

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

	)	
In the Matter of	)	
	)	
JOHN F. GALLAGHER, individually	)	
and as an institution-affiliated	)	
party of	)	ORDER TO PAY CIVIL MONEY
	)	PENALTY
COMMERCE BANK & TRUST COMPANY	)	
WORCESTER, MASSACHUSETTS and,	)	FDIC-08-328k
its wholly-owned subsidiary,	)	
1-800-EAST-WEST MORTGAGE COMPANY	)	
	)	
(Insured State Nonmember Bank)	)	
	)	
	)	
	)	

The Federal Deposit Insurance Corporation ("FDIC"), on March 26, 2009 issued a NOTICE OF ASSESSMENT OF CIVIL MONEY PENALTY, FINDINGS OF FACT AND CONCLUSIONS OF LAW, AN ORDER TO PAY, AND NOTICE OF HEARING ("NOTICE OF ASSESSMENT") against JOHN F. GALLAGHER ("Respondent"), assessing a civil money penalty against Respondent pursuant to section 8(i)(2) of the Federal Deposit Insurance Act ("Act"), in the amount of \$150,000 for alleged violations of law and/or regulations, and/or unsafe or unsound banking practices, and/or breaches of fiduciary duty.

Respondent and Enforcement Counsel for the FDIC thereafter executed a Stipulation and Consent to the Issuance of an Order to Pay ("CONSENT AGREEMENT") dated April 7, 2010, whereby solely for the purpose of this proceeding and without admitting or denying any of the allegations in the NOTICE OF ASSESSMENT, Respondent

agrees to withdraw his Request for Hearing and to waive his right to a hearing on the NOTICE OF ASSESSMENT and consented to the issuance of this restated ORDER TO PAY a civil money penalty in the amount of \$150,000 to the Treasury of the United States pursuant to section 8(i)(2)(J) of the Federal Deposit Insurance Act, 12 U.S.C. § 1818(i)(2)(J).

The FDIC, therefore, accepted the CONSENT AGREEMENT and after taking into account the appropriateness of the penalty with respect to the size of financial resources and the good faith of the Respondent, the gravity of the unsafe and unsound bank practices, and/or breaches of fiduciary duty by the Respondent, the history of previous unsafe or unsound practices, and/or breaches of fiduciary duty and such other matters as justice may require.

IT IS HEREBY ORDERED THAT, the ORDER TO PAY issued by the FDIC in the above-captioned matter on March 26, 2009 is hereby restated and assessed against the Respondent.

Pursuant to delegated authority.

Dated at Washington this 20th day of May, 2010.

/s/
Serena L. Owens
Associate Director
Division of Supervision and Consumer
Protection