

{9-30-03 p.C-5810)}

[¶12,071] In the Matter of Jason W. Amundson, Sterling State Bank, Austin, Minnesota, Docket No. 02-137e (7-31-03).

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

[.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
JASON W. AMUNDSON,
individually and as an institution-affiliated party of
STERLING STATE BANK
AUSTIN, MINNESOTA
(Insured State Nonmember Bank)
ORDER OF PROHIBITION FROM FURTHER PARTICIPATION**

FDIC-02-137e

Jason W. Amundson ("Respondent") has been advised of his right to receive a NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION ("NOTICE") issued by the Federal Deposit

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Insurance Corporation ("FDIC"), detailing the unsafe or unsound practices and breaches of fiduciary duty for which an ORDER OF PROHIBITION FROM FURTHER PARTICIPATION ("ORDER OF PROHIBITION") may be issued, and has been further advised of his right to a hearing on those charges under section 8(e) of the Federal Deposit Insurance Act ("Act"), 12 U.S.C. §1818(e), and the FDIC 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 ("CONSENT AGREEMENT"), whereby solely for the purpose of this proceeding and without admitting or denying any unsafe or unsound practices or breaches of fiduciary duty, Respondent consented to the issuance of an ORDER OF PROHIBITION by the FDIC.

Upon due consideration, the FDIC determined it had reason to believe that:

A. Respondent has engaged or participated in unsafe or unsound practices and breaches of his fiduciary duty in connection with Sterling State Financial, Inc. ("SSFI"), a wholly-owned subsidiary of Sterling State Bank, Austin, Minnesota ("Bank");

B. by reason of such unsafe or unsound practices and breaches of fiduciary duty, SSFI has suffered financial loss, Respondent has received financial gain, and the interests of the Bank's depositors have been prejudiced; and

C. such unsafe or unsound practices and breaches of fiduciary duty involve personal dishonesty on the part of Respondent and demonstrate Respondent's willful and continuing disregard for the safety or soundness of SSFI and the Bank.

The FDIC further determined that such unsafe or unsound practices, and breaches of fiduciary duty demonstrate Respondent's unfitness to serve as a director, officer, person participating in the conduct of the affairs, or institution-affiliated party of any insured depository institution or of 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, accepts the CONSENT AGREEMENT and issues the following:

ORDER OF PROHIBITION FROM FURTHER PARTICIPATION

1. Jason W. Amundson is 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;

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).

2. This ORDER OF PROHIBITION shall be effective immediately upon issuance and shall remain effective and enforceable until, and except to the extent it is, modified, terminated, suspended, or set aside by the FDIC.

Pursuant to delegated authority.

Dated this 31st day of July, 2003.

Last Updated 10/2/2003

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