

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of)

JAMES GORDON GOLDEN)

A Former Credit Manager)
of Fulton Federal)
Savings Bank)

Atlanta, Georgia)
_____)

Resolution No.: ATL-92-20
Dated: March 10, 1992

STIPULATION AND CONSENT TO THE ENTRY
OF A PROHIBITION ORDER

The Office of Thrift Supervision ("OTS"), by and through its Regional Director for the Southeast Region, and James Gordon Golden, a former Credit Manager of Fulton Federal Savings Bank, Atlanta, Georgia, OTS Docker No. 2322 ("Fulton Federal"), hereby stipulate and agree as follows:

1. Consideration. The OTS, based upon information it has received as the primary Federal regulator of Fulton Federal, is of the opinion that grounds exist to initiate an administrative prohibition proceeding against James Gordon Golden, pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. Section 1818(e) (1988 & Supp. I 1989). The facts in support of the OTS's belief include the following:

(a) During the period from approximately May 1988 to approximately February 1989, James Gordon Golden served as Credit Manager of Fulton Financial Sales and Leasing Corporation ("Fulton Financial" or "the Subsidiary"), a wholly-owned subsidiary of the Institution organized to purchase automobile loans and leases from dealerships in the metropolitan Atlanta area.

(b) During the time Mr. Golden served as Credit Manager, the dealer originated loan portfolio increased from approximately \$13,075,596 to approximately \$67,056,352.

(c) This increase in the loan portfolio was accomplished in large part through Mr. Golden's disregard for program guidelines and other improprieties.

(d) During this same period, Mr. Golden's efforts caused Fulton Federal to purchase dealer paper from dealers who were making loans far in excess of the value of the collateral securing the loans and were making loans to individuals with poor credit histories.

(e) Mr. Golden was responsible for approving a majority of the loans that were clearly outside the program guidelines and resulted in losses to the Institution.

(f) Fulton Federal incurred losses on indirect automobile loans and leases totaling approximately \$1.2 million in 1989 and \$2.4 million for the five months ended May 31, 1990, and is likely to incur further significant

losses as a result of the improprieties in the Institution's indirect automobile loan and leasing program.

As a result of these actions, Mr. Golden engaged or participated in unsafe or unsound practices. By reason of the foregoing unsafe or unsound practices, Fulton Federal has suffered substantial financial loss or other damage.

Further, such violations and unsafe and unsound practices demonstrate a willful or continuing disregard by Mr. Golden for the safety and soundness of Fulton Federal.

James Gordon Golden 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, hereby stipulates and agrees to the following terms in consideration of the forbearance of the OTS from initiating such administrative proceeding against James Gordon Golden.

2. Jurisdiction.

(a) Fulton Federal Savings was a "savings association" within the meaning of Section 3(b)(1) of the FDIA, 12 U.S.C. § 1813(b)(1), and Section 2 of the Home Owners' Loan Act of 1933 ("HOLA"), 12 U.S.C. § 1462 (Supp. I 1989). The Institution was an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, 12 U.S.C. § 1813(c).

(b) James Gordon Golden, as Credit Manager of Fulton

Federal, was an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, 12 U.S.C. § 1813(u).

(c) The Director of the OTS is the "appropriate Federal banking agency" to maintain an administrative proceeding against such a savings association or its institution-affiliated parties, pursuant to Section 3(q)(4) of the FDIA, 12 U.S.C. § 1813(q)(4). Therefore, James Gordon Golden is subject to the authority of the OTS to initiate and maintain a prohibition proceeding against him pursuant to Section 8(e) of the FDIA, 12 U.S.C. § 1818(e).

3. Consent. James Gordon Golden consents to the issuance by the OTS of the accompanying Order of Prohibition ("Order"). He further agrees to comply with its terms upon issuance and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued under Section 8(e) of the FDIA, 12 U.S.C. § 1818(e). Upon its issuance by the Regional Director 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. James Gordon Golden waives his right to a notice of intention to prohibit and the administrative hearing provided by Section 8(e) of the FDIA, 12 U.S.C. § 1818(e), and further waives his right to seek judicial review of the Order, including any such right provided by Section

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8(h) of the FDIA, 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order.

WHEREFORE, in consideration of the foregoing and intending to be legally bound hereby, the Regional Director for the Southeast Region, on behalf of the OTS, and James Gordon Golden execute this Stipulation and Consent to the Entry of A Prohibition Order.

OFFICE OF THRIFT SUPERVISION

By: /S/

John E. Ryan
Regional Director
Southeast Region

/S/

James Gordon Golden

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ORDER OF PROHIBITION

WHEREAS, James Gordon Golden has executed a Stipulation and Consent to the Entry of A Prohibition Order ("Stipulation"), which is accepted and approved by the Office of Thrift Supervision ("OTS"), acting through its Regional Director for the Southeast Region; and

WHEREAS, James Gordon Golden in the Stipulation has consented and agreed to the issuance of this Order of Prohibition ("Order") pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(e) (1988 & Supp. I 1989).

NOW THEREFORE, IT IS ORDERED that:

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1. James Gordon Golden is prohibited from further participation, in any manner, in the conduct of the affairs of Fulton Federal Savings Bank, Atlanta, Georgia ("Fulton Federal") or its successor(s).

2. Without the prior written approval of the Regional Director for the Southeast Region and, if appropriate, any other Federal financial institutions regulatory agency, James Gordon Golden may not hold any office in, or participate in any manner in the conduct of the affairs of any institution(s) or other entity as set forth in Section 8(e)(7)(A) of the FDIA, 12 U.S.C. § 1818(e)(7)(A). Pursuant to Section 8(e)(6) of the FDIA, 12 U.S.C. § 1818(e)(6), conduct prohibited by this Order includes, inter alia, the solicitation, transfer or exercise of any voting rights with respect to any securities issued by any 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 Section 8(j) of the FDIA, 12 U.S.C. § 1818(j), and shall become effective on the date it is issued.

James Gordon Golden
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THE OFFICE OF THRIFT SUPERVISION

By: /S/
John E. Ryan
Regional Director
Southeast Region