

**ORDER NO. 2019-016**

<b>IN THE MATTER OF:</b>	§	<b>BEFORE:</b>
	§	
<b>SARAH NICOLE GORDON</b>	§	<b>THE BANKING</b>
	§	<b>COMMISSIONER OF TEXAS</b>
	§	
<b>ATHENS, TEXAS</b>	§	<b>AUSTIN, TRAVIS COUNTY, TEXAS</b>

**CONSENT ORDER PROHIBITING FURTHER PARTICIPATION**

On this day, the matter of SARAH NICOLE GORDON (Gordon or Respondent) located in Athens, Texas, was submitted to me, Charles G. Cooper, Banking Commissioner of the State of Texas (Commissioner), for consideration and action.

1. Gordon was employed as the head teller in the Tyler Street branch of First State Bank (the Bank), Athens, Texas. Gordon’s position at the Bank was terminated on April 16, 2018.
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 35.009, and the Commissioner has jurisdiction over Gordon and the subject matter of this proceeding.
3. Gordon has been informed of her right to receive a proposed order setting out with reasonable certainty the grounds for the ordering of prohibition. Gordon was informed that she has the right to a hearing on the charges under Finance Code §§35.003(c), and 35.004, and Texas Government Code §2001.051. Gordon waives both of those rights and agrees to the disposition of this matter pursuant to the provisions of Texas Government Code §2001.056.
4. Gordon agrees to this Consent Order Prohibiting Further Participation (Consent Order) without admitting or denying any specific violations of law or regulations, unsafe or unsound banking practices, and/or breaches of fiduciary duty.

**For purposes of this proceeding, Gordon waives:**

- a. service upon Respondent of this Order;
  - b. receipt of a Proposed Order detailing specific charges;
  - c. the right to present defenses to the allegations;
  - d. notice and a hearing to take evidence on the allegations;
  - e. the filing of a Proposal for Decision by an Administrative Law Judge;
  - f. the filing of exceptions and briefs with respect to such Proposal for Decision;
  - g. review by the Texas Finance Commission of the Prohibition Order; and
  - h. 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.
5. Any violation of this Consent Order could subject Gordon to additional regulatory or enforcement actions authorized by the Finance Code. Nothing in this Consent Order diminishes the regulatory or enforcement powers of the Department, the Commissioner, or the Finance Commission of Texas.
6. The Commissioner has considered the matter and believes that, based upon credible evidence, with respect to a state bank, Gordon's actions satisfy the statutory requirements for the issuance of a prohibition order as set forth in Finance Code §35.003.
7. In particular, the Commissioner has determined the following:
- a. Gordon has intentionally committed or participated in violations of law or regulations, unsafe or unsound practices, breaches of fiduciary duty with regard to the affairs of the Bank and/or made or caused to be made false entries in the records of the Bank;
  - b. because of these actions by Gordon, the Bank has suffered or will probably suffer financial loss or other damage; the interests of the Bank's depositors, creditors, and/or

shareholders have been or could be prejudiced; and/or Gordon received financial gain or other benefit by reason of these actions; and

c. such actions involve personal dishonesty on the part of Gordon or demonstrate Gordon's willful and/or continuing disregard for the safety and soundness of the Bank.

8. The Commissioner has determined further that such violations of laws or regulations, unsafe or unsound practices, and/or breaches of fiduciary duty demonstrate Gordon'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 Consent 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, Gordon 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 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 Consent Order against Respondent SARAH NICOLE GORDON is effective May 6, 2019, and is final and nonappealable as of that date. The Commissioner may enforce this Consent Order pursuant to Finance Code §§35.009. If the Commissioner has reason to believe that Gordon has violated or is about to violate a provision of this Consent Order in regard to prohibition, the Commissioner may take appropriate action authorized under Finance Code §35.009. The provisions of this Consent Order in regard to prohibition will remain effective and in force except in the event that, and until such time as, the provisions in regard to prohibition shall have been modified, terminated, suspended, or set aside in accordance with Finance Code §35.0071.

It is so ORDERED.

Signed on this 6<sup>th</sup> day of May, 2019.

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

**AGREED AS TO FORM AND SUBSTANCE:**

/s/ Sarah Nicole Gordon  
Sarah Nicole Gordon  
Respondent

State of Texas           §  
                                  §  
County of Travis       §

Sworn to and subscribed before me on the 26<sup>th</sup> day of April, 2019, by Sarah Gordon.

/s/ Amanda Erbostoesser  
Notary Public

**APPROVED AS TO FORM:**

(S E A L)

/s/ Marcus Adams  
Marcus Adams  
Assistant General Counsel  
Texas Department of Banking

Date: May 6, 2019

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Attorney for Sarah Nicole Gordon

Date: