

UNITED STATES OF AMERICA  
DEPARTMENT OF THE TREASURY  
COMPTROLLER OF THE CURRENCY

<b>In the Matter of:</b>	)	
Lee Ann Stamm	)	
Former Customer Relationship Manager	)	AA-EC-2011-51
T Bank, N.A.	)	
Dallas, Texas	)	

**CONSENT ORDER**

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”) intends to initiate cease and desist and civil money penalty proceedings against Lee Ann Stamm (“Respondent”) pursuant to 12 U.S.C. § 1818(b) and (i)(2) on the basis of Respondent’s activities while serving as the Customer Relationship Manager at T Bank, N.A., Dallas, Texas (“Bank”) for the Bank’s relationships with Giact Systems, Inc. (“Giact”), a third-party payment processor, and Giact’s merchant clients;

WHEREAS, in the interest of cooperation and to avoid the costs associated with future administrative and judicial proceedings with respect to the above matter, Respondent, without admitting or denying any wrongdoing, desires to enter into this Consent Order (“Order”) issued pursuant to 12 U.S.C. § 1818(b) and (i)(2);

NOW, THEREFORE, in consideration of the above premises, it is stipulated by and between the Comptroller, through his duly authorized representative, and Respondent that:

Initials: LAS  
Date: 5/27/11

## Article I

### JURISDICTION

(1) T Bank, N.A., Dallas, Texas (“Bank”) is a national banking association, chartered and examined by the Comptroller, pursuant to the National Bank Act of 1864, as amended, 12 U.S.C. § 1 et seq. Accordingly, the Bank is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2).

(2) Respondent was employed at the Bank as a Customer Relationship Manager until September 2007, and is an “institution-affiliated party” of the Bank as that term is defined in 12 U.S.C. § 1813(u), having served in such capacity within six (6) years from the date hereof (see 12 U.S.C. § 1818(i)(3)).

(3) Pursuant to 12 U.S.C. § 1813(q), the Comptroller is the “appropriate Federal banking agency” to maintain an enforcement proceeding against institution-affiliated parties. Therefore, Respondent is subject to the authority of the Comptroller to initiate and maintain cease and desist and civil money penalty proceedings against her pursuant to 12 U.S.C. § 1818(b) and (i)(2).

## Article II

### COMPTROLLER’S FINDINGS

The Comptroller hereby finds, and Respondent neither admits nor denies, the following:

(1) From on or about December 2005 until on or about August 31, 2007, the Bank maintained an account relationship with Giact, a third-party payment processor for

certain telemarketers and internet merchants (“clients”), and also maintained account relationships with these telemarketers and internet merchants (collectively, the “Giact-referred merchants”).

(2) As part of her duties at the Bank, Respondent was a relationship manager for the accounts of Giact and the Giact-referred merchants.

(3) Giact regularly generated remotely created checks (“RCCs”) on behalf of its clients and used remote deposit capture (“RDC”) technology to present the RCCs for payment and deposit into the Giact-referred merchants’ accounts at the Bank.

(4) A substantial number of the RCCs deposited by the Giact-referred merchants into their Bank accounts were returned to the Bank, by or on behalf of consumers whose bank account information appeared on the RCCs, for a number of reasons, including that consumers had not authorized the RCCs.

(5) Consumers experienced financial losses in connection with the Bank’s relationships with Giact and the Giact-referred merchants.

(6) In connection with the Bank’s relationships with Giact and the Giact-referred merchants, Respondent recklessly engaged in unsafe or unsound practices that were part of a pattern of misconduct, including:

- (a) failure to conduct adequate due diligence on the accounts;
- (b) failure to recognize and adequately address the risks to the Bank posed by the relationships with Giact and the Giact-referred merchants;

- (c) failure to adequately monitor the account activities and the rates of return on the RCCs deposited into the accounts of the Giact-referred merchants; and
- (d) failure to adequately respond to consumer complaints about the activities of the Giact-referred merchants.

