



FOR IMMEDIATE RELEASE

Thursday, April 3, 2014

Media Inquiries: 202-927-8940

Twitter: @SIGTARP

Web: www.SIGTARP.gov

FORMER TARP BANK EXECUTIVE INDICTED IN BANK FRAUD CONSPIRACY

WASHINGTON, DC - Christy Romero, Special Inspector General for the Troubled Asset Relief Program (SIGTARP); Christopher R. Thyer, United States Attorney for the Eastern District of Arkansas; Christopher A. Henry, Special Agent in Charge of the IRS-Criminal Investigation - Nashville Field Office; David T. Resch, Special Agent in Charge of the Little Rock Field Office of the Federal Bureau of Investigation; and Mark Bialek, Inspector General of the Board of Governors of the Federal Reserve System and the Consumer Financial Protection Bureau, today announced the Indictment of Gary Alan Rickenbach, age 56, of Little Rock, Ark., with one count of conspiracy to commit bank fraud, misapplication of bank monies, making false entries to deceive the Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation, obstructing an OCC examination, and money laundering. The Indictment, unsealed on Wednesday, also seeks forfeiture of the monies involved.

Rickenbach was a senior vice president of Onebank until February 2013. The indictment charges that he conspired with other persons to make false loans for the purpose of hiding the bank's loss on a \$1.5 million bad loan made in April 2007. The bad loan became uncollectable in 2008, and beginning in 2009, Rickenbach and others hid the loss from federal examiners by making loans to entities that he created or controlled. The new loans made by Rickenbach made Onebank appear to federal examiners to have fewer financial problems than was true.

"Rather than deal with the reality of having made a \$1.5 million bad loan that couldn't be collected, Rickenbach, a senior loan executive at Onebank, and others, in early 2009, allegedly attempted to hide the loss from non-bank board members and federal regulators in order to conceal the bank's true financial condition, and Rickenbach looked to TARP money to fund his fraud," said Christy Romero, Special Inspector General for TARP (SIGTARP). "Later, when bank executives worried that the bank's initial October 2008 request for \$10 million in taxpayer TARP funds wouldn't be enough to improve the bank's capital position, they increased their request to \$17.3 million, which the bank received in June 2009. Defrauding the federal government and taxpayers out of their hard-earned TARP investments is criminal, morally bankrupt, and won't be tolerated, and SIGTARP and our law enforcement partners will aggressively investigate all allegations of fraud related to TARP and bring perpetrators to justice."

According to TARP records, OneFinancial Corporation, the parent company of Onebank of Little Rock, Ark., received \$17.3 million in federal taxpayer funds through the U.S. Department of the Treasury Troubled Asset Relief Program (TARP) in June 2009. The \$17.3 million TARP investment remains outstanding, and as of December 31, 2013, OneFinancial Corporation has missed 19 dividend and interest payments totaling more than \$2.8 million in money owed to federal taxpayers as a result of the bank holding TARP funds.

Rickenbach faces a possible sentence of not more than five years' imprisonment, not more than a \$250,000 fine, and/or not more than three years of supervised release for the conspiracy charge. The maximum sentence for the money laundering conspiracy charged in Count 2 is not more than 20 years' imprisonment, not more than a \$500,000 fine, and/or not more than five years of supervised release.

The case is being investigated by special agents from SIGTARP, the IRS-Criminal Investigations, Federal Bureau of Investigation, Federal Reserve, and the FDIC. First Assistant United States Attorney Pat Harris and Assistant United States Attorney Angela Jegley are prosecuting the case for the United States.

The charges set forth in an Indictment are merely allegations. A defendant is presumed innocent until proven guilty.

This prosecution was brought in coordination with President Barack Obama's Financial Fraud Enforcement Task Force, which was established to wage an aggressive and coordinated effort to investigate and prosecute financial crimes. SIGTARP is a member of the task force. To learn more about the President's Financial Fraud Enforcement Task Force, please visit www.StopFraud.gov.

About SIGTARP

The Office of the Special Inspector General for the Troubled Asset Relief Program investigates fraud, waste, and abuse in connection with TARP.

To report suspected illicit activity involving TARP, dial the **SIGTARP Hotline**: 1-877-SIG-2009 (1-877-744-2009).

To receive alerts about quarterly reports, new audits, and media releases issued by SIGTARP, sign up at www.SIGTARP.gov/pages/press.aspx. Follow SIGTARP on Twitter @SIGTARP.

###