

INFORMATIONAL MEMORANDUM



September 10, 2019

To: Chief Executive Officer  
All Farm Credit System Institutions

From: Roger Paulsen, Acting Director and Chief Examiner, Office of Examination

Subject: Notice of Prohibition

The Farm Credit Administration issued a notice of prohibition to Michael Shelley on September 9, 2019. Mr. Shelley is a former employee of Lone Star, ACA. Because of a conviction of criminal offenses involving dishonesty or a breach of trust, Mr. Shelley is prohibited from serving in any Farm Credit System (FCS) institution.

The authority for this prohibition is located in section 5.65(d), 12 U.S.C. §2277a-14, of the Farm Credit Act of 1971, as amended. According to this section, without FCA's prior written consent, it is unlawful for any person convicted of any criminal offense involving dishonesty or a breach of trust to serve as a director, officer, or employee of any FCS institution. An institution that violates section 5.65(d) may be fined \$100 per day for each day the violation occurs. The section does not impose a penalty against the individual. We also may take further enforcement action against an FCS institution or employee for hiring a prohibited individual.

We notify FCS institutions about notices of prohibition through informational memorandums like this one. To read about other notices of prohibition, search the [catalog](#) of our informational memorandums. Other federal financial regulators also issue notices of prohibition and provide information about these notices on their websites.

Before offering employment to anyone, your institution should search our website and those of other regulators for notices of prohibition and orders of removal, suspension, or prohibition. We also encourage you to monitor these websites regularly for updates. For links to the websites of other federal financial regulators, see our [Useful web links page](#).

Also, as always, be sure to inform our Office of the Chief Examiner if you become aware of any directors, officers, or employees who may be guilty of a criminal offense involving dishonesty or breach of trust.

If you have any questions, please contact one of the individuals below:

- Craig Wondra, Senior FCA Examiner, Office of Examination, at (952) 259-0441 or [wondrac@fca.gov](mailto:wondrac@fca.gov)
- Nancy Tunis, Senior Counsel, Office of General Counsel, at (703) 883-4061 or [tunisn@fca.gov](mailto:tunisn@fca.gov)