



Federal Housing Finance Agency

Constitution Center
400 7th Street, S.W.
Washington, D.C. 20219
Telephone: (202) 649-3800
Facsimile: (202) 649-1071
www.FHFA.gov

FINAL SUSPENSION ORDER

The Federal Housing Finance Agency, as safety and soundness regulator of Fannie Mae, Freddie Mac, and the eleven Federal Home Loan Banks (collectively the “regulated entities”), is issuing this Final Order pursuant to the following legal authorities:

1. Section 1313 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act), which authorizes FHFA to exercise such incidental powers as may be necessary in the supervision and regulation of the regulated entities. *See* 12 U.S.C. 4513(a)(2);
2. Section 1313B of the Safety and Soundness Act, which authorizes FHFA to establish standards for the regulated entities regarding prudential management of risks. FHFA is authorized to issue orders requiring the regulated entities to take any action that will best carry out the purposes of that section. *See* 12 U.S.C. 4513b(b)(2)(B)(iii); and
3. Section 1319G of the Safety and Soundness Act, which authorizes FHFA to issue any orders necessary to ensure that the purposes of the Safety and Soundness Act are accomplished. *See* 12 U.S.C. 4526(a).

Consistent with these authorities, FHFA has determined that any business relationship between Brady Daniel Torgerson and any of the regulated entities would present excessive risk to their safety and soundness.

This determination is based on the following findings:

1. Between 2019 and 2021, while employed at separate times as the President of First Security Bank-West and as a loan officer at the Union Bank, both located in Beulah, North Dakota, Brady Daniel Torgerson conducted banking transactions, which caused harm to both these banks and the banks’ individual customers.
2. While employed at First Security Bank-West, Brady Daniel Torgerson funded loans without obtaining necessary financial information, security interest documents, or promissory notes.
3. Brady Daniel Torgerson engaged in deceptive banking transactions by entering false information into First-Security Bank-West’s computer system, increasing loans so that they exceeded the original loan amounts, and extending loan maturity dates to conceal his activities.

4. While employed at the Union Bank, Brady Daniel Torgerson created fraudulent loan obligations in the names of three separate individuals who were neither responsible for these loans nor received the proceeds and benefits of these fraudulent obligations.
5. In August 2022, pursuant to a guilty plea, Brady Daniel Torgerson was convicted by the United States District Court for the District of North Dakota of bank fraud and was sentenced to twenty-four (24) months, with credit for time served, and three (3) years of supervised release.
6. The conduct underlying the conviction described above occurred in connection with financial transactions.

With this Final Order, FHFA is directing each regulated entity to cease or refrain from engaging in any business relationship with Brady Daniel Torgerson indefinitely, beginning on June 21, 2023. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Brady Daniel Torgerson's.

The Final Order's requirement for regulated entities to cease any business relationship with Brady Daniel Torgerson does not apply to the existing or future purchase, sale, modification, foreclosure alternative transaction, or other foreclosure-related transaction of a residential mortgage loan owned by a regulated entity if Brady Daniel Torgerson is the borrower of such residential mortgage loan and the transaction is for the borrower's own personal or household residence.

This Final Order is a final action of the Federal Housing Finance Agency.

Clinton Jones,
Suspending Official