

OFFICE OF THRIFT SUPERVISION

Authorization to Serve as Trustee and Receiver for Federal Mutual Holding Companies

Date: September 2, 2009
Order No.: 2009-49
Docket Nos.: H-4209; H-4210

As set forth below, the Acting Director of the Office of Thrift Supervision (OTS), or his designee, has determined to authorize Lori J. Quigley, Managing Director, Supervision, to serve as trustee and receiver of Bradford Bank, MHC (MHC) and Bradford Mid-Tier Company (Mid-Tier) (collectively, MHCs) and, through the Chief Counsel's Office, to seek an order from the United States District Court for the District of Maryland appointing her as such.

Section 10(o)(9)(A) of the Home Owners' Loan Act (HOLA), 12 U.S.C. § 1467a(o)(9)(A) provides, in relevant part, that upon the default of any savings association the stock of which is owned by a mutual holding company and which was chartered in a transaction described in section 10(o)(1) of the HOLA, "a trustee shall be appointed receiver of such mutual holding company and such trustee shall have the authority to liquidate the assets of, and satisfy the liabilities of, such mutual holding company pursuant to Title 11."¹

On August 28, 2009, OTS appointed the Federal Deposit Insurance Corporation as receiver for Bradford Bank, Baltimore, Maryland (Institution), pursuant to OTS Order No. 2009-47. OTS's appointment of the FDIC as receiver for the Institution is a default for purposes of section 10(o)(9) of the HOLA.² The Institution is a wholly owned subsidiary of the Mid-Tier, which is a wholly owned subsidiary of the MHC. In addition, the Institution was chartered in a transaction described in section 10(o)(1) of the HOLA. Accordingly, each of the conditions that must exist in order to require action under section 10(o)(9)(A) of the HOLA is present in this situation.

Based on the foregoing, the Acting Director, or his designee, hereby authorizes Lori J. Quigley to serve as trustee and receiver for the MHCs, pursuant to section 10(o)(9)(A) of the HOLA, 12 U.S.C. § 1467a(o)(9)(A), and, through the Chief Counsel's Office, to seek an order from the United States District Court for the District of Maryland appointing her as such and, upon such appointment, to file appropriate petitions seeking the liquidation of the MHCs pursuant to Title 11 with the United States Bankruptcy Court for the District of Maryland.

¹ 12 U.S.C. § 1467a(o)(9)(A).

² Section 10(o)(10)(C) of the HOLA defines "default" to mean "an adjudication or other official determination of a court of competent jurisdiction or other public authority pursuant to which a conservator, receiver, or other legal custodian is appointed."

The Acting Director, or his designee, hereby authorizes the Deputy Chief Counsel in the Business Transactions Division of the Chief Counsel's Office, or his designee, to: (1) certify orders; (2) sign, execute, attest or certify other documents of OTS issued or authorized by this Order; and (3) perform such other actions of OTS as are necessary or appropriate for the implementation of this Order. All documents to be issued by OTS under the authority of this Order must be first approved, in form and content, by the Chief Counsel's Office. Further, the Acting Director, or his designee, authorizes the Deputy Chief Counsel in the Business Transactions Division, or his designee, to make any subsequent technical corrections, that might be necessary, to this Order, or any documents issued under the authority of this Order.

By Order of the Acting Director of OTS, or his designee, effective immediately upon service of this Order on the MHCs this 2d day of September, 2009.



John E. Bowman
Acting Director