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UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of
Michael H. Wallace

Former Chairman of the Board
and Chief Executive Officer
of Westco Savings Bank,
F.S.B., Culver City,
California

Re: Resolution SF-90-017
Resolution No. 89-121
Dated: December 19, 1990

STIPULATION AND CONSENT TO ISSUANCE OF
ORDER OF PROHIBITION

The Office of Thrift Supervision ("OTS"), by and through its District Director for the San Francisco District Office ("District Director"), and Michael H. Wallace, a former chairman of the Board and chief executive office of Westco Savings Bank, F.S.B., Culver City, California ("Westco"), hereby stipulate and agree as follows:

1. Consideration. The OTS, based upon information reported to it, is of the opinion that the grounds exists to initiate an administrative prohibition and/or civil money penalty proceeding against Michael H. Wallace, 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, 12 U.S.C. § 1818(e).

Michael H. Wallace desires to cooperate with the OTS and to avoid the time and expense of such administrative litigation and, while denying that such grounds exist, hereby stipulates and agrees to the following terms in consideration of the forbearance of OTS from initiating such administrative prohibition litigation as well as the imposition of any civil money penalties which may be prescribed under 12 U.S.C. § 1818 (i)(2) against him.

2. Jurisdiction.

(a) Westco was a "savings association" within the meaning of Section 3 of the FDIA and Section 2 of the Home Owners' Loan Act until April 27, 1990. Accordingly, it was an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, 12 U.S.C. § 1813(c) until April 27, 1990.

(b) Michael H. Wallace, as a former chairman of the board and former chief executive officer of Westco, was an "institution-affiliated party" up to January 4, 1989, as that term is defined in Section 3(u) of the FDIA, 12 U.S.C. § 1813(u).

(c) Pursuant to Section 3 of the FDIA, the OTS is the "appropriate Federal banking agency" to maintain enforcement proceedings against such a savings association, or its or their institution-affiliated parties. Therefore, Michael H. Wallace 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. Michael H. Wallace 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 District 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. Michael H. Wallace 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 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, the District Director, on behalf of OTS, and Michael H. Wallace, execute this stipulation and consent to Issuance of Order of Prohibition.

OFFICE OF THRIFT SUPERVISION

By: _____

15/
Michael Patriarca
District Director,
San Francisco District Office,
Office of Thrift Supervision

15/

Michael H. Wallace

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

RECEIVED
FEDERAL RESERVE
BANK OF SAN FRANCISCO
DEC 19 1990

In the Matter of)
Michael H. Wallace)
Former Chairman of the Board)
and Chief Executive Officer)
of Westco Savings Bank,)
F.S.B., Culver City,)
California)

Re: Resolution No. SF-90-017
Resolution No. 89-121
Dated: December 19, 1990

ORDER OF PROHIBITION

WHEREAS, Michael H. Wallace has executed a Stipulation and Consent to Issuance of Order of Prohibition ("Stipulation"), which is accepted and approved by the Office of Thrift Supervision ("OTS") acting through its District Director for the San Francisco District Office; and

WHEREAS, Michael H. Wallace in the Stipulation has consented and agreed to the issuance of the Order of Prohibition ("Order") pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. § 1818(e), as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Pub. L. No. 101-73 Stat. 183;

NOW THEREFORE, IT IS ORDERED that:

1. Michael H. Wallace is prohibited from further participation, in any manner, in the conduct of the affairs of

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Westco Savings Bank, F.S.B., Culver City, California ("Westco"), or its service corporation(s), except for participation in the affairs of Westco Capital Corporation ("Westco Capital") and its subsidiaries and each of their respective successors and assigns, so long as Westco Capital does not directly or indirectly control a savings association, or control any other company which is a savings and loan holding company. (See U.S.C. § 1467a(a)(1)(D)).

2. Without the prior written approval of the OTS (and, if appropriate, another Federal Financial Institutions regulatory agency), Michael H. Wallace 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.

THE OFFICE OF THRIFT SUPERVISION

By: 151

Michael Patriarca
District Director,
San Francisco District Officer