



restitution to the Bank appropriate.

### **NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION**

The FDIC issues this Notice of Intention to Prohibit from Further Participation and Findings of Fact and Conclusions of Law (collectively, Notice of Charges) under 12 U.S.C. § 1818(e) and the FDIC Rules of Practice and Procedure, 12 C.F.R. Part 308, subparts A and B. This proceeding will determine whether an order should be issued against Respondent under 12 U.S.C. § 1818(e), to prohibit Respondent from further participation in the conduct of the affairs of the Bank, and any other insured depository institution or organization listed in 12 U.S.C. § 1818(e)(7)(A) without the prior written approval of the FDIC and other appropriate Federal financial institution regulatory agencies.

### **NOTICE OF ASSESSMENT OF CIVIL MONEY PENALTY**

The FDIC further issues this Notice of Assessment of Civil Money Penalty, Findings of Fact and Conclusions of Law, and Order to Pay (collectively, Notice of Assessment) under 12 U.S.C. § 1818(i)(2), and the FDIC Rules of Practice and Procedure, 12 C.F.R. Part 308, subparts A and B. This proceeding assesses a \$35,000 civil money penalty against the Respondent under 12 U.S.C. § 1818(i)(2), unless the Respondent formally objects by timely requesting a hearing under 12 U.S.C. § 1818(i)(2)(H).

### **NOTICE OF CHARGES FOR AN ORDER OF RESTITUTION**

The FDIC further issues this Notice of Charges for an Order of Restitution, Findings of Fact and Conclusions of Law (collectively, Notice for Restitution) under 12 U.S.C. § 1818(b)(6), and

under the FDIC Rules of Practice and Procedure, 12 C.F.R. Part 308, subparts A and B. The restitution ordered is in the amount of \$8,000 against the Respondent under 12 U.S.C. § 1818(b)(6).

## **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The FDIC makes the following allegations against Respondent:

### **I. Jurisdiction**

1. At all times described herein, the Bank was a corporation existing and doing business under the laws of the State of North Carolina with its principal place of business in Charlotte, North Carolina.

2. At all times described herein, the Bank was an insured State nonmember bank, subject to 12 U.S.C. §§ 1811-1831aa, 12 C.F.R. Chapter III, and the laws of the State of North Carolina.

3. At all times described herein, Respondent was employed as a STOLI Representative at the Bank, and continued to work in that capacity until Respondent was terminated on July 29, 2020.

4. At all times described herein, Respondent was an “institution-affiliated party” of the Bank under 12 U.S.C. § 1813(u), and for purposes of 12 U.S.C. § 1818(e)(7), 1818(i) and 1818(j).

5. The FDIC has jurisdiction over the Bank, Respondent, and the subject matter of this proceeding.

### **II. Respondent’s Misconduct**

6. At all times described herein, Respondent worked in the Bank’s call center

located in Orlando, Florida. Respondent's duties and responsibilities as a STOLI Representative included, among other things, assisting customers with online banking inquiries, concerns, and enrollment in the Bank's services.

7. At all times described herein, Respondent, by virtue of her position at the Bank as a STOLI Representative, was entrusted with access to sensitive and confidential customer information, including Bank systems containing the customers' age, dates of birth, home addresses, account balances, transaction frequency, account numbers, contact information, and other sensitive information.

8. Pursuant to Bank policy and procedure and with customer authorization, at all times described herein, Respondent also had the ability to take control over a customer's account for legitimate banking inquiries initiated by the customer.

9. At all times described herein, Respondent maintained a personal bank account at USAA Bank.

10. At all times described herein, Respondent's telephone number was (XXX) XXX-5563. This phone number was associated with Respondent's personal account at USAA Bank.<sup>1</sup> Moreover, the phone number was used by Respondent while employed at the Bank to text her manager. A CLEAR report,<sup>2</sup> dated December 18, 2024, also confirmed that the phone number belonged to the Respondent.

