

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

In the Matter of:)
)
Eagle National Bank)
Upper Darby, Pennsylvania)

CONSENT ORDER

The Comptroller of the Currency of the United States of America (Comptroller), through his National Bank Examiner, has examined Eagle National Bank, Upper Darby, Pennsylvania (Bank), and his findings are contained in the Report of Examination, dated July 2, 2001 (ROE).

The Bank, by and through its duly elected and acting Board of Directors (Board), has executed a “Stipulation and Consent to the Issuance of a Consent Order,” dated December 18, 2001, that is accepted by the Comptroller. By this Stipulation and Consent, which is incorporated by reference, the Bank has consented to the issuance of this Consent Order (Order) by the Comptroller.

Pursuant to the authority vested in him by the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818; the Comptroller hereby orders that:

ARTICLE I

CASH 'TIL PAYDAY LENDING ACTIVITIES

(1) No later than December 31, 2001, the Bank shall achieve and thereafter adhere to the Board's established Cash 'til Payday (CTP) loans outstanding concentration limit of one-hundred percent (100%) of the Bank's Tier 1 capital plus the Allowance for Loan and Lease Losses. For purposes of this Article, CTP loans outstanding shall include all CTP loans receivable less any CTP loan participations sold without recourse or representations as to CTP loan quality, administration or collectibility, and any amount held in the CTP Excess Loss Reserve after all CTP losses have been deducted therefrom.

(2) Within thirty (30) days, the Board shall adopt, implement and ensure Bank adherence to a written exit strategy establishing an orderly plan by which the Bank shall cease all CTP loan originations, renewals, rollovers and refinancings and completely discontinue its CTP lending operation and reduce all CTP loans outstanding and all CTP loan participations sold to zero by June 15, 2002, subject to the provisions of paragraphs (5) and (6) of this Article. As part of the written plan, the Board shall identify actions to minimize risks to the Bank while reducing the Bank's CTP loans currently outstanding. The plan shall include, at a minimum:

- (a) a process to ensure that, by December 31, 2001 and at all times thereafter, the Bank continues to adhere to the one-hundred percent (100%) CTP loans outstanding concentration limit set forth in paragraph (1);
- (b) the execution of a written agreement, by January 5, 2002, between the Bank and Dollar Financial Group (DFG), a copy of which the Bank shall immediately forward to the Assistant Deputy Comptroller, in which DFG commits to:
 - (i) provide to the Bank \$600,000 in cash, payable as follows:
\$300,000 by December 31, 2001; \$150,000 by March 15, 2002; and \$150,000 by June 15, 2002; and

- (ii) further reduce the Bank's CTP loans outstanding by not less than \$5,000,000 no later than January 5, 2002;
- (c) a process to ensure that, by February 15, 2002 and at all times thereafter until the Bank ceases its CTP loan operations, the Bank's CTP loans outstanding are limited to the Maximum Exposure Level (as hereinafter defined). As used herein, the term "Maximum Exposure Level" shall mean the lesser of \$2,000,000 or the dollar amount of CTP loans outstanding either of which shall be covered by a legally binding purchase (or participation) commitment from a third party, which commitment is without any recourse to or representation from the Bank and is secured by cash collateral, U.S. Government securities, a letter of credit from an FDIC-insured bank or savings association with not less than \$10 billion of assets or comparable collateral acceptable to the OCC;
- (d) a process to ensure the Bank continuously monitors and asserts appropriate control over the CTP operations of DFG while the Bank continues to originate CTP loans;
- (e) a process to ensure that neither the Bank nor DFG advertises the availability of the Bank's CTP loans through print media, television, radio or telemarketing;
- (f) controls to ensure that the availability of the Bank's CTP loans is limited to existing DFG locations, DFG merchants, and the current locations of merchants hired as of the date hereof and that no additional merchants or DFG locations are added; provided, however, that nothing herein shall preclude DFG from relocating any of its existing stores;

- (g) a process to ensure the timely collection of all monies due from DFG related to the Bank's CTP program, including the collection of any outstanding CTP loans after the cessation of the CTP lending program;
- (h) a process to ensure that CTP loan losses continue to be recognized and charged off on a monthly basis;
- (i) a process to ensure the adequate maintenance of the CTP Excess Loss Reserve, including appropriate increases to the Holdback Percentage to cover any expected increases in CTP loan losses; and
- (j) controls to ensure the Bank maintains adequate MIS to monitor its adherence to the Board's plan for discontinuing the Bank's CTP lending operation, including:
 - (i) daily reports identifying the number and dollar amount of CTP loans outstanding, renewed, rolled-over, refinanced and repaid; and
 - (ii) monthly reports detailing the status of specific CTP loans in process of collection, CTP loan losses, and related adjustments to the Bank's Allowance for Loan and Lease Losses.

