

U.S. Department of Justice



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**FORMER ONEBANC SENIOR VICE PRESIDENT INDICTED
ON BANK FRAUD CHARGES**

LITTLE ROCK, AR – 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; Christy Romero, Special Inspector General for TARP (SIGTARP); and Mark Bialek, Inspector General of the Board of Governors of the Federal Reserve System and the Consumer Financial Protection Bureau; announced an Indictment charging Gary Alan Rickenbach, age 56, of Little Rock, Arkansas 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 and the Federal Deposit Insurance Corporation, obstructing an OCC examination and money laundering was unsealed today. The indictment also seeks forfeiture of the monies involved.

“When a bank executive misuses their position, it violates the public trust and puts the financial stability of the institution at risk,” said SAC Henry. “ This indictment demonstrates the government’s commitment to protecting the integrity of our nation’s financial system. We are proud to work with our law enforcement partners by lending our expertise in these complex financial investigations.”

“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 Onebanc, 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."

"We are committed to holding accountable wrongdoers whose fraudulent actions impact the safety and soundness of financial institutions regulated by the Federal Reserve Board," said Mark Bialek, Inspector General.

According to TARP records, One Financial Corporation, the parent company of One Bank and Trust of Little Rock, Arkansas, received \$17.3 million in federal taxpayer funds through the U.S. Department of the Treasury Troubled Asset Relief Program (TARP) in June 2009. To date, these funds are still outstanding.

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 of 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 the federal examiners by making loans to entities that he created or controlled. The new loans made by Rickenbach made Onebank appear to have less financial problems to the federal examiners than was true.

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

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

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