

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

_____)	
In the Matter of)	NOTICE OF INTENTION TO
CALLIE C. MEAGHER, individually, and as)	PROHIBIT FROM FURTHER
an institution-affiliated party of)	PARTICIPATION AND NOTICE OF
UNITED COMMUNITY BANK)	ASSESSMENT OF CIVIL MONEY
BLAIRSVILLE, GEORGIA)	PENALTY, FINDINGS OF FACT,
)	CONCLUSIONS OF LAW, ORDER
)	TO PAY AND NOTICE OF HEARING
(INSURED STATE NONMEMBER BANK))	FDIC-17-0199e
)	FDIC-17-0198k
_____)	

The Federal Deposit Insurance Corporation ("FDIC"), has determined that CALLIE C. MEAGHER ("Respondent"), as an institution-affiliated party of UNITED COMMUNITY BANK, BLAIRSVILLE, GEORGIA ("Bank"), has directly or indirectly participated or engaged in unsafe or unsound banking practices, and/or acts, omissions or practices which constitute breaches of her fiduciary duty as a Branch Manager of the Bank; that the Bank has suffered financial loss or other damage and that the interests of its depositors have been prejudiced or could be prejudiced by reason of such practices and/or breaches of fiduciary duty; and that such practices and/or breaches of fiduciary duty demonstrate the Respondent's personal dishonesty and/or her willful or 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 the Respondent under the provisions of section 8(e) of the Federal Deposit Insurance Act ("Act"), 12 U.S.C. § 1818(e), prohibiting the Respondent from further participation in the conduct of the affairs of the Bank, and 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); and determining whether an appropriate order should be issued against Respondent under the provisions of section 8(i) of the Act, 12 U.S.C. § 1818(i)(2) requiring her to pay a civil money penalty.

The FDIC hereby issues this NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION ("NOTICE OF PROHIBITION"), pursuant to section 8(e) of the Act, 12 U.S.C. § 1818(e), and NOTICE OF ASSESSMENT OF CIVIL MONEY PENALTY ("NOTICE OF ASSESSMENT"), FINDINGS OF FACT AND CONCLUSIONS OF LAW, ORDER TO PAY, AND NOTICE OF HEARING pursuant to section 8(i) of the Act, 12 U.S.C. § 1818(i), and Part 308 of the FDIC's Rules of Practice and Procedure ("FDIC Rules"), 12 C.F.R. Part 308 and alleges as follows:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. At all times pertinent to this proceeding, the Bank was a corporation existing and doing business under the laws of the State of Georgia, having its principal place of business at Blairsville, Georgia. The Bank is and has been, 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 Georgia.

2. Between July 11, 2006 and July 15, 2013, Respondent was employed as a Branch Manager of the Bank and served in that capacity throughout at all times pertinent to the charges

herein.

3. At all times pertinent to the charges herein, the Respondent has been 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), 8(i) and 8(j) of the Act, 12 U.S.C. §§ 1818(e)(7), 1818(i) and 1818(j).

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

5. On April 26, 2013, Respondent, without authority, removed \$100,091.12 from CD No. xxxxxxxx432 which belonged to the estate of Bank customer WLM.

6. As a result of Respondent's actions, on April 1, 2014, the Bank charged off as "LOSS" \$100,284.37, representing principal and interest on CD No. xxxxxxxx432.

7. On April 26, 2013, Respondent, without authority, removed \$30,014.55 from CD No. xxxxxxxx2856 which belonged to the estate of Bank customer WLM.

8. As a result of Respondent's actions, on April 1, 2014, the Bank charged off as "LOSS" \$30,100.20, representing principal and interest on CD No. xxxxxxxx2856.

9. As a result of the Respondent's foregoing acts, omissions and/or practices, the Respondent has engaged and/or participated in unsafe or unsound banking practices in connection with the Bank.

10. Further, as a result of the Respondent's foregoing acts, omissions and/or practices, the Respondent has breached her fiduciary duty as an officer of the Bank.

11. As a result of the practices or breaches as specified in paragraphs 5 and 7, the

Bank has suffered or will probably suffer financial loss or other damage in the amount of \$130,384.57.

12. The acts, omissions and/or practices of the Respondent as set forth in paragraphs 5 and 7 demonstrate a willful or continuing disregard for the safety or soundness of the Bank and/or evidence the Respondent's personal dishonesty.

PRAYER FOR ORDER OF PROHIBITION

13. Based on the charges and the acts and/or practices specified above, the FDIC requests an order prohibiting Respondent from participating, in any manner, in the conduct of the affairs of the Bank, or any other insured depository institution, organization or agency specified in 12 U.S.C. § 1818 (e)(7)(A), without the prior written consent of the FDIC and/or other appropriate Federal financial institutions regulatory agency, as defined in 12 U.S.C. § 1818(e)(7)(D).

