

UNITED STATES OF AMERICA  
BEFORE THE  
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON, D.C.

In the Matter of

AARON K. HILL and JESSICA A. HILL

Former Institution-Affiliated Parties of  
EVOLVE BANK & TRUST,  
Memphis, Tennessee, a state member bank.

Docket No. 20-008-E-I

Order of Prohibition Issued Upon  
Consent Pursuant to Section 8(e) of  
the Federal Deposit Insurance Act,  
as Amended

WHEREAS, pursuant to section 8(e) of the Federal Deposit Insurance Act, as amended (the “FDI Act”), 12 U.S.C. § 1818(e), the Board of Governors of the Federal Reserve System (the “Board of Governors”) issues this Order of Prohibition (“Order”) upon the consent of Aaron K. Hill (“Aaron Hill”) and Jessica A. Hill (“Jessica Hill”) (collectively the “Hills”), both former employees and institution-affiliated parties, as defined in section 3(u) of the FDI Act, 12 U.S.C. § 1813(u), of Evolve Bank & Trust (“Evolve”), a state-member bank with headquarters in Memphis, Tennessee, and First Savings Bank (“First Savings”), a state-member bank with headquarters in Clarksville, Indiana;

WHEREAS, from at least October 2017 to November 2018, while managing a loan production office (“LPO”) in Louisville, Kentucky, first for Evolve and then for First Savings, Aaron Hill engaged in unsafe and unsound practices and breaches of fiduciary duty, including:

1. concealing the Hills’ ownership and control of a third-party vendor used by the LPO to manage mortgage leads (the “Vendor”) in violation of the policies and procedures of Evolve and First Savings;

2. causing Vendor to overcharge Evolve and First Savings through duplicative or inflated invoices, resulting in financial loss to the banks;
3. misrepresenting to Evolve and First Savings that Jessica Hill was qualified to work and did perform work at Evolve and First Savings; and
4. effectively managing and operating the First Savings LPO after First Savings had declined to retain him as an employee of First Savings;

WHEREAS, from at least October 2017 to November 2018, while nominally an employee of the LPO, Jessica Hill engaged in unsafe or unsound practices and breaches of fiduciary duty, including accepting compensation from Evolve and First Savings when she did not report to work nor perform her duties, which allowed Aaron Hill to use her position and credentials to manage the First Savings LPO and submit Vendor invoices to First Savings for payment;

WHEREAS, by affixing his or her signature hereunder, without admitting or denying any allegation made or implied by the Board of Governors in connection herewith, Aaron Hill and Jessica Hill, respectively, have consented to the issuance of this Order by the Board of Governors and have agreed to comply with each and every provision of this Order, and have waived any and all rights he or she might have pursuant to 12 U.S.C. § 1818, 12 CFR Part 263, or otherwise: (a) to the issuance of a notice of intent to prohibit on any matter implied or set forth in this Order; (b) to a hearing for the purpose of taking evidence with respect to any matter implied or set forth in this Order; (c) to obtain judicial review of this Order or any provision hereof; and (d) to challenge or contest in any manner the basis, issuance, terms, validity, effectiveness, or enforceability of this Order or any provision hereof.

NOW THEREFORE, prior to final adjudication of or finding on any issue of fact or law implied or set forth herein, and solely for the purpose of settlement of this proceeding without protracted or extended hearings or testimony:

IT IS HEREBY ORDERED, pursuant to section 8(e) of the FDI Act, 12 U.S.C. § 1818(e), that:

1. Aaron Hill and Jessica Hill, without the prior written approval of the Board of Governors and, where necessary pursuant to section 8(e)(7)(B) of the FDI Act, 12 U.S.C. § 1818(e)(7)(B), another Federal financial institutions regulatory agency, are each hereby and henceforth prohibited from:

(a) participating in any manner in the conduct of the affairs of any institution or agency specified in section 8(e)(7)(A) of the FDI Act, 12 U.S.C. § 1818(e)(7)(A), including, but not limited to, any insured depository institution or any holding company of an insured depository institution, or any subsidiary of such holding company, or any foreign bank or company to which subsection (a) of 12 U.S.C. § 3106 applies and any subsidiary of such foreign bank or company;

(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 institution described in section 8(e)(7)(A) of the FDI Act, 12 U.S.C. § 1818(e)(7)(A);

(c) violating any voting agreement previously approved by any Federal banking agency; or

(d) voting for a director, or serving or acting as an institution-affiliated party, as defined in section 3(u) of the FDI Act, 12 U.S.C. § 1813(u), such as an officer, director or

employee, in any institution described in section 8(e)(7)(A) of the FDI Act, 12 U.S.C. § 1818(e)(7)(A).

2. Pursuant to section 8(b) of the FDI Act, 12 U.S.C. § 1818(b), Aaron Hill and Jessica Hill shall fully cooperate with and provide substantial assistance to the Board of Governors, including but not limited to the provision of information, testimony, documents, records, and other tangible evidence, in connection with the investigations of whether enforcement action should be taken against Evolve or First Savings, or other individuals who are or were institution-affiliated parties of Evolve, First Savings, or otherwise.

3. All communications regarding this Order shall be addressed to:

(a) Richard M. Ashton, Esq.  
Deputy General Counsel  
Board of Governors of  
the Federal Reserve System  
20th & C Streets, N.W.  
Washington, DC 20551

(b) Aaron K. Hill

With a copy to:

Christie A. Moore, Esq.  
Aaron W. Marcus, Esq.  
Dentons Bingham Greenebaum LLP  
3500 PNC Tower  
101 South Fifth Street  
Louisville, KY 40202

(c) Jessica A. Hill

With a copy to:

Christie A. Moore, Esq.  
Aaron W. Marcus, Esq.  
Dentons Bingham Greenebaum LLP  
3500 PNC Tower  
101 South Fifth Street  
Louisville, KY 40202

4. Any violation of this Order shall separately subject Aaron Hill or Jessica Hill to appropriate civil or criminal penalties, or both, under sections 8(i) and (j) of the FDI Act, 12 U.S.C §§ 1818(i) and (j).

5. The provisions of this Order shall not bar, estop, or otherwise prevent the Board of Governors, or any other Federal or state agency or department, from taking any other action affecting Aaron Hill or Jessica Hill; provided, however, that the Board of Governors shall not take any further action against Aaron Hill or Jessica Hill relating to the matters addressed by this Order based upon facts presently known by the Board of Governors. This release and discharge shall not preclude or otherwise affect (i) any right of the Board of Governors to determine and ensure compliance with this Order, or (ii) any proceedings brought by the Board of Governors to enforce the terms of this Order.

6. Each provision of this Order shall remain fully effective and enforceable until expressly stayed, modified, terminated, or suspended in writing by the Board of Governors.

By order of the Board of Governors of the Federal Reserve System, effective this 26th day of May, 2020.

BOARD OF GOVERNORS OF THE  
FEDERAL RESERVE SYSTEM

\_\_\_\_\_/s/\_\_\_\_\_  
Aaron K. Hill

By: \_\_\_\_/s/\_\_\_\_\_  
Ann E. Misback  
Secretary of the Board

\_\_\_\_\_/s/\_\_\_\_\_  
Jessica A. Hill