

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

In the Matter of)
)
Charles Kushner,)
An Institution-Affiliated Party of)
The NorCrown Trust,)
Livingston, New Jersey)
)
)

Docket No. 04-022-G-I

Consent Notice of
Prohibition Pursuant to Section
8(g)(1)(A) of the Federal Deposit
Insurance Act, as Amended

WHEREAS, pursuant to Section 8(g)(1)(A) of the Federal Deposit Insurance Act, as amended (the "FDI Act")(12 U.S.C. § 1818(g)(1)(A)), the Board of Governors of the Federal Reserve System (the "Board of Governors") issues this consent Notice of Prohibition Pursuant to Section 8(g)(1)(A) of the FDI Act (the "Consent Notice") against Charles Kushner ("Kushner"), an institution-affiliated party, as defined in Sections 3(u) and 8(b)(3) of the FDI Act (12 U.S.C. §§ 1813(u) & 1818(b)(3)) of The NorCrown Trust, an unregistered bank holding company, which owns or controls a majority of the voting shares of NorCrown Bank, Livingston, New Jersey (the "Bank"), a state non-member bank insured by the Federal Deposit Insurance Corporation;

WHEREAS, Kushner was charged in a criminal complaint, dated July 12, 2004, filed in the United States District Court for the District of New Jersey, with felony violations of 18 U.S.C. § 1513(e), and 18 U.S.C. § 1503;

WHEREAS, 18 U.S.C. §§ 1513(e) and 1503 are each crimes referred to in Section 8(g)(1)(A)(i) (12 U.S.C. § 1818(g)(1)(A)(i)) of the FDI Act that are punishable by imprisonment for a term exceeding one year under Federal law;

WHEREAS, Kushner has voluntarily resigned as chairman and director of the Bank, but continues to serve as trustee of The NorCrown Trust, with the power to vote a majority of the shares of the Bank;

WHEREAS, in light of the pending criminal charges set forth in the second WHEREAS clause, above, there are issues concerning whether the continued activities of Kushner as the trustee of The NorCrown Trust, which controls the Bank, may pose a threat to the interests of the Bank's depositors, or may threaten to impair public confidence in the Bank or The NorCrown Trust; and

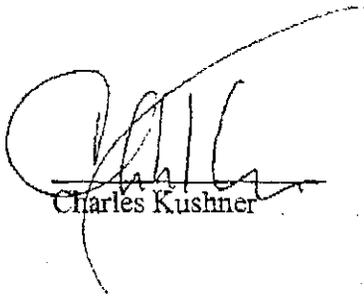
WHEREAS, by affixing his signature hereunder, Kushner has consented to the issuance of this Consent Notice by the Board of Governors, has agreed to comply with each and every provision of this Consent Notice, and has waived any and all rights he might otherwise have pursuant to 12 U.S.C. § 1818 or 12 C.F.R. Part 263, or otherwise: (a) to an informal hearing before the Board of Governors pursuant to Section 8(g)(3) (12 U.S.C. § 1818(g)(3)) of the FDI Act, and Section 263.72 of the Rules of Practice (12 C.F.R. § 263.72); (b) to obtain judicial review of this Consent Notice or any provision hereof; and (c) to challenge or contest in any manner the basis, issuance, validity, effectiveness or enforceability of this Consent Notice or any provisions hereof.

NOW THEREFORE, without this consent Notice constituting an admission by Kushner of any allegation made or implied by the Board of Governors, pursuant to Section 8(g)(1)(A) (12 U.S.C. § 1818(g)(1)(A) of the FDI Act), and Section 263.71 of the Rules of Practice for Hearings of the Board of Governors (12 C.F.R. § 263.71) (the "Rules of Practice"), the Board of Governors hereby orders that this consent Notice of Suspension be issued as follows:

1. Kushner is hereby prohibited from:
 - a. voting any shares of the Bank held by or on behalf of The NorCrown Trust;
 - b. exercising any other functions or taking action as trustee of The NorCrown Trust; or
 - c. participation in any manner in the conduct of the affairs of The NorCrown Trust,except with the prior written approval of the Board of Governors.
2. The prohibition set forth above shall remain in effect until the complaint referred to in the second WHEREAS clause above (or any superseding complaint, information or indictment containing charges of a similar nature) is finally disposed of or until modified, suspended, or terminated by the Board of Governors.
3. A copy of this Consent Notice shall be served upon The NorCrown Trust and the Bank.
4. Any violation of this Consent Notice shall subject Kushner to sanctions under Section 8 of the FDI Act (12 U.S.C § 1818);
5. All communication regarding this Notice shall be addressed to:
 - a. Richard M. Ashton
Associate General Counsel
Board of Governors of the Federal Reserve System
20th & C Sts., NW
Washington, DC 20551
 - b. Charles Kushner
30 Fawn Drive
Livingston, NJ

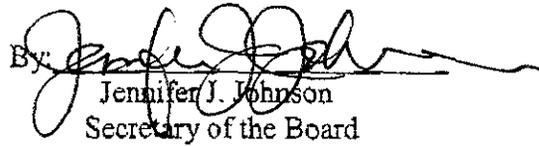
6. This Notice shall not bar, estop or otherwise prevent the Board of Governors or any other U.S. federal or state agency or department from taking any other action affecting Charles Kushner or The NorCrown Trust.

By Order of the Board of Governors of the Federal Reserve System, effective this ^{23rd} day of August, 2004.



Charles Kushner

Board of Governors of the
Federal Reserve System

By: 
Jennifer J. Johnson
Secretary of the Board