11. At all times described herein, Respondent was bound by the Bank's policies

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<sup>1</sup> On July 23, 2020, the Bank contacted USAA and confirmed that Respondent maintained a checking account, containing the same personally identifiable information, including the phone number associated with the fraudulent Zelle transfers.

<sup>2</sup> CLEAR is a database and investigative tool from Thomson Reuters Risk & Fraud Solutions.

and procedures, including its Code of Ethics. The Bank's Code of Ethics prohibited Respondent from accessing confidential customer information without a valid Bank business reason; Respondent was also prohibited from transferring funds between accounts or enrolling a client in online banking services without the customer's consent.

12. At all times described herein, Respondent knew of, and at least partially participated in a scheme with two other Bank employees<sup>3</sup> (Others) to create unauthorized online banking profiles in order to misappropriate customer funds, which collectively caused the Bank to sustain loss of \$43,000.

***A. Unauthorized Transactions - A.P. and D.P. Joint Account***

13. At all times described herein, an individual identified as "A.P." was a Bank customer who was 85 years of age.

14. At all times described herein, an individual identified as "D.P." was a Bank customer who was 56 years of age.

15. On June 19, 2020, Bank records reflect that D.P. was enrolled in online banking with bill pay. D.P. first became a custodian of the account (#XXXXXXXX5811) on December 24, 2012.

16. Upon information and belief, Respondent and Others created the online banking profile using the personal and financial account information of A.P. and D.P., including their bank account number, account balances, and D.P.'s home address.

17. Upon information and belief, Respondent and Others accessed D.P.'s online

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<sup>3</sup> Former Bank employees, M.H. and G.T., embezzled customer funds totaling \$14,000 and \$21,000, respectively, and both stipulated to an order of prohibition in February 2025.

banking profile from personal or other devices using the fictitious credentials created by Respondent and Others to make unauthorized Zelle transfers drawn on A.P. and D.P.'s account.

18. On June 19, 2020, three Zelle transfers were initiated, each in the amount of \$1,000, and all drawn on A.P. and D.P.'s account using the newly created online bill pay feature.

19. With respect to all three Zelle transfers, the Bank's Retail Transaction Report<sup>4</sup> (RTR), A.P and D.P.'s account statement, and screen captures of A.P. and D.P.'s account history collectively reflect a total of \$3,000 was transferred via Zelle on June 19, 2020, to "L Hubbard" as the recipient, to Respondent's phone number (XXX) XXX-5563 and to USAA Bank.

20. The Bank determined that Respondent was the last user to modify D.P.'s account details prior to all three of the above-described Zelle transfers.

21. On July 23, 2020, the Bank conducted an audit and investigation and determined that all three Zelle transfers drawn on A.P. and D.P.'s account were made to Respondent's telephone number (XXX) XXX-5563 and to an account at USAA Bank. On or near October 21, 2020, the Bank reimbursed D.P. and A.P. \$3,000 for the unauthorized Zelle transfers initiated by Respondent.

***B. Unauthorized Transactions - D.C. Account***

22. At all times described herein, an individual identified as "D.C." was a Bank

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<sup>4</sup> RTR is a detailed record of financial transactions that have occurred within a specific period.

customer who was 59 years of age.

23. On June 19, 2020, Bank records reflect D.C.'s checking account (#XXXXXXXX9341) was enrolled in online banking with bill pay. D.C. first became a custodian of the account on March 8, 2011.

24. Upon information and belief, Respondent created the online banking profile using the personal and financial account information of D.C., including D.C.'s bank account number, account balances, and home address.

25. Upon information and belief, Respondent accessed D.C.'s online banking profile from personal or other electronic devices using the fictitious credentials created by Respondent to make a Zelle transfer drawn on D.C.'s account.

26. On June 19, 2020, a Zelle transfer was initiated in the amount of \$1,000, drawn on D.C.'s account using the newly created online bill pay feature. D.C.'s Bank account statement and screen capture records collectively reflect a \$1,000 Zelle mobile payment to "LIZA HUBBARD," associated with telephone number "XXX-XXX-5563" at USAA Bank.<sup>5</sup>

27. The Bank determined that Respondent was the last user to modify D.C.'s account details prior to the unauthorized Zelle transfer.

28. On July 23, 2020, the Bank conducted an audit and investigation relating to the Zelle transfer drawn on D.C.'s account and determined that \$1,000 was transferred via Zelle to telephone number (XXX) XXX-5563 and to an account at USAA Bank.

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<sup>5</sup> "LH" was listed as the transfer contact.

29. D.C.'s account was enrolled in online banking on the same day as the unauthorized Zelle transfer.

30. On or near October 21, 2020, the Bank reimbursed D.C. \$1,000 for the unauthorized Zelle transfer initiated by Respondent.

***C. Unauthorized Transactions - H.O. and J.P. Account***

31. An individual identified as "H.O." was a Bank customer known to the Bank to be deceased as of December 27, 2019.

32. An individual identified as "J.P." was a Bank customer who was 76 years of age.

33. J.P. jointly owned checking account (#XXXXXXXX5891) with H.O.

34. On June 19, 2020, Bank records reflect that H.O.'s joint checking account was newly enrolled in online banking with bill pay.

35. Upon information and belief, Respondent created the online banking profile using the personal and financial account information of H.O. and J.P., including H.O. and J.P.'s bank account number, account balances, and H.O.'s home address.

36. Upon information and belief, Respondent accessed H.O.'s online banking profile from personal or other electronic devices using the fictitious credentials created by Respondent to make unauthorized Zelle transfers from H.O. and J.P.'s account.

37. On June 19, 2020, two Zelle transfers were initiated, each in the amount of \$1,000, drawn from H.O. and J.P.'s account using the newly created online bill pay feature for H.O.

38. With respect to this first Zelle transfer, H.O. and J.P.'s combined account

statement reflects two \$1,000 withdrawals on June 19, 2020, and two corresponding Zelle payments of \$1,000 to Respondent.

39. On July 23, 2020, the Bank conducted an audit and investigation relating to the Zelle transfers drawn on H.O. and J.P.'s account and determined that the customer's funds were transferred<sup>6</sup> to telephone number (XXX) XXX-5563, and to an account at USAA Bank.

40. The Bank determined that Respondent was the last user to modify H.O.'s account details prior to the unauthorized Zelle transfer.

41. The unauthorized Zelle withdrawals from J.P. and H.O.'s account occurred on the same day that H.O. was newly enrolled in online banking.

42. On or near October 21, 2020, the Bank reimbursed H.O. and J.P. \$2,000 for the unauthorized Zelle transactions initiated by Respondent.

***D. Unauthorized Transactions - K. B. and L.B. Account***

43. An individual identified as "K.B." was a Bank customer who was 76 years of age.

44. An individual identified as "L.B." was a Bank customer who was 80 years of age.

45. On June 16, 2020, Bank records reflect K.B.'s checking account (#XXXXXXXX1530) was enrolled in online banking with bill pay. Bank records reflect that the online banking user credentials added to K.B.'s account were used to effectuate

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<sup>6</sup> "L Hubbard" was used as the recipient.

fraudulent and unauthorized Zelle transfers on L.B. and K.B.'s account.

46. Upon information and belief, Respondent and Others created the online banking profile using the personal and financial account information of K.B., including K.B.'s bank account number, account balances, and home address.

47. Upon information and belief, Respondent and Others accessed K.B.'s online banking profile from personal or other electronic devices using the fictitious credentials created by Respondent and Others to make an unauthorized Zelle transfer drawn from L.B. and K.B.'s account.

