



(e) (Supp. I 1989). More specifically, information obtained by OTS indicates that **RESPONDENT** breached her fiduciary duty to Charter Federal, engaged in unsafe and unsound practices and violated law, rules and regulations with regard to the institution and its service corporation, Bedford Equities Corporation ("BEC"), in her involvement in BEC's sale of certain real property known as 30 Buxton Farms Road, Stamford, Connecticut, and the financing and accounting for that sale by BEC and Charter Federal. In connection with the sale of 30 Buxton Farms Road by BEC to Arthur Beloff and Sol Terkeltaub, on or about September 26, 1986, BEC and Charter Federal extended credit of approximately \$4.2 million in an unsound manner and in violation of regulations. BEC and Charter Federal also falsely recognized and reported a purported gain on the sale in an approximate amount of \$1.6 million in fiscal 1986.

2. Further information obtained by OTS indicates **RESPONDENT** breached her fiduciary duty to Charter Federal, engaged in unsafe and unsound practices, and violated law, rules and regulations with regard to the institution and BEC in her involvement in BEC's sale of certain real property known as 159 Franklin Street, Stamford, Connecticut, and the financing and accounting for that sale by BEC and Charter Federal. On or about September 29, 1987, BEC and an affiliate sold 159 Franklin Street and development rights in adjacent property, 1200 Summer Street, Stamford, Connecticut, to Burt Hoffman, Trustee ("Hoffman"). In connection with that sale, Charter Federal extended credit of

approximately \$3,475,000 to Hoffman in an unsound manner and in violation of regulations. BEC and Charter Federal falsely recognized and reported a purported gain on the sale in an approximate amount of \$700,000 in fiscal 1987.

3. **RESPONDENT** desires to avoid the time and expense of administrative enforcement proceedings by the **OTS**. Although **RESPONDENT** neither admits nor denies the assertions of facts and allegations of unsafe and unsound practices and violations of law, rules and regulations, as described above, and as they apply to **RESPONDENT**, **RESPONDENT** hereby stipulates and agrees to the provisions, terms, and conditions set forth herein, and in the accompanying Order to Cease and Desist and Order of Prohibition ("ORDER"), in consideration of the forbearance of **OTS** from initiating administrative proceedings seeking prohibition, restitution and other appropriate corrective action against **RESPONDENT**, as set forth in paragraph 11 herein.

4. **RESPONDENT** will cooperate fully and completely, and to the maximum extent practicable, with **OTS** in its investigation into the affairs of Charter Federal. Such cooperation shall include **RESPONDENT's** making herself available for interview by representatives of **OTS** as needed, as well as appearing to testify in any administrative proceeding as may be required.

#### JURISDICTION

5. Charter Federal was a "savings association" within the meaning of Section 3 of the FDIA and Section 2 of the HOLA, 12 U.S.C. §§ 1813(b) and 1462 (Supp. I, 1989), as amended by the

Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA"), Pub. L. No. 101-73. Accordingly, it was 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).

6. **RESPONDENT**, as a former officer of Charter Federal, is an "institution-affiliated party", as that term is defined in Section 3(u) of the FDIA, 12 U.S.C. § 1813(u) (Supp. I 1989).

7. Pursuant to Section 3(q) of the FDIA, 12 U.S.C. § 1813(q) Supp. I. 1989), the OTS is the "appropriate Federal banking agency" to maintain enforcement proceedings against ~~such a savings~~ association or its institution-affiliated parties. Therefore, **RESPONDENT** is subject to the authority of the OTS to initiate and maintain administrative cease and desist and prohibition proceedings against **RESPONDENT**, pursuant to Section 5(d)(1)(A) of the HOLA, 12 U.S.C. § 1464(d)(1)(A) (Supp. I 1989), and Sections 8(b) and 8(e) of the FDIA, 12 U.S.C. §§ 1818(b) and (e) (Supp. I 1989).

#### CONSENT

8. **RESPONDENT** consents to the issuance by OTS of the accompanying **ORDER**. Further, **RESPONDENT** agrees to comply with the terms, provisions, and conditions of the **ORDER** upon its issuance, and **RESPONDENT** stipulates that the **ORDER** complies with all applicable requirements of law.

