

UNITED STATES OF AMERICA
BEFORE THE
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D.C.

In the Matter of

JACOB HARRISON,

A former Institution-Affiliated Party of

REGIONS BANK, Birmingham, Alabama, a
state member-bank

Docket No. 17-42-E-I

Order of Prohibition Issued Upon
Consent Pursuant to Sections 8(e) and
8(i)(3) of the Federal Deposit
Insurance Act, as Amended

WHEREAS, the Board of Governors of the Federal Reserve System (the “Board of Governors”), pursuant to sections 8(e) and 8(i)(3) of the Federal Deposit Insurance Act, as amended (the “FDI Act”), 12 U.S.C. §§ 1818(e) and 1818(i)(3), issues this Order of Prohibition (this “Order”) upon the consent of Respondent Jacob Harrison (“Harrison”), a former employee and institution-affiliated party, as defined in sections 3(u) and 8(i)(3) of the FDI Act, 12 U.S.C. §§ 1813(u) and 1818(i)(3), of Regions Bank (“Regions” or the “Bank”), a state-member bank;

WHEREAS, between January 1, 2017 and July 6, 2017 (the “Relevant Period”), while employed as a Financial Services Specialist of the Bank, Harrison originated at least thirteen extensions of credit to Bank customers in which Harrison had knowingly inflated borrowers’ incomes in credit applications in order to make it appear that borrowers were more creditworthy than they actually were to obtain approval for the credit applications;

WHEREAS, Harrison received incentive compensation from Regions tied to his origination of customer credit extensions, including those with falsely inflated applicant income;

WHEREAS, originating extensions of credit with falsely inflated applicant income constituted an unsafe or unsound practice, and constituted false entries in the Bank's records;

WHEREAS, Harrison was terminated from his position at Regions, and

WHEREAS, by affixing his signature hereunder, Harrison has consented to the issuance of this Order by the Board of Governors and has agreed to comply with each and every provision of this Order, and has waived any and all rights he might have pursuant to 12 U.S.C. § 1818, 12 C.F.R. Part 263, or otherwise: (a) to the issuance of a notice of intent to prohibit on any other matter implied or set forth in this Order; (b) to a hearing for the purpose of taking evidence with respect to any matter implied or set forth in this Order; (c) to obtain judicial review of this Order or any provision hereof; and (d) to challenge or contest in any manner the basis, issuance, terms, validity, effectiveness, or enforceability of this Order or any provision hereof.

NOW THEREFORE, before the filing of any notices, or taking of any testimony or adjudication of or finding on any issue of fact or law implied or set forth herein, and solely for the purpose of settling this matter without a formal proceeding being filed and without the necessity for protracted or extended litigation,

IT IS HEREBY ORDERED that:

1. Harrison, without the prior written approval of the Board of Governors and, where necessary pursuant to section 8(e)(7)(B) of the FDI Act, 12 U.S.C. § 1818(e)(7)(B), another Federal financial institutions regulatory agency, is hereby and henceforth prohibited from:
 - a. participating in any manner in the conduct of the affairs of any institution or agency specified in section 8(e)(7)(A) of the FDI Act, 12 U.S.C. § 1818(e)(7)(A), including, but not limited to, any insured depository institution or any holding company of an insured depository institution, or any subsidiary of such holding company, or any foreign bank or company

to which subsection (a) of 12 U.S.C. § 3106 applies and any subsidiary of such foreign bank or company;

- 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 institution described in section 8(e)(7)(A) of the FDI Act, 12 U.S.C. § 1818(e)(7)(A);
- c. violating any voting agreement previously approved by any Federal banking agency; or
- d. voting for a director, or serving or acting as an institution-affiliated party, as defined in sections 3(u) and 8(b)(3) of the FDI Act, 12 U.S.C. §§ 1813(u) and 1818(b)(3), such as an officer, director or employee, in any institution described in section 8(e)(7)(A) of the FDI Act, 12 U.S.C. § 1818(e)(7)(A).

2. All communications regarding this Order shall be addressed to:

- (a) Richard Ashton, Esq.
Deputy General Counsel
Patrick M. Bryan, Esq.
Assistant General Counsel
Board of Governors of the Federal Reserve System
20th & C Streets, N.W.
Washington, DC 20551
- (b) Jacob Harrison

3. Any violation of this Order shall separately subject Harrison to appropriate civil or criminal penalties, or both, under sections 8(i) and (j) of the FDI Act, 12 U.S.C §§ 1818(i) and (j).

4. The provisions of this Order shall not bar, estop, or otherwise prevent the Board of Governors, or any other Federal or state agency or department, from taking any other action affecting Harrison; provided, however, that the Board of Governors shall not take any further action against Harrison on any matters concerning or arising from the matters addressed by this Order based upon facts presently known by the Board of Governors. This release and discharge shall not preclude or affect (i) any right of the Board of Governors to determine and ensure compliance with this Order, or (ii) any proceedings brought by the Board of Governors to enforce the terms of this Order.

5. Each provision of this Order shall remain fully effective and enforceable until expressly stayed, modified, terminated, or suspended in writing by the Board of Governors.

By order of the Board of Governors of the Federal Reserve System, effective this 13th day of December, 2017.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

/s/ _____
Jacob Harrison

By: /s/ _____
Ann E. Misback
Secretary of the Board