

FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, D.C.

AND

DEPARTMENT OF BANKING AND CONSUMER FINANCE
JACKSON, MISSISSIPPI

_____)	
In the Matter of)	
)	CONSENT ORDER
UNITY BANK OF MISSISSIPPI)	
HOLLY SPRINGS, MISSISSIPPI)	FDIC-25-0072b
)	
(Insured State Nonmember Bank))	
_____)	

The Federal Deposit Insurance Corporation (FDIC) is the appropriate Federal banking agency for UNITY BANK OF MISSISSIPPI, HOLLY SPRINGS, MISSISSIPPI (Bank), under Section 3(q) of the Federal Deposit Insurance Act (FDI Act), 12 U.S.C. § 1813(q). The Department of Banking and Consumer Finance (DBCF) is the appropriate state banking agency for the Bank under Section 81-1-59, Mississippi Code of 1972, Annotated.

The Bank, by and through its duly elected and acting Board of Directors (Board), has executed a STIPULATION TO THE ISSUANCE OF A CONSENT ORDER (CONSENT AGREEMENT), dated August 14, 2025, that is accepted by the FDIC and the DBCF. With the CONSENT AGREEMENT, the Bank has consented, without admitting or denying any charges of violating the Bank Secrecy Act, 31 U.S.C. § 5311 *et. seq.*, 12 U.S.C. § 1829b, and 12 U.S.C. §§ 1951-60, 31 C.F.R. Chapter X, and 12 U.S.C. § 1818(s) and the FDIC's implementing regulations, 12 C.F.R. Part 326, Subpart B, (hereinafter collectively, the Bank Secrecy Act or BSA) and 12 C.F.R. § 353 to the issuance of this CONSENT ORDER (ORDER) by the FDIC and the DBCF.

Having determined that the requirements for issuance of an ORDER under Section 8(b) of the FDI Act, 12 U.S.C. § 1818(b), and Section 81-1-125, Mississippi Code of 1972, Annotated have been satisfied, the FDIC and the DBCF hereby order that:

ACTION PLAN

1. Within forty-five (45) days of the effective date of this ORDER, the Bank shall develop and implement a written plan (Plan) that details the actions, including the relevant timelines, that the Board and management will take to correct the Bank's Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) Program deficiencies and apparent violations cited in the January 21, 2025 Report of Examination (2025 ROE), and to comply with this ORDER. The Plan and its implementation must be acceptable to the Regional Director of the FDIC's Dallas Regional Office (Regional Director) and Commissioner of the DBCF (Commissioner) as determined at subsequent examinations and/or visitations. After the Regional Director and the Commissioner comment on the Plan, the Board shall adopt and implement the Plan as amended or modified, if applicable.

BOARD OVERSIGHT

2. (a) Within thirty (30) days of the effective date of this ORDER, the Board shall increase its oversight of the Bank's compliance with the BSA.

(b) Within thirty (30) days of the effective date of this ORDER, the Bank's Board shall establish a subcommittee of the Bank's Board charged with the responsibility of ensuring that the Bank complies with the provisions of this ORDER (Consent Order Compliance Committee). The Consent Order Compliance Committee shall be comprised of at least three members, the majority of which shall be outside directors. The Consent Order Compliance Committee shall prepare and review monthly reports detailing the Bank's actions with respect to compliance with this ORDER. The Consent Order Compliance Committee shall present a report detailing the Bank's adherence to this ORDER to the Board at each regularly scheduled Board

meeting. A copy of the report and any discussion related to the report or the ORDER shall be included in the minutes of the Bank's Board meeting. Nothing contained herein shall diminish the responsibility of the entire Bank's Board to ensure compliance with the provisions of this ORDER.

AML/CFT PROGRAM

3. Within ninety (90) days of the effective date of this ORDER, the Bank shall revise its written AML/CFT Program to ensure compliance with the BSA. At a minimum, the AML/CFT Program shall: (i) be commensurate with the Bank's money laundering (ML), terrorist financing (TF) and other illicit financial activities risk profile (collectively, ML/TF Risk Profile) that includes risks in the Bank's business activities; (ii) address the deficiencies and weaknesses identified in the 2025 ROE; (iii) comply with the requirements of this ORDER; (iv) include procedures for monitoring the performance of and the Bank's adherence to the AML/CFT Program; and (v) include procedures for periodically reviewing and revising the AML/CFT Program. The AML/CFT Program must ensure that clear and comprehensive compliance reports are provided to the Board monthly. The Bank's AML/CFT Program and its implementation shall be in a manner acceptable to the Regional Director and the Commissioner as determined at subsequent examinations and/or visitations of the Bank.

