

# FEDERAL RESERVE press release



For immediate release

March 7, 1997

The Federal Reserve Board today announced the execution of a Written Agreement by and among Luis A. Ortega, an officer and director of Interbank Holding Company, Miami, Florida, a bank holding company, the former Chairman of the board of directors and a current director of the Pan American Bank, Miami, Florida; Interbank Holding Company; the Federal Reserve Bank of Atlanta; and the Department of Banking and Finance, Division of Banking, State of Florida.

The Federal Reserve Board also announced the execution of a Written Agreement by and among Glenn M. Goldhagen, a former officer of Interbank Holding Company, and the former Chief Executive Officer and a former director of the Pan American Bank; the Federal Reserve Bank of Atlanta; and the Department of Banking and Finance, Division of Banking, State of Florida.

Copies of the Written Agreements are attached.

Attachments

UNITED STATES OF AMERICA  
BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON, D.C.

STATE OF FLORIDA  
DEPARTMENT OF BANKING AND FINANCE  
DIVISION OF BANKING  
TALLAHASSEE, FLORIDA

Written Agreement by and among	)	
LUIS A. ORTEGA	)	
an institution-affiliated	)	Docket No. 96-018-WA/RB-I1
party of Interbank Holding Company	)	96-018-WA/HC
and the Pan American Bank,	)	Admin. Procedure No.
both of Miami, Florida	)	3517-B-5/96
	)	
INTERBANK HOLDING COMPANY	)	
Miami, Florida	)	
	)	
FEDERAL RESERVE BANK OF ATLANTA	)	
Atlanta, Georgia	)	
	)	
and	)	
	)	
DEPARTMENT OF BANKING AND FINANCE,	)	
DIVISION OF BANKING	)	
STATE OF FLORIDA	)	
Tallahassee, Florida	)	

WHEREAS, in recognition of their common goal to maintain the financial soundness of the Pan American Bank, Miami, Florida (the "Bank"), a state member bank, the Federal Reserve Bank of Atlanta (the "Reserve Bank"), the Department of Banking and Finance, Division of Banking of the State of Florida (the "Department"), Luis A. Ortega ("Dr. Ortega"), an officer of

Interbank Holding Company, Miami, Florida ("Interbank"), a registered bank holding company, the former Chairman of the board of directors of the Bank, and a current director of the Bank, and Interbank, have mutually agreed to enter into this Agreement; and

WHEREAS, this Agreement is being executed in accordance with the Rules Regarding Delegation of Authority of the Board of Governors of the Federal Reserve System (the "Board of Governors"), specifically 12 C.F.R. 265.11(a)(15), and the Reserve Bank has received the prior approval of the Director of the Division of Banking Supervision and Regulation and the General Counsel of the Board of Governors to enter into this Agreement with Dr. Ortega and Interbank.

NOW, THEREFORE, before the taking of any testimony or adjudication of or finding on any issue of fact or law herein, and without this Agreement constituting an admission of any allegation made or implied by the Board of Governors or the Department, the Reserve Bank, the Department, Dr. Ortega and Interbank agree as follows:

Compliance with Written Conditions and Bank Holding Company Act

1. (a) Dr. Ortega and Interbank shall comply fully with the conditions imposed in writing by the Board of Governors by letter dated December 24, 1991, in connection with Interbank's acquisition of the Bank.

(b) Dr. Ortega and Interbank shall comply fully with the provisions of the Bank Holding Company Act of 1956, as amended, and the regulations issued by the Board of Governors thereunder, and shall comply fully with any applicable provisions of Florida law contained in Chapter 655, Florida Statutes, or the regulations thereunder.

Restrictions on Transactions

2. (a) Without the prior review of the Reserve Bank and the Department, the Affected Parties shall not, directly or indirectly, engage, undertake or in any manner participate in any financial transaction with the Bank.

(b) The term "financial transaction" shall be defined as:

(i) The extension of credit (or the renewal or modification of any extension of credit), as defined in section 215.3 of Regulation O of the Board of Governors (12 C.F.R. 215.3), including any overdrafts on either a daylight or overnight basis;

(ii) the maintenance of any deposit account;

(iii) the direct or indirect payment, guarantee or confirmation of any obligation;

(iv) the payment of any service or management fee;

(v) the transfer, contribution, purchase or sale of any asset; and

(vi) the transfer of cash or cash-like instruments.

