

UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
OFFICE OF THE COMPTROLLER OF THE CURRENCY

IN THE MATTER OF:)
FIRST CENTRAL BANK, N.A.)
CERRITOS, CALIFORNIA)

STIPULATION AND CONSENT ORDER

WHEREAS, the Comptroller of the Currency of the United States of America (Comptroller) intends to initiate cease and desist and civil money penalty proceedings against First Central Bank, N.A., Cerritos, California (Bank) pursuant to 12 U.S.C. .. 1818(b) and 1818(i) for violating provisions of the Fair Housing Act, 42 U.S.C. .. 3601 et seq., the Equal Credit Opportunity Act, 15 U.S.C. .. 1691 et seq., and Regulation B, 12 C.F.R. Part 202; and

WHEREAS, the Bank neither admits nor denies that it has violated provisions of the Fair Housing Act, the Equal Credit Opportunity Act, or Regulation B;

WHEREAS, in the interest of cooperation and to avoid the costs associated with future administrative and judicial proceedings with respect to the above matter, the Comptroller and the Bank desire to enter into this Stipulation and Consent Order;

NOW THEREFORE, in consideration of the above premises, the Comptroller, through his authorized representative, and the Bank, through its duly elected and acting Board of Directors (Board), hereby stipulate and agree to the following:

ARTICLE I

(1) The Bank is a national banking association chartered and examined by the Comptroller pursuant to the National Bank Act of 1864, as amended, 12 U.S.C. .. 1 et seq.

(2) The Comptroller is "the appropriate Federal banking agency" regarding the Bank within the meaning of 12 U.S.C. .. 1813(q), 1818(b) and 1818(i).

(3) The Bank is an "insured depository institution" within the meaning

of 12 U.S.C. . . 1813(c)(2), 1818(b) and 1818(i).

ARTICLE II

(1) The Bank, without admitting or denying any wrongdoing, hereby consents and agrees to the issuance of this Order by the Comptroller. The Bank further agrees that this Order shall be deemed an "order issued with the consent of the depository institution" as defined in 12 U.S.C. . 1818(h)(2), and consents and agrees that this Order shall become effective upon its issuance and shall be fully enforceable by the Comptroller under the provisions of 12 U.S.C. . 1818(i).

(2) The terms of this Order shall bind any successor in interest to the Bank, including, but not limited to, succession resulting from the Bank's merger with, or acquisition by, another insured depository institution or bank holding company, until the Comptroller has, in accordance with Article V, paragraph 4 of this Order, notified the Bank or any successor in interest that all claims of aggrieved persons have been satisfied or expired or the Order has been amended, suspended, waived, or terminated in accordance with Article X, paragraph 4 of this Order.

ARTICLE III

(1) The Bank, its officers, employees, and agents are permanently enjoined from discriminating on the basis of race or national origin against any person in making available, or in the terms and conditions of, a mortgage loan in violation of the Fair Housing Act, 42 U.S.C. . 3605, the Equal Credit Opportunity Act, 15 U.S.C. . 1691(a)(1), or Regulation B, 12 C.F.R. . 202.

ARTICLE IV

(1) Within three (3) business days after entry of this Order, the Bank shall deposit four hundred thousand dollars (\$400,000) into the First Central Bank Compensation Fund Trust Account ("the Compensation Fund"), to be administered at the direction of the Comptroller in accordance with this Order. The Bank shall provide written verification of the deposit of this sum of money into this account to the Comptroller within two (2) business days thereafter. Any interest that may accrue on the funds in the Compensation Fund shall become a part thereof.

(2) It is estimated that this Compensation Fund will be sufficient to compensate all identified, aggrieved persons in the amount of ten thousand dollars (\$10,000.00) per applicant.

ARTICLE V

(1) The Comptroller has compiled a list of aggrieved persons and has provided that list to the Bank. Within ten (10) days of the entry of the Order, the Bank shall submit to the Comptroller for his approval, a proposed notification letter and release which is to be sent to all aggrieved persons. The letter, which is to be sent by certified/ registered mail, return receipt requested, within ten (10) days of being approved by the Comptroller, shall notify all persons identified thereon by letter, of this settlement and of their right to receive compensation thereunder. The letter shall notify the person of the Comptroller's determination that he/she may have been discriminated against on the basis of race or national origin in connection with an application for a mortgage loan with the Bank. The letter shall further enclose a copy of this Consent Order, a release for them to sign, and a stamped envelope addressed to the Bank for them to return the executed release. The letter shall notify each person that he or she must return the signed release to the Bank no later than sixty (60) days after its receipt. The Bank shall promptly send a copy of each release received pursuant to this Article to the Comptroller.

