

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

_____)	
In the Matter of)	
)	
CATANA GRAY, an institution-affiliated party)	
of)	ORDER OF PROHIBITION FROM
)	FURTHER PARTICIPATION and
HERRING BANK)	ORDER TO PAY
AMARILLO, TEXAS)	
)	FDIC-20-0037e
)	FDIC-20-0102k
(INSURED STATE NONMEMBER BANK))	
)	
Respondent's NMLS UI# N/A)	
)	
_____)	

CATANA GRAY (Respondent) was advised of the right to receive a Notice of Intention to Prohibit from Further Participation and a Notice of Assessment (collectively, Notices) detailing Respondent's alleged unsafe or unsound banking practices and alleged breaches of fiduciary duty for which an Order of Prohibition from Further Participation (Prohibition Order) and Order to Pay a civil money penalty (Order to Pay) (collectively, Orders) may be issued under 12 U.S.C. § 1818(e) and (i).

Respondent was further advised of the right to a hearing on the Notices under 12 U.S.C. § 1818(e) and (i), and 12 C.F.R. Part 308, subparts A & B. Respondent waived certain rights under those provisions on June 3, 2021 and consented to the issuance of the Orders by entering into a Stipulation and Consent to the Issuance of an Order of Prohibition from Further Participation and Order to Pay (Consent Agreement) with a representative of the Federal Deposit Insurance Corporation's (FDIC) Legal Division.

The FDIC determined and Respondent neither admits nor denies the following findings and conclusions set forth in paragraphs 1–4 below:

1. During 2015, while working for Herring Bank, Amarillo, Texas (Bank), in her capacity as Vice President of the Corporate Trust Department of the Bank, Respondent accepted a series of individual Church bonds with various maturities that will total \$100,000 over a twenty-five year timeframe in the name of Respondent and her husband from a bond broker on a bond issuance in which the Bank was acting as trustee, paying agent, disbursing agent and registrar. The Bank had worked with the bond broker for many years. Respondent did not disclose in writing to her supervisor the acceptance of the \$100,000 in Church bonds. Respondent’s actions violated the Bank’s Ethics Policy.

2. As described in paragraph 1, Respondent engaged and participated in unsafe or unsound practices in connection with the Bank, and breached Respondent’s fiduciary duties owed to the Bank.

3. Respondent’s practices and breaches resulted in Respondent receiving financial gain or other benefit.

4. Respondent’s practices and breaches involved personal dishonesty.

After considering the civil money penalty (CMP) mitigating factors under 12 U.S.C. § 1818(i)(2)(G), the FDIC accepts the Consent Agreement and issues the following:

ORDER OF PROHIBITION
FROM FURTHER PARTICIPATION

5. CATANA GRAY is prohibited from:
 - a. participating in any manner in the conduct of the affairs of any financial institution or organization listed in 12 U.S.C. § 1818(e)(7)(A);
 - b. soliciting, procuring, transferring, attempting to transfer, voting, or attempting to vote any proxy, consent, or authorization with respect to any voting rights in any financial institution enumerated in 12 U.S.C. § 1818(e)(7)(A);
 - c. violating any voting agreement previously approved by the appropriate Federal banking agency; and
 - d. voting for a director or serving or acting as an institution-affiliated party.
6. The Prohibition Order is effective upon issuance and will remain effective and enforceable until the FDIC, and any “appropriate Federal financial institutions regulatory agency,” defined at 12 U.S.C. § 1818(e)(7)(D), decide in writing to modify, terminate, suspend, or set aside the Prohibition Order under 12 U.S.C. § 1818(e)(7)(B).
7. The Prohibition Order is enforceable under 12 U.S.C. § 1818(i), and any violation of it may result in additional penalties under 12 U.S.C. § 1818(j).
8. The Prohibition Order does not waive any right, power, or authority of the United States; federal, state, or local agencies; or the FDIC as Receiver.

ORDER TO PAY

9. By reason of Respondent’s actions listed in paragraph 1, a \$40,000 civil money penalty (CMP) is assessed against CATANA GRAY under 12 U.S.C. § 1818(i)(2) and is effective upon issuance. Respondent must immediately pay the CMP to the Treasury of the United States.
10. Respondent may not seek or accept indemnification from any insured depository

institution for the CMP assessed in this matter.

11. The Order to Pay is enforceable under 12 U.S.C. § 1818(i) and the FDIC will take action to collect the amount due if Respondent fails to make payment.

12. The Order to Pay does not waive any right, power, or authority of the United States; federal, state, or local agencies; or the FDIC as Receiver.

Issued under delegated authority.

Dated: August 27, 2021.

/s/ _____
Patricia A. Colohan
Associate Director
Division of Risk Management Supervision