(c) The term "Affected Parties" means

(i) Dr. Ortega, (ii) any family member, (iii) any related interest of Dr. Ortega or of any family member, (iv) Interbank, (v) any person that currently is, or was since December 24, 1991, an affiliate of the Bank or Interbank, (vi) any person that currently is, or was since December 24, 1991, a related party of the Bank or Interbank.

(d) The term "family member" means

Dr. Ortega's spouse, parents, siblings, children, and nieces and nephews, and the spouses thereof.

(e) The term "related interests" shall be defined as set forth in section 215.2(n) of Regulation O of the Board of Governors (12 C.F.R. 215.2(n)) and section 658.48(4), Florida Statutes.

(f) The term "related party" shall be defined as (i) any person holding an ownership interest in excess of 25 percent of Interbank or the Bank, or any of Interbank's or the Bank's subsidiaries, (ii) any person, or group of persons acting in concert, that controls, is controlled by, or is under common control with Interbank or the Bank, (iii) any family member of any person or group of persons holding an ownership interest in excess of 25 percent in Interbank or the Bank, or in any of Interbank's or the Bank's subsidiaries, and (iv) any company, partnership, trust or other entity controlled by any person described in this paragraph; provided, however, that "related party" shall not include any person who would be included by virtue solely of being an investor in any related interest of Dr. Ortega or of any family member of Dr. Ortega.

(g) The term "affiliate" shall be defined as set forth in 12 U.S.C. 371c(b) (1).

(h) The term "control" shall be defined as set forth in 12 U.S.C. 1841(a) (2).

(i) The term "person" shall mean a corporation, unincorporated association, partnership, trust or any other entity or individual.

3. The prohibitions of paragraph 2(a) hereof shall not (i) prevent any Affected Party from repaying any indebtedness or other obligation owed to the Bank, nor require the prepayment by any Affected Party of amounts due under any such indebtedness or obligation existing on the date hereof, or (ii) prevent the Bank from complying with any indemnity obligation that the Bank may have by virtue of Florida law.

Performance of Duties as Director

4. The provisions of paragraph 2(a) hereof shall not prevent Dr. Ortega, as a duly elected director of the Bank, from exercising any of the rights, or performing any duty or function or exercising any power or authority which customarily attaches to such position; provided, however, that Dr. Ortega shall not, in addition to the restrictions set forth in paragraph 2(a) hereof, participate, directly or indirectly, in any lending or funds transfer activities of the Bank.

Miscellaneous Provisions

5. All communications regarding this Agreement shall be sent to:

(a) Mr. Marion P. Rivers, III  
Assistant Vice President  
Federal Reserve Bank of Atlanta  
104 Marietta Street, N.W.  
Atlanta, Georgia 30303-2713

- (b) Ms. Linda R. Townsend  
Chief, Bureau of Financial Institutions,  
District II, Division of Banking  
State of Florida  
Office of the Comptroller  
101 East Gaines Street, Suite 636  
Tallahassee, Florida 32399-0350
- (c) Dr. Luis A. Ortega  
c/o Carlos E. Loumiet, Esq.  
Greenberg Traurig  
1221 Brickell Avenue  
Miami, Florida 33131
- (d) Interbank Holding Company  
c/o Carlos E. Loumiet, Esq.  
Greenberg Traurig  
1221 Brickell Avenue  
Miami, Florida 33131

6. The provisions of this Agreement shall be binding upon Dr. Ortega and Interbank and shall remain effective and enforceable until stayed, modified, terminated or suspended by the Reserve Bank and the Department.

7. The provisions of this Agreement shall not bar, estop or otherwise prevent the Board of Governors, the Department, or any federal, state or local agency or department from taking any action affecting Dr. Ortega or Interbank; provided, however, that this Agreement forever settles and bars any future action by the Board of Governors and the Department relating to those matters which are the subject of administrative action commenced by the Board of Governors and the Department against Interbank, the Bank, Dr. Ortega and Glenn M. Goldhagen.