### Article III

#### PERSONAL CEASE AND DESIST ORDER

Pursuant to the authority vested in him by the Federal Deposit Insurance Act, as amended, 12 U.S.C. § 1818, the Comptroller hereby orders that:

(1) In the event that Respondent is currently an “institution-affiliated party” (as defined in 12 U.S.C. §1813(u)) of any insured depository institution or agency (as defined in 12 U.S.C. §1818(e)(7)(A)), she shall immediately provide a copy of this Order to the chief executive officer and board of directors of the institution or agency, and, within ten (10) days of disclosure, provide written certification of compliance with this disclosure obligation to the Director of the Enforcement and Compliance Division, Officer of the Comptroller of the Currency, 250 E Street, SW, Washington, DC 20219.

(2) Prior to accepting any new position that causes her to become an “institution-affiliated party” (as defined in 12 U.S.C. §1813(u)) of any insured depository institution or agency (as defined in 12 U.S.C. §1818(e)(7)(A)), Respondent shall provide the chief executive officer and board of directors of the institution or agency with a copy of this Order.

(3) Within ten (10) days of her acceptance of any position described in paragraph (2) of this Article, Respondent shall provide written notice of such acceptance to the Director of the Enforcement and Compliance Division, at the address above, together with a written certification of his compliance with paragraph (2) of this Article.

(4) At any time that Respondent is an “institution-affiliated party” (as defined in 12 U.S.C. §1813(u)) of any insured depository institution or agency (as defined in 12 U.S.C. §1818(e)(7)(A)), Respondent shall:

- (a) not serve as a relationship manager or any similar capacity for any account relationship with a covered payment processor, as defined in paragraph (5) of this Article;
- (b) inform her direct supervisor of any recommendations from other employees of the institution or agency with which she is affiliated to terminate a customer relationship or of other concerns raised by employees of the institution or agency with which she is affiliated about customer relationships that Respondent manages or for which she is otherwise responsible;
- (c) comply fully with all laws, rules, regulations, and outstanding enforcement action(s) pertaining to the institution or agency to which she is or may become affiliated;
- (d) not engage in any unsafe or unsound practices, as that term is used in Title 12 of the United States Code, in the conduct of the affairs of

the institution or agency to which she is or may become affiliated;  
and

- (e) adhere to the written policies and procedures of any depository institution or agency to which she is or may become affiliated, or receive written permission from the appropriate authorized individual to do otherwise.

(5) “Covered Payment Processor,” for purposes of this Order is defined as:

- (a) a merchant that deposits RCCs and specializes primarily or exclusively in the direct marketing of services or products to end-user consumers whereby a sales person uses the telephone, internet, or direct mail to solicit prospective customers and contacts are typically unsolicited by the consumer;
- (b) a third party payment processor that regularly deposits RCCs on behalf of any merchant that specializes primarily or exclusively in the direct marketing of services or products to end-user consumers whereby a sales person uses the telephone, internet, or direct mail to solicit prospective customers and contacts are typically unsolicited by the consumer; and
- (c) an originator or merchant that:
  - (i) has a monthly average RCC return rate in excess of 2.5%; or

(ii) has a monthly average of unauthorized ACH return rate in excess of 1%; or

(d) a payment processor that regularly processes payments on behalf of any entity described in paragraph 5(c).

(6) This Order shall be enforceable to the same extent and in the same manner as an effective and outstanding order that has been issued and has become final pursuant to 12 U.S.C. §1818(b).

#### Article IV

#### ORDER FOR CIVIL MONEY PENALTY

Respondent hereby consents to, and it is ordered that:

(1) Respondent shall pay a civil money penalty in the amount of fifteen thousand dollars (\$15,000) which shall be paid in two increments of seven thousand five hundred dollars (\$7,500), with the first increment due on June 15, 2011 and the second increment due on January 15, 2012.

