

# FEDERAL RESERVE press release



For immediate release

April 4, 1997

The Federal Reserve Board today announced the issuance of a Cease and Desist Order against United Security Bancorporation, Lincoln, Nebraska, and Harold S. Myers, and David C. Myers, both officers and directors of United.

A copy of the Cease and Desist Order is attached.

Attachment

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

In the Matter of	)	
	)	
UNITED SECURITY BANCORPORATION	)	Docket Nos. 94-031-B-HC
Lincoln, Nebraska	)	94-031-B-I1
	)	94-031-B-I2
	)	
HAROLD S. MYERS	)	
	)	
and	)	Cease and Desist Order
	)	Issued Upon Consent
DAVID C. MYERS	)	Pursuant to the Federal
	)	Deposit Insurance Act
Institution-Affiliated Parties of	)	as Amended
United Security Bancorporation	)	
Lincoln, Nebraska	)	

WHEREAS, United Security Bancorporation, Lincoln, Nebraska ("United"), United and Harold S. Myers and David C. Myers, officers and directors of United, and the Board of Governors of the Federal Reserve System (the "Board of Governors"), have mutually agreed to enter into this consent Cease and Desist Order (the "Order") in settlement of a cease and desist proceeding (the "Proceeding");

WHEREAS, as of the date of this Order, United owns and controls the Security National Bank of Superior, Superior, Nebraska (the "Bank"); and

WHEREAS, on November 24, 1996, the board of directors of United adopted a resolution (1) authorizing and directing Harold S. Myers to enter into this Order on behalf of United and consenting to compliance by the board of directors of United and its institution-affiliated parties, as defined in sections 3(u) and 8(b)(3) of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1813(u) and 1818(b)(3)), with each and every provision of this Order; (2) waiving any and all rights to a further hearing for the purpose of taking evidence on any matter set forth in the Proceeding and this Order; (3) waiving any and all rights to contest the issuance of this Order order by the Board of Governors pursuant to 12 U.S.C. 1818 and 12 C.F.R. Part 263; (4) waiving any and all rights to judicial review of this Order; (5) waiving any and all rights to challenge or contest, in any manner, the basis, issuance, validity, terms, effectiveness or enforceability of this Order or any provision hereof; and (6) waiving any and all rights to seek or receive an award for fees and payments under the Equal Access to Justice Act (5 U.S.C. 504) or any other statute in connection with this proceeding; and on November 29, 1996, by affixing their signatures hereunder, Harold S. Myers and David C. Myers agree to the foregoing in their individual capacities;

NOW, THEREFORE, before the taking of any additional testimony or adjudication or finding on any issue of fact or law herein, 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 Proceeding pursuant to the aforesaid resolution:

IT IS HEREBY ORDERED, that United and its institution-affiliated parties, and Harold S. Myers and David C. Myers, in their individual capacities, cease and desist and take affirmative action as follows:

1. United shall not pay any fees, salaries or bonuses or make any other payments of any nature to Harold S. Myers, David C. Myers, or any of their immediate family (as defined in section 215.2(g) of Regulation O of the Board of Governors ("Regulation O"), 12 C.F.R. 215(g)) or their related interests (as defined in section 215.2(n) of Regulation O, 12 C.F.R. 215(n)), without the prior written approval of the Federal Reserve Bank of Kansas City (the "Reserve Bank") at any time that the Bank is not "adequately capitalized," as defined in sections 6.4(b)(2)(i), (ii), and (iii) of the Prompt Corrective Action Regulations of the Comptroller of the Currency (12 C.F.R. 6.4(b)(2)(i), (ii), and (iii)).

2. Any request for prior approval to pay any fees, salaries or bonuses or make any other payments to Harold S. Myers and David C. Myers pursuant to paragraph 1 hereof shall be

accompanied by documentation adequate to provide the Reserve Bank with the details of each payment proposed to be paid by United and a description of the benefits proposed to be derived by the payment, the type of services rendered, and the identity of the person or persons who will supply the services or advice covered by the proposed payment.

3. Harold S. Myers and David C. Myers shall take such actions as are necessary to ensure compliance by United with each provision of this Order.

4. At any time after the effective date of this Order, United, Harold S. Myers or David C. Myers may request in writing that the Board suspend, terminate or set aside this Order. The Board shall not unreasonably withhold its approval of such a request.

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

(a) Mr. James H. Jonson  
Vice President  
Federal Reserve Bank of Kansas City  
925 Grand Boulevard  
Kansas City, Missouri 64198

(b) Mr. Harold S. Myers, President  
United Security Bancorporation  
635 South 14th, Suite 320  
Lincoln, Nebraska 68508

(c) Mr. Harold S. Myers  
c/o United Security Bancorporation  
635 South 14th, Suite 320  
Lincoln, Nebraska 68508

(d) Mr. David C. Myers  
c/o United Security Bancorporation  
635 South 14th, Suite 320  
Lincoln, Nebraska 68508

6. The provisions of this Order shall be binding upon United and each of its institution-affiliated parties in their capacities as such, and their successors and assigns, and upon Harold S. Myers and David C. Myers, in their individual capacities.

7. Each provision of this Order shall remain effective and enforceable until stayed, modified, terminated or suspended by the Board of Governors.

8. 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 United, Harold S. Myers, David C. Myers, or any of the current or former institution-affiliated parties of United, or their successors or assigns; provided, however, the Board of Governors shall not take any further enforcement action against United, Harold S. Myers, or David C. Myers based upon any

information presently known to the Board of Governors concerning matters that were the subject of the Proceeding.

By order of the Board of Governors of the Federal Reserve System, effective this 12<sup>th</sup> day of ~~November~~ <sup>December</sup> ~~1996~~, 1996.

United Security Bancorporation  
Lincoln, Nebraska

Board of Governors of the  
Federal Reserve System

By: Harold S. Myers

By: William W. Wiles  
William W. Wiles  
Secretary of the Board

Harold S. Myers  
Harold S. Myers

David C. Myers  
David C. Myers

The undersigned directors of United acknowledge that each has read the foregoing Order and approve of the consent thereto by United.

Harold S. Myers  
Harold S. Myers

David C. Myers  
David C. Myers

Steven R. Wright  
Steven R. Wright