

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of	)	
	)	
TIMOTHY K. REINHARDT, an institution-	)	ORDER OF PROHIBITION FROM
affiliated party of	)	FURTHER PARTICIPATION AND
	)	FOR RESTITUTION
	)	
STATE BANK OF NAUVOO	)	
NAUVOO, ILLINOIS	)	FDIC-17-0027e
	)	FDIC-17-0028b
INSURED STATE NONMEMBER BANK	)	
	)	
	)	

TIMOTHY K. REINHARDT (Respondent) has been advised of the right to receive a NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION AND OF INTENTION TO SEEK RESTITUTION issued by the Federal Deposit Insurance Corporation (FDIC) detailing the unsafe or unsound banking practices and breaches of fiduciary duty for which an ORDER OF PROHIBITION FROM FURTHER PARTICIPATION AND FOR RESTITUTION (ORDER) may be issued and has been further advised of the right to a hearing on the allegations under 12 U.S.C. § 1818(e), 12 U.S.C. § 1818(b) and the FDIC's Rules of Practice and Procedure, 12 C.F.R. Part 308. Having waived those rights, Respondent entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER OF PROHIBITION FROM FURTHER PARTICIPATION AND FOR RESTITUTION (CONSENT AGREEMENT) with a representative of the Legal Division of the FDIC, dated December 12, 2017, whereby solely for the purpose of this proceeding and without admitting or denying any unsafe and unsound banking practices and breaches of fiduciary duty, Respondent consented to the issuance of an ORDER by the FDIC.

The FDIC has determined, and Respondent neither admits nor denies, that:

- (a) Respondent arranged for and attempted to conceal excessive bonus payments to himself from the State Bank of Nauvoo, Nauvoo, Illinois (Bank);
- (b) Respondent has engaged or participated in unsafe and unsound banking practices and breaches of fiduciary duty as an institution-affiliated party of the Bank within the meaning of 12 U.S.C. §1813(u);
- (c) By reason of such unsafe and unsound banking practices and breaches of fiduciary duty the Bank has suffered financial loss;
- (d) Such unsafe and unsound banking practices and breaches of fiduciary duty involved personal dishonesty, or demonstrated willful or continuing disregard on the part of the Respondent; and,
- (e) Further, the Respondent was unjustly enriched in connection with such unsafe and unsound banking practices, and Respondent should be required to make restitution to the Bank to correct the conditions resulting from such practices.

The FDIC further determined that such unsafe and unsound banking practices and breaches of fiduciary duty demonstrate Respondent's unfitness to serve as a director, officer, person participating in the conduct of the affairs or as an institution-affiliated party of the Bank, any other insured depository institution, or any other agency or organization enumerated in section 12 U.S.C. § 1818(e)(7)(A).

The FDIC, therefore, accepts the CONSENT AGREEMENT and issues the following:

ORDER OF PROHIBITION FROM FURTHER PARTICIPATION AND FOR RESTITUTION

1. TIMOTHY K. REINHARDT is hereby prohibited from:
  - (a) participating in any manner in the conduct of the affairs of any financial institution or agency enumerated 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; or,
  - (d) voting for a director or serving or acting as an institution-affiliated party.

2. The prohibitions in paragraph 1, above, shall cease to apply to Respondent if Respondent obtains the prior written permission of both the FDIC and the “appropriate Federal financial institutions regulatory agency” as defined in 12 U.S.C. §1818(e)(7)(D).

3. IT IS FURTHER ORDERED, that the Respondent shall pay restitution pursuant to 12 U.S.C. § 1818(b) of \$2,500 on or before the effective date of this order to the Bank, or in the time and manner set forth in the CONSENT AGREEMENT. The FDIC acknowledges that, as of the date of the execution of this ORDER, it has received the restitution payment from Respondent for the benefit of the Bank.

4. 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.

5. Nothing herein shall preclude any proceedings brought by the FDIC to enforce the terms of this Order, and nothing herein constitutes a waiver of any right, power, or authority of any other representatives of the United States or agencies thereof, or the FDIC as Receiver, or any state agency or department to bring other actions deemed appropriate against Respondent.

6. This ORDER will become effective upon its issuance by the FDIC. The provisions of this ORDER will remain effective and enforceable except to the extent that, and until such time as, any provision of this ORDER shall have been modified, terminated, suspended, or set aside by the FDIC.

Pursuant to delegated authority.

Dated this 9<sup>th</sup> day of February, 20 18.

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