

{{3-31-92 p.C-1898}}

[¶10,434] In the Matter of John A. McKirgan, Princeville State Bank, Princeville, Illinois, Docket No. FDIC-91-418e (1-31-92).

Respondent removed from office and 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] Removal and Prohibition—Participation in Conduct of Affairs

[.2] Prohibition—Exercise of Voting Rights

In the Matter of
JOHN A. MCKIRGAN,
individually, and as a director,
officer, person participating
in the conduct of the affairs,
and as an institution-affiliated
party of
PRINCEVILLE STATE BANK
PRINCEVILLE, ILLINOIS
(Insured State Nonmember Bank)
ORDER OF REMOVAL FROM
OFFICE AND PROHIBITION
FROM FURTHER PARTICIPATION

John A. McKirgan ("Respondent"), having been advised of his right to a NOTICE OF INTENTION TO REMOVE FROM OFFICE AND PROHIBIT FROM FURTHER PARTICIPATION ("NOTICE") issued by the Federal Deposit Insurance Corporation ("FDIC") detailing the violations of law, rule, or regulation, unsafe or unsound banking practices, and/or breaches of fiduciary duty alleged to have been engaged in by the Respondent, individually, and in his capacity as a director, officer, person participating in the conduct of the affairs, and institution-affiliated party of Princeville State Bank, Princeville, Illinois, ("Bank"), which have resulted, or will probably result, in financial loss or other damage to the Bank and/or prejudice to the interests of the Bank's depositors and/or Respondent's financial gain or other benefit; and which demonstrate Respondent's personal dishonesty and/or willful or continuing disregard for the safety or soundness of the Bank; and having been further advised of his right to a hearing on the charges under section 8(e) of the Federal Deposit Insurance Act ("Act"), 12 U.S.C. § 1818(e), and Part 308 of the FDIC's Rules of Practice and Procedures, 12 C.F.R. Part 308, and having waived those rights, Respondent entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER OF REMOVAL FROM OFFICE AND PROHIBITION FROM FURTHER PARTICIPATION ("CONSENT AGREEMENT") with a representative of the Legal Division of the FDIC dated October 11, 1991, whereby, solely for the purpose of this proceeding and without admitting or denying violations of law, rule, or regulation, unsafe or unsound banking practices, and/or breaches of fiduciary duty, Respondent consented to the issuance of an ORDER OF REMOVAL FROM OFFICE AND PROHIBITION FROM FURTHER PARTICIPATION ("ORDER") by the FDIC.

The FDIC considered the matter and determined that it had reason to believe that Respondent had engaged or participated in violations of law, rule, or regulation, unsafe or unsound banking practices, and/or breaches of fiduciary duty, which seriously prejudiced the interests of the Bank's depositors, and resulted, or will probably result, in substantial financial loss or other damage to the Bank, and/or Respondent's financial gain or other benefit, said violations, practices, and/or breaches evidencing Respondent's personal dishonesty and/or willful or continuing disregard for the safety or sound- {{11-30-92 p.C-1899}}ness of the Bank, and that the violations, practices, and/or breaches evidence Respondent's unfitness to serve as an officer, director, participant in the conduct of the affairs, and/or institution-affiliated party of the Bank or any other depository institution or agency or organization enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e) (7)(A). The FDIC, therefore, accepts the CONSENT AGREEMENT and issues the following:

ORDER

[.1] 1. IT IS HEREBY ORDERED, that the Respondent is removed as a director and officer of the Bank

and shall not participate in any manner in the conduct of the affairs of the Bank or any insured depository institution, agency, or organization enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(A), without the prior written consent 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).

[.2] 2. IT IS FURTHER ORDERED, that the Respondent shall not solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights in the Bank or any insured depository institution, agency, or organization enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(A), without the prior written consent 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).

3. IT IS FURTHER ORDERED, that the Respondent shall not violate any voting agreement with respect to any insured depository institution, agency, or organization enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(A), previously approved by the appropriate Federal financial institutions regulatory agency, without the prior written consent 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).

4. IT IS FURTHER ORDERED, that the Respondent shall not vote for a director, or serve or act as an institution-affiliated party, as that term is defined in section 3(u) of the Act, 12 U.S.C. § 1813(u), of the Bank or any insured depository institution, agency, or organization, enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(a), without the prior written consent 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).

This ORDER shall become effective ten (10) days after issuance by the FDIC. The provisions of this ORDER shall 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 at Washington, D.C., this 31st day of January, 1992.

Pursuant to delegated authority.