

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)

JOHN F. DiFELICE)

A Former Officer)
and Institution Affiliated Party of)
St. Edmond's Federal)
Savings Bank, Philadelphia, PA)
(OTS Docket Number 02612))
_____)

OTS Order No.: NE00-15

Date: November 15, 2000

STIPULATION AND CONSENT TO THE ISSUANCE OF AN
ORDER TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF

WHEREAS, the Office of Thrift Supervision ("OTS"), based upon information derived from the exercise of its regulatory responsibilities, has informed **JOHN F. DiFELICE ("DiFelice")**, a former officer of St. Edmond's Federal Savings Bank, Philadelphia, PA (OTS Docket Number 02612) ("St. Edmond's") that grounds exist to initiate an administrative cease and desist proceeding against him pursuant to 12 U.S.C. § 1818(b);¹ and,

WHEREAS, **DiFelice** desires to cooperate with the OTS and to avoid the time and expense of such administrative proceeding and, without admitting or denying that such grounds exist, except as to Paragraph 1., Jurisdiction, which is admitted, hereby stipulates and agrees to the following:

¹ All references to the United States Code ("U.S.C.") are as amended, unless otherwise indicated.

1. Jurisdiction.

(a) St. Edmond's is a "savings association" within the meaning of 12 U.S.C. § 1813(b) and 12 U.S.C. § 1462(4). Accordingly, it is an "insured depository institution" as that term is defined in 12 U.S.C. § 1813(c);

(b) **DiFelice** was a vice-president of St. Edmond's and is an "institution-affiliated party" as that term is defined in 12 U.S.C. § 1813(u), having served in such capacity within 6 years of the date hereof (see 12 U.S.C. § 1818(i)(3)); and,

(c) Pursuant to 12 U.S.C. § 1813(q), the Director of OTS is the "appropriate Federal Banking Agency" to maintain an administrative cease and desist proceeding against a savings association or its institution-affiliated parties. Therefore, **DiFelice** is subject to the jurisdiction of the OTS to initiate and maintain a cease and desist proceeding against him pursuant to 12 U.S.C. § 1818(b). The Director of OTS has delegated to the Regional Director of the Northeast Region of OTS or his designee ("Regional Director") the authority to issue cease and desist orders where the individual has consented to the issuance of the order.

2. OTS Findings of Fact. The OTS finds that:

In June 1999, **DiFelice** who was at all relevant times an executive officer of St. Edmond's and an insider, within the meaning of Regulation O, 12 C.F.R. §§ 215.2(e) and (h), instructed two employees whom he directly supervised to prepare documentation for the refinancing and sale of his home mortgage. As a result of the sale of the mortgage to a correspondent bank, St. Edmond's was to receive \$3,240. However, at his instigation, **DiFelice** knowingly misappropriated the \$3,240 by causing the funds to

be improperly credited to his account at settlement. Subsequently, at the Bank's request, **DiFelice** made restitution by repaying the \$3,240 to St. Edmond's. Through his actions, **DiFelice** violated 12 C.F.R. §§ 563.43, 563.200, and 563.201.

3. Consent. **DiFelice** consents to the issuance by the OTS of the accompanying Order to Cease and Desist for Affirmative Relief ("Order"). **DiFelice** 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 under 12 U.S.C. § 1818(b). Upon its issuance by the OTS, it shall be a final order, effective and fully enforceable by the OTS under the provisions of 12 U.S.C. § 1818(i).

5. Waivers. **DiFelice** waives the following:

(a) the right to be served with a written notice of the OTS's charges against him as provided by 12 U.S.C. § 1818(b);

(b) the right to an administrative hearing of the OTS's charges against him as provided by 12 U.S.C. § 1818(b);

(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;

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

6. Other Governmental Actions Not Affected. **DiFelice** acknowledges and agrees that the consent to the issuance of the Order is for the purpose of resolving this OTS enforcement matter only, and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of **DiFelice** that arise pursuant to this action or otherwise, and that may be brought by any governmental entity other than the OTS.

7. 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' 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, DiFelice, executes this Stipulation and Consent to the Issuance of an Order to Cease and Desist For Affirmative Relief, intending to be legally bound hereby.

