

Press Releases

March 20, 1997

OTS 97-17 - Paul Clayton, New Orleans, Prohibited

Office of Thrift Supervision

NEWS

FOR RELEASE at 12:30 p.m. EST
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OTS 97-17

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FORMER NEW ORLEANS THRIFT PRESIDENT PROHIBITED, AGREES TO PAY RESTITUTION

WASHINGTON, D.C., March 20, 1997 -- The former president of a New Orleans thrift has consented to orders from the Office of Thrift Supervision (OTS) prohibiting him from the banking industry and having him pay \$75,000 in restitution to the thrift.

In November 1996, OTS filed an enforcement action against Paul D. Clayton, former president and a director of Eureka Homestead Society, New Orleans, charging him with undisclosed, unauthorized and unrecorded securities trading activities on behalf of the thrift.

A hearing on the OTS charges had been scheduled for April 1997. Recently, Clayton pleaded guilty to criminal charges of making false entries in the thrift's books. Sentencing on the criminal charges is scheduled in May.

In 1995, OTS issued a series of enforcement orders against eight former directors and one former officer and director of Eureka Homestead. The orders required reimbursement to the thrift totaling \$181,200 and payment of civil money penalties of \$105,000, all of which has been paid.

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The Office of Thrift Supervision (OTS), a bureau of the U.S. Treasury, regulates and supervises the nation's thrift industry. OTS' mission is to ensure the safety and soundness of thrift institutions and to support their role as home mortgage lenders and providers of other community credit and financial services.

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