

ORDER NO. 2016 - 003

IN THE MATTER OF: § **BEFORE THE BANKING**
§
ROBERT L. HASE, JR. § **COMMISSIONER OF TEXAS**
§
SPRING, TEXAS § **AUSTIN, TRAVIS COUNTY, TEXAS**

CONSENT ORDER PROHIBITING FURTHER PARTICIPATION

On this day, the matter of ROBERT L. HASE, JR. (Hase or Respondent) located in Pearland, Texas, was submitted to me, Charles G. Cooper, Banking Commissioner of the State of Texas (Commissioner), for consideration and action.

1. Hase became an employee of Patriot Bank, Houston, Texas (the Bank) in 2005. From 2005 until April 15, 2010, Hase served as Executive Vice President – Lender in construction loans.
2. The Texas Department of Banking (Department) is the appropriate state banking agency to bring this enforcement action pursuant to *Texas Finance Code* (Finance Code) § 35.003, and the Commissioner has jurisdiction over Hase and the subject matter of this proceeding.
3. Hase has been informed of his right to receive a proposed order setting out in detail charges of violations of laws or regulations, unsafe or unsound banking practices and/or breaches of fiduciary duty alleged to have been committed by Hase. Hase was informed that he has the right to a hearing on the charges under Finance Code §§ 35.003(c) and 35.004, and *Texas Government Code* §§ 2001.051 and 2001.171. Hase waives both of those rights and agrees to the disposition of this matter pursuant to the provisions of *Texas Government Code* § 2001.056.
4. Respondent agrees to this Consent Order Prohibiting Further Participation (Prohibition Order) solely for the purpose of this proceeding, and without Respondent’s admitting any specific violations of law or regulations, unsafe or unsound banking practices, and/or breaches of fiduciary duty. This Order does not constitute an admission by Respondent that Finance Code Title 3, Subtitle A or a rule adopted or order issued under it has been violated.
5. Hase agrees to make himself available as a witness in this proceeding or any related proceeding, including for deposition and at any hearings at which the Department requires his attendance.
6. For purposes of this proceeding, Hase waives:
 - a. receipt of a Proposed Order detailing specific charges;
 - b. the right to present defenses to the allegations;
 - c. a hearing to take evidence on the allegations;
 - d. the filing of a Proposal for Decision by an Administrative Law Judge;
 - e. the filing of exceptions and briefs with respect to such Proposal for Decision;

- f. review by the Texas Finance Commission of the Prohibition Order; and
 - g. judicial review of the Prohibition Order as provided by *Texas Government Code* § 2001.171 et seq., and any other challenge to the validity of the Prohibition Order.
7. Any violation of this Prohibition Order could subject Hase to additional regulatory or enforcement actions authorized by the Finance Code. Nothing in this Prohibition Order diminishes the regulatory or enforcement powers of the Department, the Commissioner, or the Finance Commission of Texas.
 8. The Commissioner has considered the matter and believes that, based upon credible evidence, with respect to a state bank, Hase's actions satisfy the statutory requirements for the issuance of a prohibition order as set forth in Finance Code § 35.003.
 9. In particular, the Commissioner has determined the following:
 - a. Hase did not comply with the Bank's Code of Ethics. Hase intentionally committed a breach of trust or other fiduciary duty to the Bank and that breach of trust, and the conflict of interest that resulted, constitute unsafe and unsound conduct and practices with regard to the affairs of the Bank;
 - b. Because of these actions by Hase, the interests of the depositors of the Bank have been or could be prejudiced; the Bank has suffered or will probably suffer damage; and/or Hase received financial gain or other benefit by reason of these actions; and
 - c. Such actions on the part of Hase were unethical and demonstrate a willful disregard for the safety and soundness of the Bank.
 10. The Commissioner has determined further that such violations of laws or regulations, unsafe or unsound practices, and/or breaches of fiduciary duty demonstrate Hase's unfitness to serve as a director, officer, or employee of a state bank, holding company of a state bank, or state trust company, among other positions to which this order applies, or to directly or indirectly participate in any manner in the management of such entity. Accordingly, the entry of this Prohibition Order appears to be necessary and in the best interest of the public.

I. Order of Prohibition

It is, therefore, ORDERED, ADJUDGED and DECREED that, pursuant to Finance Code §§ 35.003 and 35.007, without prior written approval of the Banking Commissioner, with respect to a state bank, holding company of a state bank, state trust company, or other entity chartered, registered or licensed by the banking commissioner under the laws of this state, including, but not limited to, a foreign bank or money services business:

ROBERT L. HASE, JR. is perpetually prohibited from:

1. serving as a director, officer, or employee of a state bank, holding company of a state bank, or state trust company, or as a director, officer, or employee with financial responsibility of any other entity

chartered, registered, permitted, or licensed by the Banking Commissioner under the laws of this state;

2. directly or indirectly participating in any manner in the management of such entity;
3. directly or indirectly voting for a director of such an entity; or
4. soliciting, procuring, transferring, attempting to transfer, voting, or attempting to vote any proxy, consent, or authorization with respect to voting rights in such an entity.

II. Effective Date

This Prohibition Order against Respondent ROBERT L. HASE, JR. is effective January 22, 2016, and is final and nonappealable as of that date. The Commissioner may enforce this Prohibition Order pursuant to Finance Code § 35.009. If the Commissioner has reason to believe that Hase has violated or is about to violate a provision of this Prohibition Order, the Commissioner may take appropriate action authorized under that section. The provisions of this Prohibition Order will remain effective and in force except in the event that, and until such time as, this Prohibition Order shall have been modified, terminated, suspended, or set aside in accordance with Finance Code § 35.0071.

It is so ORDERED.

Signed on this 22nd day of January, 2016.

/s/ Charles G. Cooper
Charles G. Cooper
Texas Banking Commissioner

AGREED AS TO FORM AND SUBSTANCE:

/s/ Robert L. Hase, Jr.

Robert L. Hase, Jr.

Respondent

State of Texas

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County of Travis

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Sworn to and subscribed before me on the 21st day of January, 2016, by Robert L. Hase, Jr.

/s/ Anita L. Villarreal

Notary Public

APPROVED AS TO FORM:

/s/ Deborah H. Loomis

Deborah H. Loomis

Deputy General Counsel

Texas Department of Banking

Date: January 22, 2016

/s/ Wendell Odom, Jr.

Wendell Odom, Jr.

Attorney for Robert L. Hase, Jr.

Date: January 21, 2016