

# FEDERAL RESERVE press release



For immediate release

June 4, 1997

The Federal Reserve Board today announced the issuance of an Order to Cease and Desist against Michael Quinn, a former employee of the New York Branch of Swiss Bank Corporation.

Mr. Quinn, without admitting to any allegations, consented to the issuance of the Order in connection with his actions, as an employee of the New York Branch, in preparing allegedly incorrect account records of Swiss Bank Corporation's Cayman Islands Branch.

A copy of the Order is attached.

Attachment



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 matter the basis, issuance, validity, effectiveness, collectibility 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 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 without protracted or extended hearings or testimony:

IT IS HEREBY ORDERED, pursuant to Section 8(b) of the FDI Act, 12 U.S.C. 1818(b), that:

1. Quinn shall cease and desist from any acts, omissions and practices involving breaches of fiduciary duty and unsafe or unsound practices in connection with the conduct of the business 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, a bank, a branch or agency of a foreign bank, a bank holding company, or nonbank subsidiary.

2. In the event that Quinn becomes an institution-affiliated party of any institution or agency described in paragraph 1 hereof, Quinn shall:

(a) Take such actions as are necessary, consistent with his responsibilities, to obtain advice of competent legal counsel to determine his duties and responsibilities, both initially upon accepting such a position and on a continuing basis when particular issues arise that may cause Quinn to be uncertain about his responsibilities;

(b) Remain fully informed on the current status of all activities within his area of responsibility, including the institution's or agency's compliance with its internal policies, accounting and auditing standards, policies and procedures, and all applicable laws and regulations;

(c) Refrain from violating the standards established by any applicable federal or state statute, regulation, policy statement, guideline or similar pronouncement by any appropriate federal or state banking regulator, governing the safe or sound operation of financial institutions and take such actions as are necessary and consistent with his responsibilities to ensure that all operations within his area of responsibility are conducted in a safe and sound manner and subject to appropriate supervision by the institution or agency,

including, but not limited to, making accurate and complete accounting entries and preparing reports for auditors or examiners; and

(d) Ensure that any personnel who report to Quinn are properly supervised to ensure their compliance with all applicable laws, regulations, or other agency pronouncements.

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

(a) Donald T. Vangel  
Executive Vice President  
Federal Reserve Bank of New York  
33 Liberty Street  
New York, New York 10045

(b) Michael Quinn  
125 Nelson Avenue  
Jersey City, NJ 07307

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 Quinn; provided, however, that the Board of Governors shall not take further action against Quinn based upon any information presently known by the Board of Governors concerning the matters covered by this Order.

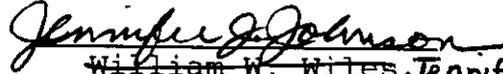
5. This Order, and each and every provision hereof, is and shall remain fully effective and enforceable until

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

By order of the Board of Governors, effective this 4 day of June, 1997.

BOARD OF GOVERNORS OF THE  
FEDERAL RESERVE SYSTEM

  
Michael Quinn

By:   
~~William W. Wiles~~ Jennifer J. Johnson  
Deputy Secretary of the Board