



GAYLE TEAGUE
ASSISTANT VICE PRESIDENT

FEDERAL RESERVE BANK
OF DALLAS

2200 N. PEARL ST.
DALLAS, TX 75201-2272

July 1 , 2009

Ms. Betty French

[REDACTED]
Dawson, Texas 76639

Re: Criminal Conviction – Prohibition from Banking Industry

Dear Ms. French:

The Federal Reserve Bank of Dallas has become aware that you were convicted upon a plea of guilty of theft or embezzlement by a bank employee in connection with your employment by First Bank & Trust Company. A copy of your judgment in a criminal case is attached. Because you have been convicted 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 amended ("Section 19") (12 U.S.C. § 1829) for banking organizations and in section 205 of the National Credit Union Act, as amended ("Section 205(d)") (12 U.S.C. § 1785(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 banking organizations or credit unions described below. This 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 an 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 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 holding companies and Edge and Agreement corporations. The Office of Thrift Supervision may grant consent with respect to savings and loan association holding companies. The National Credit Union Administration Board may grant consent for insured credit unions. The automatic prohibition does not cover non-

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bank subsidiaries of bank holding companies 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 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 me in writing.

Very truly yours,



cc: Mr. Stephen Meyer
Assistant General Counsel
Board of Governors
Legal Division – Mail Stop 13
Washington, DC 20551

Special Activities Section
Division of Supervision
Federal Deposit Insurance Corporation
550 17th Street N. W.
Washington, DC 20429

Mr. Charles Cooper
Commissioner
Texas Department of Banking
2601 N. Lamar
Austin, Texas 78705

Regional Director
National Credit Union Administration
4807 Spicewood Springs Road
Suite 5200
Austin, Texas 78759

Mr. Conrad Newton, III
President
First Bank & Trust Company
109 N. Main St.
Dawson, Texas 76639

Ms. Phelesa Guy
Assistant U. S. Attorney
U. S. Attorney's Office – Dallas Division
1100 Commerce St., 3rd floor
Dallas, Texas 75242

Judgment of Conviction, dated June 16, 2009, concerning *United States of America v. Betty Lewis French*, Case No. 3:09-CR-044-M (01), in the United States District Court for the Northern District of Texas, Dallas Division on file.