FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, D.C.

In the Matter of: **STEPHANIE M. CASTO,** an institution-affiliated party of Truist Bank Charlotte, North Carolina (Insured State Nonmember Bank)	Docket No.: FDIC-23-0097e

ORDER NO. 2: ORDER OF DEFAULT AND RECOMMENDED DECISION FOR PROHIBITION FROM FURTHER ACTIVITIES

This order arises under a Motion for Entry of an Order of Default (Default Motion) pursuant to 12 C.F.R. § 308.19(c)(1)-(2) filed on May 8, 2026 by Federal Deposit Insurance Corporation (FDIC) Enforcement Counsel (EC) for the failure of the respondent, Stephanie Casto, to file a timely answer to the underlying Notice of Charges (NOC). The NOC seeks an order of prohibition from further participation in banking activities against Stephanie Casto, a former Universal Banker at Truist Bank and an institution-affiliated party (IAP), related to stealing money, totaling $50,300, from the cash contingency reserve bag. Stephanie Casto neither filed a timely answer to the NOC as required by the FDIC Rules of Practice and Procedure (Procedural Rules) nor responded to the Default Motion.

For the reasons set forth below, the Default Motion is **GRANTED** and the Administrative Law Judge (ALJ) recommends that the Board of Directors of the FDIC (Board) enter an order of prohibition from future banking activities against the respondent, Stephanie Casto.

I. Stephanie Casto has not shown good cause for failure to file an answer.

The Procedural Rules require a respondent to file an answer within twenty (20) days of service of the notice of charges.[1] By failing to file an answer within that timeframe, a respondent waives the right to appear and contest the allegations in the notice, which are then taken as true for the purposes of deciding the merits of the underlying action.[2] Before granting a motion for an order of default and issuing a recommended decision to the Board, the ALJ must find that "no good cause has been shown [by the respondent] for the failure to file a timely answer."[3]

In this case, the record shows that EC confirmed Stephanie Casto's mailing address through commercial databases[4] and properly served the NOC on her by UPS with confirmed receipt

[1] 12 C.F.R. § 308.19(a) (2026).
[2] *Id.* at § 308.19(c)(1).
[3] *Id.*
[4] Default Motion, Ex. A, ¶ 3.

showing the package was left on the doorstep.[5] The NOC and the ALJ's preliminary order informed Casto of both the requirement to timely file an answer and the consequences of failing to do so.[6] Notwithstanding the warnings in the NOC and the preliminary order, Stephanie Casto did not file an answer or make an appearance in these proceedings. The ALJ thus finds that Stephanie Casto failed to file a timely answer to the NOC pursuant to 12 C.F.R. § 308.19(a) and did not show good cause for not doing so. Accordingly, Stephanie Casto waived her right to appear and contest the allegations in the NOC.

II. The FDIC has jurisdiction over Stephanie Casto.

The FDIC's jurisdiction is uncontested. Truist Bank, is a North Carolina corporation with its principal place of business in Charlotte, North Carolina.[7] Truist Bank is an insured state nonmember bank.[8] Stephanie Casto, a former Universal Banker at the High Street branch of Truist Bank in Portsmouth, Virginia until February 7, 2022, is an institution-affiliated party, or IAP, of Truist Bank within the meaning of 12 U.S.C. § 1818.[9] Accordingly, the FDIC has jurisdiction over this matter.

III. Uncontested Findings of Fact

Stephanie Casto, by failing to file an answer, does not contest the allegations in the NOC. The NOC establishes that the main vault at the High Street branch of Truist Bank held $380,000 in cash reserves in a sealed, tamper-evidencing Cash Contingency Bag (CCB).[10] The CCB could only be accessed with management approval.[11] From August 3, 2021 to February 1, 2022, Stephanie Casto, who oversaw the cash reserves, took $50,300 from the CCB by cutting a slit in the bag.[12]

On February 1, 2022, auditors discovered damage to the CCB and a $21,200 shortfall.[13] During the audit, Casto had attempted to cover up her theft by moving cash from different sources in the vault to the CCB.[14] Nonetheless, a February 8, 2022 full audit of the vault found an additional $29,100 cash shortfall.[15] On the same day, Casto admitted to taking $50,300 from the vault to a Truist Bank investigator.[16] On October 13, 2023, Casto pleaded guilty to embezzlement in violation of 18 U.S.C. § 656 and was sentenced to jail time and ordered to pay restitution of $50,300 to Truist Bank.[17]

[5] *Id.*, Ex. B.
[6] NOC at 5; February 10, 2026 Order No. 1 at 1.
[7] NOC at 2.
[8] *Id.*
[9] *Id.*
[10] *Id.* at 3.
[11] *Id.*
[12] *Id.*
[13] *Id.*
[14] *Id.*
[15] *Id.*
[16] *Id.* at 4.
[17] *Id.*

IV. The theft of $50,300 from the Cash Contingency Bag merits an order of prohibition.

EC requests an order of prohibition against Stephanie Casto, an IAP, from future activities in the banking industry. To obtain a prohibition order, EC must prove the IAP's conduct satisfies the distinct elements of (1) misconduct, (2) effect, and (3) culpability.[18] EC may demonstrate misconduct by showing that the IAP has:

1) "directly or indirectly violated any law or regulation [or] any cease-and-desist order which has become final,"
2) "engaged or participated in any unsafe or unsound practice in connection with any insured depository institution or business institution," or
3) "committed or engaged in any act, omission, or practice which constitutes a breach of such party's fiduciary duty."[19]