(3) For purposes of this Article, the terms "Excess Loss Reserve" and "Holdback Percentage" in Paragraph (2)(i) shall have the same meaning as given in the July 11, 1995 Loan and Servicing Agreement between the Bank and DFG (the Cash 'Til Payday Agreement) and the July 1, 1998 amendment thereto.

(4) Upon adoption, the Board shall forward a copy of the plan developed pursuant to Paragraph (2) of this Article to the Assistant Deputy Comptroller for a written determination of no supervisory objection.

(5) If the Bank fails to execute by January 5, 2002, the written agreement with DFG or obtain the funds as required in paragraph (2)(b) above, the Bank shall cease all CTP loan originations, renewals, rollovers and refinancings and shall completely discontinue its CTP loan operations and reduce all CTP loans outstanding and all CTP loan participations sold to zero by April 30, 2002, subject to the provisions of paragraph (6) below.

(6) If the Bank fails to limit its CTP loans outstanding to the Maximum Exposure Level by February 15, 2002, as required in paragraph (2)(c) above, or otherwise fails to comply with the Maximum Exposure Level at any time thereafter, the Bank shall, within two weeks of the date of such noncompliance cease all CTP loan originations, renewals, rollovers and refinancings and shall completely discontinue its CTP loan operations and reduce all CTP loan outstandings and all CTP loan participations sold to zero.

(7) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the plan, processes and controls developed pursuant to this Article.

ARTICLE II

STRATEGIC PLAN

(1) Within one-hundred five (105) days, the Board shall enhance and improve their written strategic plan and related planning processes. The strategic plan shall establish objectives for the Bank's overall risk profile, earnings performance, growth, balance sheet mix, off-balance sheet activities, liability structure, capital adequacy, reduction in the volume of nonperforming assets, product line development and market segments that the Bank intends to promote or develop, together with strategies to achieve those objectives, and shall include:

- (a) a thorough evaluation of the Bank's profitable versus unprofitable business segments, including identifying why the Bank has not been successful with its traditional banking activities and what changes are necessary for the Bank to achieve profitability;

- (b) identification of the divisions and products the Bank can successfully market, with detailed business line strategies and specific quantifiable action plans to accomplish identified strategic goals and objectives and improve Bank earnings;
- (c) the assignment of management responsibility (consistent with recommendations adopted pursuant to the consultant's report required in Article IV) to carry out the Bank's plans in (b), with specific time frames for performance and specific accountability measures;
- (d) a financial forecast which includes projections for major balance sheet and income statement accounts and desired financial ratios over the period covered by the strategic plan;
- (e) control systems to mitigate risks associated with planned new products, current product lines, growth, or any proposed changes in the Bank's operating environment;
- (f) systems to monitor the Bank's progress in meeting the plan's goals and objectives; and
- (g) the appointment of an individual responsible for monitoring the Bank's progress in meeting the plan's goals and objectives, identifying proposed changes in the Bank's operating environment, and providing quarterly status reports to the Board.

(2) Upon adoption, a copy of the plan shall be forwarded to the Assistant Deputy Comptroller. The Board shall provide written notice to the Assistant Deputy Comptroller prior to making any changes or modifications to the plan.

(3) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the plan, or any modifications thereof, developed pursuant to this Article.

ARTICLE III

CAPITAL PLAN AND HIGHER MINIMUMS

(1) The Bank shall achieve and thereafter maintain the following capital levels (as defined in 12 C.F.R. Part 3):

(a) by June 30, 2002:

- (i) total capital at least equal to fourteen percent (14%) of risk-weighted assets;
- (ii) tier 1 capital at least equal to thirteen percent (13%) of risk-weighted assets; and
- (iii) tier 1 capital at least equal to nine percent (9%) of adjusted total assets.¹

(2) So long as this Article III remains in force, the requirement to meet and maintain a specific capital level means the Bank may not be deemed to be “well capitalized” for purposes of 12 U.S.C. § 1831o and 12 C.F.R. Part 6 pursuant to 12 C.F.R. § 6.4(b)(1)(iv).

