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[{{12-31-92 p.C-2815}}](#)

[¶10,660] **In the Matter of Paul W. Johnson, Commercial Banking Company, Hahira, Georgia,
Docket No. FDIC-92-275e (10-30-92).**

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

[\[.1\]](#) **Prohibition—Participation in Conduct of Affairs**

[\[.2\]](#) **Prohibition—Exercise of Voting Rights**

**In the Matter of
PAUL W. JOHNSON, individually,
and as an institution-affiliated
party of
COMMERCIAL BANKING
COMPANY
HAHIRA, GEORGIA
(Insured State Nonmember Bank)
ORDER OF PROHIBITION
FROM FURTHER PARTICIPATION
FDIC-92-275e**

Paul W. Johnson ("Respondent"), having been advised of the right to receive a NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION ("NOTICE") issued by the Federal Deposit Insurance Corporation ("FDIC") detailing [{{12-31-92 p.C-2816}}](#) 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 having been further advised of the right to a hearing on the alleged charges under section 8(e) of the Federal Deposit Insurance Act ("Act"), 12 U.S.C. § 1818(e), and the FDIC's Rules of Practice and Procedure, 12 C.F.R. Part 308, and 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 the Bank;
- (b) By reason of such violations, practices and/or breaches of fiduciary duty, the Respondent received "other benefit" within the meaning of section 8(e)(1)(B) (iii) of the Act, 12 U.S.C. § 1818(e)(1)(B)(iii); and
- (c) Such violations, practices and/or breaches of fiduciary duty demonstrate the Respondent's willful and/or continuing disregard for the safety or soundness of the Bank.

The FDIC further determined that such violations, practices and/or breaches of fiduciary duty demonstrate the 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).

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

**ORDER OF PROHIBITION
FROM FURTHER PARTICIPATION**

[.1] 1. Paul W. Johnson is hereby prohibited, without the prior written approval of the FDIC and the appropriate Federal financial institution regulatory agency, as that term is defined in section 8(e)(7)(D) of the Act, 12 U.S.C. § 1818(e)(7)(D), 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);

[.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.

Dated this 30th day of October, 1992.

Pursuant to delegated authority.