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OCC HEARING BEGINS NOVEMBER 6 -- AGENCY SEEKS \$300,000 IN
FINES AND PROHIBITION ORDERS AGAINST FORMER BANKERS

WASHINGTON, D.C. -- The Office of the Comptroller of the Currency (OCC) today announced that a public hearing on the agency's actions against Robert L. Jackson, Jr. and James J. Levitt, former directors of the First National Bank of Shawnee Mission, Fairway, Kansas, will begin on November 6, 1995. The agency is seeking to ban Jackson and Levitt from further participating in the affairs of any insured financial institution and is seeking \$200,000 in civil money penalties from Jackson and \$100,000 from Levitt.

The OCC alleges that Jackson and Levitt (the respondents) caused the First National Bank of Shawnee Mission (the Bank) to engage in unsafe and unsound banking practices, violations of banking law and violations of a Formal Agreement between the Bank and the Comptroller of the Currency. The agency also alleges that Jackson and Levitt obtained personal financial gain or other benefit and that the Bank suffered financial loss as a result of their actions. Jackson and Levitt are no longer associated with the Bank, which was recently sold and renamed First Community Bank.

Charges against the respondents include engaging in "less than arms length" financing of three real estate transactions -- one involving a purchase from a partnership called McJacLev Associates and the other two involving purchases from bank affiliates controlled by Mr. Jackson. The respondents also controlled the Bank through their ownership of Shawnee Mission Bancshares, and the proceeds of the three real estate transactions were used to pay off real estate mortgage obligations of McJacLev Associates and of the other two Jackson controlled entities. Although the loans were nonperforming and in default, they were later paid off with funds obtained by respondent Jackson from J.C. Nichols Company, a local real estate concern.

The OCC also alleges that the respondents violated banking laws that restrict a bank's ability to make unsecured loans to any of its affiliates.

Great Plains Financial Corporation,
then the holding company
for Eureka Federal Savings and Loan Association (a thrift also controlled by Jackson and Levitt) obtained approximately \$1 million from the Bank in a transaction where the Bank made unsecured loans to an intermediate group of borrowers who then transferred the money to Great Plains in violation of the law.

Additionally, the OCC claims that borrowing limits to bank insiders were exceeded by the Bank in its aggregate lending to

Jackson and Levitt personally, and to their related interests, including the \$1 million transfer to Great Plains Financial.

The OCC's administrative hearings are open to the public as required by the Crime Control Act of 1990. The hearing will begin at 9:30 a.m. CST, in room 829 of the United States Court of Appeals, 811 Grand Avenue, Kansas City, Missouri.

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The OCC charters, regulates and examines America's approximately 3,000 national banks which hold 50 percent of the nation's bank assets. Its mission is to engender confidence in the nation's financial structure by safeguarding the safety and soundness of the national banking system.