Federal Housing Finance Agency

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FINAL SUSPENSION ORDER

The Federal Housing Finance Agency ("FHFA"), as safety and soundness regulator of the Federal National Mortgage Association ("Fannie Mae"), Federal Home Loan Mortgage Corporation ("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, as amended by the Housing and Economic Recovery Act of 2008, Pub. L. No. 110-289, 122 Stat. 2654 (codified as 12 U.S.C. § 4511 et seq.), ("Safety and Soundness Act"), authorizes 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 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).

3. 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).

4. 12 CFR § 1227.6, FHFA's regulation governing the issuance of a final suspension order and the factors that may be considered by the suspending official.

Consistent with these authorities, FHFA has determined that any business relationship between Andrew P. Blassie ("Blassie") and any of the regulated entities would present excessive risk to their safety and soundness.

This determination is based on the following findings:

1. Blassie was the Executive Vice President of the Bank of O'Fallon (the "Bank") and Security First Bancshares, Inc.

2. The Bank was a financial institution located in O'Fallon, Illinois. The deposits of the Bank were insured by the Federal Deposit Insurance Corporation. Security First Bancshares, Inc., was a holding company that owned the Bank.

3. From at least September 29, 2023, through at least September 25, 2024, Blassie knowingly and intentionally devised and engaged in a scheme to defraud the Bank and to obtain money, funds, and property belonging to the Bank by means of materially false and

fraudulent pretenses. Blassie used his position as Executive Vice President to conceal his fraud from the Bank.

4. To pay his personal expenses and make payments to others, Blassie devised a scheme to fraudulently inflate the balance of a personal checking account, and use funds belonging to the Bank, rather than his own funds.

5. One of the accounts used in the scheme was a home equity line of credit account in Blassie and his wife's name.

6. As a result of Blassie's fraud scheme, the Bank sustained a loss of $1,9722,887.67.

7. In addition, from approximately August 2016 and continuing through approximately September 2024, Blassie knowingly devised and engaged in a scheme to defraud and steal money from a married couple who were long time customers of the Bank.

8. Specifically, Blassie persuaded the couple to withdraw $489,000 of their retirement savings that had been invested at the Bank and provide these funds to Blassie for investment. Blassie promised he would pay them 7% interest on these funds. Blassie used money obtained from the Bank via his fraud scheme to make regular payments to the couple until in September of 2024, he stopped making payments and advised the couple that their principal was gone and the stock certificates he had pledged to them were worthless.

9. Based on this misconduct and pursuant to a guilty plea, judgment was entered against Blassie on September 18, 2025. Blassie was convicted by the United States District Court for the Southern District of Illinois for bank fraud and interstate transportation of securities and money taken by theft and fraud.

10. Blassie was sentenced to sixty-three (63) months of imprisonment, followed by two (2) years of supervised release. Restitution was ordered to be paid to the defrauded married couple in the amount of $489,000 and the Bank in the amount of $1,972,887.67 plus interest.

11. The conduct underlying the conviction described above occurred in connection with a mortgage-related lending product, namely a home equity line of credit, or other lending product.

12. The above-referenced conviction constitutes covered misconduct, as that term is defined at 12 CFR 1227.2, that is of a type that would be likely to cause significant financial or reputational harm to a regulated entity or otherwise threaten the safe and sound operation of a regulated entity.

With this Final Order, FHFA is directing each regulated entity to cease or refrain from engaging in any business relationship with Andrew P. Blassie indefinitely, beginning on July 8, 2026.

The Final Order's requirement for the regulated entities to indefinitely cease any business relationship with Andrew P. Blassie 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 Andrew P. Blassie 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

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Clinton Jones,
Suspending Official