(2) Respondent shall make payments by certified check or money order made payable to the Treasurer of the United States and shall deliver the payments to: Comptroller of the Currency, P.O. Box 979012, St. Louis, Missouri 63197-9000. The docket number of this case (AA-EC-2011-51) shall be entered on all checks, and Respondent shall deliver copies of each payment to the OCC, Director of Enforcement, at 250 E Street, SW, Washington, DC 20219.

(3) If Respondent fails to comply with any provision of this Order, then the

entire balance of the civil money penalty amount described in this Article shall become immediately due and payable.

(4) Within seven (7) days from the issuance of this Order, Respondent shall notify the Director of Enforcement of the address of her current place of residence by completing the form attached hereto as Appendix A.

(5) Until the civil money penalty is paid in full, upon each and every subsequent change in place of residence, if any, Respondent shall notify the Enforcement Director of her new address within seven (7) days of such change in address.

(6) This Order shall be enforceable to the same extent and the same manner as an effective and outstanding order that has been issued and has become final pursuant to 12 U.S.C. §1818(h) and (i) (as amended).

## Article V

### WAIVERS

- (1) By executing this Order, Respondent waives:
  - (a) the right to the issuance of Notice under 12 U.S.C. § 1818(b) and (i);
  - (b) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(b) and (i) and 12 C.F.R. Part 19;
  - (c) all rights to seek judicial review of this Order;
  - (d) all rights in any way to contest the validity of this Order; and
  - (e) any and all claims for fees, costs or expenses against the Comptroller, or any of his agents or employees, related in any way

Initials: LAS  
Date: 5/27/11



to this enforcement matter or this Order, whether arising under common law or under the terms of any statute, including, but not limited to, the Equal Access to Justice Act, 5 U.S.C. § 504 and 28 U.S.C. § 2412.

(2) Respondent shall not cause, participate in or authorize the Bank (or any subsidiary or affiliate thereof) to incur, directly or indirectly, any expense for the payment of the civil money penalty under this Order, or any legal (or other professional) expense relative to the negotiation and issuance of this Order except as permitted by 12 C.F.R. § 7.2014 and Part 359; and Respondent shall not, directly or indirectly, obtain or accept any indemnification (or other reimbursement) from the Bank (or any subsidiary or affiliate thereof) with respect to such amounts except as permitted by 12 C.F.R. § 7.2014 and Part 359.

(3) Respondent acknowledges that she has read and understands the premises and obligations of this Order and declares that no separate promise or inducement of any kind has been made by the Comptroller, his agents, or employees to cause or induce Respondent to agree to consent to the issuance of this Order and/or to execute this Order.

(4) It is hereby agreed that the provisions of this Order constitute a settlement of the cease and desist and civil money penalty proceedings contemplated by the Comptroller. The Comptroller agrees not to institute proceedings for the specific acts,

omissions, or violations referenced in the first whereas clause, hereof, unless such acts, omissions, or violations reoccur.

(5) It is further agreed that the provisions of this Order shall not be construed as an adjudication on the merits and, except as set forth above in paragraph (4), shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any action affecting Respondent if, at any time, he deems it appropriate to do so to fulfill the responsibilities placed upon him by the several laws of the United States of America.

(6) Respondent further agrees not to take any action or to make or permit to be made any public statement denying, directly or indirectly, the specific acts, omissions, or violations referenced in this Order, or otherwise creating the impression that this Order is without factual basis. If Respondent violates this provision, the OCC may set aside this settlement and commence administrative proceedings on the actions alleged herein. Nothing in this paragraph shall affect Respondent's testimonial obligations.

(7) Respondent understands that nothing herein shall preclude any proceedings brought by the Comptroller to enforce the terms of this Order, and that nothing herein constitutes, nor shall Respondent contend that it constitutes, a waiver of any right, power, or authority of any other representatives of the United States or agencies thereof, including the Department of Justice, to bring other actions deemed appropriate.

IN TESTIMONY WHEREOF, the undersigned have hereunto set their hands.

/s/Henry Fleming  
Henry Fleming  
Director for Special Supervision

6/20/11  
Date

/s/Lee Ann Stamm  
Lee Ann Stamm

5/27/11  
Date