

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

In the Matter of:)	
Bradley J. Jenks)	
Former Vice President)	AA-EC-11-71
The Baraboo National Bank)	
Baraboo, Wisconsin)	

CONSENT ORDER

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”) intends to initiate prohibition and restitution proceedings against Bradley J. Jenks (“Respondent”), pursuant to 12 U.S.C. §§ 1818(b) and (e), on the basis of Respondent’s activities while serving as Vice President and Assistant Vice President of The Baraboo National Bank in Baraboo, Wisconsin (“Bank”) during the period from September 2003 through May 2006;

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 (e);

NOW, THEREFORE, it is stipulated by and between the Comptroller, through his duly authorized representative, and Respondent that:

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Article I

JURISDICTION

(1) The 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 is a former Vice-President and Assistant Vice-President of the Bank 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 prohibition and restitution actions against him pursuant to 12 U.S.C. §§ 1818(b) and (e).

Article II

COMPTROLLER’S FINDINGS

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

(1) During the period from September 2003 through May 2006, Respondent served as the loan officer on multiple loans to several different individuals.

(2) In 2003-2004, Respondent made two different loans, in the amounts of \$440,000 and \$682,500, respectively, to Customers A and B for the purpose of

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constructing homes. Although the Bank's policy required Respondent to inspect construction properties to ensure that the proceeds of construction loans were used in accordance with each loan's stated purpose, Respondent failed to perform any inspection of the properties on which construction was to occur. Instead, the proceeds of these loans were used for purposes unrelated to the loans' stated purpose. As a result, the Bank expects to suffer a loss in connection with the loan to Customer A, and has already suffered a loss of \$482,251 in connection with the loan to Customer B.

(3) From April 2005 through October 2005, Respondent made several loans to Customer C, but used the proceeds from these loans to purchase real estate properties that he subsequently transferred to a business in which he and a different Bank customer were partners. Respondent thus received a direct benefit from the loans he made to Customer C, which he failed to disclose to the Bank's board of directors. As a result of Respondent's misconduct, the Bank has suffered a \$391,439 loss in connection with the loans to Customer C. In addition, Respondent facilitated the sale or transfer of the collateral properties securing Customer C's loans from Customer C to other individuals or entities, which caused Customer C to violate several mortgage contracts with the Bank.

(4) By reason of the foregoing conduct, Respondent engaged in violations of law, including 18 U.S.C. §§ 656, 1005, and 1344. Respondent also committed reckless unsafe or unsound practices; engaged in a pattern or practice of misconduct breached his fiduciary duty to the Bank; and exhibited personal dishonesty and a willful and

continuing disregard for the law that resulted in personal gain and unjust enrichment to himself and substantial losses to the Bank.

Article III

ORDER OF PROHIBITION

Respondent consents to, and it is ORDERED that:

(1) With respect to the institutions and agencies set forth in paragraph (2) of this Article, Respondent shall not:

- (a) participate in any manner in the conduct of their affairs;
- (b) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights;
- (c) violate any voting agreement previously approved by the “appropriate Federal banking agency,” as defined in 12 U.S.C. § 1813(q) (as amended); or
- (d) vote for a director, or serve or act as an “institution-affiliated party,” as defined in 12 U.S.C. § 1813(u) (as amended).

(2) The prohibitions in paragraph (1) of this Article apply to the following institutions and agencies:

- (a) any insured depository institution, as defined in 12 U.S.C. § 1813(c);
- (b) any institution treated as an insured depository institution under 12 U.S.C. §§ 1818(b)(3), (b)(4) or (b)(5), including, but not limited to, bank holding companies and any subsidiary of such institution, or

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treated as a savings and loan holding company or subsidiary under 12 U.S.C. § 1818(b)(9) (as amended);

- (c) any insured credit union under the Federal Credit Union Act;
- (d) any institution chartered under the Farm Credit Act of 1971;
- (e) any appropriate Federal depository institution regulatory agency; and
- (f) the Federal Housing Finance Board and any Federal Home Loan Bank.

(3) The prohibitions of paragraphs (1) and (2) of this Article shall cease to apply with respect to a particular institution if Respondent obtains the prior written consent of both the Comptroller and the institution's "appropriate Federal financial institutions regulatory agency," as defined in 12 U.S.C. § 1818(e)(7)(D) (as amended).

(4) 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 become final pursuant to 12 U.S.C. §1818.

Article IV

CEASE AND DESIST ORDER FOR RESTITUTION

Respondent consents to, and it is ORDERED that:

(1) Respondent shall pay restitution in the amount of thirty-seven thousand dollars (\$37,000), which shall be paid as follows.

- (a) Respondent shall make a first restitution payment of \$10,000 on or before May 11, 2012. Thereafter, Respondent shall make quarterly restitution payments of \$2,250 per installment, on or before the 30th

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day of the last month of each quarter (March 30, June 30, September 30 and December 30), as indicated in the following table:

Payment No.	Payment Due Date	Payment Amount
1	May 11, 2012	\$10,000.00
2	June 30, 2012	\$2,250.00
3	September 30, 2012	\$2,250.00
4	December 30, 2012	\$2,250.00
5	March 30, 2013	\$2,250.00
6	June 30, 2013	\$2,250.00
7	September 30, 2013	\$2,250.00
8	December 30, 2013	\$2,250.00
9	March 30, 2014	\$2,250.00
10	June 30, 2014	\$2,250.00
11	September 30, 2014	\$2,250.00
12	December 30, 2014	\$2,250.00
13	March 30, 2015	\$2,250.00

The full amount of the restitution is due on or before March 30, 2015. Hereinafter, the term “Scheduled Payment,” as used in this Order, shall refer to all payments, regardless of amount, required by this Paragraph.

