FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of DAVID W. MANN, as an institution-affiliated party of CITIZENS STATE BANK WOODVILLE, TEXAS (INSURED STATE NONMEMBER BANK) RESPONDENT'S NMLS UI# N/A	ORDER OF PROHIBITION FROM FURTHER PARTICIPATION FDIC-19-0093e

DAVID W. MANN (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 unsafe or unsound banking practices and 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 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 August 15, 2019, 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 an ORDER by the FDIC.

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

(a) Respondent has engaged or participated in unsafe or unsound banking practices and breaches of fiduciary duty as an institution-affiliated party of CITIZENS STATE BANK, WOODVILLE, TEXAS (Bank), within the meaning of 12 U.S.C. § 1813(u);

(b) Further, the FDIC has determined that while serving as Chief Executive Officer and Chairman of the Board of Directors of the Bank, Respondent intentionally sought and obtained reimbursement from the Bank for numerous expenses that were for the personal benefit of himself or his family members and which provided little to no benefit to the Bank. Respondent also misrepresented the nature and purpose of certain expenses that he submitted for reimbursement, thereby concealing that such expenses were for his personal use. In other instances, Respondent violated the Bank's expense reimbursement policy by obtaining reimbursement for various expenses without providing proper documentation.

(c) By reason of such practices and breaches of fiduciary duty, the Bank has suffered financial loss or other damage and Respondent received financial gain or other benefit; and

(d) Such practices and breaches of fiduciary duty involve personal dishonesty on the part of Respondent and demonstrate Respondent's willful and continuing disregard for the safety or 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 the Bank, any other insured depository institution, or any other agency or organization enumerated in 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. DAVID W. MANN 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). The FDIC agrees that it will respond promptly to any request by Respondent under this paragraph.

3. Notwithstanding the prohibitions set out in paragraph 1 above, Respondent may, for the purposes of facilitating the divestiture of stock:

(a) vote on any matter that is reasonably necessary to facilitate the orderly divesture of the stock of the Bank or its parent bank holding company, including but not limited to voting for a merger, sale, or liquidation involving the Bank, 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 after obtaining the prior written consent of approval of the FDIC.

4. 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.

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 30th day of January, 2020.

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