



# Federal Housing Finance Agency

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## **CORRECTED FINAL SUSPENSION ORDER**

\* This Order was updated on July 6, 2021, to correct one typographical error on page one by deleting the word Indiana.

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

1. Section 1313B of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act) 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).
2. Section 1319G of the Safety and Soundness Act 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).
3. Section 1313 of the Safety and Soundness Act authorizes FHFA to exercise such incidental powers as may be necessary in the supervision and regulation of each regulated entity. *See* 12 U.S.C. 4513(a)(2).

Consistent with these authorities, FHFA has determined that any business relationship between Debra Kay Converse and a regulated entity would present excessive risk to the safety and soundness of the regulated entity.

This determination is based on the following findings:

1. Debra Kay Converse was employed by the First National Bank of Harveyville (“FNBH”), Harveyville, Kansas, as Vice President.
2. Debra Kay Converse, being an officer and employee of First National Bank of Harveyville, did systematically embezzle, abstract and purloin money, funds and credits of this bank, which were under the care, custody, and control of the bank, whose deposits are insured by the Federal Deposit Insurance Corporation. All the foregoing is in violation of Title 18, United States Code, Section 656.

3. On March 9, 2020, Debra Kay Converse was sentenced to three (3) years of supervised release by the United States District Court for the District of Kansas for one count of “Bank Fraud, Theft, Embezzlement and Misapplication, a Class B Felony.”
4. The conduct above occurred in connection with financial transactions.

With this Final Order, FHFA is directing each regulated entity to cease any business relationship with Debra Kay Converse for five (5) years, beginning on July 9, 2021. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Debra Kay Converse.

The Final Order’s requirement for regulated entities to cease any business relationship with Debra Kay Converse 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 Debra Kay Converse 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.

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Clinton Jones,  
Suspending Official



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