FINAL SUSPENSION ORDER

The Federal Housing Finance Agency, as safety and soundness regulator of Fannie Mae, Freddie Mac, and the eleven Federal Home Loan Banks (collectively the “regulated entities”), is issuing this Final Order pursuant to the following legal authorities:

1. Section 1313 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act) authorizing FHFA to exercise such incidental powers as may be necessary in the supervision and regulation of the regulated entities. See 12 U.S.C. 4513(a)(2);

2. Section 1313B of the Safety and Soundness Act of 1992 authorizes FHFA to establish standards for the regulated entities regarding prudential management of risks. FHFA is authorized to issue orders requiring the regulated entities to take any action that will best carry out the purposes of that section. See 12 U.S.C. 4513b(b)(2)(B)(iii); and

3. Section 1319G of the Safety and Soundness Act authorizing FHFA to issue any orders necessary to ensure that the purposes of the Safety and Soundness Act are accomplished. See 12 U.S.C. 4526(a).

Consistent with these authorities, FHFA has determined that any business relationship between Daniel Whitehurst and the regulated entities would present excessive risk to their safety and soundness.

This determination is based on the following findings:

1. Daniel Whitehurst was an employee of a real estate development company that did business in Maryland, and borrowed money from Cecil Bank, a bank located in Elkton, Maryland.

2. Cecil Bank's deposits were insured by the Federal Deposit Insurance Corporation, and the bank was a member of the Federal Home Loan Bank System.

3. On December 23, 2008, Cecil Bancorp, Inc., the holding company for Cecil Bank, received $11,560,000 in federal taxpayer funds under the Capital Purchase Program as part of the Troubled Asset Relief Program.
4. Daniel Whitehurst from 2012 to 2013 conspired with Mary Beyer Halsey, Chief Executive Officer at Cecil Bank, to defraud Cecil Bank to purchase a home through false pretenses, representations and promises.

5. Daniel Whitehurst was sentenced by the United States District Court for the District of Maryland to imprisonment for a term of one day time served and to two years supervised release.

6. The conduct underlying the conviction described above occurred in connection with a mortgage business and a financial transaction.

With this Final Order, FHFA is directing each regulated entity to cease or refrain from engaging in any business relationship with Daniel Whitehurst, for a term of five (5) years, beginning on March 30, 2022. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Daniel Whitehurst.

The Final Order’s requirement for regulated entities to cease any business relationship with Daniel Whitehurst does not apply to the existing or future purchase, sale, modification, foreclosure alternative transaction, or other foreclosure-related transaction of a residential mortgage loan owned by a regulated entity, if Daniel Whitehurst is the borrower of such residential mortgage loan and the transaction is for the borrower’s own personal or household residence.

This Final Order is a final action of the Federal Housing Finance Agency.

CLINTON JONES

Clinton Jones,
Suspending Official