48. On June 27, 2020, a Zelle transfer was initiated in the amount of \$1,000, drawn from L.B. and K.B.'s account using the newly created online bill pay feature for K.B. Bank records and account statements collectively reflect that this unauthorized \$1,000 transfer was a Zelle mobile payment made on June 27, 2020, at 14:38 p.m. (posted on June 30, 2020) to "receiver LIZA HUBBARD,"<sup>7</sup> associated with telephone number "XXX-XXX-5563," and deposited into an account at USAA Bank.

49. This fraudulent transaction occurred only eleven days after K.B.'s account was enrolled in online banking without authorization on June 16, 2020.

50. On or near October 21, 2020, the Bank reimbursed L.B. and K.B. \$1,000 for the unauthorized Zelle transaction initiated by Respondent.

***E. Unauthorized Transactions - W.F. Account***

51. An individual identified as "W.F." was a Bank customer who was 73 years

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<sup>7</sup> An unknown individual was listed as the transfer contact.

of age as of 2020.

52. On May 26, 2020, Bank records reflect W.F.'s savings account (#XXXXXXXX3562) was enrolled in online banking with bill pay. W.F. opened the account on October 14, 1999. Respondent and Others used these same credentials to effectuate or attempt to effectuate fraudulent and unauthorized Zelle transfers on W.F.'s account.

53. Upon information and belief, Respondent and Others created the online banking profile using the personal and financial account information of W.F., including W.F.'s bank account number, account balances, and home address.

54. Upon information and belief, Respondent and Others accessed W.F.'s online banking profile from personal or other electronic devices using the fictitious credentials created by Respondent and Others to make an unauthorized Zelle transfer drawn from W.F.'s account.

55. On June 27, 2020, a Zelle transfer was initiated in the amount of \$1,000, drawn on W.F.'s account using the newly created online bill pay feature. The Bank's RTR and screen capture records collectively reflect that the transfer was a Zelle mobile payment made on June 29, 2020, at 18:44 p.m. to "LIZA HUBBARD,"<sup>8</sup> associated with telephone number "XXX-XXXX-5563," and deposited into an account at USAA Bank.

56. This unauthorized transaction occurred only one month after W.F.'s account was enrolled in online banking without authorization on May 26, 2020.

57. On or near October 21, 2020, the Bank reimbursed W.F. \$1,000 for the

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<sup>8</sup> An unknown individual was listed as the transfer contact.

unauthorized Zelle transaction initiated by Respondent.

***F. Respondent's Unauthorized Conduct***

58. With respect to the transactions set forth in paragraphs 6 through 57, and as a result of the unauthorized transactions set forth in such paragraphs, Respondent converted customer funds for her personal use and benefit in the amount of at least \$8,000.

59. As a result of the unauthorized transactions and the Bank's reimbursements to the customers set forth in paragraphs 6 through 57, the Bank incurred a collective loss of at least \$43,000 and Respondent received a personal gain of \$8,000.

**III. Conclusions of Law**

59. Based on the misconduct described above, Respondent recklessly engaged in or participated in unsafe or unsound banking practices in connection with the Bank under 12 U.S.C. § 1818(e) and (i)(2).

60. Respondent's practices described above resulted in financial loss to the Bank under 18 U.S.C. § 1818(e) and (i)(2).

61. Respondent's practices described above resulted in Respondent's financial gain under 12 U.S.C. § 1818(e) and (i)(2).

62. Respondent's practices described above demonstrate Respondent's personal dishonesty under 12 U.S.C. § 1818(e).

63. Respondent's practices described above demonstrate Respondent's willful and continuing disregard for the safety and soundness of the Bank under 12 U.S.C. § 1818(e).

64. Respondent's reckless practices described above were part of a pattern of misconduct under 12 U.S.C. § 1818(i)(2).

65. Respondent was unjustly enriched by reason of the above-described practices for which restitution is appropriate under 12 U.S.C. § 1818(b)(6).

