

UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
OFFICE OF THE COMPTROLLER OF THE CURRENCY

In the Matter of:)	
)	
Terri Lynn Pulley)	AA-EC-2018-24
Vice President)	
)	
BOKF, N.A.)	
Tulsa, Oklahoma)	
)	

CONSENT ORDER

WHEREAS, the Office of the Comptroller of the Currency (“OCC”) intends to initiate cease and desist and civil money penalty proceedings against Terri Lynn Pulley (“Respondent”) pursuant to 12 U.S.C. § 1818(b) and (i) on the basis of Respondent’s activities while serving as Vice President of BOKF, N.A., Tulsa, Oklahoma (“Bank”);

WHEREAS, in the interest of cooperation and to avoid the costs associated with future administrative and judicial proceedings with respect to the above matter, Respondent, without admitting or denying any wrongdoing, desires to consent to the issuance of this Consent Order (“Order”) issued pursuant to 12 U.S.C. § 1818 (b) and (i);

NOW, THEREFORE, it is stipulated by and between the OCC, through the duly authorized representative of the Comptroller of the Currency (“Comptroller”), and Respondent that:

ARTICLE I

JURISDICTION

(1) The Bank is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2).

(2) Respondent is an employee of the Bank and is an “institution-affiliated party” of the Bank as that term is defined in 12 U.S.C. § 1813(u), having served in such capacity within six (6) years from the date of this Order. *See* 12 U.S.C. § 1818(i)(3).

(3) The Bank is a national banking association within the meaning of 12 U.S.C. § 1813(q)(1)(A), and is chartered and examined by the OCC. *See* 12 U.S.C. § 1 *et seq.*

(4) The OCC is the “appropriate Federal banking agency” as that term is defined in 12 U.S.C. § 1813(q) and is therefore authorized to initiate and maintain this cease and desist and civil money penalty action against Respondent pursuant to 12 U.S.C. § 1818(b) and (i).

ARTICLE II

COMPTROLLER’S FINDINGS

The Comptroller finds, and Respondent neither admits nor denies, the following:

(1) During the period from 2012 to 2015, Respondent served as a Relationship Manager in the Bank’s Wealth Management Department. In her position, Respondent was responsible for fulfilling the Bank’s obligations as Trustee for certain municipal security issues pursuant to Bank policy; the terms of Indenture Agreements and related trust documents (collectively, the “Controlling Documents”); and controlling law governing municipal securities. With regard to securities issued on behalf of corporate borrowers all controlled by or related to a single individual, Respondent:

- (a) Permitted the use of Bond Debt Service Reserves by the borrower without establishing a plan to replenish the Debt Service Reserve Accounts as required by the terms of the individual bonds;
- (b) Failed to issue contractually required Notices regarding:
 - (i) distributions from Bond Debt Services Reserves;

- (ii) the occurrence of defined Events of Default by Borrowers pursuant to the Controlling Documents;
 - (iii) borrower non-compliance with financial reporting requirements to owners of the shares of the municipal securities (“Bondholders”) or the “Disclosure Representative” for the Bondholders identified within the Controlling Documents.
- (c) Failed to investigate and ensure compliance with Pledged Revenue Requirements within the Controlling Documents;
- (d) Failed to comply with required reporting requirements using the Municipal Securities Rulemaking Board website, Electronic Municipal Market Access (EMMA);
- (e) Failed to issue required Notices to the borrower of an Event of Default, as defined within the Controlling Documents, and demanding that the borrower cure the default, thereby failing to preserve and protect the rights of the Bondholders to take any action provided for within the Controlling Documents; and
- (f) Authorized payment of Trustee fees to the Bank from Bond Debt Service Reserve accounts despite the fact that the use of such funds for that purpose was not authorized under the Controlling Documents.

(2) By reason of the foregoing conduct, Respondent engaged in violations of law and regulation, engaged in reckless unsafe or unsound practices, which violations or practices, were part of a pattern of misconduct and caused or were likely to cause more than a minimal loss to the Bank. Respondent’s misconduct resulted in loss or risk of loss to the Bank, or

prejudice to the interests of depositors; demonstrated willful or continuing disregard for the safety and soundness of the Bank, or involved a reckless disregard for the law or applicable regulations.

