

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

IN THE MATTER OF

Schneider, Downs & Co., Inc.,
a Certified Public Accounting
Firm, its former partner Henry F.
Larkin, Jr. and its former manager
Richard E. Spence, accountants for
Grandview Savings Association,
Pittsburgh, Pennsylvania

Re: NE93-7

Dated: March 3, 1993

STIPULATION AND CONSENT TO
ENTRY OF ORDER OF REMOVAL AND PROHIBITION

The Office of Thrift Supervision ("OTS") and Henry F. Larkin, Jr. ("Larkin") hereby stipulate and agree as follows:

1. Consideration. The OTS is of the opinion that grounds exist to initiate an administrative removal and prohibition proceeding against Larkin pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Pub. L. No. 101-73, 103 Stat. 183 ("FIRREA"), 12 U.S.C. § 1818(e) (1988 & Supp. I 1989), based upon accounting services provided by Larkin while he was employed by Schneider, Downs & Co., Inc. ("SD & Co."), and while he was engaged in annual audits of Grandview Savings Association, Pittsburgh, Pennsylvania ("Grandview"). Larkin, without admitting or denying that such grounds exist, except those relating to jurisdiction as set forth in paragraph 2 below, hereby

stipulates and agrees to the following terms in consideration of the forbearance by OTS from initiating such administrative removal and prohibition litigation against him.

2. Jurisdiction.

(a) Larkin is and has been at all relevant times a certified public accountant ("CPA") and a partner of SD & Co. He was the engagement partner in charge of SD & Co.'s audits of Grandview for all audit years from December 31, 1981 to December 31, 1989. Larkin retired from SD & Co. in December 1989.

(b) Larkin stipulates that he is subject to the jurisdiction of the OTS.

(c) Grandview was a "savings association" within the meaning of Section 2(4) of the Home Owners' Loan Act of 1933, as amended by FIRREA, 12 U.S.C. § 1813(b) (1988 & Supp. I 1989). Accordingly, it 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) (1988 & Supp. I 1989).

(d) Pursuant to Section 3(q) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1813(q) (1988 & Supp. I 1989), the Director of OTS is the "appropriate Federal banking agency" to maintain an enforcement proceeding against such a person participating in the conduct of the affairs of a savings association or against its institution-affiliated parties. Larkin stipulates that he is subject to the jurisdiction and authority of the OTS to initiate and maintain a removal and prohibition proceeding against him pursuant to Section 8(e) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e) (1988 &

Supp. I 1989).

3. Consent. Larkin consents to the issuance by the OTS of the Order of Removal and Prohibition ("Order"), agrees to comply with the terms of the Order upon issuance and stipulates that the Order complies with all applicable requirements of law. Larkin acknowledges and states that he enters into this Stipulation and Consent voluntarily, with full benefit of counsel and without any coercion or promise of any kind from the OTS or any officer, attorney, agent or employee thereof.

4. Finality. The Order is issued under Section 8(e) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e) (1988 & Supp. I 1989). Upon its issuance by the Director of OTS, it shall be a final order, effective, outstanding and fully enforceable.

5. Waivers. Larkin waives his right to a notice of charges and the administrative hearing provided by Section 8(e) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(e) (1988 & Supp. I 1989), and waives his right to all post-hearing proceedings, and the entry of findings of fact or conclusions of law under the Administrative Procedure Act ("APA"), 5 U.S.C. §§ 554-557, 12 U.S.C. § 1818(b), and the OTS Rules of Practice and Procedure in Adjudicatory Proceedings, 12 C.F.R. Part 509 (1992), or any other applicable provision of law. Larkin waives his right to appeal the Order pursuant to Section 8(h) of the FDIA, as amended by FIRREA, 12 U.S.C. § 1818(h) (1988 & Supp. I 1989), or any other applicable provision of law.

6. Settled Claims.

(a) Larkin agrees that his stipulation and consent to the entry of the Order is for the purpose of resolving this OTS enforcement matter only, and does not resolve, affect or preclude any other civil or criminal proceeding which may be or has been brought against him by the OTS or another governmental agency.

(b) With respect to paragraph (a) above, the phrase "this OTS enforcement matter" is based on claims arising from the accounting services provided by Larkin in connection with annual audits of Grandview.

(c) Larkin understands that the OTS has not relinquished the right to take additional action of a regulatory or other nature based on facts other than those set forth in paragraph 6(b) above.

(d) The Stipulation and Consent and the Order does not compromise, settle, dismiss, resolve, or in any way affect any civil actions, charges against, or liability of Larkin that arise pursuant to this action or otherwise, and that may be brought or have been brought by any governmental entity other than the OTS.

WHEREFORE, in consideration of the foregoing, the Director of OTS, by and through his authorized representative the Director of the Northeast Region, and Larkin execute this Stipulation and Consent to Entry of Order of Removal and Prohibition.

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ORDER OF REMOVAL AND PROHIBITION

WHEREAS, the Office of Thrift Supervision ("OTS") has conducted a formal examination proceeding pursuant to Section 5(d)(1)(B) of the Home Owners' Loan Act of 1933, as amended, 12 U.S.C. § 1464(d)(i)(B); and

WHEREAS, Henry F. Larkin, Jr. ("Larkin") and Richard E. Spence ("Spence") have executed Stipulations and Consents to Entry of an Order of Removal and Prohibition ("Consents"), which are accepted and approved by the OTS.

NOW THEREFORE, It Is Ordered that:

1. Larkin and Spence are prohibited from further participation, in any manner, in the conduct of the affairs of Grandview Savings Association, Pittsburgh, Pennsylvania, or its successor through merger, Parkvale Savings Association, Monroeville, Pennsylvania.

2. Without the prior written approval of the Regional

Director for the Northeast Region and, if appropriate, another Federal financial institutions regulatory agency, neither Larkin nor Spence may hold any office in, perform any accounting services for, 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 Federal Deposit Insurance Act ("FDIA"), as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Pub. L. No. 101-73, 103 Stat. 183, 450-464 ("FIRREA") (12 U.S.C. § 1818(e)(7)(A)) (1988 & Supp. I 1989). Pursuant to Section 8(e)(6) of the FDIA, as amended by FIRREA (12 U.S.C. § 1818(e)(6)) (1988 & 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.

3. The Consents are made a part hereof and are incorporated herein by reference.

4. This Order is subject to the provisions of Section 8(j) of the FDIA, as amended by FIRREA (12 U.S.C. § 1818(j) (1988 & Supp. I 1989)), and shall become effective on the date it is issued.

Office of Thrift Supervision

By:

/S/

Angelo Vigna
Director, Northeast Region