FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of JOHN WILLIAM RAFAL, as an institution-affiliated party of ESSEX SAVINGS BANK ESSEX, CONNECTICUT (INSURED STATE NONMEMBER BANK) RESPONDENT'S NMLS UI#: N/A	)	ORDER OF PROHIBITION FROM FURTHER PARTICIPATION FDIC-14-0225e

John William Rafal (Respondent) has been advised of the right to receive a NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION (NOTICE) issued by the Federal Deposit Insurance Corporation (FDIC) detailing the violations of law and/or regulation for which an ORDER OF PROHIBITION FROM FURTHER PARTICIPATION (ORDER) may issue and has been further advised of the right to a hearing on the allegations under 12 U.S.C. § 1818(e) 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 (CONSENT AGREEMENT) with a representative of the Legal Division of the FDIC, dated October 24, 2017, whereby solely for the purpose of this proceeding and without admitting or denying any violations of law and/or regulation, Respondent consented to the issuance of an ORDER by the FDIC.

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

(a) Respondent has engaged or participated in violations of law and/or regulation as an institution-affiliated party of Essex Savings Bank, Essex, Connecticut within the meaning of 12 U.S.C. §1813(u);

(b) Further, the FDIC has determined that, while serving as a member on the Board of Directors at Essex Savings Bank, Essex, Connecticut (Bank), and as the President and CEO of the Bank's subsidiary, Essex Financial Services, Inc. (EFS), Respondent:

(1) violated Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 (Advisers Act) and aided and abetted and caused violations of Section 206(4) of the Advisers Act and Rule 206(4)-3 thereunder, by fraudulently scheming to circumvent the Security and Exchange Commission's (SEC) rule regarding payments by investment advisers to third parties for client solicitations, and sending emails to clients and others falsely stating, among other things, that the SEC had fully investigated the allegations, had found no securities law violations, and had issued a "no-action letter" completely exonerating Respondent and EFS of any misconduct, and such client communications were fraudulent misrepresentations to Respondent's clients and prospective clients;

(2) violated Section 36b-23 of the Connecticut Uniform Securities Act by making a statement to the Connecticut Banking Commissioner that was false or misleading in a material respect and/or, omitted to state a material fact necessary to make the statement made, in the light of the circumstances under which it was made, not false or misleading;

(3) engaged in dishonest or unethical practices in the securities business within the meaning of Section 36b-15(a)(2)(H) of the CT Act and Sections 36b-31-15b and 36b-31-15d of the Regulations of Connecticut State Agencies; and

(4) violated 18 U.S.C. § 1505 by obstructing an SEC investigation.

(c) By reason of such violations of law and/or regulation, Respondent engaged or participated in unsafe or unsound practices in connection with EFS, and received financial gain or other benefit; and

(d) Such violations of law and/or regulation involve personal dishonesty on the part of Respondent.

The FDIC further determined that such violations of law and/or regulation 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

1. John William Rafal 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. Notwithstanding the prohibitions set out in the paragraphs above, Respondent may, for the purposes of facilitating divestiture of stock:

(a) vote for a merger, sale, or liquidation involving the Bank [or Savings Association] after obtaining the prior written consent of approval of the FDIC, and

(b) engage in transactions necessary to consummate the sale, merger, or liquidation of the Bank [or Savings Association] after obtaining the prior written consent of the FDIC.

4. Nothing herein shall preclude any proceedings brought by the FDIC to enforce the terms of this Order, and that 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.

5. 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 15th day of December, 2017.

/s/

Patricia A. Colohan
Associate Director
Division of Risk Management Supervision