

STATE OF NORTH CAROLINA

WAKE COUNTY

IN A MATTER  
BEFORE THE COMMISSIONER OF BANKS  
DOCKET NO. 010:0264:B

IN RE: )  
)  
THE MATTER OF RANDOLPH )  
JEFFERSON CARY, JR. )  
(FORMERLY) PRESIDENT & CHIEF )  
EXECUTIVE OFFICER OF )  
MID-CAROLINA BANK )  
\_\_\_\_\_ )

**CONSENT AGREEMENT AND ORDER**

THIS MATTER is before the Commissioner of Banks (hereinafter the "Commissioner") pursuant to his authority under G.S. § 53-119 to remove from office any officer, director, or employee of any bank doing business under Chapter 53 of the North Carolina General Statutes who is found to be dishonest, incompetent, or reckless in the management of the affairs of the bank, or who persistently violates the laws of this State or the lawful orders, instructions, and regulations issued by the State Banking Commission.

1. The parties to this Consent Agreement and Order are Randolph Jefferson Cary, Jr., formerly the President and Chief Executive Officer of Mid-Carolina Bank, Burlington, North Carolina (hereinafter the "Respondent"),

and the Office of the Commissioner of Banks for the State of North Carolina (hereinafter the "OCOB").

2. Respondent represents to the Commissioner that he has sought and received the advice of counsel in this matter and acknowledges that by accepting the terms of this Consent Agreement and Order he waives his right to (i) a Notice of Hearing, pursuant to G.S. § 150B-38(b); (ii) an evidentiary hearing before the Commissioner of Banks, pursuant to G.S. § 150B-40; and, (iii) to appeal the Consent Agreement and Order to the North Carolina State Banking Commission and thereafter to a court of competent jurisdiction, pursuant to G.S. § 53-92(d).

Based on an examination into this matter, the undersigned Commissioner finds that:

1. On or about July 16, 2008, the Alamance County District Attorney requested that the State Bureau of Investigation ("SBI") initiate an investigation of Respondent upon reason to believe that he, in his capacity as President and Chief Executive Officer of Mid-Carolina Bank, had misused corporate bank funds in violation of North Carolina law.

2. More specifically, it was alleged that Respondent, who was at the time the President and Chief Executive Officer of Mid-Carolina Bank, misused corporate

bank funds (i) through the lease and sale of certain automobiles, and (ii) by making improper charges to a bank issued credit card. Each alleged misuse of funds is a separate violation of G.S. § 14-254, "Malfeasance of Corporate Officers and Agents."

3. The SBI Report of Investigation was referred to the North Carolina Department of Justice where the same was examined by the Special Prosecutions Division and the Banking & Financial Unit in the Administrative Division. The Department of Justice has advised the Commissioner, and the Commissioner concludes that there is good and sufficient cause to believe that the Respondent used corporate bank funds that were not authorized by the Board of Directors in violation of North Carolina law.

4. Respondent does not admit the allegations against him but does not contest that there would be grounds to proceed to an administrative enforcement hearing in the matter.

5. Respondent was discharged from his position as President and Chief Executive Officer of Mid-Carolina Bank and agrees that he will not hereafter solicit or accept employment, election or engagement as an officer, director, employee or independent contractor of a commercial, trust or savings bank, savings and loan association or trust

company in the State of North Carolina, or any other financial services business under the jurisdiction of the OCOB, including, but not limited to, a mortgage loan originator, mortgage broker or banker, reverse mortgage lender, a refund anticipation lender, a consumer finance lender, money transmitter or licensed check casher.

6. Respondent has expressed a desire to resolve this matter without a hearing pursuant to G.S. § 150B-22, and, by his signature below, consents to an order permanently removing him from the banking and financial services business in this State as hereinafter expressed.

THEREFORE, IT IS HEREBY ORDERED THAT:

1. Respondent, Randolph Jefferson Cary, Jr., is permanently barred from serving as an officer, director, employee, or independent contractor of any commercial, trust or savings bank, savings and loan association or trust company chartered and regulated by the Commissioner of Banks for the State of North Carolina.

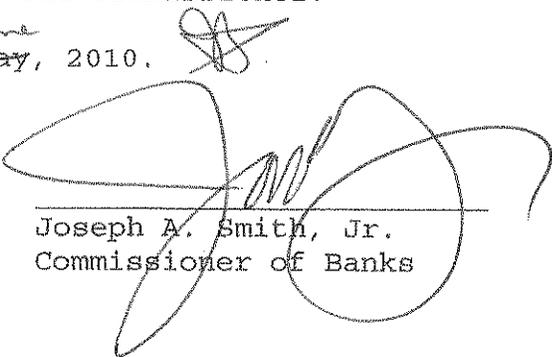
3. Further, Respondent shall not act in any of the aforesaid capacities in any financial services business under the regulatory jurisdiction of the Commissioner of Banks for this State, including, but not limited to, a mortgage loan originator, mortgage broker or banker, a reverse mortgage lender, a refund anticipation lender, a

consumer finance lender, money transmitter or licensed check casher.

3. A copy of this order shall be filed with the Federal Deposit Insurance Corporation, Washington, DC.

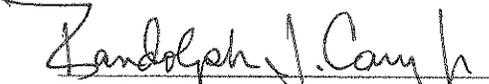
4. The effective date of this order shall be the date the same is executed by the Commissioner.

This the <sup>last</sup> 20 day of <sup>June</sup> ~~May~~, 2010.



Joseph A. Smith, Jr.  
Commissioner of Banks

Consented to:



Randolph J. Cary, Jr.

May 20, 2010.



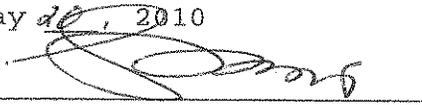
James J. Coman  
Sr. Deputy Attorney General  
Special Prosecutions  
NC Department of Justice

May 20, 2010



Wade M. Smith  
Attorney of Record for  
The Respondent

May 20, 2010



L. McNeil Chestnut  
Sp. Deputy Attorney General  
Administrative Division  
NC Department of Justice

May 20, 2010

CERTIFICATE OF SERVICE

THE UNDERSIGNED hereby certifies that he has this day served a copy of the CONSENT AGREEMENT AND ORDER placing a copy of the same in the United States Post Office at Raleigh, North Carolina, postage prepaid and addressed to:

Wade M. Smith  
Tharington Smith, LLP  
Counsel for Respondent  
PO Box 1151  
Raleigh, NC 27602-1151

This the 2nd day of ~~May~~<sup>June</sup>, 2010.



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