

UNITED STATES OF AMERICA

BEFORE

THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

WASHINGTON, D.C.

STATE OF ILLINOIS

OFFICE OF BANKS AND REAL ESTATE

BUREAU OF BANKS AND TRUST COMPANIES

In the Matter of	)	
	)	
GEORGE J. PETERSON	)	Docket Nos. 99-022-E-1
	)	2000-BBTC-12
A Former Institution-Affiliated	)	
Party of	)	Order of Prohibition Issued
	)	Upon Consent Pursuant to the
FOXDALE BANCORP, INC.	)	Federal Deposit Insurance Act,
South Elgin, Illinois	)	as Amended, and the Illinois
	)	Banking Act
and	)	
	)	
FOXDALE BANK	)	
South Elgin, Illinois	)	
	)	

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)), and section 48(7) of the Illinois Banking Act (205 ILCS-5/1 et seq.) (the "IBA"), the Board of Governors of the Federal Reserve System (the "Board of Governors") and the Commissioner of Banks and Real Estate (the "Commissioner") issue this Order of Prohibition (the "Order") against George J. Peterson ("Peterson"), the former chairman of the board and chief executive officer and institution-affiliated party, as defined by sections 3(u) and 8(b)(3) of the

FDI Act (12 U.S.C. 1813(u) and 1818(b)(3)), of Foxdale Bancorp, Inc., South Elgin, Illinois ("Bancorp"), a registered bank holding company, and Bancorp's wholly-owned subsidiary state member bank, the Foxdale Bank, South Elgin, Illinois (the "Bank"), as a result of Peterson's alleged conduct which constituted violations of applicable law and regulations.

WHEREAS, by affixing his signature hereunder, Peterson has consented to the issuance of this Order by the Board of Governors and the Commissioner and consented to comply with each and every provision of the Order and has waived any and all rights he might have pursuant to 12 U.S.C. 1818, 12 C.F.R. Part 263, 38 Ill. Adm. Code, section 900.10, the Illinois Administrative Procedures Act (5 ILCS 100/1-1 et seq.), or otherwise (a) to the issuance of a notice of intention to prohibit on any matter set forth in this Order; (b) to a hearing for the purpose of taking evidence on 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, terms, 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 of any allegation made or implied by the Board of Governors or the Commissioner 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(e), (i)(3) and (j)), and 48(7) of the IBA that:

1. Peterson, without the prior written approval of the Board of Governors and the Commissioner 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, Bancorp and the Bank, any insured depository institution or any depository institution holding company;

(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;

(c) from 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; or

(d) from serving as a director, officer, employee, or agent of any state bank, any corporate fiduciary, or any other entity that is subject to licensure or regulation by the Commissioner.

2. Any violation of this Order shall separately subject Peterson to appropriate criminal or civil penalties, or both, under sections 8(i) and (j) of the FDI Act (12 U.S.C. 1818(i) and (j)), and under section 48 of the IBA.

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

(a) Mr. Robert A. Bechaz  
Regional Director – Illinois  
Federal Reserve Bank of Chicago  
230 South La Salle Street  
Chicago, Illinois 60604

(b) Michael D. Morehead  
Chief Counsel, Bureau of Banks  
and Trust Companies  
Office of Banks and Real Estate  
500 E. Monroe  
Springfield, Illinois 62701-1509

(c) George J. Peterson  
c/o Robert L. Clarke, Esq.  
Bracewell and Patterson L.L.P.  
711 Louisiana Street  
Houston, Texas 77002-2781

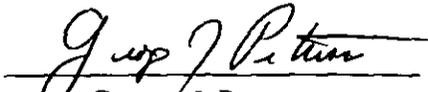
4. The Board of Governors and the Commissioner will take no other action against Peterson that would arise out of the facts and circumstances giving rise to this Order against Peterson.

5. This Order, and each and every provision hereof, shall not bar, estop, or otherwise prevent any other federal or state agency or department from taking any other action affecting Peterson.

6. 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 or the Commissioner.

By order of the Board of Governors and the Illinois Office of Banks and Real Estate effective this 1<sup>st</sup> day of November, 2000.

BOARD OF GOVERNORS OF THE  
FEDERAL RESERVE SYSTEM

  
George J. Peterson

By   
Jennifer V. Johnson  
Secretary of the Board

ILLINOIS OFFICE OF BANKS AND  
REAL ESTATE

By \_\_\_\_\_  
Scott D. Clarke  
Assistant Commissioner of the  
Bureau of Banks and Trust Companies

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George J. Peterson

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By   
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