

**UNITED STATES OF AMERICA  
Before The  
OFFICE OF THRIFT SUPERVISION**

In the Matter of	)	OTS Order No.: NE-09-35
	)	
	)	
<b>ROBERT M. PARDES</b>	)	Effective Date: November 19, 2009
	)	
Former Executive Vice President,	)	
Chief Lending Officer, and an	)	
Institution-Affiliated Party of	)	
	)	
OceanFirst Bank	)	
Toms River, New Jersey	)	
OTS Docket No. 01437	)	

**ORDER OF ASSESSMENT OF A CIVIL MONEY PENALTY**

**WHEREAS, Robert M. Pardes** (Respondent), has executed a Stipulation and Consent to the Issuance of an Order of Assessment of a Civil Money Penalty (Stipulation); and

**WHEREAS,** the Respondent, by executing the Stipulation, has consented and agreed to the issuance of this Order of Assessment of a Civil Money Penalty (Order) by the Office of Thrift Supervision (OTS), pursuant to 12 U.S.C. § 1818(i); and

**WHEREAS,** pursuant to delegated authority, the OTS Regional Director for the Northeast Region is authorized to issue Orders of Assessment of a Civil Money Penalty where an institution-affiliated party has consented to the issuance of an order.

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

**Payment of Civil Money Penalty.**

1. Effective immediately, Respondent is ordered to pay a civil money penalty in the amount of forty thousand dollars (\$40,000.00) by tendering a certified check, money order, or bank draft made payable to the order of the Treasury of the United States.

**Indemnification Prohibited.**

2. Respondent shall pay such civil money penalty himself and is prohibited from seeking or accepting indemnification for such payment from any third-party.

**Effective Date, Incorporation of Stipulation.**

3. This Order is effective on the Effective Date as shown on the first page. The Stipulation is made a part hereof and is incorporated herein by this reference.

**IT IS SO ORDERED.**

**OFFICE OF THRIFT SUPERVISION**

By: /s/ \_\_\_\_\_  
Michael E. Finn  
Regional Director, Northeast Region

Date: See Effective Date on page 1

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**STIPULATION AND CONSENT TO THE ISSUANCE OF  
AN ORDER OF ASSESSMENT OF A CIVIL MONEY PENALTY**

**WHEREAS**, the Office of Thrift Supervision (OTS), acting by and through its Regional Director for the Northeast Region (Regional Director), and based upon information derived from the exercise of its regulatory and supervisory responsibilities, has informed **Robert M. Pardes** (Respondent), an institution-affiliated party of OceanFirst Bank, Toms River, New Jersey, OTS Docket No. 01437 (Association), that grounds exist to initiate a civil money penalty assessment proceeding against him pursuant to 12 U.S.C. § 1818(i); and

**WHEREAS**, the Regional Director, pursuant to delegated authority, is authorized to issue Orders of Assessment of a Civil Money Penalty where an institution-affiliated party has consented to the issuance of an order; and

**WHEREAS**, the Respondent desires to cooperate with the OTS to avoid the time and expense of an administrative civil money penalty proceeding by entering into this Stipulation and Consent to the Issuance of an Order of Assessment of a Civil Money Penalty (Stipulation), and, without admitting or denying that such grounds exist, or the Findings of Fact or opinions or conclusions of the OTS, but only admitting the statements and conclusions in Paragraphs 1, 2 and 3 below concerning Jurisdiction, hereby stipulates and agrees as follows:

**Jurisdiction.**

1. The Association is a “savings association” within the meaning of 12 U.S.C. § 1813(b) and 12 U.S.C. § 1462(4). Accordingly, the Association is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c).
2. As the former Executive Vice President and Chief Lending Officer of the Association, and the former President of Columbia Home Loans, LLC, a wholly-owned operating subsidiary of the Association (Subsidiary), Respondent is deemed to be an “institution-affiliated party” of the Association, as that term is defined in 12 U.S.C. § 1813(u), and served in such capacity within six (6) years of the Effective Date as shown on the first page (see 12 U.S.C. § 1818(i)(3)).
3. Pursuant to 12 U.S.C. § 1813(q), the Director of the OTS is the “appropriate Federal banking agency” to initiate and maintain a civil money penalty proceeding against the Respondent pursuant to 12 U.S.C. § 1818(i)(2).

**OTS Findings of Fact.**

4. The OTS finds that **Pardes**, as Executive Vice President and Chief Lending Officer of the Association and President of the Subsidiary, engaged in unsafe or unsound practices in conducting the affairs of an insured depository institution that caused, or was likely to cause, more than a minimal risk to such depository institution by failing in his fiduciary duty to

effectively oversee the origination practices of the Association's mortgage banking Subsidiary relating to subprime and non-conforming loan production and to ensure that the mortgage banking Subsidiary had adequate policies and procedures in place: (a) to timely recognize the Association's exposure to loan repurchases resulting from early payment defaults on subprime and non conforming loans originated and sold by the Association's mortgage banking Subsidiary; and (b) to monitor staff compliance with applicable laws and regulations.

**Consent.**

5. The Respondent consents to the issuance by the OTS of the accompanying Order of Assessment of a Civil Money Penalty (Order). The Respondent further agrees to comply with the terms of the Order upon the Effective Date of the Order and stipulates that the Order complies with all requirements of law.

**Finality.**

6. This Order is issued by the OTS under the authority of 12 U.S.C. § 1818(i)(2) and upon the Effective Date it shall be a final order, effective and fully enforceable by the OTS under the provisions of 12 U.S.C. § 1818(i)(1).

**Waivers.**

7. The Respondent waives the following:
- (a) The right to be served with a written notice of the OTS's assessment of a civil money penalty against him as provided by 12 U.S.C. § 1818(i) and 12 C.F.R. Part 509;
  - (b) The right to an administrative hearing including, without limitation, any such right provided by 12 U.S.C. §§ 1818(h) or 1818(i);
  - (c) The right to seek judicial review of the Order, including, without limitation, any such right provided by 12 U.S.C. §§ 1818(h) or 1818(i), or otherwise to challenge the

validity of the Order;

(d) Any and all claims against the OTS, including its employees and agents, and any other governmental entity for the award of fees, costs, or expenses related to this OTS enforcement matter and/or the Order, whether arising under common law, federal statutes, or otherwise; and

(e) The right to assert this proceeding, this consent to the issuance of the Order, and/or the issuance of the Order, the payment of any monies, or the provision of any other financial relief as contemplated by the Order, as the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice or any other governmental entity.

**OTS Authority Not Affected.**

8. Nothing in this Stipulation or accompanying Order shall inhibit, estop, bar or otherwise prevent the OTS from taking any other action affecting the Respondent if at any time the OTS deems it appropriate to do so to fulfill the responsibilities placed upon the OTS by law. The OTS agrees not to institute further proceedings against the Respondent for the specific acts, omissions, or violations in the OTS Findings of Fact set forth in Paragraph 4 above to the extent known to the OTS as of the Effective Date of the accompanying Order, unless such acts, omissions, or violations reoccur.

**Other Governmental Actions Not Affected.**

9. The Respondent acknowledges and agrees that his consent to the issuance of the Order is solely for the purpose of resolving the matters addressed herein, consistent with Paragraph 8 above, and does not otherwise release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of the Respondent that arise pursuant to this