(3) Within ninety (90) days, the Board shall develop, implement, and thereafter ensure Bank adherence to a three year capital program. The program shall be developed in consideration of the Bank’s strategic plan and shall include:

- (a) specific plans for the achievement and maintenance of adequate capital that may in no event be less than the requirements of paragraph (1), which includes the written commitment of Marshall and Murray Gorson to make an aggregate \$600,000 capital contribution by June 30, 2002;
- (b) projections for growth (or contraction) and capital requirements based upon a detailed risk analysis of the Bank’s assets, liabilities, earnings, fixed assets, and off-balance sheet activities;

¹ Adjusted total assets is defined in 12 C.F.R. § 3.2(a) as the average total asset figure used for Call Report purposes minus end-of-quarter intangible assets.

- (c) projections of the source(s) and timing of additional capital to meet the Bank's current and future needs;
- (d) the primary source(s) from which the Bank will strengthen its capital structure to meet the Bank's needs;
- (e) contingency plans that identify alternative methods should the primary source(s) under (d) above not be available; and
- (f) a dividend policy that permits the declaration of a dividend only:
 - (i) when the Bank is in compliance with its approved capital program and the requirements set forth in paragraph 1(a);
 - (ii) when the Bank is in compliance with 12 U.S.C. §§ 56 and 60; and
 - (iii) with the prior written non-objection of the Assistant Deputy Comptroller, until the Assistant Deputy Comptroller notifies the Board in writing that such prior supervisory non-objection is no longer required.

(5) Upon completion, the Bank's capital program shall be submitted to the Assistant Deputy Comptroller for a written determination of no supervisory objection. Upon the Assistant Deputy Comptroller's written determination of no supervisory objection, the Bank shall implement and adhere to the capital program. The Board shall review and update the Bank's capital program on an annual basis, or more frequently if necessary. Copies of the reviews and updates shall be submitted to the Assistant Deputy Comptroller.

(6) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the program developed pursuant to this Article.

ARTICLE IV

MANAGEMENT AND BOARD STRUCTURE

(1) Within forty-five (45) days, the Board shall engage the services of an independent consultant to assess the current management and Board supervision provided to the Bank and, with consideration of the Bank's current condition and risk profile, the capability of the Bank's current management and staff to carry out the objectives detailed in the Bank's strategic plan (as enhanced in accordance with Article II), and to address the other requirements of this Order. The Board shall require the consultant to focus particular attention on the Bank's officers and on the Bank's commercial lending and mortgage banking activities and provide to the Board, within sixty (60) days of engagement, a written report containing:

- (a) the identification of present and future management and staffing requirements of the Bank (in addition to the Credit Risk manager position required in Article V);
- (b) detailed written job descriptions for all current officers and any recommended additions to the management team;
- (c) an evaluation of each current officer's qualifications and abilities, a determination of whether each officer is currently fulfilling the responsibilities of his or her position, and a determination of whether each officer possesses the qualifications and experience required to perform the present and anticipated duties of his or her position;
- (d) recommendations as to whether management or staffing changes should be made, including the need for additions to or deletions from the current management team;
- (e) an assessment of the extent to which the Board holds current management accountable for achieving the Bank's objectives;
- (f) objectives by which management's effectiveness will be measured;

- (g) a training program to address any identified weaknesses in the skills and abilities of the Bank's staff and management team;
- (h) an evaluation of current lines of authority, reporting responsibilities and delegation of duties for all officers, including identification of any overlapping duties or responsibilities and any inadequate segregation of duties;
- (i) a recommended organizational chart that clearly reflects areas of responsibility and lines of authority for all officers, including the Bank's president and chief financial officer;
- (j) an assessment of the Board's strengths and weaknesses along with a director education program designed to strengthen identified weaknesses;
- (k) an assessment of whether Board members are receiving adequate information on the operation of the Bank to enable them to fulfill their fiduciary responsibilities and other responsibilities under law;
- (l) recommendations as to whether the Board membership should be and can be increased and the needed qualifications of new members;
- (m) recommendations to expand the scope, frequency and sufficiency of information provided to the Board by management; and
- (n) recommendations to correct or eliminate any other deficiencies in the supervision or organizational structure of the Bank.