EC may prove the effect of the IAP's misconduct by demonstrating:

1) that the financial institution "suffered or probably will suffer financial loss or other damage,"
2) that depositors' interests "have been or could be prejudiced," or
3) that the IAP "received financial gain or other benefit."[20]

Finally, culpability is demonstrated when the IAP's misconduct either "involves personal dishonesty" or "demonstrates willful or continuing disregard . . . for the safety or soundness of [the] insured depository institution."[21] In the instant case, the uncontested facts show that Stephanie Casto's actions satisfy all three elements because (1) she embezzled money from the CCB in violation of 18 U.S.C. § 656, which (2) resulted in a financial loss to Truist of $50,300, and (3) her actions involved personal dishonesty.

A. Stephanie Casto's actions satisfy the element of misconduct because she embezzled $50,300 from the Cash Contingency Bag from Truist Bank in violation of 18 U.S.C. § 656.

Stephanie Casto's conduct satisfies the element of misconduct because she embezzled $50,300 in cash from the main vault CCB in violation of 18 U.S.C. § 656, Theft, embezzlement, or misapplication by bank officer or employee. That statute, in relevant part, requires a bank employee who embezzles money entrusted to the bank to be fined up to $1,000,000, imprisoned up to 30 years, or both.[22] In the instant case, Stephanie Casto pleaded guilty to embezzling $50,300 in cash reserves from the Truist Bank CCB and was sentenced to jail time and restitution.[23] Accordingly, the ALJ finds that Stephanie Casto stole $50,300 from Truist Bank in violation of in violation of 18 U.S.C. § 656 and therefore satisfies the element of misconduct.[24]

---

[18] 12 U.S.C. § 1818(e)(1).
[19] *Id.* at § 1818(e)(1)(A).
[20] *Id.* at § 1818(e)(1)(B).
[21] *Id.* at § 1818(e)(1)(C).
[22] 18 U.S.C. § 656.
[23] NOC at 4.
[24] The NOC also alleges, without elaboration, that Stephanie Casto's actions satisfy the element of misconduct

B. Stephanie Casto's misconduct led Truist to suffer a $50,300 financial loss.

Stephanie Casto's misconduct satisfies the element of effect. EC may prove the effect of the IAP's misconduct by demonstrating that the financial institution "suffered or probably will suffer financial loss or other damage."[25] In this case, because of Stephanie Casto's actions, Truist suffered a financial loss of $50,300 in cash.[26] Thus, the ALJ finds that Stephanie Casto's actions satisfy the element of demonstrating the effect of her misconduct.

C. Stephanie Casto's misconduct involved personal dishonesty.

Stephanie Casto's misconduct satisfies the element of culpability. One way to demonstrate culpability is when the IAP's misconduct "involves personal dishonesty."[27] In this case, Stephanie Casto stole $50,300 in cash from the Truist Bank vault's CCB and pleaded guilty to embezzlement under 18 U.S.C. § 656.[28] She was also sentenced to prison time and ordered to pay restitution to Truist Bank.[29] Thus, the ALJ finds that Stephanie Casto's violation of 18 U.S.C. § 656 demonstrates her personal dishonesty and therefore satisfies the element of culpability.

V. Conclusion and Recommended Remedies

The ALJ finds that IAP Stephanie Casto's misconduct satisfies all three elements of 12 U.S.C. § 1818(e)(1) because she engaged in a violation of law that led to a $50,300 loss to Truist Bank, and her conduct involved personal dishonesty. Accordingly, the ALJ recommends that the Board impose a prohibition from future bank-related activities on the respondent, Stephanie Casto.

SO ORDERED.

Issued: June 15, 2026

C. Scott Maravilla
Administrative Law Judge
Office of Financial Institution Adjudication

because those actions were a breach of her fiduciary duty to Truist Bank. NOC at 1, 4. Because Casto's misconduct via violation of law is so clearly evidenced by her embezzlement conviction, it is unnecessary for the ALJ to address this alternative statutory ground.

[25] 12 U.S.C. § 1818(e)(1)(B).

[26] NOC at 4.

[27] 12 U.S.C. § 1818(e)(1)(C).

[28] NOC at 3-4.

[29] *Id.* at 4.

CERTIFICATE OF SERVICE

On June 15, 2026, I served a copy of the foregoing **Order** upon the following individuals via email:

Administrative Officer
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429
ESSenforcementactiondocket@fdic.gov

<u>Enforcement Counsel:</u>
Seth P. Rosebrock, Assistant General Counsel (srosebrock@fdic.gov)
Shirley Huang, Senior Counsel (shhuang@fdic.gov)
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Patrice R. Walker, Regional Counsel (pwalker@fdic.gov)
Benjamin K. Gibbs, Deputy Regional Counsel (begibbs@fdic.gov)
John B. Parker (jparker@fdic.gov)
Federal Deposit Insurance Corporation
10 Tenth Street, Suite 900
Atlanta, GA 30309

And upon the following individual by certified mail:

<u>Respondent:</u>
Stephanie M. Casto
2306 Battery Park Road
Chesapeake, VA 23323

C. Scott Maravilla
Office of Financial Institution Adjudication
3501 N. Fairfax Drive, Room D-8111
Arlington, VA 22226-3500