(2) Thirty (30) days after the mailing of the initial notification letter, the Bank shall notify the Comptroller in writing of those persons for whom it has not received a return receipt card. The Bank shall make reasonable efforts during the following sixty (60) days to locate such persons, including, but not limited to, placing notices in appropriate newspapers, and shall document those efforts. The Comptroller may also take steps to locate such persons. If, during this sixty (60) day period, the Bank learns of another mailing address or addresses for such persons, the Bank shall again follow the letter notification procedures set forth in paragraph 1 of this Article.

(3) The Bank shall issue a check in the amount of \$10,000.00, drawn against the

Compensation Fund, to each aggrieved person identified on the list referred to in paragraph 1 of this Article who delivers to the Bank an executed release within sixty (60) days after receipt of a notification letter, whether the person received the letter in the initial mailing made under paragraph 1 of this Article or in one or more subsequent mailing under paragraph 2 of this Article. The Bank shall mail a check by registered/certified mail, return receipt requested, to each aggrieved person within five (5) business days after receipt of a signed release. The Bank shall confirm the issuance and mailing of all checks in writing to the Comptroller each time a check is mailed.

(4) Sixty (60) days after the mailing of the last notification letters required by paragraphs 1 or 2 of this Article, the Bank shall compile and submit to the Comptroller a list of persons whom the Bank has been unable to contact. The Bank shall also include in such submission a description of the Bank's efforts to locate and contact those persons. After receiving and reviewing such submission, the Comptroller shall notify the Bank in writing when all claims have been satisfied or have expired. Upon receipt of that notice, any funds remaining in the Compensation Fund shall be returned to the Bank.

ARTICLE VI

(1) Unless otherwise directed in this Order, all materials to be submitted to the Comptroller in compliance with this Order should be sent to John F. Robinson, Deputy Comptroller, 50 Fremont Street, Suite 3900, San Francisco, California 94105-2292, with a copy to Steven J. Vander Wal, Assistant Deputy Comptroller, 1925 Palomar Oaks Way, Suite 202, Carlsbad, California 92008-6526 and a copy to Stephen M. Cross, Deputy Comptroller, Community and Consumer Policy, 250 E Street, S.W., Washington, D.C. 20219.

ARTICLE VII

(1) The Bank hereby consents to the payment of a civil money penalty in the amount of twenty-five thousand dollars (\$25,000), which shall be paid upon execution of this Stipulation and Consent Order. The Bank shall make payment in full by check made payable to the Treasurer of the United States and shall be delivered to: Comptroller of the Currency, P.O. Box 73150, Chicago, Illinois 60673-7150. The charter number of the Bank should be entered on the check.

ARTICLE VIII

(1) This Stipulation and Consent Order shall be enforceable to the same extent and in the same manner as an effective and outstanding order that has been issued and has become final pursuant to 12 U.S.C. . . 1818(h), 1818(b), and 1818(i).

ARTICLE IX

(1) The Bank, by signing this Stipulation and Consent, hereby waives:

(a) the issuance of a Notice of Charges pursuant to 12 U.S.C. . 1818(b) and Notice of Assessment of a Civil Money Penalty pursuant to 12 U.S.C.

. 1818(i)(2);

(b) any and all procedural rights available in connection with the issuance of the Order, including its rights to a hearing and a final agency decision

pursuant to 12 U.S.C. . . 1818(b) and 1818(i) and 12 C.F.R. Part 19;

(c) all rights to seek any type of administrative or judicial review of the Order;

(d) any and all rights to challenge or contest the validity of the Order; and

(e) any and all claims for fees or expenses related to this Order

against the Comptroller, or any of his agents, whether arising

under common law or under the terms of any statute, including

the Equal Access to Justice Act, 5 U.S.C. . 504 and 28 U.S.C.

. 2412.

ARTICLE X

(1) In executing this Order, the Board expressly recognizes that it has the ultimate responsibility for compliance with the Order and for compliance with the Fair Housing Act, the Equal Credit Opportunity Act, and Regulation B.

(2) This Order settles only the violations of the Fair Housing Act and the Equal Credit Opportunity Act which were cited by the OCC in its 1997 fair lending examination of the Bank, and it is expressly agreed that any further enforcement actions based on the 1997 fair lending examination of the Bank are precluded. It is expressly and clearly understood that if, at any time, the Comptroller deems it appropriate in fulfilling the responsibilities placed upon him by the several laws of the United States of America to undertake any action

