)

{{9-31-97 p.C-4384}}

[11,426**]In the Matter of Norman Lee, The Sumitomo Bank of California, San Francisco, California FDIC Docket No. 96-120e (7-17-97)**

Respondent prohibited from participating in the conduct of affairs of, or exercising voting rights in, any insured institution without the prior written approval of the FDIC.

[.1] Prohibition—Participation in Conduct of Affairs
[.2] Prohibition—Exercise of Voting Rights

In the Matter of
NORMAN LEE, individually, and
as an institution-affiliated party of
THE SUMITOMO BANK OF
CALIFORNIA
SAN FRANCISCO, CALIFORNIA
EASTERN INTERNATIONAL BANK
LOS ANGELES, CALIFORNIA
UNITED PACIFIC BANK
LOS ANGELES, CALIFORNIA
(Insured State Nonmember Bank)
ORDER OF PROHIBITION FROM
FURTHER PARTICIPATION
FDIC-96-120e

Norman Lee ("Respondent") has received a NOTICE OF INTENTION TO REMOVE FROM OFFICE AND TO PROHIBIT FROM FURTHER PARTICIPATION ("NOTICE") issued by the Federal Deposit Insurance Corporation ("FDIC") detailing the violations, unsafe or unsound banking practices, and/or breaches of fiduciary duty for which an ORDER OF PROHIBITION FROM FURTHER PARTICIPATION ("ORDER") may issue, and has been further advised of the right to a hearing on the alleged charges under section 8(e) of the Federal Deposit Insurance Act ("Act"), as enacted in both 1982 and 1989, 12 U.S.C. § 1818(e) (1982) and 12 U.S.C. § 1818(e) (1989), and the FDIC's Rules of Practice and Procedure, 12 C.F.R. Part 308. Having waived those rights, the Respondent entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER OF PROHIBITION FROM FURTHER PARTICIPATION ("CONSENT AGREEMENT") with a representative of the Legal Division of the FDIC, whereby solely for the purpose of this proceeding and without admitting or denying any violations, unsafe or unsound banking practices, and/or any breaches of fiduciary duty, Respondent consented to the issuance of an ORDER by the FDIC.

The FDIC considered the matter and determined it had reason to believe that:

> (a) The Respondent has engaged or participated in violations, unsafe or unsound banking practices, and/or breaches of fiduciary duty as an institution-affiliated party of United Pacific Bank, Los Angeles, California, and Eastern International Bank, Los Angeles, California ("Banks");
>
> (b) By reason of such violations, practices and/or breaches of fiduciary duty, the Banks have suffered or will probably suffer substantial financial loss or financial loss or other damage, the interests of the Banks' depositors have been or could be seriously prejudiced or prejudiced and/or Respondent received financial gain or other benefit; and
>
> (c) Such violations, practices and/or breaches of fiduciary duty involve personal dishonesty on the part of the Respondent or demonstrate the Respondent's willful and/or continuing disregard for the safety or soundness of the Banks.

The FDIC further determined that such violations, practices and/or breaches of fiduciary duty demonstrate the Respondent's {{9-31-97 p.C-4385}}unfitness to serve as a director, officer, person participating in the conduct of the affairs or as an institution-affiliated party of the Banks, any other insured depository institution, or any other agency or organization enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(A).

The FDIC, therefore, accepted the CONSENT AGREEMENT and issued the following:

ORDER OF PROHIBITION

FROM FURTHER PARTICIPATION

[.1**]** 1. Norman Lee is hereby, without the prior written approval of the FDIC and the appropriate Federal financial institutions regulatory agency, as that term is defined in section 8(e)(7)(D), prohibited from:

(a) participating in any manner in the conduct of the affairs of any financial institution or organization enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(A);[1]

[.2**]** (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 financial institution enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(A);

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

(d) voting for a director, or serving or acting as an institution-affiliated party.

2. This ORDER will become effective ten (10) days after its issuance. The provisions of this ORDER will remain effective and enforceable except to the extent that, and until such time as, any provision of this ORDER shall have been modified, terminated, suspended, or set aside by the FDIC.

Pursuant to delegated authority.

Dated at Washington, D.C., this 17 day of July, 1997.

---

[1] Subsection (b)(8), as referenced in section 8(e)(7)(A)(ii), has been redesignated as subsection (b)(9).