

ORDER NO. 2023-004

IN THE MATTER OF:	§	BEFORE THE BANKING
	§	
RONALD SCHROEDER	§	COMMISSIONER OF TEXAS
	§	
	§	
SAN ANTONIO, TEXAS	§	AUSTIN, TRAVIS COUNTY, TEXAS

ORDER PROHIBITING FURTHER PARTICIPATION

On this day, the matter of RONALD WAYNE SCHROEDER, San Antonio, Texas, (Respondent) was submitted to me, Charles G. Cooper, Banking Commissioner of the State of Texas (Commissioner), for consideration and action.

I. Findings of Fact

A. Jurisdiction

1. Respondent is a former employee of The Bank of San Antonio, San Antonio, Texas (Bank), a bank that is chartered by the State of Texas under charter number 3182-33. The Bank is located at 1900 NW Loop 410, San Antonio, Texas.

2. The Texas Department of Banking (Department) is authorized to bring this enforcement action pursuant to Texas Finance Code (Finance Code) §35.0035.

3. The Commissioner has jurisdiction over Respondent and the subject matter of this proceeding.

B. General Background

4. Respondent held the position of President in the Bank's factoring company, Texas Express Funding, until his departure from the Bank on April 30, 2020.

5. In his position as President of Texas Express Funding, Respondent induced the Bank to purchase worthless accounts receivables from various businesses. Respondent took advantage of his control over Texas Express Funding and his access to customers to persuade

certain customers to submit bogus invoices totaling near \$13.2 million. Respondent, through Texas Express Funding, then purchased these invoices. Respondent and these customers pocketed the money the customers received from these purchases. As the invoices were fraudulent, the Bank received no payment for the invoices.

C. Conviction and Sentencing

6. On December 9, 2021, Respondent pled guilty in the United States District Court for the Western District of Texas to a felony violation of Title 18, United States Code, Section 1349, that is, Conspiracy to Commit Bank Fraud.

7. On August 25, 2022, Respondent was sentenced to imprisonment for a term of 97 months and supervised release for five years and ordered to pay restitution in the amount of \$8,980,058.92 and a money judgment totaling \$2,976,650.62.

II. Conclusions of law

1. The Bank and Respondent are, and at all times pertinent to the allegations in this proceeding, were subject to the provision of the Texas Banking Act (Banking Act), Finance Code Title 3, Subtitle A.

2. Pursuant to Finance Code, Chapter 35, the Commissioner has jurisdiction over Respondent and the subject matter of this proceeding and is authorized to bring this enforcement action pursuant to Finance Code § 35.0035.

3. The Commissioner has considered the matter and determines that the statutory requirements for the issuance of a Prohibition Order as set forth in Texas Finance Code § 35.0035 have been met.

4. The Commissioner has determined that:

a. Respondent has been finally convicted of a felony offense involving a bank,

dishonesty, or a breach of trust;

- b. Respondent's conviction is not subject to Appellate Review; and
- c. Respondent has been sentenced to a term of 97 months, supervised release for five years, and ordered to pay restitution in the amount of \$8,980,058.92 and a money judgment totaling \$2,976,650.62.

III. Order of Prohibition

It is, therefore, ORDERED, ADJUDGED and DECREED that, pursuant to Texas Finance Code §§ 35.0035 and 35.007, RONALD WAYNE SCHROEDER may not:

- 1. 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;
- 2. directly or indirectly participate in any manner in the management of such entity or in the conduct of their affairs;
- 3. directly or indirectly vote for a director of such an entity; or
- 4. 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.

EFFECTIVE DATE

This Order against Respondent RONALD WAYNE SCHROEDER is effective immediately upon service and will remain effective and in force except in the event that, and until such time as, this Order shall have been stayed, terminated, modified, or set aside in accordance with Finance Code §§ 35.0035 and 35.0071.

Not later than the thirtieth day after service of this Order, Respondent may request in writing a hearing before the Commissioner to show that Respondent's continued service to an entity regulated by the Department or participation in the affairs of such an entity does not, or is unlikely to, threaten the interests of the depositors, creditors, or shareholders of the entity or the public confidence in the entity. After such hearing, the Commissioner may affirm, modify, or set aside, in whole or in part, the order. An order affirming or modifying the order is immediately final for purposes of enforcement and appeal.

It is so ORDERED.

Signed on this 26th day of January, 2023.

/s/ Charles G. Cooper

Charles G. Cooper

Banking Commissioner of the State of Texas