FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of LANCE E. BAUER, individually, and as an institution-affiliated party of THE PARK BANK MADISON, WISCONSIN (Insured State Nonmember Bank)	NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION AND NOTICE OF HEARING FDIC-11-21e

The Federal Deposit Insurance Corporation ("FDIC"), has determined that LANCE E. BAUER("Respondent"), individually and as an institution-affiliated party of THE PARK BANK, MADISON, WISCONSIN ("Bank"), has directly or indirectly participated or engaged in unsafe or unsound banking practices and practices which constitute personal dishonesty and breach of his fiduciary duty to the Bank; that the Bank has suffered financial loss or other damage, and that the Respondent has received financial gain or other benefit by reason of those practices and breaches of fiduciary duty; and that such practices and breaches of fiduciary duty demonstrate Respondent personal dishonesty and willful and continuing disregard for the safety or soundness of the Bank. The FDIC, therefore, institutes this proceeding for the purpose of determining whether an appropriate order should be issued against Respondent under the provisions of section 8(e) of the Federal Deposit Insurance Act ("Act"), 12 U.S.C. § 1818(e), prohibiting Respondent from further participation in the conduct of the affairs of any other insured depository institution or organization listed in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(A), without the prior written approval of the FDIC and such other appropriate Federal financial institutions regulatory agency, as that term is defined in section 8(e)(7)(D) of the Act, 12 U.S.C. § 1818(e)(7)(D).

The FDIC hereby issues this NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION ("NOTICE") and NOTICE OF HEARING ("NOTICE"), pursuant to section 8(e) of the Act, 12 U.S.C. §§ 1818(e), and the FDIC's Rules of Practice and Procedure, 12 C.F.R. Part 308, and alleges as follows:

JURISDICTION AND BACKGROUND

1. At all times pertinent to this proceeding, the Bank was a corporation existing and doing business under the laws of the State of Wisconsin, having its principal place of business at Madison, Wisconsin. The Bank was, at all times pertinent to this proceeding, an insured State nonmember bank, subject to the Act, 12 U.S.C.§§ 1811-1831aa, the Rules and Regulations of the FDIC, 12 C.F.R.

Chapter III; and the laws of the State of Wisconsin.

2. At all times pertinent to this proceeding, Respondent was an assistant branch manager at the Bank's Sun Prairie Branch.

3. At all times pertinent to the charges herein, the Respondent was an "institution-affiliated party" as that term is defined in section 3(u) of the Act, 12 U.S.C. § 1813(u), and for purposes of sections 8(e)(7), and 8(j) of the Act, 12 U.S.C. §§ 1818(e)(7) and 1818(j).

4. The FDIC has jurisdiction over Respondent and the subject matter of this proceeding.

FINDINGS OF FACT

5. In April, 2009, Respondent was employed as an Assistant Bank Manager at the Bank at its Sun Prairie Branch.

6. On or about August 24, 2009, Respondent closed a certificate of deposit ("CD") in the amount of $227,764.54 owned by a bank customer and issued a Bank cashier's check in the same amount to himself.

7. On August 27, 2009, Respondent deposited the funds from the CD into his personal account at JP Morgan Chase, Madison, Wisconsin.

8. Between August 27, 2009 and November 1, 2010, Respondent spent all but two thousand dollars ($2000.00) from the misappropriated CD.

9. On or about November 10, 2010, Respondent was indicted in the United States District Court, Western District of Wisconsin, of one count of Embezzlement by a Bank Employee, as set forth in USA v. Lance Bauer, 10-CR-170.

10. On April 25, 2011, Respondent was convicted and sentenced to thirty (30) months imprisonment to be followed by three (3) years supervised release.

11. As part of the sentencing order, Respondent is required to pay restitution to the Bank.

CONCLUSIONS OF LAW

12. As a result of Respondent's foregoing acts, omissions and practices, he engaged and participated in unsafe or unsound banking practices in connection with the Bank, breached his fiduciary duty as an employee of the Bank and engaged in acts of personal dishonesty.

13. As a result of Respondent's forgoing acts, omissions and practices, the Bank sustained financial loss.

14. As a result of Respondent's forgoing acts,

omissions and practices, Respondent received financial gain.

NOTICE OF HEARING

15. Notice is hereby given that a hearing will be held in Madison, Wisconsin, commencing sixty (60) days from the date of service of the NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION, or on such date and at such place as may be set by the Administrative Law Judge appointed to hear the matter, for the purpose of taking evidence on the charges specified in the NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION and to determine whether a permanent order should be issued to prohibit Respondent from further participation in the conduct of the affairs of the Bank and any insured depository institution or organization enumerated in 12 U.S.C. § 1818(e)(7)(A) without the prior permission of the FDIC and the appropriate Federal financial institutions regulatory agency, as that term is defined in 12 U.S.C. § 1818(e)(7)(D).

16. The hearing will be held before an Administrative Law Judge to be appointed by the Office of Financial Institution Adjudication pursuant to 5 U.S.C. § 3105. The hearing will be public, and in all respects will be conducted in compliance with the Act, the Administrative

Procedures Act, 5 U.S.C. §§ 551 - 559, and the FDIC Rules of Practice and Procedure, 12 C.F.R. Part 308.

17. The Respondent is directed to file an answer to the NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION within twenty (20) days from the date of service, as provided in 12 C.F.R. § 308.19 of the FDIC Rules of Practice and Procedure.

18. An original and one copy of all papers to be filed or served in this proceeding shall be filed with the Office of Financial Institution Adjudication, 3501 N. Fairfax Drive, Suite VS-D8116, Arlington, VA 22226-3500, pursuant to section 308.10 of the FDIC Rules of Practice and Procedure, 12 C.F.R. § 308.10. Respondent is encouraged to file any answer electronically with the Office of Financial Institution Adjudication at ofia@fdic.gov.

19. Copies of all papers filed or served in this proceeding shall be served upon the Executive Secretary Section, Federal Deposit Insurance Corporation, 550 17th Street, N.W., Washington, D.C. 20429-9990; A.T. Dill, Assistant General Counsel, Enforcement Section, Federal Deposit Insurance Corporation, 550 17th Street, N.W., Washington, D.C. 20429-9990; and Timothy E. Divis, Regional Counsel, Federal Deposit Insurance Corporation, 300 S.

Riverside Drive, Suite 1700, Chicago, Illinois 60606.

PRAYER FOR RELIEF

20. The FDIC prays for relief in the form of the issuance of an ORDER OF PROHIBITION pursuant to 12 U.S.C. § 1818(e) against the Respondent.

Pursuant to delegated authority.

Dated at Washington, D.C., this 19th day of March, 2012.

/s/
Serena L. Owens
Associate Director