



Charles G. Cooper
Commissioner

TEXAS DEPARTMENT OF BANKING

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PRESS RELEASE

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Texas Banking Commissioner Issues Consent Order of Removal and Prohibition, Awarding Restitution, and Imposing Administrative Penalties Against David Wake Mann

On March 21, 2019, Texas Banking Commissioner, Charles G. Cooper issued a Consent Order of Removal and Prohibition, Awarding Restitution and Imposing Administrative Penalties (“Removal and Prohibition Order”) against **David W. Mann** of McGregor, Texas, who is a former chairman of the board of directors, former chief executive officer and former director of Citizens State Bank, Woodville, Texas (“Bank”).

The Removal and Prohibition Order provides that Mann is perpetually prohibited from serving as a director, officer, or employee of a state bank, holding company of a state bank or any other entity chartered, registered, permitted, or licensed by the Banking Commissioner. Mann was ordered to pay restitution of \$687,069.64, and a penalty of \$250,000.

Mann intentionally sought and obtained reimbursement for hundreds of thousands of dollars in expenses that were either for his personal benefit and/or provided little to no benefit to the Bank and its related entities. Mann also admitted under oath to making inaccurate statements on his expense reports.

An independent forensic audit firm found that Mann received a total of \$641,869.64 in reimbursement from the Bank and related entities between 2014-2018 for improper and/or insufficiently documented expenses. Mann is ordered to pay restitution in this full amount, as well as to reimburse the bank and its related entities for the full cost of the forensic audit.

The Commissioner determined that Mann: 1) breached his fiduciary duty, 2) misapplied bank funds, 3) caused false records to be entered into the Bank’s books and records, and 4) engaged in unsafe and unsound conduct, resulting in his personal financial gain and a loss to the Bank and its related entities. The Commissioner determined that Mann’s actions and omissions involve personal dishonesty or demonstrate his willful and/or continuing disregard for the safety and soundness of the Bank and its related entities.

The Removal and Prohibition Order against David W. Mann is effective March 21, 2019 and is final and non-appealable as of that date. Mr. Mann agreed to the issuance of the Removal and Prohibition Order without admitting or denying any of the charges.

The full text of the [Order](#) can be viewed on the Department’s website.