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 Kyle Joseph Peine ("Peine") engaged in "covered misconduct" 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.

This determination is based on the following findings:

1. On May 27, 2025, Peine consented to the issuance of a Prohibition Order by entering into a Stipulation and Consent to the Issuance of an Order of Prohibition from Further Participation (the "Prohibition Order") with a representative of the Federal Deposit Insurance Corporation ("FDIC")'s legal division.

2. On September 18, 2025, the FDIC issued the corresponding Prohibition Order.

3. The Prohibition Order states that between March 2023 and October 2023, Peine-who was then serving as Vice President and Loan Officer for State Service Bank, Gamett, Kansas ("Goppert"), originated two unsecured loans. Peine knowingly originated unsecured loans and attempted to create an appearance of secured credit by disbursing the loan proceeds to checking accounts and placing deposit holds on the disbursed funds. Peine then repeatedly caused or allowed deposit holds to be released without obtaining any collateral.

4. The Prohibition Order further states that:

    a. Peine engaged in unsafe or unsound practices in connection with Goppert and breached fiduciary duties owed to Goppert;

    b. Peine's practices and breaches caused Goppert to suffer financial loss; and

    c. Peine's practices and breaches demonstrated Peine's willful and continuing disregard for the safety or soundness of Goppert.

5. Goppert is a member of the Federal Home Loan Bank of Topeka.

6. Pursuant to the Prohibition Order, Peine is prohibited from:

    a. Participating in any manner in the conduct of the affairs of any financial institution or organization listed in 12 U.S.C. § 1818(e)(7)(A);

    b. Soliciting, procuring, transferring, attempting to transfer, voting, or attempting to vote any proxy, consent, or authorization with respect to any voting rights in any financial institution enumerated in 12 U.S.C. § 1818(e)(7)(A);

    c. Violating any voting agreement previously approved by the appropriate Federal banking agency; and

    d. Voting for a director or serving or acting as an institution-affiliated party.

7. The above-referenced administrative sanction constitutes covered misconduct as that term is defined at 12 CFR § 1227.2 and 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 covered transaction with Kyle Joseph Peine indefinitely, beginning on September 9, 2026.

The Final Order's requirement for the regulated entities to indefinitely cease engaging in any covered transaction with Kyle Joseph Peine 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 Kyle Joseph Peine 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