NOTICE OF ASSESSMENT OF CIVIL MONEY PENALTY,
FINDINGS OF FACT AND CONCLUSIONS OF LAW

14. Paragraphs 1 through 13 are restated and incorporated herein by reference and constitute FINDINGS OF FACT AND CONCLUSIONS OF LAW for purposes of this NOTICE OF ASSESSMENT.

15. As a result of the foregoing facts and conclusions, the FDIC concludes that Respondent recklessly engaged in unsafe or unsound practices in conducting the affairs of the Bank within the meaning of 12 U.S.C. § 1818(i)(2)(B)(i)(II).

16. Further, as a result of the foregoing facts and conclusions, the FDIC concludes that Respondent breached her fiduciary duty to the Bank within the meaning of 12 U.S.C. § 1818(i)(2)(B)(ii)(II).

17. Further, as a result of the foregoing facts and conclusions, the FDIC concludes that Respondent's reckless, unsafe or unsound practices and/or breaches of fiduciary duty to the Bank caused more than a minimal loss to the Bank within the meaning of 12 U.S.C. § 1818(i)(2)(B)(ii)(II).

ORDER TO PAY

By reason of the reckless unsafe or unsound practices and/or breaches of fiduciary duty set forth in the NOTICE OF ASSESSMENT, the FDIC has concluded that a civil money penalty should be assessed against the Respondent pursuant to section 8(i)(2) of the Act, 12 U.S.C. § 1818(i)(2). After taking into account the appropriateness of the penalties with respect to the size of financial resources and the good faith of the Respondent, the gravity of the reckless, unsafe or unsound practices and/or breaches of fiduciary duty, and such other matters as justice may require, it is:

ORDERED, that by reason of the reckless unsafe or unsound practices and/or breaches of fiduciary duty set forth in paragraphs 5 and 7 hereof, a penalty of \$35,000 be, and hereby is, assessed against Respondent, Callie C. Meagher, pursuant to section 8(i)(2) of the Act, 12 U.S.C. § 1818(i)(2);

FURTHER ORDERED, that the effective date of this ORDER TO PAY be, and hereby is, stayed with respect to the Respondent until 20 days after the date of receipt of the NOTICE

OF ASSESSMENT by the Respondent, during which time the Respondent may file an answer and request a hearing pursuant to section 8(i)(2)(H) of the Act, 12 U.S.C. § 1818(i)(2)(H), and section 308.19 of the FDIC Rules, 12 C.F.R. § 308.19.

If the Respondent fails to file a request for a hearing within twenty (20) days from the date of receipt of this NOTICE OF ASSESSMENT, the penalty assessed against the Respondent, pursuant to this ORDER TO PAY, will be final and unappealable and shall be paid within sixty (60) days after the date of receipt of this NOTICE OF ASSESSMENT.

NOTICE OF HEARING

Notice is hereby given that a hearing will be held in Gainesville, Georgia, and will commence sixty (60) days from the date of service of the NOTICE OF PROHIBITION, or on such date and at such place as may be set by the Administrative Law Judge appointed to hear the matter.

The purpose of the hearing will be for the taking of evidence on the charges, findings, and conclusions specified in the NOTICE OF PROHIBITION and to determine whether a permanent order should be issued to prohibit Respondent from further participation in the conduct of the affairs of any 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 12 U.S.C. § 1818(e)(7)(D).

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, 12 U.S.C. §§ 1811-1831aa, the Administrative Procedures Act, 5 U.S.C. §§ 551-559, and the FDIC Rules of Practice and Procedure, 12 C.F.R. Part 308.

The Respondent is directed to file an answer to this NOTICE OF PROHIBITION within twenty (20) days from the date of service, as provided by section 308.19 of the FDIC Rules of Practice and Procedure, 12 C.F.R. § 308.19.

An original and one copy of the answer, request for hearing and all other documents to be filed or served in this proceeding must be filed in writing with the Office of Financial Institution Adjudication, 3501 N. Fairfax Drive, Suite VS-D8116, Arlington, Virginia 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 also file any answer and request for hearing electronically with the Office of Financial Institution Adjudication at ofia@fdic.gov.

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 Andrea Fulton Toliver, Regional Counsel, Atlanta Regional Office, Federal Deposit Insurance Corporation, 10 Tenth Street, N.E., Suite 800, Atlanta, Georgia 30309-3906.

Pursuant to delegated authority.

Dated at Washington, D.C., this 15th day of December, 2017.

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