

UNITED STATES OF AMERICA

BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

WASHINGTON, D.C.

-----X		Docket No. 00-007-E-1
In the Matter of	:	
Lawrence Michaelessi	:	
	:	
A Former Institution-Affiliated	:	Order of Prohibition
Party of the Rochester Branch	:	Issued Upon Consent
of	:	Pursuant to Section 8(e)
	:	of the Federal Deposit
	:	Insurance Act, as Amended
THE BANK OF NEW YORK	:	
New York, NY	:	
-----X		

WHEREAS, pursuant to sections 8(e) and (i)(3) of the Federal Deposit Insurance Act, as amended (the "FDI Act") (12 U.S.C. §§ 1818(e) and (i)(3)), the Board of Governors of the Federal Reserve System (the "Board of Governors") issues this Order of Prohibition (the "Order") against Lawrence Michaelessi ("Michaelessi"), former employee and institution-affiliated party, as defined in sections 3(u) and 8(b)(3) of the FDI Act (12 U.S.C. §§ 1813(u) and 1818(b)(3)), of the Bank of New York ("BONY"), a state member bank of the Federal Reserve System, based on his apparent unsafe and unsound practices and violations of law in connection with his embezzlement of funds from BONY; and

WHEREAS, by affixing his signature, Michaelessi 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 or 12 C.F.R. Part 263, or otherwise (a) to

the issuance of a notice of intent to prohibit on any matter set forth in this Order; (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, 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 herein, and without this Order constituting an admission by Michaellessi of any allegation made or implied by the Board of Governors in connection herewith, and solely for the purpose of settlement of this matter without protracted or extended proceedings:

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

1. Michaellessi, 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:

(a) From 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, insured depository institution holding company thereof or any U.S. agency or branch of a foreign bank;

(b) from 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, including

any insured depository institution, insured depository institution holding company thereof or any U.S. agency or branch of a foreign bank;

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

(d) from voting for a director, or serving or acting as an institution-affiliated party, as defined in section 3(u) of the FDI Act (12 U.S.C. 1831(u)) such as an officer, director or employee in any institution described in section 8(e)(7)(A) of the FDI Act (12 U.S.C. 1818(e)(7)A)) as defined in sections 8(e)(7)(A) of the FDI Act, such as an officer, director or employee.

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

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

(a) Ms. Sarah Dahlgren
Senior Vice President
Federal Reserve Bank of New York
33 Liberty Street
New York, NY 10045

(b) Mr. Lawrence Michaelessi
c/o Anthony J. Servino, Esq.
40 Waller Avenue
White Plains, NY 10601

4. This Order, and each and every provision hereof, shall not bar, estop, or otherwise prevent the Board of Governors or any other federal or state agency from taking any other action affecting Michaelessi. 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 BONY, Michaellessi or any current or former institution-affiliated party of BONY.

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.

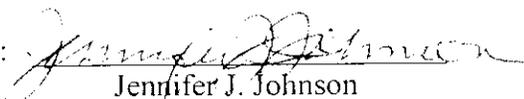
6. This Order shall become effective upon service.

By order of the Board of Governors effective this 9th day of June, 2000.



Lawrence Michaellessi

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

By: 

Jennifer J. Johnson
Secretary of the Board