(2) Prior to engagement, the name and the qualifications of the consultant considered for employment shall be submitted to the Assistant Deputy Comptroller for a written determination of no supervisory objection.

(3) Within sixty (60) days of receiving the consultant's report the Board shall develop, implement, and thereafter ensure adherence to a written plan, with specific time frames, to address any recommendations and correct any deficiencies noted therein. To the extent the

Bank's plan provides for the appointment of any director or senior executive officer, as that term is defined in 12 C.F.R. §5.51, the Bank shall comply with the prior notice procedures contained therein.

(4) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the plan developed pursuant to this Article.

(5) Copies of the Board's written plan and the consultant's report shall be forwarded to the Assistant Deputy Comptroller. The Assistant Deputy Comptroller shall retain the right to determine the adequacy of the report and its compliance with the terms of this Order. In the event the written plan, or any portion thereof, is not implemented, the Board shall immediately advise the Assistant Deputy Comptroller, in writing, of specific reasons for deviating from the plan.

ARTICLE V

CREDIT RISK

(1) Within ninety (90) days, the Board shall develop, implement and thereafter ensure Bank adherence to a credit risk management program to address the high level of risk and unprofitability in the Bank's commercial loan portfolio. To assist in the development and implementation of this program, the Board shall, within sixty (60) days, hire a credit risk manager who will be responsible for overseeing the Bank's lending activities. The credit risk management program shall include:

- (a) developing a strategy to successfully originate commercial loans within the Bank's market area, unless the Board instead determines to discontinue the Bank's commercial lending activities;
- (b) ensuring that the Bank obtains an updated independent appraisal of collateral, in accordance with 12 C.F.R. Part 34, for any criticized asset

with an outstanding balance of \$50,000 or more, where the most recent appraisal is more than twelve months old;

- (c) enhancing the methodology for determining the Bank's Allowance for Loan and Lease Losses (Allowance) by:
 - (i) incorporating into the Bank's analysis realistic loss exposures, which are based upon current appraisal values obtained in accordance with (b); and
 - (ii) fully considering negative trends in delinquencies and criticized assets.
- (d) ensuring that any deficiency in the Allowance is remedied in the quarter it is discovered, prior to filing of the Consolidated Reports of Condition and Income, by additional provisions from earnings; and
- (e) ensuring that written documentation is maintained indicating the factors considered and conclusions reached by the Board in determining the adequacy of the Allowance.

(2) Prior to appointing an individual to the credit risk manager position, the name and qualifications of any individual considered for employment shall be submitted to the Assistant Deputy Comptroller for a written determination of no supervisory objection.

(3) A copy of the Board's program shall be submitted to the Assistant Deputy Comptroller.

(4) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the program developed pursuant to this Article.

ARTICLE VI

PROFIT PLAN

(1) Within ninety (90) days, the Board shall enhance the Bank's profit planning process to include the following elements:

- (a) a written description of the operating assumptions that form the basis for major projected income and expense components;
- (b) a written budget review process to compare actual figures with budgetary projections; and
- (c) a formal process through which the Board holds management accountable for achieving budgetary projections.

(2) The budgets and related documents required in (1) above shall be submitted to the Assistant Deputy Comptroller upon completion. The Board shall submit to the Assistant Deputy Comptroller annual budgets with supporting documentation as described in (1)(a) above for each year this Order remains in effect. The budget for each year shall be submitted on or before November 30, of the preceding year.

(3) The Board shall forward comparisons of its balance sheet and profit and loss statement to the profit plan projections to the Assistant Deputy Comptroller on a quarterly basis.

(4) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the plan developed pursuant to this Article.