### **ORDER TO PAY**

Based on the above Findings of Fact and Conclusions of Law, the FDIC has determined that Respondent's practices merit a civil money penalty. After taking into account the appropriateness of the penalty with respect to the following mitigating factors under 12 U.S.C. § 1818(i)(2)(G): the size of the Respondent's financial resources and good faith, the gravity of the violations, the history of previous violations, and such other matters as justice may require, it is:

ORDERED that by reason of Respondent's violations, and practices listed above, a \$35,000 penalty is assessed against LIZA HUBBARD under 12 U.S.C. § 1818(i)(2); and it is

FURTHER ORDERED that the Order to Pay is stayed until 20 days after the date of service of this Notice of Assessment to allow Respondent time to object to the Order to Pay.

If Respondent wants to object to the Order to Pay, Respondent must formally request a hearing in writing within 20 calendar days after service of this Notice of Assessment, as explained at 12 U.S.C. § 1818(i)(2)(H). Respondent may object to the Order to Pay by requesting a hearing and filing a formal Answer, as specified in 12 C.F.R. § 308.19. **If Respondent fails to request a hearing to object to the Order to Pay within 20 calendar days from the date of service of this Notice of Assessment, the penalty assessed against Respondent will be final and unappealable under 12 U.S.C. § 1818(i)(2)(E)(ii) and 12 C.F.R. § 308.19(c)(2), and must be paid within 60 calendar days after the date of service of this Notice of Assessment.**

IT IS FURTHER ORDERED that the Respondent is prohibited from seeking or accepting

indemnification from the Bank or from any other insured depository institution for the restitution paid under the terms of this ORDER or any other expenses, including attorney fees and disbursements incurred by the Respondent, in connection with this matter.

### **NOTICE OF HEARING**

Respondent must file an Answer to object to the Notice of Charges within 20 days from the date of service under 12 C.F.R. § 308.19. Respondent may file one document containing both the Answer to the Notice of Charges, and a request for hearing on the Order to Pay. The hearing will be held before an Administrative Law Judge (ALJ) assigned by the Office of Financial Institution Adjudication (OFIA) under 5 U.S.C. § 3105. The hearing on the Notice of Charges will begin on a date set by the ALJ in Orlando, Florida. The hearing will be public and conducted in accordance with 12 U.S.C. §§ 1811-1831aa, the Administrative Procedure Act, 5 U.S.C. §§ 551-559, and 12 C.F.R. Part 308, subparts A and B.

An original and one copy of all papers filed in this proceeding must be served upon OFIA, 3501 N. Fairfax Drive, Suite VS-D8116, Arlington, VA 22226-3500, in the manner specified at 12 C.F.R. § 308.10. Also, copies of all papers filed in this proceeding must be served upon the following: FDIC Administrative Officer, Seth P. Rosebrock, Assistant General Counsel, Enforcement Section, Legal Division, 550 17th Street NW, Room F St-2076, Washington, DC 20429; Shirley Huang, Acting Senior Counsel, Enforcement Section, Legal Division, 550 17th Street NW, Room F St-2068, Washington, DC 20429; and Regional Counsel Patrice Walker, FDIC, Atlanta Regional Office, Ten 10th Street, Suite 900, Atlanta, Georgia 30309. Respondent is encouraged to file any subsequent documents electronically with OFIA at [ofia@fdic.gov](mailto:ofia@fdic.gov).

**PRAYER FOR RELIEF**

The FDIC prays that an Order of Prohibition from Further Participation under 12 U.S.C. § 1818(e) be issued against LIZA HUBBARD. The FDIC further prays that an Order of Restitution be issued against LIZA HUBBARD under 12 U.S.C. § 1818(b)(6), ordering her to pay restitution to the Bank in the amount of \$8,000. The FDIC further prays that an Assessment of Civil Money Penalties be issued against LIZA HUBBARD under 12 U.S.C. § 1818(i)(2)(B), ordering her to pay in the amount of \$35,000.

Issued under delegated authority on May 19, 2025.

/s/  
Ryan Billingsley  
Acting Director  
Division of Risk Management Supervision