

For immediate release

February 10, 2005

**Federal Reserve and FDIC Issue Enforcement Actions Against
the Norcrown Trust and Charles Kushner**

The Federal Reserve Board and the Federal Deposit Insurance Corporation on Thursday announced the issuance of joint enforcement actions against The NorCrown Trust and Charles Kushner.

The NorCrown Trust controls NorCrown Bank, Livingston, N.J. Charles Kushner is the trustee of the The NorCrown Trust and a former chairman of NorCrown Bank.

The joint Order requires that The NorCrown Trust and Charles Kushner pay civil money penalties totaling at least \$12.5 million, to divest The NorCrown Trust's shares of NorCrown Bank, and to transfer the shares to a voting trust administered by an independent trustee until the divestiture is completed. The joint Order also prohibits Mr. Kushner from participating in the conduct of the affairs of any financial institution or holding company.

The Federal Reserve Board also issued an order upon consent under the Bank Holding Company Act requiring other individuals and trusts with relationships to The NorCrown Trust to cooperate in implementing the divestiture plan.

The enforcement actions resolve allegations that The NorCrown Trust and Charles Kushner violated the Change in Bank Control Act, the Bank Holding Company, or both, in a series of transactions from 1995 through 1997 that led to the formation of the NorCrown Trust, which never received the Federal Reserve's approval to become a bank holding company. The joint Order also resolves allegations of violations of Regulation O and Sections 23A and 23B relating to transactions with NorCrown Bank.

A copy of the joint consent Order is attached.

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Attachment:

The Norcrown Trust - Charles Kushner

Media Contacts

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