ARTICLE III

ORDER FOR CIVIL MONEY PENALTY

Respondent consents to, and it is ORDERED that:

(1) Respondent shall pay a civil money penalty in the amount of Two Thousand Five Hundred dollars (\$2,500), which shall be paid in full according to the following payment schedule:

(a) One Thousand Five Hundred dollars (\$1,500) shall be paid upon Respondent's execution of this Order; and

(b) A final installment of One Thousand dollars (\$1,000) and any outstanding balance shall be paid no later than September 30, 2018.

(2) Respondent shall make payments via pay.gov or wire transfer, in accordance with instructions provided by the Comptroller. The docket number of this case (AA-EC-2018-24) shall be referenced in connection with the submitted payment.

(3) If Respondent fails to comply with any provision of this Order, then the entire balance of the civil money penalty amount described in this Article shall become immediately due and payable.

(4) This Order shall be enforceable to the same extent and in the same manner as an effective and outstanding order that has been issued and has become final pursuant to 12 U.S.C. § 1818.

(5) Within seven (7) days from the issuance of this Order, Respondent shall notify the Director of the Enforcement & Compliance Division (“Enforcement Director”) of the address of his current place of residence, by completing the form attached hereto as Appendix A.

(6) Until the civil money penalty is paid in full, upon each and every subsequent change in place of residence, if any, Respondent shall notify the Enforcement Director of his new address within seven (7) days of such change in address, by sending written notice to Enforcement Director, 400 7th Street S.W., Washington, DC 20219.

ARTICLE IV

ORDER TO CEASE AND DESIST

Respondent consents to, and it is ORDERED that:

(1) Whenever Respondent is employed by or is otherwise affiliated with any depository institution as defined in 12 U.S.C. § 1813(c)(1) or otherwise becomes an institution-affiliated party as defined in 12 U.S.C. § 1813(u), Respondent shall:

- (a) Comply fully with all laws and regulations applicable to the institution;
- (b) Not engage or participate in any unsafe or unsound practice, as that term is used in Title 12 of the United States Code;
- (c) Fulfill her fiduciary duties of loyalty and care and, at all times, avoid placing her own interests above those of the institution;
- (d) Adhere to the institution’s written policies and procedures, or receive written permission from appropriate authorized individuals to do otherwise;
- (e) Comply with the terms of any Indenture Agreement, Continuing Disclosure Agreement or any other document governing the relationship

between the borrower, trustee, and/or bond purchasers for any municipal bond for which the Respondent is assigned as Trust Officer, Trustee or Relationship Manager; and

Complete eight (8) hours of corporate trust compliance and operations training and eight (8) hours of ethics training within one (1) year of the date of the execution of this Order. Respondent shall provide written certification of compliance with this paragraph to the Director, Enforcement & Compliance Division, Office of the Comptroller of the Currency, 400 7th Street, SW, Washington, DC 20219.

(2) If Respondent is currently an institution-affiliated party, she shall provide the President or Chief Executive Officer of the institution with a copy of this Order within ten (10) days of execution of this Order.

(3) Prior to accepting any offer of a position that causes Respondent to become an institution-affiliated party, she shall provide the President or Chief Executive Officer of the institution with a copy of this Order.

(4) Within ten (10) days of satisfying the requirements of paragraphs (2) and/or (3) of this Article, Respondent shall provide written certification of her compliance to the Director, Enforcement & Compliance Division, Office of the Comptroller of the Currency, 400 7th Street, SW, Washington, DC 20219.

(5) If, at any time, Respondent is uncertain whether a situation implicates paragraph (1) of this Article, or if Respondent is uncertain about her duties arising from such paragraph, she shall obtain, at her own expense, and abide by the written advice of counsel regarding her duties and responsibilities with respect to the matter. To comply with this paragraph, Respondent shall

engage counsel who is in no way affiliated with the institution; and who has never been subject to any formal sanctions by any Federal banking agency, either by agency order or consent, as disclosed on the banking agencies' websites.

(6) This Order shall be enforceable to the same extent and in the same manner as an effective and outstanding order that has been issued and has become final pursuant to 12 U.S.C. § 1818.

ARTICLE V

BANKRUPTCY

(1) If Respondent files for bankruptcy protection, Respondent shall notify the Enforcement Director within ten (10) days of the filing and shall provide a copy of the filing to the Enforcement Director.

