

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

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	)	
In the Matter of:	)	
	)	
CHRISTINE L. JOHNSTON, individually and	)	ORDER OF PROHIBITION
as an institution-affiliated party of	)	FROM FURTHER
	)	PARTICIPATION
BANNER BANK	)	
WALLA WALLA, WASHINGTON	)	FDIC-15-0099e
	)	
(INSURED STATE NONMEMBER BANK)	)	
	)	

Christine L. Johnston (“Respondent”) has been advised of the right to receive a NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION issued by the Federal Deposit Insurance Corporation (“FDIC”) detailing the violations of laws and/or regulations, unsafe or unsound banking practices and/or breaches of fiduciary duty 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 alleged charges 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 (“STIPULATION”) dated May 13, 2015, with a representative of the Legal Division of the FDIC, whereby solely for the purpose of this proceeding and without admitting or denying any unsafe or unsound banking practices or any breaches of fiduciary duty, Respondent consented to the issuance of the ORDER by the FDIC.

The FDIC considered the matter and determined it had reason to believe that:

(a) Respondent has engaged or participated in unsafe or unsound banking practices and breaches of fiduciary duty as an institution-affiliated party of Banner Bank, Walla Walla, Washington (“Bank”);

(b) By reason of such practices, and breaches of fiduciary duty, the Bank has suffered financial loss and Respondent received financial gain; and

(c) Such practices and breaches of fiduciary duty involve personal dishonesty on the part of Respondent or demonstrate Respondent’s willful and continuing disregard for the safety and soundness of the Bank.

The FDIC further determined that such 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 any insured depository institution, or any other agency or organization enumerated in 12 U.S.C. § 1818(e)(7)(A).

The FDIC, therefore, accepts the STIPULATION and issues the following:

ORDER OF PROHIBITION FROM FURTHER PARTICIPATION

1. Christine L. Johnston is hereby prohibited, without the prior written approval 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), from:

(a) participating in any manner in the conduct of the affairs of any financial institution or organization 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.

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

Pursuant to delegated authority.

Dated this 17th day of August, 2015.

/s/
Christopher J. Newbury
Associate Director
Division of Risk Management Supervision