

WHEREAS, by affixing her signature hereunder, Colbourn has consented to the issuance of this Order by the Board of Governors and has waived any and all rights she might otherwise have pursuant to 12 U.S.C. § 1818, 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, terms, 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 in this Order, and without this Order constituting an admission of any allegation made or implied by the Board of Governors in connection with this proceeding, and solely for the purpose of settlement of this matter without protracted or extended hearings or testimony:

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

1. Upon becoming an institution-affiliated party of any institution or agency specified in section 8(e)(7)(A) of the FDI Act (12 U.S.C. § 1818(7)(e)(A)), including, but not limited

to, any insured depository institution, bank or thrift holding company, or subsidiary thereof, where her duties include, directly or indirectly, the trading of securities, including, but not limited to, the marketing, selling, or purchasing of government or corporate securities, including mortgage-backed securities, Colbourn shall take such actions as are necessary and consistent with her responsibilities to ensure that she will (a) comply with all policies and procedures of her employer as they pertain to such trading activities, (b) engage only in trading activities that are consistent with her fiduciary duties and with safe and sound banking practices, and (c) comply fully with all applicable laws and regulations pertinent to trading activities, including any applicable rules of a securities self-regulatory organization.

2. 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.

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

(a) Mr. Christopher J. McCurdy
Senior Vice President
Federal Reserve Bank of New York
33 Liberty Street
New York, New York 10045

(b) Ms. Patti Colbourn
c/o Lynn E. Judell, Esquire
Rosenthal Judell & Uchima
666 Third Avenue, 29th Floor
New York, New York 10017

4. 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 Colbourn; provided, however, that the Board of Governors shall not take any further action against Colbourn based upon information presently known by the Board of Governors relating to the matters addressed by this Order.

By order of the Board of Governors effective this
15th day of December, 1997.


Patti Colbourn

Board of Governors of the
Federal Reserve System

By: 
William W. Wiles
Secretary of the Board