

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. 96-032-E-I

ERIC CHARLES DILL : Order of Prohibition Issued
 : Upon Consent Pursuant to the
A Former Institution- : Federal Deposit Insurance
Affiliated Party of : Act, as Amended (the "FDI Act")
 :
the New York Branch of the
National Bank of Canada :
New York, New York :
 :
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WHEREAS, pursuant to Sections 8(b)(4), (8)(e), and 8(i)(3) of the FDI Act, as amended (12 U.S.C. §§ 1818(e)(b)(4), and (i)(3)), the Board of Governors of the Federal Reserve System (the "Board of Governors") issues this Order of Prohibition upon Consent (the "Order") against Eric Charles Dill ("Dill"), a former officer 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 National Bank of Canada (the "Bank"), a foreign bank operating in the United States, due to Dill's alleged mispricing of securities in the

trading portfolio for which he was responsible in 1993, which mispricing caused substantial losses to the Bank; and

WHEREAS, by affixing his signature hereunder, Dill has consented to the issuance of this Order by the Board of Governors and has waived any and all rights he 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 intent to prohibit; (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, before the taking of any testimony or adjudication of or finding on any issue of fact or law herein; 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 purpose of settlement of this proceeding, without protracted or extended hearings or testimony:

IT IS HEREBY ORDERED, pursuant to Sections 8(e), 8(b)(4), (i)(3) and (j), of the FDI Act (12 U.S.C. §§ 1818(b)(4), (i)(3) and (j)), that:

1. Dill, without the prior written approval of the Board of Governors, and where necessary pursuant to Section 8(e)(7)(B) of the FDI Act (12 U.S.C. § 1818(e)(7)(B)), another Federal financial institution regulatory agency, is hereby and henceforth prohibited from:

(a) participating in any manner in the conduct of the affairs 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, any bank or savings association holding company or any branch or agency of a foreign bank;

(b) soliciting, procuring, transferring, attempting to transfer, voting or attempting to vote any proxy, consent, or authorization with respect to any voting rights in any institution described in Section 8(e)(7)(A) of the FDI Act;

(c) violating any voting agreement previously approved by any Federal banking agency; or

(d) voting for a director, or serving or acting as an institution-affiliated party, such as an officer, director or employee, in any institution described in Section 8(e)(7)(A) of the FDI Act.

2. Any violation of this Order shall separately subject Dill to appropriate criminal or civil penalties or both under Section 8 of the FDI Act (12 U.S.C. § 1818).

3. 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.

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

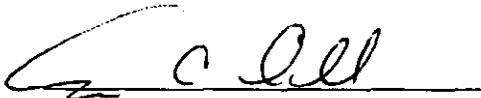
(a) Mr. William L. Rutledge
Senior Vice President
Federal Reserve Bank of New York
33 Liberty Street
New York, NY 10045

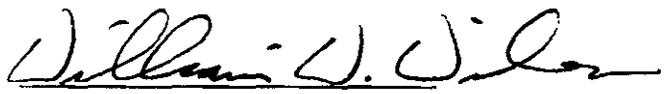
(b) Eric Charles Dill
c/o Helen A. Gredd, Esq.
Lankler, Siffert & Wohl
500 5th Avenue
New York, NY 10110

5. 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 Dill; provided, however, the Board of Governors shall not take any further action against Dill based upon any information presently known by the Board of Governors.

By order of the Board of Governors effective this
21st day of November, 1997.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM


Eric Charles Dill

By: 
William W. Wiles
Secretary of the Board