- (b) Respondent shall make all Scheduled Payments by cashier’s check or money order made payable to The Baraboo National Bank, c/o Jeff P. Blada, EVP, Cashier & COO, 101 3rd Avenue, Baraboo, WI 53913. Respondent shall enter the docket number of this case (OCC-AA-EC-11-72) on his payment and send a copy of the cashier’s check or money order to the Director of the Enforcement and Compliance Division, Office of the Comptroller of the Currency, 250 E Street S.W., Washington, DC 20219.

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(2) If Respondent fails to comply with any provision of this Article, including making a scheduled payment within five (5) days of when due, then the entire balance of the restitution amount described in this Article shall become immediately due and payable.

(3) Respondent shall notify the OCC of the address at his current place of residence by completing the form attached hereto as Appendix A and returning it together with this Order upon the execution of the Order.

(4) Until the restitution required by this Order is paid in full, upon each and every subsequent change in place of residence, if any, Respondent shall notify the Director of the Enforcement and Compliance Division in writing of his new address within seven (7) days of such change in address.

(5) 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 become final pursuant to 12 U.S.C. §1818.

Article V

BANKRUPTCY

(1) If Respondent files for bankruptcy protection, he shall notify the Director within ten days of the filing, and shall deliver a copy of the filing to the Director of the Enforcement and Compliance Division, Office of the Comptroller of the Currency, 250 E Street S.W., Washington, DC 20219.

(2) By entering into this Order, Respondent agrees and acknowledges that Respondent's obligations to pay restitution under this Order are excepted from discharge in bankruptcy pursuant to 11 U.S.C. §§ 523(a)(4), (a)(7), (a)(11) and (e).

(3) In any bankruptcy proceeding in which it is or may be contended that Respondent's obligation to pay the restitution pursuant to this Order is subject to discharge, Respondent shall make a motion to the court for an order of non-dischargeability of the restitution obligation in this Order and provide the Enforcement Director with a copy of the motion, concurrent with filing, and a copy of any subsequently issued order within ten (10) days of issuance. If Respondent fails to make such motion, Respondent will in no manner contest the assertion of the Comptroller or any agent, officer or representative of the United States, pursuant to 11 U.S.C. § 523(a) or otherwise, that the restitution obligation in the Order arises out of acts which result in claims not dischargeable in bankruptcy.

Article VI

WAIVERS

(1) By executing this Order, Respondent waives:

- (a) Any and all rights to the issuance of a Notice of Charges for Issuance of an Order to Cease and Desist and a Notice of Intention to Prohibit Further Participation under 12 U.S.C. §§ 1818(b) and (e);
- (b) Any and all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818, and 12 C.F.R. Part 19;
- (c) Any and all rights to seek judicial review of this Order;

- (d) Any and all rights in any way to contest the validity of this Order in any way; 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 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) This Order constitutes a settlement of the enforcement proceeding against Respondent contemplated by the Comptroller, based on the conduct described in the Comptroller's findings set forth in Article II of this Order. The Comptroller agrees not to institute further proceedings based on Respondent's conduct with respect to the Bank, unless such conduct reoccurs. However, the conduct described in Article II may be used by the Comptroller in future enforcement proceedings to establish a pattern or practice of misconduct, or the continuation of a pattern or practice of misconduct. Respondent understands that nothing herein shall preclude any proceedings brought by the Comptroller to enforce the terms of this Order.

(3) If, at any time, the Comptroller deems it appropriate in fulfilling the responsibilities placed upon him by the several laws of the United States to take any action affecting Respondent, nothing in this Order shall in any way inhibit, estop, bar, or otherwise prevent the Comptroller from so doing, except as specified in paragraph (2) of this Article. This Order does not limit any right, power, or authority of any other federal

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agency, or the United States, including, but not limited to, the Department of Justice, to bring actions as these entities deem appropriate.

(4) Respondent shall not cause, participate in or authorize the Bank (or any subsidiary or affiliate thereof) to incur, directly or indirectly, any expense for 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.

Article VII

CLOSING

(1) This Order is and shall be effective upon its execution by the Comptroller, through his authorized representative whose hand appears below. The Order shall remain effective and enforceable, except to the extent that, and until such time as, any provisions of this Order shall have been amended, suspended, waived, or terminated in writing by the Comptroller.

(2) This Order is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 1818, and expressly does not form, and may not be construed to form, a contract binding the Comptroller or the United States. Respondent expressly acknowledges that no officer or employee of the Comptroller has statutory or other authority to bind the United States, the United States Treasury Department, the Comptroller, or any other federal bank regulatory agency or entity, or any officer or

employee of those entities, to a contract affecting the Comptroller's exercise of his supervisory responsibilities.

(3) This Order is "issued with the consent of . . . the institution-affiliated party concerned," pursuant to 12 U.S.C. § 1818(h)(2).

(4) The terms of this Order, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements, or prior arrangements between the parties, whether oral or written.

(5) No separate promise or inducement of any kind has been made by the Comptroller, or his officers or employees, to cause or induce Respondent to consent to the issuance of this Order and/or to execute it.

IN TESTIMONY WHEREOF, the undersigned has hereunto set his hand.

s/Bradley J. Jenks

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Bradley J. Jenks

Date

IT IS SO ORDERED.

s/Kristina B. Whittaker

6/6/12

Kristina B. Whittaker
Deputy Comptroller for Special Supervision

Date