

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of:

CANNIE SHI, a former officer
of UNIVERSAL SAVINGS BANK,
Orange, California,

Respondent.

Resolution No. SF-93-003

Dated: February 16, 1993

STIPULATION AND CONSENT TO ENTRY
OF ORDER TO CEASE AND DESIST

The Office of Thrift Supervision ("OTS"), by and through its Regional Director for the West Region, and CANNIE SHI ("Ms. Shi"), a former officer of UNIVERSAL SAVINGS BANK, Orange, California ("Universal"), stipulate and agree as follows:

1. Consideration.

The OTS, based upon information gathered in the supervisory and examination process, is of the opinion that grounds exist to initiate an administrative proceeding against Ms. Shi, pursuant to Section 8(b) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(b), as amended by the Financial Institutions Reform, Recovery and Enforcement Act ("FIRREA"), Pub. L. No. 101-73, 103 Stat. 183. Ms. Shi desires to cooperate with the OTS and to avoid the time and expense of such administrative litigation and, without admitting or denying that such grounds exist, hereby stipulates and agrees to the following terms in consideration of the forbearance of the OTS from initiating such administrative proceeding against Ms. Shi with respect to certain of her alleged loan brokerage

activities while employed as an officer of Universal.

2. Jurisdiction.

(a) Universal, at all times relevant to the allegations set forth herein, was a "savings association" within the meaning of Section 3(b) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1813(b) and Section 2(4) of the Home Owners' Loan Act ("HOLA"), 12 U.S.C. § 1462(4). Accordingly, Universal is an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1813(c).

(b) Ms. Shi was at all times relevant to the allegations set forth herein, an officer of Universal and as such was an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1813(u).

(c) Pursuant to Section 3(q) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1813(q), the OTS is the "appropriate Federal banking agency" to maintain an enforcement proceeding against such institution-affiliated party. Therefore, Ms. Shi is subject to the authority of the OTS to initiate and maintain a proceeding against her pursuant to Section 8(b) of the FDIA, 12 U.S.C. § 1818(b).

3. Consent.

(a) Ms. Shi consents to the issuance by the OTS of the Order. Ms. Shi further agrees to comply with the terms of the Order upon issuance.

(b) The alleged grounds for the proposed administrative action are based upon Ms. Shi's alleged loan brokerage activities which, if proven, would be in violation of her fiduciary duty while

employed by Universal.

4. Finality.

The Order is issued under Section 8(b) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(b). Upon its issuance by the OTS Regional Director for the West Region, it shall be a final Order, effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA, 12 U.S.C. § 1818(i).

5. Waivers.

(a) Ms. Shi waives the right to notice of charges and the administrative hearing provided by Section 8(b) of the FDIA, 12 U.S.C. § 1818(b), and further waives any rights to seek judicial review of the stipulation or Order, including any such right provided by Section 8(h) of the FDIA, 12 U.S.C. § 1818(h), or otherwise challenge the validity of the stipulation or Order.

(b) Ms. Shi acknowledges and agrees that this stipulation, the Order and the payment of restitution as contemplated by the Order do not compromise, resolve, settle, dismiss, or in any way affect any civil actions, charges against, or liability of Ms. Shi that arise pursuant to this action or otherwise, and that may be or have been brought by the Resolution Trust Corporation ("RTC") or any other governmental entity other than the OTS.

(c) Ms. Shi acknowledges and agrees that this proceeding and the consent to the entry of the Order are for the purposes of resolving this OTS enforcement action only, and do not resolve, affect or preclude other civil or criminal proceedings, or enforcement action based upon, different, newly discovered and/or

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ORDER TO CEASE AND DESIST

WHEREAS, Cannie Shi ("Ms. Shi") has executed a Stipulation and Consent to Entry of Order to Cease and Desist, which is incorporated herein by reference ("Stipulation"), which is hereby accepted and approved by the Office of Thrift Supervision ("OTS"), acting through its Regional Director for the West Region; and

WHEREAS, Ms. Shi, in the Stipulation, has consented and agreed to the issuance of an Order to Cease and Desist ("Order") pursuant to Section 8(b) of the Federal Deposit Insurance Act ("FDIA"), as amended by the Financial Institutions Reform, Recovery and Enforcement Act ("FIRREA"), Pub. L. No. 101-73, 103 Stat. 183, 12 U.S.C. § 1818(b).

NOW, THEREFORE, IT IS ORDERED that:

(1) Ms. Shi shall make restitution to Universal Savings Bank ("Universal"), Orange, California, in the amount of nine thousand, two hundred dollars (\$9,200).

(2) Ms. Shi shall comply with paragraph one of this Order by sending a check in the amount of \$9,200, made payable to Universal Savings Bank, to the OTS Regional Director of the West Region, One

Montgomery Street, P.O. Box 7165, San Francisco, CA 94104, within three (3) days of receipt of this Order. Ms. Shi shall send a courtesy copy of any correspondence and the check sent pursuant to this Order to Timothy Lane, Assistant Regional Director, OTS, Four Centerpointe Drive, Suite 300, La Palma, CA 90623.

(3) Ms. Shi shall not engage in outside mortgage brokerage activities while employed by a federally-insured financial institution.

(4) This Order may not be modified except with the prior written approval of the Regional Director of the West Region.

OFFICE OF THRIFT SUPERVISION

By: /S/
ERIC D. SHAND
Regional Director, West Region