Accepted by:

OFFICE OF THRIFT SUPERVISION

/S/

JOHN F. DIFELICE

/S/

ROBERT C. ALBANESE

Regional Director
Northeast Region
Jersey City, NJ

Dated:

11-3-00

Dated:

11/15/00

ACKNOWLEDGMENT

State of New Jersey

County of Camden

On this 3 day of November, 2000, before me, the undersigned notary public, personally appeared John F. DiFelice and acknowledged his execution of the foregoing Stipulation and Consent to the Issuance of an Order to Cease and Desist for Affirmative Relief.

Denise A. Wood

Notary Public

My Commission Expires:

6-12-03

DENISE A. WOOD
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JUNE 12, 2003

John F. DiFelice
Stipulation

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

_____	)	
In the Matter of	)	
	)	OTS Order No. : NE00-15
JOHN F. DiFELICE	)	
	)	Date: November 15, 2000
A Former Officer	)	
and Institution Affiliated Party of	)	
St. Edmond's Federal	)	
Savings Bank, Philadelphia, PA	)	
(OTS Docket Number 02612)	)	
_____	)	

CONSENT ORDER TO
CEASE AND DESIST FOR AFFIRMATIVE RELIEF

WHEREAS, JOHN F. DiFELICE ("**DiFelice**") has executed a Stipulation and Consent to the Issuance of an Order to Cease and Desist for Affirmative Relief ("**Stipulation**"); and

WHEREAS, DiFelice, by his execution of the Stipulation, has consented and agreed to the issuance of this Consent Order to Cease and Desist for Affirmative Relief ("**Order**") pursuant to 12 U.S.C. § 1818(b)¹; and

WHEREAS, the Director of the Office of Thrift Supervision ("**OTS**") has delegated to the Regional Directors of the OTS the authority to issue Orders to Cease and Desist on behalf of the OTS where the respondent has consented to the issuance of the Order.

¹ All references to the United States Code ("U.S.C.") are as amended, unless otherwise indicated.

NOW THEREFORE, IT IS ORDERED THAT:

1. **DiFelice** shall cease and desist from any action (either alone or with others) that has the effect of causing, bringing about, participating in, counseling or aiding and abetting, any unsafe and unsound practice, conflict of interest, or violation of any laws or OTS regulation, including but not limited to:

A. Section 563.43 of the OTS Regulations, 12 C.F.R. § 563.43, regarding loans by savings associations to their executive officers, directors and principal shareholders, implementing Subparts A and B of Part 215 of the Federal Reserve Board's Regulation O (except 12 C.F.R. § 215.13), concerning restrictions pertaining to insiders;

B. Section 563.200 of the OTS Regulations, 12 C.F.R. § 563.200, regarding conflicts of interest;

C. Section 563.201 of the OTS Regulations, 12 C.F.R. § 563.201, regarding corporate opportunity.

2. **DiFelice** shall promptly respond, without the need for a subpoena, to any request from the OTS for documents that the OTS reasonably requests to demonstrate compliance with this Order.

3. Definitions

A. All technical words or terms used in this Order and the Stipulation for which meanings are not specified or otherwise provided by the provisions of this Order shall, insofar as applicable, have meanings as defined in Chapter V of Title 12 of the Code of Federal Regulations, Home Owners' Loan Act ("HOLA"), FDIA, or OTS publications. Any such technical words or terms used in this Order and the Stipulation and undefined in said Code of Federal Regulations, HOLA, FDIA or OTS publications

shall have meanings that are in accordance with the best custom and usage in the savings and loan industry.

B. For purposes of this Order, the term "insured depository institution" is defined as set forth in 12 U.S.C. § 1813 and includes all subsidiaries and affiliates of any such association.

C. Reference in this Order and the Stipulation to provisions of statutes, regulations, and OTS publications shall be deemed to include references to all amendments to such provisions as have been made as of the effective date of this Order, and references to successor provisions as they become applicable.

4. 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.

5. 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.

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

OFFICE OF THRIFT SUPERVISION

Dated: 11/15/00

By: /S/
Robert C. Albanese
Regional Director
Northeast Region