8. This Agreement is a "written agreement" for the purposes of section 8 of the FDI Act (12 U.S.C. 1818):

9. Dr. Ortega agrees to the entry of a Final Order issued by the Department incorporating this Written Agreement. The Final Order shall constitute final agency action by the Department, for which the Department may seek enforcement pursuant to Chapters 655, 658 and 120, Florida Statutes, and Dr. Ortega further voluntarily and knowingly waives:

(a) Any right to receipt of a Notice of Rights pursuant to Chapters 120, 655 and 658, Florida Statutes;

(b) any right to an administrative hearing or issuance of a recommended order provided by Chapter 120, Florida Statutes (1996 Supp.) or Chapters 3-7, 28 or 60, Florida Administrative Code;

(c) any right to contest the validity of any term, condition, obligation or duty created hereby in any judicial or administrative forum; and

(d) any and all objections to or challenges in any judicial proceeding, including but not limited to, appeal pursuant to Section 120.68, Florida Statutes (1996 Supp.), any

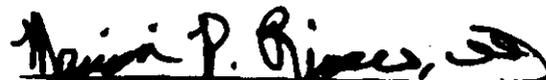
aspect, provision or requirement concerning the content, issuance, procedure or timeliness of the Department's order.

10. The parties agree that each party herein shall be solely responsible for the separate costs and attorney's fees incurred up to the execution of the Written Agreement and the entry of the Final Order in this matter. Dr. Ortega and Interbank hereby waive, release and forever discharge the Department and its agents, representatives and employees from any and all causes of action in law or equity arising out of this administrative proceeding. The Department accepts this release and waiver by Dr. Ortega without acknowledging, while expressly denying, that any causes of action exist.

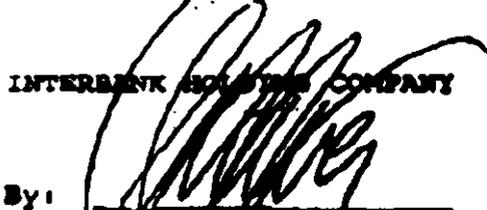
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the 6<sup>th</sup> day of March, 1997.

  
Luis A. Ortega

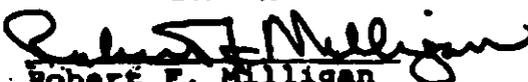
FEDERAL RESERVE BANK OF ATLANTA

By:   
Marion P. Rivers, III  
Assistant Vice President

INTERBANK HOLDINGS COMPANY

  
By: Luis A. Ortega  
President and Chairman  
of the Board

DEPARTMENT OF BANKING AND FINANCE,  
DIVISION OF BANKING, STATE OF  
FLORIDA

By:   
Robert F. Milligan  
Comptroller

UNITED STATES OF AMERICA  
BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON, D.C.

STATE OF FLORIDA  
DEPARTMENT OF BANKING AND FINANCE  
DIVISION OF BANKING  
TALLAHASSEE, FLORIDA

_____ )	
Written Agreement by and among )	
GLENN M. GOLDHAGEN )	
a former institution-affiliated )	Docket No. 96-018-WA/RB-12
party of Interbank Holding Company )	Admin. Procedure No.
and the Pan American Bank, )	3517-b-5/96
both of Miami, Florida )	
FEDERAL RESERVE BANK OF ATLANTA )	
Atlanta, Georgia )	
and )	
DEPARTMENT OF BANKING AND FINANCE, )	
DIVISION OF BANKING )	
STATE OF FLORIDA )	
Tallahassee, Florida )	
_____ )	

WHEREAS, in recognition of their common goal to maintain the financial soundness of Interbank Holding Company, Miami, Florida ("Interbank"), a registered bank holding company, and the Pan American Bank, Miami, Florida (the "Bank"), a state member bank, the Federal Reserve Bank of Atlanta (the "Reserve Bank"), the Department of Banking and Finance, Division of

Banking of the State of Florida (the "Department"), and Glenn M. Goldhagen ("Mr. Goldhagen"), a former officer of Interbank and the former Chief Executive Officer and a former director of the Bank, have mutually agreed to enter into this Agreement; and

WHEREAS, this Agreement is being executed in accordance with the Rules Regarding Delegation of Authority of the Board of Governors of the Federal Reserve System (the "Board of Governors"), specifically 12 C.F.R. 265.11(a)(15), and the Reserve Bank has received the prior approval of the Director of the Division of Banking Supervision and Regulation and the General Counsel of the Board of Governors to enter into this Agreement with Mr. Goldhagen.

