

## Press Releases

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September 12, 2007

### OTS 07-066 - OTS Announces Issuance of Prohibition and Civil Money Penalty Against Former President of Fox Chase Bank

#### Office of Thrift Supervision

FOR RELEASE at 6:00 P.M. EDT

For further information

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OTS 07-066

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### OTS Announces Issuance of Prohibition and Civil Money Penalty Against Former President of Fox Chase Bank

**Washington, D.C.** -- The Office of Thrift Supervision (OTS) announced today that it issued two enforcement orders against Gregory S. Cipa, the former president of Fox Chase Bank of Hatboro, Pa.

The OTS issued an Order of Prohibition that prohibits Mr. Cipa from participating in the conduct of the affairs of any financial institution without the prior approval of the OTS. The OTS also issued a Final Order of Assessment of Civil Money Penalties in the amount of \$10,000. Mr. Cipa neither admitted nor denied the charges against him, which were issued by the OTS in October 2006. The matter was scheduled for administrative hearing on September 17, 2007.

In its charges, the OTS alleged that, while he was the president and a director of Fox Chase Bank, Mr. Cipa engaged in misconduct involving violations of federal banking regulations, unsafe or unsound practices and breaches of fiduciary duty.

In particular, the agency alleged that Mr. Cipa altered bank records and made false and/or misleading statements to the OTS with respect to bank loans made to him in violation of insider lending laws. The OTS charges also alleged that, by reason of the misconduct, Mr. Cipa received financial gain or other benefit and/or the interests of the bank's depositors were prejudiced, which demonstrated Mr. Cipa's personal dishonesty or willful or continuing disregard for the bank's safety or soundness.

Copies of the OTS enforcement orders are attached and may also be viewed at the OTS website at [www.ots.treas.gov](http://www.ots.treas.gov).

Enforcement Orders - <http://www.occ.gov/static/news-issuances/ots/press-releases/ots-pr-2007-66a.pdf>

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The Office of Thrift Supervision, an office of the Department of the Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of, and compliance with consumer protection laws by, thrift institutions, and to support their role as home mortgage lenders and providers of other community credit and financial services. OTS also oversees the activities and operations of thrift holding companies that own or control thrift institutions. Copies of OTS news releases and other documents are available at the OTS web page at [www.ots.treas.gov](http://www.ots.treas.gov).

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