

{{04-30-05 p.C-12366.1}}

**[¶12,366] In the Matter of Lawrence Cole, Jr., First Tuskegee Bank, Tuskegee, Alabama, Docket Nos. 04-206e, 04-207k (2-25-05).**

Respondent is 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. Respondent also agrees to pay civil money penalty assessed by the FDIC in the amount of \$5,000.

**[.1] Prohibition, Removal, or Suspension—Prohibition From—Participation in Conduct of Affairs**

**[.2] Prohibition, Removal, or Suspension—Prohibition From—Voting Rights, exercise of**

**In the Matter of  
LAWRENCE COLE, JR.,  
individually, and as an institution-affiliated party of  
FIRST TUSKEGEE BANK  
TUSKEGEE, ALABAMA  
(Insured State Nonmember Bank)  
ORDER OF PROHIBITION FROM FURTHER PARTICIPATION AND AN ORDER  
TO PAY A CIVIL MONEY PENALTY**

FDIC-04-206e

FDIC-04-207k

LAWRENCE COLE, JR. ("Respondent") has been advised of the right to receive a NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION ("NOTICE") and a NOTICE OF ASSESSMENT OF A CIVIL MONEY PENALTY, FINDINGS OF FACT AND CONCLUSIONS OF LAW ("NOTICE OF ASSESSMENT") issued by the Federal Deposit Insurance Corporation ("FDIC") detailing the violations  
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of law and/or regulation, unsafe or unsound banking practices and/or breaches of fiduciary duty for which an ORDER OF PROHIBITION FROM FURTHER PARTICIPATION and an ORDER TO PAY A CIVIL MONEY PENALTY may be issued, and has been further advised of the right to a hearing on the alleged charges under section 8(e) and 8(i) of the Federal Deposit Insurance Act ("Act"), 12 U.S.C. §§1818(e) and 1818(i), and the FDIC's Rules of Practice and Procedure, 12 C.F.R. Part 308. Having waived those rights, Respondent entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER OF PROHIBITION FROM FURTHER PARTICIPATION AND AN ORDER TO PAY A CIVIL MONEY PENALTY ("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 or law and/or regulation, unsafe or unsound banking practices and/or breaches of fiduciary duty, Respondent consented to the issuance of an ORDER OF PROHIBITION FROM FURTHER PARTICIPATION AND AN ORDER TO PAY A CIVIL MONEY PENALTY ("ORDER") by the FDIC.

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

- (a) Respondent has engaged or participated in violations of law and/or regulation, unsafe or unsound banking practices and/or breaches of fiduciary duty set forth in paragraph 3 of the CONSENT AGREEMENT as an

institution-affiliated party of Tuskegee Bank, Tuskegee, Alabama ("Bank");

(b) By reason of such violations of law and/or regulation, unsafe or unsound banking practices and/or breaches of fiduciary duty, the Bank has suffered or will probably suffer financial loss or other damage, the interests of the Bank's depositors have been or could be prejudiced, and/or Respondent received financial gain or other benefit; and

(c) Such violations of law and/or regulation, unsafe or unsound banking practices and/or breaches of fiduciary duty involve personal dishonesty on the part of the Respondent or demonstrate Respondent's willful and/or continuing disregard for the safety or soundness of the Bank.

The FDIC further determined that such violations of law and/or regulation, unsafe or unsound banking practices and/or breaches of fiduciary duty demonstrate Respondent's unfitness to serve as a director, officer, person participating in the conduct of the affairs or as an institution-affiliated party of the Bank, 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).

Therefore, after taking into account the CONSENT AGREEMENT; the appropriateness of the civil money penalty with respect to the financial resources and good faith of Respondent; the gravity of the breaches of fiduciary duty or violations of law and/or regulation, unsafe or unsound banking practices by Respondent; the history of previous breaches of fiduciary duty or violations of law and/or unsafe or unsound banking practices by Respondent; and such other matters as justice may require, the FDIC accepts the CONSENT AGREEMENT and issues the following:

**ORDER OF PROHIBITION FROM FURTHER PARTICIPATION AND AN ORDER TO PAY A CIVIL MONEY PENALTY**

1. Respondent 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) of the Act, 12 U.S.C. §1818(e)(7)(D), prohibited from:

[.1] (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);

[.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. IT IS HEREBY ORDERED that by reason of the violations of law and/or regulation, unsafe or unsound banking practices and/or breaches of fiduciary duty set forth in paragraph 3 of the CONSENT AGREEMENT, a penalty of FIVE THOUSAND  
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DOLLARS (\$5,000.00) be, and hereby is, assessed against Respondent. Respondent shall pay the civil money penalty to the Treasury of the United States; and Respondent is prohibited from seeking or accepting indemnification from any insured depository institution for the civil money penalty assessed and paid in this matter.

3. This ORDER will become final and effective upon its issuance by the FDIC. 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 this 25th day of February, 2005.

Last  
Updated [legal@fdic.gov](mailto:legal@fdic.gov)  
5/28/2005