(2) In any bankruptcy proceeding in which it is or may be contended that Respondent's obligation to pay a civil money penalty pursuant to this Order is subject to discharge, Respondent will in no manner contest the assertion of the OCC or any officer, employee, or agent of the OCC or any agent, officer, or representative of the United States, pursuant to 11 U.S.C. § 523(a) or otherwise, that the civil money penalty obligation in the Order arises out of acts which result in claims not dischargeable in bankruptcy.

ARTICLE VI

CLOSING

- (1) By executing this Order, Respondent waives:
- (a) the right to a Notice of Charges for Issuance of an Order to Cease and Desist and/or Notice of Civil Money Penalty Assessment under 12 U.S.C. § 1818[(b) and (i)];

- (b) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(b) and/or (i) and 12 C.F.R. Part 19;
- (c) all rights to seek judicial review of this Order;
- (d) all rights in any way to contest the validity of this Order; and
- (e) any and all claims for fees, costs, or expenses against the United States, the OCC, or any officer, employee, or agent of the OCC, related in any way to this enforcement matter or this Order, whether arising under common law or under the terms of any statute, including, but not limited to, the Equal Access to Justice Act, 5 U.S.C. § 504 and 28 U.S.C. § 2412.

(2) Respondent shall not cause, participate in, or authorize the Bank (or any subsidiary or affiliate of the Bank) to incur, directly or indirectly, any expense relative to the negotiation and issuance of this Order except as permitted by 12 C.F.R. § 7.2014 and Part 359. In addition, Respondent shall not, directly or indirectly, obtain or accept any indemnification (or other reimbursement) from the Bank (or any subsidiary or affiliate of the Bank) with respect to such amounts except as permitted by 12 C.F.R. § 7.2014 and Part 359; provided, however, Respondent may not obtain or accept such indemnification with respect to payment of the civil money penalty.

(3) Respondent acknowledges that she has read and understands the premises and obligations of this Order and declares that no separate promise or inducement of any kind has been made by the OCC or any officer, employee, or agent of the OCC to cause or induce Respondent to agree to consent to the issuance of this Order and/or to execute this Order.

(4) This Order constitutes a settlement of any proceedings arising out of the facts, omissions, or violations described in the Comptroller's Findings (Article II of this Order). The

OCC agrees not to institute the proceedings referenced in the first whereas clause of this Order for the specific acts, omissions, or violations described in Article II of this Order unless such acts, omissions, or violations reoccur. However, the specific acts, omissions, or violations described in Article II may be used by the OCC in future enforcement actions to establish a pattern of misconduct or the continuation of a pattern of misconduct.

(5) This Order shall not be construed as an adjudication on the merits and, except as set forth in paragraph (4) above, shall not inhibit, estop, bar, or otherwise prevent the OCC from taking any action affecting Respondent if, at any time, the OCC deems it appropriate to do so to fulfill the responsibilities placed upon the OCC by the several laws of the United States.

(6) Nothing in this Order shall preclude any proceedings brought by the OCC to enforce the terms of this Order, and nothing in this Order constitutes, nor shall Respondent contend that it constitutes, a waiver of any right, power, or authority of any other representatives of the United States or agencies thereof, including the Department of Justice, to bring other actions deemed appropriate.

(7) This Order is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 1818, and expressly does not form, and may not be construed to form, a contract binding on the United States, the OCC, or any officer, employee, or agent of the OCC. Respondent expressly acknowledges that no officer, employee, or agent of the OCC has statutory or other authority to bind the United States, the United States Treasury Department, the OCC, or any other federal bank regulatory agency or entity, or any officer, employee, or agent of those entities, to a contract affecting the OCC's exercise of its supervisory responsibilities.

(8) This Order is “issued with the consent of . . . the institution-affiliated party concerned,” pursuant to 12 U.S.C. § 1818(h)(2).

(9) The terms of this Order, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements, or prior arrangements between the parties, whether oral or written.

(10) The provisions of this Order are effective upon issuance by the OCC, through the Comptroller’s duly authorized representative, whose hand appears below, and shall remain effective and enforceable, except to the extent that, and until such time as, any provisions of this Order shall have been amended, suspended, waived, or terminated in writing by the OCC, through the Comptroller’s duly authorized representative.

IN TESTIMONY WHEREOF, the undersigned has hereunto set her hand.

/s/Terri Lynn Pulley

6-13-2018

Terri Lynn Pulley

Date

IT IS SO ORDERED.

/s/Michael Brickman

6/20/2018

Michael Brickman
Deputy Comptroller for Special Supervision

Date