



# Federal Housing Finance Agency

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## 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 (the “regulated entities”), is issuing this Final Suspension Order (“Final Order”) pursuant to the following legal authorities:

1. Section 1313B of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act) 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).
2. Section 1319G of the Safety and Soundness Act authorizes 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).
3. Section 1313 of the Safety and Soundness Act authorizes FHFA to exercise such incidental powers as may be necessary in the supervision and regulation of each regulated entity. *See* 12 U.S.C. 4513(a)(2).

Consistent with these authorities, FHFA has determined that any business relationship between Jeffrey Sprague and a regulated entity would present excessive risk to the safety and soundness of the regulated entity.

This determination is based on the following findings:

1. Jeffrey Sprague was a loan officer in Bend, Oregon at a financial institution acquired by a member of a Federal Home Loan Bank.
2. Jeffrey Sprague and co-conspirators knowingly and willfully conspired, combined, confederated, and agreed together and with each other to commit bank fraud, in violation of 18 U.S.C. §1344, loan application fraud, in violation of 18 U.S.C. §1014, and wire fraud, in violation of 18 U.S.C. §1343.
3. On or about May 22, 2014, Jeffrey Sprague was sentenced in the United States District Court, District of Oregon to forty-six (46) months imprisonment and three (3) years of supervised release for Conspiracy to Commit Bank Fraud and Loan Application Fraud.

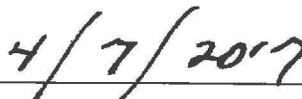
4. As described in the Superseding Indictment filed in the United States District Court for the District of Oregon on September 19, 2012, the conduct underlying the conviction listed above occurred in connection with a financial transaction.

With this Final Order, FHFA is directing each regulated entity to cease any business relationship with Jeffrey Sprague for ten (10) years, beginning on June 7, 2017. This suspension extends to any individual, company, partnership or other group that FHFA determines to be an affiliate of Jeffrey Sprague.

The Final Order's requirement for regulated entities to cease any business relationship with Jeffrey Sprague 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 Jeffrey Sprague 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.

  
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Alfred M. Pollard  
Suspending Official

  
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Date: