

**ORDER NO. 2023-009**

<b>IN THE MATTER OF:</b>	<b>§</b>	<b>BEFORE THE BANKING</b>
	<b>§</b>	
<b>DAVID CANTU</b>	<b>§</b>	<b>COMMISSIONER OF TEXAS</b>
	<b>§</b>	
	<b>§</b>	
<b>CORPUS CHRISTI, TEXAS</b>	<b>§</b>	<b>AUSTIN, TRAVIS COUNTY, TEXAS</b>

**CONSENT ORDER PROHIBITING FURTHER PARTICIPATION AND IMPOSING A  
PENALTY**

On this day, the matter of David Cantu of Corpus Christi, Texas (Respondent) was submitted to me, Charles G. Cooper, Banking Commissioner of the State of Texas (Commissioner), for consideration and action.

1. Respondent is a former employee of First Community Bank (Bank). Respondent held the position of Bank Loan Officer in the Bank's branch located at 416 North Water Street, Corpus Christi, Texas until his termination from the Bank on July 21, 2021.
2. The Bank is chartered in Texas under charter number 3129-27.
3. 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), Texas Finance Code (Finance Code) Title 3, Subtitle A.
4. Pursuant to Finance Code, Chapter 35, the Commissioner has jurisdiction over Respondent and the subject matter of this proceeding.
5. The Commissioner has the authority to issue this Consent Order Prohibiting Further Participation and Imposing a Penalty (Order) pursuant to Finance Code § 31.201(d) and Texas Government Code (Government Code) § 2001.056. The Commissioner has authority to assess an administrative penalty under Finance Code §§ 35.009 and 35.010.
6. Respondent has been properly notified of his right to an administrative hearing under

Finance Code §§ 35.004 and 35.010, and Government Code §§ 2001.051 and 2001.171.

Respondent waives this right and agrees to the disposition of this matter pursuant to the provisions of Finance Code § 31.201(d) and Government Code § 2001.056.

7. Respondent and the Commissioner agree to this Order solely for the purpose of this proceeding and without Respondent admitting or denying any facts contained herein or any violations of law or regulations. This Order does not constitute an admission by Respondent that the Banking Act, or a rule adopted, or order issued under the Banking Act, has been violated.
8. For purposes of this proceeding, Respondent knowingly and voluntarily waives:
  - a. service upon Respondent of this Order;
  - b. the right to present defenses to the allegations in this proceeding;
  - c. notice and hearing prior to imposition of this Order;
  - d. the filing of proposed findings of fact and conclusions of law;
  - e. the issuance 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. any review of this Order by the Texas Finance Commission (Finance Commission);
  - and
  - h. judicial review of this Order as provided by Government Code §2001.171 et seq., and any other challenge to the validity of this Order.
9. This Order resolves all matters between the Department, the Commissioner, or the Finance Commission and Respondent with respect to Respondent's activities while employed at the Bank. Any violation of this Order could subject Respondent to additional regulatory or enforcement actions authorized by the Finance Code and other provisions of Texas law.

Nothing in this Order diminishes the regulatory or enforcement powers of the Texas Department of Banking (Department), the Commissioner or the Finance Commission, or other applicable law.

10. The Commissioner has considered this matter and based upon credible evidence, reasonably believes that Respondent's actions satisfy the statutory requirements for the issuance of this Order as set forth in Finance Code § 35.003.
11. The Commissioner has further considered the matter and finds as follows:
  - a. Between approximately March 2021 and June 2021, while employed at Bank, Respondent submitted false Floorplan Audit/Curtailment Response reports into the records of Bank.
  - b. Respondent's conduct caused the Bank to suffer a financial loss of \$79,644.00.
12. Specifically, the Commissioner has determined that Respondent:
  - a. intentionally violated applicable state law; conducted business in an unsafe and unsound manner; and made false entries in the records of the Bank; and
  - b. because of Respondent's actions, the Bank suffered financial loss of \$79,644.00; the interests of the depositors and shareholders were prejudiced; and
  - c. Respondent's actions involved personal dishonesty and demonstrated willful and continuing disregard for the safety and soundness of the Bank.
13. Pursuant to Finance Code § 35.003, the Commissioner finds there are grounds to prohibit Respondent from office or employment in, or further participation in the affairs of a state bank or any other entity chartered, registered, permitted, or licensed by the Commissioner.
14. The Commissioner has considered the matter and believes that, based upon credible evidence, Respondent's actions satisfy the statutory requirements for the imposition of a

penalty as set forth in Finance Code §§ 35.009 and 35.010.

15. The Commissioner has considered the factors listed in Finance Code § 35.010(b) and determined that it is appropriate for Respondent to pay a penalty in the amount of \$10,000.
16. Respondent consents to the issuance of this Order and agrees to comply with the terms that are set out in the Order below.

**I. Order of Prohibition and Imposing a Penalty**

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, permitted, or licensed by the banking commissioner under the laws of this state, including, but not limited to, a foreign bank or money services business, Respondent 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.
5. This order does not restrict or prohibit a Trustee of an employee stock ownership plan (ESOP) from exercising shareholder rights for shares held in an ESOP for the benefit of Respondent.

6. Respondent remains entitled to receive dividends or a share of profits, returns of contribution, or other distributive benefit from such an entity with respect to voting securities held by Respondent either directly or through an ESOP.

It is further ORDERED that, pursuant to Finance Code §§ 35.009 and 35.010, not later than one hundred eighty (180) days from the effective date of this order (Penalty Due Date), Respondent shall pay \$10,000 to the Texas Department of Banking.

#### **EFFECTIVE DATE**

This Order against Respondent DAVID CANTU is effective on the date signed by the Commissioner and is final and non-appealable as of that date. The Commissioner may enforce this Order pursuant to Finance Code §§ 35.003 and 35.009. If the Commissioner has reason to believe that Respondent has violated or is about to violate a provision of this Order, the Commissioner may take appropriate action authorized under Finance Code §§ 35.009 and 35.010. The provisions of this Order 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 21<sup>st</sup> day of March, 2023.

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

**AGREED AND APPROVED AS TO FORM AND SUBSTANCE:**

/s/ David Cantu

David Cantu

Respondent

Date: March 14, 2023

**APPROVED AS TO FORM:**

/s/ Stephen C. Speck

Stephen C. Speck

Assistant General Counsel

Texas Department of Banking

Date: March 16, 2023