

FEDERAL RESERVE press release



For immediate release

January 6, 1997

The Federal Reserve Board today announced the issuance of an Order to Cease and Desist against Brian Gager, a former foreign exchange trader and institution-affiliated party of the New York Branch of The Nippon Credit Bank, Ltd., Tokyo, Japan.

Mr. Gager, without admitting to any allegations, consented to the issuance of the Order in connection with his alleged improper trading activities.

A copy of the Order is attached.

Attachment

UNITED STATES OF AMERICA

BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

WASHINGTON, D.C.

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In the Matter of) Docket No. 96-025-B-I
)
BRIAN GAGER) Order to Cease and
) Desist Issued
A Former Institution-Affiliated) Upon Consent Pursuant
Party of the New York Branch) to the Federal
of) Deposit Insurance Act,
) As Amended
THE NIPPON CREDIT BANK, LTD.)
Tokyo, Japan)
)
- - - - - x

WHEREAS, pursuant to Sections 8(b) and (i)(3) of the Federal Deposit Insurance Act, as amended (the "FDI Act") (12 U.S.C. §§ 1818(b) and (i)(3)), the Board of Governors of the Federal Reserve System (the "Board of Governors") issues this Order to Cease and Desist (the "Order") against Brian Gager ("Gager"), a former foreign exchange trader and institution-affiliated party, as defined in Sections 3(u) and 8(b)(4) of the FDI Act (12 U.S.C. §§ 1813(u) and 1818(b)(4)), of the New York branch of the Nippon Credit Bank, Ltd., Tokyo, Japan ("Nippon-NY"), based on Gager's alleged improper trading activities; and

WHEREAS, by affixing his signature hereunder, Gager has consented to the issuance of this Order by the Board of Governors, has agreed to comply with each and every provision of this Order, and has waived any and all rights he might otherwise have pursuant to 12 U.S.C. § 1818 or 12 C.F.R. Part 263, or otherwise (a) to the issuance of a notice of charges and of hearing; (b) to a hearing for the purpose of taking evidence with respect to any matter implied or set forth in this Order; (c) to obtain judicial review of this Order or any provision hereof; and (d) to challenge or contest in any manner the basis, issuance, validity, effectiveness or enforceability of this Order or any provision hereof.

NOW, THEREFORE, prior to the taking of any testimony or adjudication of or finding on any issue of fact or law implied or set forth herein, and without this Order constituting an admission by Gager of any allegation made or implied by the Board of Governors in connection herewith, and solely for the purpose of settlement of this matter, without protracted or extended proceedings:

IT IS HEREBY ORDERED, pursuant to Sections 8(b) and (i)(3) of the FDI Act, that:

1. Upon becoming an institution-affiliated party, as defined in Sections 3(u) and 8(b)(3) and (4) of the FDI Act, of any institution or agency specified in Section 8(e)(7)(A) of the FDI Act (12 U.S.C. § 1818(e)(7)(A)), including, but not limited to, any insured depository institution, bank or thrift holding company, or U.S. agency or branch of a foreign bank, where his duties include, directly or indirectly, engaging in, managing or otherwise directing the trading activities of any such institution or agency, Gager shall take such actions as are necessary, consistent with his responsibilities, to ensure that he will (a) comply with all policies and procedures of his employer as they pertain to such trading activities, including, where applicable, the preparation and maintenance of accurate books and records, (b) engage in trading activities in a manner that is consistent with his fiduciary duties and with safe and sound banking practices, and (c) comply fully with all applicable laws and regulations.

2. All communications regarding this Order shall be addressed to:

(a) Mr. Donald T. Vangel

Senior Vice President
The Federal Reserve Bank
of New York
59 Maiden Lane, 10th Floor
New York, NY 10045

(b) Mr. Brian Gager
824 Forest Avenue
Rye, NY 10580

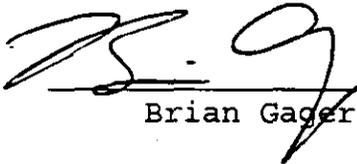
3. The provisions of this Order shall not bar, estop, or otherwise prevent the Board of Governors or any federal or state agency or department from taking any other action affecting Nippon-NY, Gager, or any current or former institution-affiliated party of Nippon-NY.

4. This Order, and each and every provision hereof, is and shall remain fully effective and enforceable until

expressly stayed, modified, terminated or suspended in writing by
the Board of Governors.

By order of the Board of Governors effective
this 24th day of January, 1998. ^{W.W.W.}

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM


Brian Gager

By: 
William W. Wiles
Secretary of the Board