NOW, THEREFORE, before the taking of any testimony or adjudication of or finding on any issue of fact or law herein, and without this Agreement constituting an admission of any allegation made or implied by the Board of Governors or the Department, the Reserve Bank, the Department and Mr. Goldhagen agree as follows:

Participation in the Conduct of the Affairs of Interbank or the Bank

1. Mr. Goldhagen shall not:

(a) Participate in any manner in the conduct of the affairs of Interbank or the Bank;

(b) solicit, procure, transfer, attempt to transfer, vote or attempt to vote any proxy, consent, or authorization with respect to voting rights in Interbank or the Bank;

(c) violate any voting agreement previously approved by any federal banking agency with respect to Interbank or the Bank; or

(d) vote for a director or serve or act as an institution-affiliated party, as defined in sections 3(u) and 8(b)(3) and (4) of the Federal Deposit Insurance Act (the "FDI Act") (12 U.S.C. 1813(u) and 1818(b)(3) and (b)(4)), such as an officer, director or employee, of Interbank or the Bank.

Restrictions on Transactions

2. (a) Mr. Goldhagen and his related interests shall not, directly or indirectly, engage, undertake or in any manner participate in any transaction with Interbank or the Bank.

(b) The term "transaction" shall include, without limitation:

(i) The extension of credit (as defined in section 215.3 of Regulation O of the Board of Governors (12 C.F.R. 215.3), including any overdrafts on either a daylight or overnight basis;

(ii) the direct or indirect payment, guarantee or confirmation of any obligation;

(iii) the payment of any service or management fee, salary or bonus, or the payment or reimbursement of any expense incurred by Mr. Goldhagen or his related interests; and

(iv) the transfer, contribution, purchase or sale of any asset.

(c) The term "related interests" shall be defined as set forth in section 215.2(n) of Regulation O of the Board of

Governors (12 C.F.R. 215.2(n)) and section 658.48(4), Florida Statutes.

Miscellaneous Provisions

3. All communications regarding this Agreement shall be sent to:

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- (b) Ms. Linda R. Townsend  
Chief, Bureau of Financial Institutions,  
District II, Division of Banking  
State of Florida  
Office of the Comptroller  
101 East Gaines Street, Suite 636  
Tallahassee, Florida 32399-0350
- (c) Mr. Glenn M. Goldhagen  
c/o Carlos E. Loumiet, Esq.  
Greenberg Traurig  
1221 Brickell Avenue  
Miami, Florida 33131

4. The provisions of this Agreement shall be binding upon Mr. Goldhagen and shall remain effective and enforceable until stayed, modified, terminated or suspended by the Reserve Bank and the Department.

5. No provision of this Agreement is intended to affect any indemnity obligation the Bank or Interbank may have to Mr. Goldhagen arising by operation of Florida law or by virtue of the Bank's or Interbank's Articles of Incorporation or Bylaws.

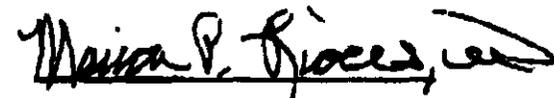
6. The provisions of this Agreement shall not bar, estop or otherwise prevent the Board of Governors or the Department, or any other federal or state agency or department from taking any other action affecting Mr. Goldhagen, except with respect to the matters addressed in the Board of Governors's and the Department's proceedings against Mr. Goldhagen.

7. This Agreement is a "written agreement" for the purposes of section 8 of the FDI Act (12 U.S.C. 1818).

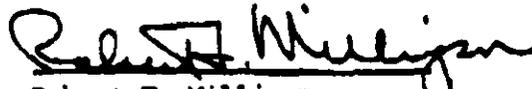
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the 6th day of March , 1997.

FEDERAL RESERVE BANK OF ATLANTA

  
Glenn M. Goldhagen

By: 

DEPARTMENT OF BANKING AND FINANCE,  
DIVISION OF BANKING, STATE OF  
FLORIDA

By:   
Robert F. Milligan  
Comptroller