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**FORMER MEMBER OF HEBRON BANK BOARD OF DIRECTORS PLEADS GUILTY
TO FEDERAL CHARGE OF MAKING FALSE STATEMENTS TO OBTAIN AND
MAINTAIN PERSONAL AND BUSINESS LOANS**

Baltimore, Maryland – Brian Thomas Twilley, age 57, of Greenbackville, Virginia, formerly of Salisbury, Maryland, pleaded guilty yesterday to making a false statement on a loan or credit application.

The guilty plea was announced by United States Attorney for the District of Maryland Robert K. Hur; Special Agent in Charge Robert W. Manchak of the Federal Housing Finance Agency, Office of Inspector General (FHFA OIG); and Special Agent in Charge Shimon R. Richmond of the Federal Deposit Insurance Corporation, Office of Inspector General (FDIC OIG).

From 2011 through 2015, Brian Twilley served as a member of the Board of Directors for Hebron Savings Bank, located in Wicomico County, Maryland. Twilley also owned a commercial printing business in Wicomico County and was a member of the faculty for the Economics and Finance Department at Salisbury University.

According to his guilty plea, from April 2010 through March 2017, Twilley provided false personal financial statements to Hebron that omitted from his net worth a \$200,000 Home Equity Line of Credit (“HELOC”) due to Bank 2 that should have been paid off and closed with the proceeds of a separate HELOC that Twilley had obtained from Hebron. Twilley also provided false personal financial statements to Bank 3.

As detailed in his plea agreement, in August 2006 Hebron issued Twilley a \$350,000 HELOC for the purpose of paying off and closing his \$200,000 HELOC at Bank 2. As part of Hebron’s approval of the HELOC it required that Bank 2 release their lien on Twilley’s personal residence so that Hebron could secure a first-position lien on this collateral. On August 28, 2006, Twilley signed a letter addressed to Bank 2 directing them to accept the payoff of the loan, close the HELOC account, and forward the release documents to Hebron. The payoff was funded with a Teller’s Check issued by Hebron in the amount of \$200,392.04, but the letter directing Bank 2 to close the loan was never delivered and the HELOC account at Bank 2 remained open. Twilley admitted that he continued to make withdrawals of the available funds in Bank 2’s HELOC and by 2010 had withdrawn the full \$200,000 available.

As a member of Hebron’s Board of Directors and as a condition of his ongoing loan relationship with Hebron, which included the \$350,000 HELOC and multiple commercial loans,

Twilley was required to provide Hebron with an annual personal net worth statement. Twilley admitted that from 2010 through 2014 he provided Hebron with his personal financial statement, but failed to disclose the continued existence of the HELOC with Bank 2, which Hebron believed had been closed since 2006.

Further, in December 2014, as part of a request to renew a \$100,000 commercial line of credit for his company with Bank 3, Twilley submitted a personal financial statement to Bank 3 that failed to disclose the existence of the HELOC with Bank 2 and the associated debt. When Twilley was questioned by a representative of Bank 3 as to why his credit report reflected a \$200,000 HELOC due to Bank 2 that was not listed on his net worth statement, Twilley falsely advised that the HELOC at Bank 2 had been closed when he opened the HELOC at Hebron. The Bank 3 representative informed Twilley that Hebron may want to contact Bank 2 to have them close out the HELOC because Hebron's secured position in the collateral might be behind Bank 2 if the lien was not released.

Twilley left his position as a member of Hebron's Board of Directors in 2015. By 2017 Twilley was having difficulty servicing his debts and Hebron attempted to restructure his loan payments. As part of the negotiations, on March 17, 2017, Twilley again sent a personal financial statement to Hebron that failed to disclose the existence of his debt due on the HELOC with Bank 2, which then had a balance of approximately \$176,000, thereby underreporting Twilley's outstanding obligations. When a representative subsequently suggested that the collateral for the Hebron HELOC be sold, they learned that Bank 2 still held a first-position lien on the property because the HELOC with Bank 2 had never been closed. In July 2018 Twilley declared bankruptcy and Hebron restructured all of Twilley's personal and commercial debts. In November 2018, the collateral for the HELOC was sold and \$163,081.88 of the proceeds was disbursed to Bank 2 as a lien holder in first position, depriving Hebron of the proceeds of the sale.

As part of his plea agreement, Twilley will be required to pay restitution of \$163,081.88, the full amount of the victim's loss.

Twilley faces a maximum sentence of 30 years in federal prison for making a false statement on a loan or credit application. Actual sentences for federal crimes are typically less than the maximum penalties and are determined by a federal district court judge after taking into account the U.S. Sentencing Guidelines and other statutory factors. U.S. District Judge Stephanie A. Gallagher has not yet scheduled a sentencing date for Twilley.

United States Attorney Robert K. Hur commended the FHFA OIG and FDIC OIG for their work in the investigation. Mr. Hur thanked Assistant U.S. Attorney Sean R. Delaney, who is prosecuting the case.

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