ARTICLE VII

BANK SECRECY ACT/ANTI-MONEY LAUNDERING

(1) Within sixty (60) days, the Board shall enhance its current program to ensure ongoing compliance with the Bank Secrecy Act, as amended (31 U.S.C. §§ 5311-5330), the regulations promulgated thereunder at 31 C.F.R. Part 103, as amended, and 12 C.F.R. Part 21, subpart B, by:

- (a) developing a process for identifying high-risk accounts and monitoring such accounts for suspicious activity on an on-going basis;
- (b) revising the Bank's existing Bank Secrecy Act audit procedures to provide a risk-based approach to Bank Secrecy Act compliance that includes:
 - (i) transactional testing and verification of data for higher risk accounts; and
 - (ii) specific procedures to test the adequacy of suspicious activity monitoring.

(2) Upon completion, a copy of this program shall be submitted to the Assistant Deputy Comptroller for review. In the event the Assistant Deputy Comptroller recommends changes to the program, the Board shall immediately incorporate those changes into the program.

(3) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the program developed pursuant to this Article.

ARTICLE VIII

INTERNAL AUDIT

(1) Within ninety (90) days, the Board shall review the Bank's internal audit program to ensure sufficient risk based audit coverage by an adequately staffed department or outside firm, with respect to both experience level and number of individuals employed, and to ensure that audit scheduling, scope and testing are sufficient to:

- (a) detect material irregularities in the Bank's operations;
- (b) determine the Bank's level of compliance with all applicable laws, rules and regulations;
- (c) evaluate the Bank's adherence to established policies and procedures; and
- (d) meet the specific audit requirements in other articles of this Consent Order.

(2) The Board shall establish, implement and thereafter ensure adherence to a process to track the auditor's progress in completing the annual audit schedule developed to meet the objectives in paragraph (1).

(3) The Board shall ensure that the auditor provides written reports detailing any exceptions, deficiencies or recommendations noted as a result of its review. The Board shall also ensure that immediate actions are undertaken to remedy deficiencies cited or to address other audit recommendations in these reports, and that the independent auditor maintains a written record describing those actions.

(4) Upon adoption, a copy of the internal audit program shall be submitted to the Assistant Deputy Comptroller.

(5) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the program developed pursuant to this Article.

ARTICLE IX

NEW PRODUCTS AND SERVICES

(1) Prior to the Bank's involvement in any new products or services the Board shall prepare a written analysis of such product or service. The analysis shall, at a minimum, include the following:

- (a) an assessment of the risks and benefits of the product or service to the Bank;
- (b) an explanation of how the product or service is consistent with the Bank's strategic plan;
- (c) an evaluation of the adequacy of the Bank's organizational structure, staffing, MIS, internal controls and written policies and procedures to identify, measure, monitor and control the risks associated with the product or service; and

- (d) a profitability analysis, including growth projections and interest rate risk.
- (2) Prior to the Bank's involvement in the new product or service, a copy of the analysis shall be submitted to the Assistant Deputy Comptroller.
- (3) The Board shall ensure the Bank has the processes, personnel, and control systems to ensure implementation of and adherence to the program developed pursuant to this Article.

ARTICLE X

COMPLIANCE COMMITTEE

(1) Within ten (10) days, the Board shall appoint a Compliance Committee of at least three (3) directors, of which no more than one shall be employees of the Bank or any of its affiliates (as the term "affiliate" is defined in 12 U.S.C. § 371c(b)(1)), or a family member of any such person. Upon appointment, the names of the members of the Compliance Committee shall be submitted in writing to the Assistant Deputy Comptroller. The Compliance Committee shall be responsible for monitoring and coordinating the Bank's adherence to the provisions of this Order.

(2) The Compliance Committee shall meet at least monthly.

(3) Within thirty (30) days of the appointment of the Committee and monthly thereafter, the Compliance Committee shall submit a written progress report to the Board setting forth in detail:

- (a) actions taken to comply with each Article of this Order;
- (b) the results of those actions; and
- (c) a description of the actions needed to achieve full compliance with each Article of this Order.

(4) The progress reports should also include any actions initiated by the Board and the Bank pursuant to the criticisms and comments in the Report of Examination or in any future Report of Examination.

(5) Within ten (10) days of receipt, the Board shall forward a copy of the Compliance Committee's report, with any additional comments by the Board, to the Assistant Deputy Comptroller.

