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[¶11,662**] In the Matter of Michael P. Kwasniowski, Jr., South Adams Savings Bank, Adams Massachusetts, Docket No. 99-080b (10-15-99)**

A cease and desist order was issued, based on findings by the FDIC that it had reason to believe that respondent had engaged in unsafe and unsound practices.

[.1] Regulation O—Compliance Required
[.2] Restitution—Payment Required
[.3] Indemnification—Prohibited

In the Matter of:
MICHAEL P. KWASNIOWSKI, JR.
Individually, and as
an institution-affiliated party of
SOUTH ADAMS SAVINGS BANK ADAMS, MASSACHUSETTS
(Insured State Nonmember Bank)
ORDER TO CEASE AND DESIST
FDIC-99-080b

Michael P. Kwasniowski, Jr. ("Respondent"), having been advised of his right to a NOTICE OF CHARGES AND OF HEARING detailing the violations of law and regulation and unsafe or unsound practices alleged to have been committed by the Respondent and of his right to a hearing on the charges under section 8(b) of the Federal Deposit Insurance Act ("Act"), 12 U.S.C. §1818(b), and having waived those rights, entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER TO CEASE AND DESIST ("CONSENT AGREEMENT"), with counsel for the Federal Deposit Insurance Corporation ("FDIC"), dated July 7, 1999, whereby, solely for the purpose of this proceeding and without admitting or denying any charges of violation of law or regulation or any unsafe or unsound practices, the Respondent consented to the issuance of an ORDER TO CEASE AND DESIST ("ORDER") by the FDIC.

The FDIC considered the matter and determined that it had reason to believe that the Respondent had violated law and regulation and had engaged in unsafe or unsound practices. The FDIC, therefore, accepted the CONSENT AGREEMENT and issued the following:

ORDER TO CEASE AND DESIST

[.1**]**IT IS HEREBY ORDERED, that the Respondent cease and desist from violating Regulation O of the Board of Governors of the Federal Reserve System, 12 C.F.R. §215.4(a) and 12 C.F.R. §215.4(e).

[.2**]**IT IS FURTHER ORDERED, that the Respondent shall pay restitution of $29,153.57 on or before August 2, 1999, to South Adams Savings Bank, Adams, Massachusetts ("Bank"). In addition, the Respondent shall provide the Regional Director of the Boston Regional Office of the FDIC with written confirmation from the Bank of its receipt of the above referenced restitution payment.

[.3**]**IT IS FURTHER ORDERED, that the Respondent is prohibited from seeking or accepting indemnification from the Bank or from any other insured depository institution for the restitution paid under the terms of this ORDER or any other expenses, including attorney fees and disbursements incurred by the Respondent, in connection with this matter.

The effective date of this ORDER shall be ten (10) days after its 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 provisions of this ORDER shall have been modified, terminated, suspended, or set aside by the FDIC.

Pursuant to delegated authority.

Dated this 15th day of October, 1999.