#### FINALITY

9. The **ORDER** is issued pursuant to Sections 8(b) and 8(e) of the FDIA, 12 U.S.C. §§ 1818(b) and (e) (Supp. I 1989).

Upon its issuance by OTS, the ORDER shall be a final order, effective and fully enforceable by OTS, its successor(s), or an appropriate Federal banking agency pursuant to the provisions of Section 8(i) of the FDIA, 12 U.S.C. § 1818(i) (Supp. I. 1989).

WAIVERS

10. RESPONDENT waives the right to a notice of charges and hearing for an order to cease and desist and to direct restitution and other affirmative corrective action and a notice of intention to prohibit and the administrative hearing provided by Sections 8(b) and 8(e) of the FDIA, 12 U.S.C. §§ 1818(b) and (e), and further waives her right to seek judicial review of the ORDER, including any such right provided by Section 8(h) of the FDIA, 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the ORDER.

OTHER ACTIONS, PROCEEDINGS AND PARTIES

11. This STIPULATION and CONSENT, the ORDER, RESPONDENT'S compliance with the ORDER, and the forbearance of the OTS to initiate and maintain administrative proceedings against RESPONDENT settle only potential charges that OTS could bring against RESPONDENT based upon, or arising from, (i) her involvement in those transactions described in paragraphs 1-2 above, and (ii) her involvement in other transactions related to Charter Federal, for which she provides full and truthful disclosure to OTS and otherwise cooperates with OTS.

12. This STIPULATION and CONSENT, the ORDER, and RESPONDENT'S compliance with the ORDER, do not compromise, settle,

dismiss, resolve, or in any way affect:

(a) any charges or potential actions based upon or arising from the transactions described in paragraphs 1-2 and 11 above or any other transactions as they might pertain to any entity or person other than **RESPONDENT**, against whom **OTS** expressly reserves its rights to initiate and maintain administrative proceedings;

(b) any other claims, actions, or charges not based upon or arising from those transactions described in paragraphs 1-2 and 11 above that may be brought by **OTS** against **RESPONDENT**;

(c) any civil or criminal claims, actions, or charges against or liability of **RESPONDENT** or any other individual or entity asserted by any governmental entity other than **OTS**;

(d) any claims or actions that may be brought against **RESPONDENT** by any individual or entity other than **OTS**, or any claims or actions that may be brought against **RESPONDENT** by an individual or entity named as a party, respondent, or defendant in an action brought by any governmental entity.

**WHEREFORE**, in consideration of the foregoing and intending to be legally bound hereby, the **OFFICE OF THRIFT SUPERVISION**, by and through its Director, Timothy Ryan, and **RESPONDENT** intentionally and knowingly execute this **STIPULATION and CONSENT**.

Approved as to form  
and content:

/S/

~~Jonathan J. Klein~~  
Attorney

/S/

~~Donna J. Crandley~~  
RESPONDENT

Signed this 13 day of May, 1992

OFFICE OF THRIFT SUPERVISION

BY:

/S/

~~ANGELA A. VIGNA~~  
Regional Director  
Northeast Region  
OFFICE OF THRIFT SUPERVISION  
Pursuant to Delegated Authority

Signed this 16 day of July, 1992

UNITED STATES OF AMERICA  
Before The  
OFFICE OF THRIFT SUPERVISION  
DEPARTMENT OF THE TREASURY

\_\_\_\_\_  
In the Matter of )  
Donna J. Crandley )  
A Former Officer of )  
Charter Federal Savings )  
and Loan Association )  
Stamford, Connecticut )  
\_\_\_\_\_

Re: Resolution No. NE92-70  
Dated: July 16, 1992

ORDER TO CEASE AND DESIST AND  
ORDER OF PROHIBITION

WHEREAS, Donna J. Crandley ("RESPONDENT") has executed a Stipulation and Consent to Issuance of Order to Cease and Desist and Order of Prohibition ("STIPULATION and CONSENT"), which is accepted and approved by the Office of Thrift Supervision ("OTS"), acting by and through its Director, Timothy Ryan; and

