

**UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION**

In the Matter of:

MICHAEL E. CASEY

**Former Employee and
Institution-Affiliated Party
of:**

**FIRSTBANC Savings Association
Of Texas, Missouri City, Texas
OTS No. 08143**

OTS Order No.: MWR-01-3

Dated: July 6, 2001

**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 Michael E. Casey ("CASEY"), former employee and institution-affiliated party of FIRSTBANC Savings Association of Texas, Missouri City, Texas ("FIRSTBANC" or the "Institution") that the OTS is of the opinion that grounds exist to initiate administrative prohibition proceedings against CASEY pursuant to 12 U.S.C. § 1818(e).¹

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

¹All references in this Stipulation and Consent and in the Order of Prohibition are to the U.S.C. as amended.

1. Jurisdiction

(a) **FIRSTBANC**, 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, **FIRSTBANC** was an "insured depository institution" as that term is defined in 12 U.S.C. § 1813(c).

(b) **CASEY**, as a former employee of **FIRSTBANC**, is deemed to be 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 institution-affiliated parties. Therefore, **CASEY** is subject to the authority of the OTS to initiate and maintain prohibition proceedings against him pursuant to 12 U.S.C. § 1818(e).

2. OTS Findings of Fact.

The OTS finds that beginning on or about May 9, 1995 and continuing thereafter, **CASEY**, willfully and continuously violated a cease-and-desist order which has become final, specifically the ORDER TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF (OTS Order No. DAL-93-14, dated June 21, 1993). As a result of his actions: **CASEY** (1) violated a cease-and-desist order which has become final: and (2) he received financial gain or other benefit by reason of such violation; and (3) the violation of law by **CASEY** demonstrates continuing disregard by **CASEY** for the safety and soundness of **FIRSTBANC**.

(3) Consent.

CASEY consents to the issuance by the OTS of the accompanying Order of Prohibition ("Order"). **CASEY** further agrees to comply with its terms upon issuance and stipulates that the Order complies with all requirement 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 Midwest Region, 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.

CASEY waives the following:

- (a) the right to be served with a written notice of the OTS's charge 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.

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

(7) Other Government Actions Not Affected.

(a) CASEY acknowledges and agrees that the consent to the issuance of the Order is for the purpose of resolving this prohibition action only, and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of CASEY 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.

(b) By signing this Stipulation and Consent to Issuance of an Order of Prohibition, CASEY agrees that he will not assert this proceeding, his consent to the issuance of the Order, and/or the issuance of the Order, as the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice or any other Federal or state governmental entity.

(8) Acknowledgment of Criminal Sanctions.

CASEY acknowledges that 12 U.S.C. § 1818(j), sets forth criminal penalties for knowing violations of the Order.

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

By:

Accepted by:

Office of Thrift Supervision

/s/

Michael E. Casey

/s/

Frederick R. Casteel
Midwest Regional Director

Dated: 27 June 2001

Dated: 7-6-01

ACKNOWLEDGMENT

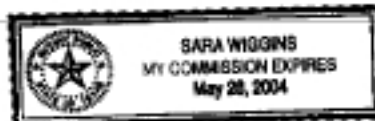
State of Texas

County of Harris

On this 27th day of June, 2001, before me, the undersigned notary public, personally appeared Michael E. Casey and acknowledged his execution of the foregoing Stipulation and Consent to Issuance of an Order of Prohibition.

Sara Wiggins
Notary Public

My Commission expires:



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**FIRSTBANC Savings Association
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OTS No. 08143**

OTS Order No.: MWR-01-3

Dated: July 6, 2001

ORDER OF PROHIBITION

WHEREAS, Michael E. Casey ("CASEY") has executed a Stipulation and Consent to Issuance of an Order of Prohibition ("Stipulation"); and

WHEREAS, CASEY, 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. CASEY is prohibited from further participation, in any manner, in the conduct of the affairs of FirstBanc Savings Association of Texas, Missouri City, Texas ("FIRSTBANC"), and any successor institution, holding company, subsidiary, and/or service corporation thereof.

2. CASEY is and shall be subject to the statutory prohibitions provided by 12 U.S.C. § 1818(e). Due to and without limitation on the operation of 12 U.S.C. §§ 1818(e)(6) and

1818(e)(7), CASEY, 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 any agency specified in 12 U.S.C. § 1818(e)(7)(A) ("Covered Institution"), including:

(i) any insured depository institution, e.g., savings and loan associations, savings banks, national banks, state banks, trust companies, and other banking institutions;

(ii) any institution treated as a 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 Covered Institution;

(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.

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

4. This Order is subject to the provisions of 12 U.S.C. § 1813(j), and shall become effective on the date it is issued.

5. CASEY shall promptly respond to any request from the OTS for documents that the OTS reasonably requests to demonstrate compliance with this Order.

6. The terms and provisions of this Order shall be binding upon the parties, and inure to the benefit of the OTS and its successors in interest.

THE OFFICE OF THRIFT SUPERVISION

By:

/s/

Frederick R. Casteel
Midwest Regional Director