

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)

DAVID B. MOVTADY,)

Re: Order No. NE 05- 15

An Officer, Director, and Shareholder of)

Dated: October 11, 2005

GOLDEN FIRST BANK,)

Great Neck, New York (OTS No. 17974))

**STIPULATION AND CONSENT TO ISSUANCE
OF AN ORDER OF ASSESSMENT OF CIVIL MONEY PENALTIES**

WHEREAS, the Office of Thrift Supervision ("OTS"), based upon information derived from the exercise of its regulatory responsibilities, has informed David B. Movtady ("MOVTADY"), the Chairman of the Board, Chief Executive Officer, and sole shareholder of Golden First Bank, Great Neck, New York (the "Bank", OTS No. 17964), that the OTS is of the opinion that grounds exist to initiate administrative enforcement proceedings against MOVTADY, pursuant to 12 U.S.C. § 1818,¹ and

WHEREAS, MOVTADY, desires to cooperate with the OTS and to avoid the time and expense of such administrative proceedings; and

WHEREAS, MOVTADY, while admitting that the OTS has jurisdiction with respect to this matter (as addressed in Paragraph 1 below), neither admits nor denies (i) that the above-mentioned grounds exist, or (ii) the OTS Findings of Fact (in Paragraph 2 below), and, is of the understanding that this settlement is subject to Rule 408 of the Federal Rules of Evidence.

NOW, THEREFORE, MOVTADY, hereby stipulates and agrees to the following:

1. Jurisdiction.

(a) Golden First Bank, a federally chartered savings bank, is, and at all times relevant hereto has been, a "savings association" within the meaning of 12 U.S.C. §§ 1462(4) and 1813(b). Accordingly, Golden First Bank is and has been an "insured depository institution" as that term is defined in 12 U.S.C. § 1813(c).

¹ All references to the "U.S.C." in this Stipulation and Consent to Issuance of an Order of Assessment of Civil Money Penalties ("Stipulation") and in the related Order are to the United States Code as amended.

(b) MOVTADY, by virtue of his being a director, officer, and controlling shareholder of the Bank at all times relevant hereto, is 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 initiate and maintain administrative enforcement proceedings against institution-affiliated parties of savings associations pursuant to 12 U.S.C. § 1818.

(d) MOVTADY, as an institution-affiliated party of a savings association, is subject to the authority of the OTS to initiate and maintain administrative civil money penalty proceedings against him pursuant to 12 U.S.C. § 1818(i)(2).

2. OTS Findings of Fact. The OTS finds as follows:

During March 2005 through June 2005, Mr. Movtady participated in several violations of written conditions imposed in OTS Order No. 2004-40, which approved Mr. Movtady's application for permission to organize the Bank. Pursuant to such written conditions, the Bank was required:

(i) to adhere to its filed Business Plan (including terms and conditions of operations set forth therein, condition 6), and (ii) to operate completely separately from a Movtady-owned company known as Golden First Mortgage (condition 11). Contrary to these requirements, the Bank outsourced the processing of eight mortgage loan applications to Golden First Mortgage, and it sold a loan to Golden First Mortgage.

3. Consent.

MOVTADY consents to the issuance by the OTS of the accompanying Order of Assessment of Civil Money Penalties (the "Order"). MOVTADY further agrees to comply with the terms of the Order upon its 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(i)(2). Upon its issuance by the OTS (acting through its Regional Director for the Northeast Region), 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.

MOVTADY waives the following:

- (i) The right to be served with an OTS-issued written notice Notice of Assessment of Civil Money Penalties;

- (ii) The right to request and be a participant in an administrative hearing of the OTS's charges against him;
- (iii) 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; and
- (iv) Any and all claims against 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 federal statutes (e.g., the Equal Access to Justice Act, 5 U.S.C. § 504, or 28 U.S.C. § 2412), under common law, or otherwise; and
- (v) The right to assert as the basis for a claim of double jeopardy (in any pending or future proceeding brought against MOVTADY by any governmental entity including but not limited to the United States Department of Justice) the following: the OTS's issuance of the Order, administrative proceedings (if any) relative to the issuance of the Order, MOVTADY's consent to issuance of the Order, and/or MOVTADY's payment of any monies pursuant to the Order.

6. Indemnification.

MOVTADY shall neither cause nor permit Golden First Bank (or any successor institution, subsidiary, or affiliate thereof) to incur, directly or indirectly, any expense related to the Order, including, but not limited to the civil money penalty assessment or any legal or other professional expenses incurred relative to the negotiation and issuance of the Order. MOVTADY also shall not obtain any indemnification (or other reimbursement) from the Bank (or any successor institution, subsidiary, or affiliate thereof) with respect to such amounts. Any such payments received by or on behalf of MOVTADY in connection with this matter shall be returned to the Bank (or the successor institution, subsidiary, or affiliate thereof).