WHEREAS, RESPONDENT, in the STIPULATION AND CONSENT, has agreed and consented to the issuance of this Order to Cease and Desist and Order of Prohibition pursuant to Sections 8(b) and 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. §§ 1818(b) and (e) (Supp. I 1989);

WHEREAS, the OTS, based upon information reported to it, is of the opinion that grounds exist to initiate and maintain against RESPONDENT a Notice of Charges and Hearing to Direct Restitution and Other Appropriate Relief and Notice of Intention to Prohibit RESPONDENT from participating in the conduct of the affairs of

federally insured depository institutions;

**WHEREAS, RESPONDENT** neither admits nor denies the assertions of facts or allegations of unsafe and unsound practices and violations of law, rules and regulations set forth in the **STIPULATION and CONSENT** as such pertain and apply to **RESPONDENT**;

**NOW, THEREFORE, IT IS ORDERED THAT:**

1. The **STIPULATION and CONSENT**, attached hereto, is made a part hereof and is incorporated herein by reference.

2. **RESPONDENT** shall cease and desist from:

a. Committing, or aiding and abetting the commitment of, the violations of law, regulations and rules alleged against **RESPONDENT** in the **STIPULATION and CONSENT**; and

b. Committing, or aiding and abetting the commitment of, the unsafe and unsound practices alleged against **RESPONDENT** in the **STIPULATION and CONSENT**.

3. **RESPONDENT** shall not hold any office in or participate in any manner in the conduct of the affairs of institution(s) or other entity(ies) as set forth in Section 8(e)(7)(A) of the FDIA, 12 U.S.C. § 1818(e)(7)(A) (Supp. I 1989), without the prior written approval of the Director of **OTS**, or his designee, and, if appropriate, the approval of other Federal financial institution(s) regulatory agency(ies). Pursuant to Section 8(e)(6) of the FDIA, 12 U.S.C. § 1818(e)(6) (Supp. I 1989), 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 or voting for a director

of an insured depository institution or acting as an institution-affiliated party.

4. The **STIPULATION and CONSENT**, this **ORDER**, and the forbearance of **OTS** to initiate and maintain administrative proceedings against **RESPONDENT** settle only potential charges that **OTS** could bring against **RESPONDENT** based upon and arising from those transactions described in paragraphs 1-2 and 11 of the **STIPULATION and CONSENT**, as they pertain to **RESPONDENT**.

5. The **STIPULATION and CONSENT**, this **ORDER**, and **RESPONDENT's** compliance with this **ORDER** do not compromise, settle, dismiss, resolve, or in any way affect:

(1) any charges or potential actions based upon or arising from the transactions described in paragraphs 1-2 and 11 of the **STIPULATION and CONSENT** or any other transactions as they might pertain to any entity or person other than **RESPONDENT**, against whom **OTS** expressly reserves its rights to initiate and maintain administrative proceedings;

(2) any other claims, actions, or charges not based upon or arising from those transactions described in paragraphs 1-2 and 11 of the **STIPULATION and CONSENT** that may be brought by **OTS** against **RESPONDENT**.

(3) any civil or criminal claims, actions, or charges against or liability of **RESPONDENT** or any other individual or entity asserted by any governmental entity other than **OTS**;

(4) any claims or actions that may be brought against **RESPONDENT** by any individual or entity other than **OTS**, or

any claims or actions that may be brought against **RESPONDENT** by an individual or entity named as a party, respondent, or defendant in an action brought by any governmental entity.

6. This **ORDER** is subject to the provisions of Section 8(j) of the FDIA, 12 U.S.C. § 1818(j) (Supp. I. 1989).

7. This **ORDER** shall become effective on the date it is issued.

Approved as to form  
and content:

/S/

Jonathan J. Klein  
Attorney for **RESPONDENT**  
Donna J. Crandley

**THE OFFICE OF THRIFT SUPERVISION**

BY: /S/  
ANGELO A. VIGNA  
Regional Director  
Northeast Region  
OFFICE OF THRIFT SUPERVISION  
Pursuant to Delegated Authority