

UNITED STATES OF AMERICA
 BEFORE THE
 BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
 WASHINGTON, D.C.

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| In the Matter of | : | Docket No. 98-011-CMP-I |
| | : | |
| Kassahum Kebede | : | Order of Assessment of |
| | : | a Civil Money Penalty |
| A Former Employee and | : | Issued Upon Consent |
| Institution-Affiliated | : | Pursuant to the Federal |
| Party of | : | Deposit Insurance Act, |
| | : | as Amended |
| BANKERS TRUST | : | |
| CORPORATION | : | |
| New York, New York | : | |
| | : | |
| -----X | | |

WHEREAS, pursuant to Section 8(i) of the Federal Deposit Insurance Act, as amended (12 U.S.C. § 1818(i)) (the "FDI Act"), the Board of Governors of the Federal Reserve System (the "Board of Governors") issues this Order of Assessment of a Civil Money Penalty (the "Order") against Kassahum Kebede ("Kebede"), a former employee and institution-affiliated party, as defined in Section 3(u) of the FDI Act (12 U.S.C. § 1813(u)) of Bankers Trust Company ("BT"), a state member bank, in connection with Kebede's involvement in the recording of leveraged derivative transactions on the books and records of BT; and

WHEREAS, by affixing his signature hereunder, Kebede has consented to the issuance of this Order by the Board of Governors and consented to comply with each and every

provision of this Order, and waived any and all rights he might have pursuant to 12 U.S.C. § 1818 or 12 C.F.R. Part 263, or otherwise (a) to the issuance of a notice of assessment of a civil money penalty; (b) to a hearing for the purpose of taking evidence with respect to any matter implied or set forth in this Order; (c) to obtain judicial review of this Order or any provision hereof; and (d) to challenge or contest in any manner the basis, issuance, validity, effectiveness, collectibility or enforceability of this Order or any provision hereof;

NOW, THEREFORE, prior to the taking of any testimony or adjudication of or finding on any issue of fact or law herein, and without this Order constituting an admission of any allegation made or implied by the Board of Governors in connection with this proceeding, and solely for the purpose of settlement of this proceeding without protracted or extended hearings or testimony:

IT IS HEREBY ORDERED, pursuant to Section 8(i) of the FDI Act, that:

1. Kebede shall pay to the Board of Governors a civil money penalty in the amount of \$15,000. No portion of Kebede's civil money penalty shall be, directly or indirectly paid, advanced, reimbursed or otherwise funded by BT or any affiliate or subsidiary thereof.

2. The penalty assessed by this Order shall be remitted in full, at the time of Kebede's execution of this Order, payable to the "Board of Governors of the Federal Reserve System" and forwarded with Kebede's executed copy of this Order, to Jennifer J. Johnson, Secretary of the Board, Board of Governors of the Federal Reserve System, Washington, DC 20551, who shall make remittance of the same to the Treasury of the United States as required by statute.

3. All communications regarding this Order shall be sent to:

(a) Ms. Rona Pocker
Senior Vice President
Federal Reserve Bank
of New York
33 Liberty Street
New York, New York 10045

and a copy to:

Karen E. Gifford, Esq.
Legal Department
Federal Reserve Bank
of New York
33 Liberty Street
New York, New York 10045

(b) Aaron R. Marcu, Esq.
Howard Smith & Levin
1330 Avenue of the Americas
New York, New York 10019

4. The provisions of this Order shall not bar, estop or otherwise prevent the Board of Governors, the Federal Reserve Bank of New York (the "Reserve Bank") or any federal or state agency or department from taking any other action affecting Kebede; provided however, that neither the Board of Governors nor the Reserve Bank shall take further action against

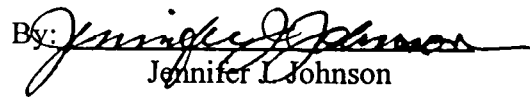
Kebede, based upon information disclosed by Kebede regarding his involvement in the recording of leveraged derivative transactions on the books and records of BT.

By order of the Board of Governors of the Federal Reserve System, effective this

14th day of December 1998.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM


Kassahun Kebede

By: 
Jennifer L. Johnson
Secretary of the Board