7. Other Government Actions Not Affected.

MOVTADY acknowledges and agrees that his consent to the issuance of the Order is solely for the purpose of resolving all OTS administrative enforcement claims against him, under 12 U.S.C. § 1818, that are or would be based on the OTS Findings of Fact (at Paragraph 2 hereof). Neither this Stipulation nor the Order release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of MOVTADY that arise relative to the aforesaid Findings of Fact 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 Order shall be governed by the laws of the United States of America.

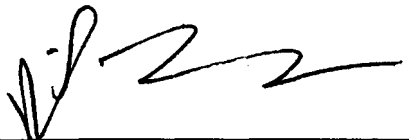
(b) All references to the OTS in this Stipulation and the Order shall also mean any of the OTS's predecessors, successors, and assigns.

(c) The section and paragraph headings in this Stipulation and in 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 of 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.

(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. The Order, however, will terminate automatically at 11:59 pm on the date on which the Government/OTS receives full payment of the penalty assessed by the Order.

WHEREFORE, on this Seventh day of October, 2005, DAVID B. MOVTADY executes this Stipulation, intending to be legally bound hereby.



DAVID B. MOVTADY

Accepted by:
OFFICE OF THRIFT SUPERVISION

By: 

ROBERT C. ALBANESE
Regional Director, Northeast Region

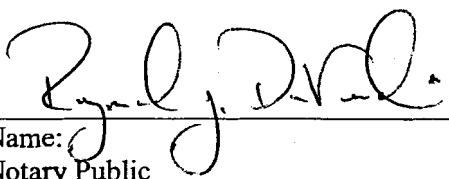
ACKNOWLEDGMENT

STATE OF NEW YORK)
) ss:
COUNTY OF NASSAU)

On this 7th day of October, 2005, before me, the undersigned notary public, personally appeared DAVID B. MOVTADY, who acknowledged his execution of the foregoing Stipulation and Consent to Issuance of an Order of Assessment of Civil Money Penalties.

WHEREFORE, I hereby set my hand and seal.


Raymond Y. DaVoodi
Notary Public - State of New York
No. 01DA6092575
Qualified in Nassau County
My Commission Expires May 27th, 2007



Name: _____
Notary Public
My commission expires: _____

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OFFICE OF THRIFT SUPERVISION

In the Matter of)

DAVID B. MOVTADY,)

Order No. NE-05-15

An Officer, Director, and Shareholder of)

Dated: October 11, 2005

GOLDEN FIRST BANK,)

Great Neck, New York (OTS No. 17974))

ORDER OF ASSESSMENT OF CIVIL MONEY PENALTIES

WHEREAS, DAVID B. MOVTADY ("MOVTADY") has executed a Stipulation and Consent to the Issuance of an Order of Assessment of Civil Money Penalties ("Stipulation"); and

WHEREAS, MOVTADY by his execution of the Stipulation has consented and agreed to the issuance of this Order of Assessment of Civil Money Penalties ("CMP Order") by the Office of Thrift Supervision ("OTS"), pursuant to 12 U.S.C. § 1818(i)(2).

NOW THEREFORE, IT IS ORDERED that:

1. CMP Assessment.

(a) Within ten (10) calendar days of the Effective Date of this CMP Order, MOVTADY shall pay a civil money penalty in the amount of Twenty-five Thousand Dollars (\$25,000.00) by providing to the OTS a certified check or bank draft in the aforesaid amount made payable to the order of the Treasurer of the United States.

(b) MOVTADY shall send (via reputable overnight delivery service) the certified check (or bank draft), together with (i) a cover letter referring to this CMP Order and the above-named savings association, and (ii) a copy of this CMP Order, to the following address: Controller's Division, Office of Thrift Supervision, 1700 G Street, N.W., Washington, D.C. 20552. A copy of the check (or bank draft) and the related cover letter also shall be sent by postage prepaid U.S. Mail to Steven A. Rosenberg, Esq., Office of Thrift Supervision, Harborside Financial Center Plaza Five, Suite 1600, Jersey City, New Jersey 07311.

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

3. This CMP Order is and shall become effective on the date it is issued (the "Effective Date"), which date is shown in the caption hereof.

OFFICE OF THRIFT SUPERVISION

By: 
Robert C. Albanese
Regional Director, Northeast Region