



October 21, 2019

Nicole Rawlston

**REDACTED**

East Brookfield MA 01515

Re: Pretrial Diversion - Prohibition from Banking Industry

Dear Ms. Rawlston:

The Federal Reserve Bank of Boston has become aware that you entered into a pretrial diversion or similar program in connection with the resolution of a criminal complaint that charged you with larceny, forgery and uttering of a false check in connection with your employment at Cornerstone Bank (formerly Spencer Savings Bank). A copy of the court document reflecting your entry into the program is attached. Because you have agreed to enter into a pretrial diversion or similar program in connection with the prosecution of a crime involving dishonesty or breach of trust, you are automatically subject to the prohibitions set forth in Section 19 of the Federal Deposit Insurance Act, 12 U.S.C. § 1829 ("Section 19"), for financial organizations and in Section 205 of the National Credit Union Act, 12 U.S.C. § 1785(d) ("Section 205(d)"), for insured credit unions.

Section 19 and Section 205(d) prohibit you from becoming or continuing as an institution-affiliated party with respect to any of the financial organizations described below. That means that you may not, among other things, act as an employee, officer, director, or agent of these banking organizations or credit unions. Nor may you otherwise participate, directly or indirectly, in the conduct of the affairs of any of these organizations. You are also prohibited from directly or indirectly owning or controlling any insured depository institution or holding company. These statutes do not prohibit you from being a normal, arms-length customer of a banking organization or credit union, such as having a loan, checking or savings account.

The prohibitions of Section 19 and Section 205(d) cover all insured depository institutions, including, but not limited to, any bank, savings association or credit union, and their holding companies, as well as Edge Act corporations and Agreement corporations. The Federal Deposit Insurance Corporation may grant written consent for you to engage in otherwise prohibited conduct with respect to insured depository institutions, and the Federal Reserve may grant written consent with respect to bank and savings and loan holding companies and Edge Act and Agreement corporations. The National Credit Union Administration Board may grant consent for insured credit unions. The automatic prohibition does not cover affiliation with a subsidiary of a bank holding company that is not itself a bank holding company, or a subsidiary of a savings and loan holding company that is not itself a savings and loan holding company, or uninsured branches or agencies of foreign banks, unless the appropriate federal banking agency takes further action against you.

Should you engage in prohibited conduct without obtaining the required consent from the appropriate agency, you could be subject to daily criminal fines of up to \$1,000,000 or up to five years' imprisonment.

This letter will be posted on the public website of the Board of Governors of the Federal Reserve System. If you believe that the prohibitions of Section 19 and Section 205(d) do not apply to you, because, for example, your conviction has been reversed on appeal, or for any other reason, please contact the undersigned in writing at this Reserve Bank.

Sincerely,  
**REDACTED**

Ronald J. Adams  
Assistant Vice President  
Regional & Community Unit  
Supervision, Regulation & Credit Department

cc: East Brookfield District Court  
Attention: District Attorney's Office  
544 East Main Street  
East Brookfield, MA 01515

Legal-Section 19Letters@frb.gov

Special Activities Section, Division of Supervision  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street N.W.  
Washington, D.C. 20249

Commissioner of Banks  
Commonwealth of Massachusetts Division of Banks  
1000 Washington Street, 10<sup>th</sup> Floor  
Boston, MA 02118

Director  
Department of Supervision  
National Credit Union Administration  
1900 Duke Street, Suite 300  
Alexandria, VA 22314

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K. Michael Robbins, Chairman and Chief Executive Officer  
Cornerstone Bank (formerly Spencer Savings Bank)  
176 Main Street  
Spencer, MA 01562

Order of Probation Conditions, dated September 24, 2019, and Criminal Docket, dated October 11, 2019, concerning *State of Massachusetts v. Nicole P. Rawlston*, Case No. 1769CR000515, in the East Brookfield District Court on file.