ARTICLE XI

CLOSING

(1) Although the Board is by this Order required to submit certain proposed actions and programs for the review of, or written determination of no supervisory objection by, the Assistant Deputy Comptroller, the Board has the ultimate responsibility for proper and sound management of the Bank.

(2) 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 affecting the Bank nothing in this Order shall in any way inhibit, estop, bar or otherwise prevent the Comptroller from so doing.

(3) Any time limitations imposed by this Order shall begin to run from the effective date of this Order. Such time limitations may be extended in writing by the Assistant Deputy Comptroller for good cause upon written application by the Board.

(4) The provisions of this Order are effective upon issuance of this Order by the Comptroller, through his authorized representative whose hand appears below, and shall remain effective and enforceable, except to the extent that, and until such time as, any provisions of this Order shall have been amended, suspended, waived, or terminated in writing by the Comptroller or his designated representative.

(5) This Order is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 1818(b), and expressly does not form, and may not be construed to form, a contract binding on the OCC or the United States. Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the OCC may enforce any of the commitments or

obligations herein undertaken by the Bank under its supervisory powers, including 12 U.S.C. § 1818(i), and not as a matter of contract law. The Bank expressly acknowledges that neither the Bank nor the OCC has any intention to enter into a contract. The Bank also expressly acknowledges that no OCC officer or employee has statutory or other authority to bind the United States, the U.S. Treasury Department, the OCC, or any other federal bank regulatory agency or entity, or any officer or employee of any other federal bank regulatory agency or entity, or any officer or employee of any of those entities to a contract affecting the OCC's exercise of its supervisory responsibilities. The terms of this Order, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements or arrangements, or negotiations between the parties, whether oral or written.

IT IS SO ORDERED, this 18th day of December, 01.

/s/ Betty Lane Bowman

12/18/01

Betty Lane Bowman
Assistant Deputy Comptroller
Eastern Pennsylvania Field Office

Date

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

In the Matter of:)
)
Eagle National Bank)
Upper Darby, Pennsylvania)

STIPULATION AND CONSENT TO THE ISSUANCE
OF A CONSENT ORDER

The Comptroller of the Currency of the United States of America (Comptroller) has initiated cease and desist proceedings against Eagle National Bank (Bank) pursuant to 12 U.S.C. § 1818(b).

The Bank, in the interest of compliance and cooperation, consents to the issuance of a Consent Order, dated December 18, 2001 (Order);

In consideration of the above premises, the Comptroller, through his authorized representative, and the Bank, through its duly elected and acting Board of Directors, 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 pursuant to 12 U.S.C. §§ 1813(q) and 1818(b).

(3) The Bank is an "insured depository institution" within the meaning of 12 U.S.C. § 1818(b)(1).

ARTICLE II

(1) The Bank, without admitting or denying any wrongdoing, hereby consents and agrees to the issuance of the Order by the Comptroller. The Bank further agrees that said 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 said 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).

ARTICLE III

- (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);
 - (b) any and all procedural rights available in connection with the issuance of the Order;
 - (c) all rights to seek any type of administrative or judicial review of the Order; and
 - (d) any and all rights to challenge or contest the validity of the Order.

ARTICLE IV

(1) The Bank agrees that the provisions of this Stipulation and Consent shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any other action affecting the Bank if, at any time, he deems it appropriate to do so to fulfill the responsibilities placed upon him by the several laws of the United States of America.

IN TESTIMONY WHEREOF, the undersigned, authorized by the Comptroller as his representative, has hereunto set her hand on behalf of the Comptroller.

<u>/s/ Betty Lane Bowman</u> Betty Lane Bowman Assistant Deputy Comptroller Eastern Pennsylvania Field Office Northeastern District	<u>12/18/01</u> Date
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IN TESTIMONY WHEREOF, the undersigned, as the duly elected and acting Board of Directors of the Bank, have hereunto set their hands on behalf of the Bank.

<u>-signed-</u> S. Marshall Gorson	<u>12/19/01</u> Date
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<u>-signed-</u> Murray S. Gorson	<u>12/18/01</u> Date
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<u>-signed-</u> Paul D. Castignani	<u>12/18/01</u> Date
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<u>-signed-</u> Rodney H. Green	<u>12/18/01</u> Date
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<u>-signed-</u> John W. Petralia	<u>12/20/01</u> Date
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