Fred E. Henning, Attorney at Law
Notary Public - State of Ohio
My Commission Has No Expiration Date
Section 147.03 O.R.C.