

Order No. 2022-011

IN THE MATTER OF:	§	BEFORE THE BANKING
	§	
HAILEE TIONNE RAY	§	COMMISSIONER OF TEXAS
	§	
GRAND PRAIRIE, TEXAS	§	AUSTIN, TRAVIS COUNTY, TEXAS

**ORDER REMOVING AND PROHIBITING FURTHER PARTICIPATION AND
REQUIRING RESTITUTION**

On this day, the matter of HAILEE TIONNE RAY, Grand Prairie, Texas (Ray) was submitted to me, Charles G. Cooper, Banking Commissioner of the State of Texas (Commissioner), for consideration and action.

I. Findings of Fact

1. Ray is a former employee at Herring Bank (Bank), Amarillo, Texas. She held the position of Teller in the Bank's branch located at 2317 South Beltline Road, Grand Prairie, Texas until her termination from the Bank on January 25, 2022.

2. The Bank is chartered in Texas under charter number 3157-02.

3. The Texas Department of Banking (Department) is the appropriate state banking agency to bring this enforcement action pursuant to *Texas Finance Code* (Finance Code) §§ 35.002, 35.003, and 35.009, and the Commissioner has jurisdiction over Ray and the subject matter of this proceeding.

4. Between November 15, 2021 and December 30, 2021, Ray made unauthorized cash withdrawals from Bank customer accounts and took the funds received for herself. The total amount withdrawn was \$39,950.

5. Upon being alerted of these unauthorized withdrawals by the affected customers, the Bank refunded the amounts withdrawn without authorization and paid the affected customers

the interest they would have earned during the time the funds were missing. As a result of Ray's actions, the Bank has lost at least \$39,966.95.

6. Ray has not responded to inquiries from the Department regarding these matters.

II. Conclusions of Law

7. The Bank and Ray are, and at all times pertinent to the allegations in this proceeding were, subject to the provisions of the Texas Banking Act, Texas Finance Code Title 3, Subtitle A.

8. The Commissioner has jurisdiction over Ray and the subject matter of this proceeding pursuant to Texas Finance Code §§ 35.002 and 35.003.

9. Ray has repeatedly engaged in breaches of trust and fiduciary duties to the Bank. *Texas Finance Code* §§ 35.002(a)(2) & 35.003(a)(1)(A).

10. Because of Ray's breaches of trust and fiduciary duties, the Bank has suffered financial loss and expense, and other damages, and Ray has received financial gain by reason of her misconduct. *Texas Finance Code* § 35.003(a)(2)(A) & (C).

11. Ray's breaches of trust and fiduciary duties involve personal dishonesty on her part. *Texas Finance Code* § 35.003(a)(3)(A).

12. The Commissioner has considered the matter and determines that the actions of Ray satisfy the statutory requirements for the issuance of a removal and prohibition order against her as set forth in Texas Finance Code § 35.003.

13. The Commissioner further determines that such breaches of trust and fiduciary duty by Ray demonstrate that Ray is unfit to serve as a director, officer, or employee of a state bank, state bank holding company, or state trust company, among other positions to which this Order applies, or to directly or indirectly participate in any manner in the management or affairs of such

an entity. Accordingly, the entry of this Order appears to be necessary and in the best interest of the public.

14. The Commissioner further determines that that such breaches of trust and fiduciary duty by Ray satisfy the statutory requirements for the issuance of a cease-and-desist restitution order against her, and that Ray should take affirmative action to correct the conditions resulting from her misconduct by paying restitution to the Bank in the appropriate amount of \$39,966.95 as set forth in *Texas Finance Code* § 35.002(b-1).

III. Order

It is, therefore, ORDERED, ADJUDGED, and DECREED that, pursuant to *Texas Finance Code* §§ 35.003 and 35.007, HAILEE TIONNE RAY is REMOVED from any further participation in the affairs of, and any former or informal role as officer, director, and employee for, the Bank; and it is further

ORDERED that Ray may not:

- a) serve 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;
- b) directly or indirectly participate in any manner in the management of such entity or in the conduct of its affairs;
- c) directly or indirectly vote for a director of such an entity; or
- d) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to voting rights in such an entity.; and it is further

ORDERED that, pursuant to *Texas Finance Code* § 35.002(b-1), Ray shall pay restitution to the Bank in the amount of \$39,966.95 immediately upon this Order becoming effective.

IV. Effective Date

This *Order Removing and Prohibiting Further Participation and Requiring Restitution* against HAILEE TIONNE RAY is effective twenty-one days after mailing unless Ray requests a hearing in writing before that date. After taking effect, the Order will be final, nonappealable, and of perpetual duration. The provisions of this Order will remain effective and in force except in the event that, and until such time as, this Order shall have been modified, terminated, suspended, or set aside in accordance with *Texas Finance Code* § 35.0071.

It is so ORDERED.

Signed this 28th day of June, 2022.

/s/ Charles G. Cooper
Charles G. Cooper
Banking Commissioner of the State of Texas