ML/TF RISK ASSESSMENT

4. Within ninety (90) days of the effective date of this ORDER, and at least annually thereafter, the Bank shall perform a ML/TF Risk Assessment (RA). The RA shall address all pertinent risk factors that affect the overall ML/TF risk profile of the Bank, including but not limited to, all products, services, types of customers, business lines, staffing levels, mitigating controls, and any identified BSA issues/concerns in the ROE. Further, the Bank shall ensure that such information contained within the RA is current, complete, and accurate. The RA shall be reviewed and approved by the Board, with risk mitigation strategies adopted and implemented as

appropriate.

AML/CFT INTERNAL CONTROLS

5. System of AML/CFT Internal Controls

Within ninety (90) days from the effective date of this ORDER, the Board must ensure that the Bank has a system of internal controls in place to assure ongoing compliance with the BSA. The internal controls must take into consideration the Bank's risk, size, complexity, organizational structure, distribution channels, and the deficiencies and weaknesses identified in the 2025 ROE. At a minimum, the system of internal controls must include satisfactory written policies, procedures, and processes that reflect the Bank's actual practices and address the following areas:

- a) Customer Due Diligence (CDD);
- b) Suspicious Activity Reports (SARs); and
- c) Currency Transaction Reports (CTRs)

6. Customer Due Diligence

Within ninety (90) days of the effective date of this ORDER, the Bank shall develop, adopt, and implement a written CDD Program, which includes appropriate risk-based policies, procedures and processes for conducting ongoing CDD for new and existing customers. The Bank's CDD Program shall operate in conjunction with its Customer Identification Program and suspicious activity monitoring to enable the Bank to develop customer risk profiles. At a minimum, such controls shall:

(a) Address the weaknesses and deficiencies identified in the 2025 ROE pertaining to CDD;

(b) Ensure the Bank understands the nature and purpose of customer accounts, including, the anticipated type and volume of account activity, and the customer's products and

services and their geographic reach, to develop a customer risk profile for identifying and reporting suspicious transactions;

(c) Ensure the Bank can accurately identify those customers that pose a heightened ML/TF risk to apply appropriate risk-based monitoring and due diligence;

(d) Include policies and procedures for conducting and documenting the Bank's ongoing due diligence and for updating customer information, on a risk basis, to ensure the Bank's customer risk profiles are accurate;

(e) Address situations where there is insufficient or inaccurate information that prevents the Bank from understanding the nature and purpose of the account to perform customer due diligence;

7. Suspicious Activity Reporting

(a) Within sixty (60) days of the effective date of this ORDER, the Bank shall develop and implement effective processes, across all business lines for identifying and monitoring unusual or unexpected activity in order to detect, investigate, and, if applicable, report suspicious activity. The Bank shall ensure that such processes are in place and are operating effectively at all times.

(b) Considering its size and risk profile, the Bank shall develop, adopt, and implement policies, procedures, processes, and systems, including manual monitoring systems, and if applicable, automated software monitoring systems, for monitoring, detecting, and reporting suspicious activity being conducted in all areas within or through the Bank. To the extent that the Bank uses automated software monitoring, the Bank shall ensure that the program for the automated software addresses the specific risk profile of Bank customers and provides reports of suspicious activities targeted to the specific characteristics of the Bank's customers.

(c) The Bank shall establish and implement policies and procedures to ensure that SARs are filed within thirty (30) days of identifying a suspect or unusual and suspicious activity (or a total of sixty (60) days if a suspect is unknown or once every one-hundred twenty (120) days for ongoing unusual or suspicious activity). Such policies and procedures shall also ensure that timely identification of suspicious activity occurs; that timely investigation into unusual activity is undertaken; that related accounts are considered and discussed in the SARs filing, as appropriate; and that a detailed, accurate, comprehensive, and readable narrative description of the activity is included in the SARs filing.

(d) The SAR Program shall also be tested for accuracy and completeness through independent testing immediately after its implementation and thereafter at least annually. Documentation of the testing shall be provided to the Consent Order Compliance Committee and be documented in the Committee's meeting minutes. Such documentation shall also be available to FDIC and DBCF examiners upon request.

(e) Applicable staff should receive training on the SAR Program and the manual and automated monitoring systems used to identify, detect and report suspicious activity to ensure effective identification, monitoring, and reporting of SARs.

(f) The Bank shall ensure that decisions not to file a SAR are fully documented, including the basis for concluding that a SAR filing is not necessary. The Bank shall retain such documentation in accordance with applicable laws and regulations.

(g) Within sixty (60) days of the effective date of this ORDER, the Bank shall establish and implement policies and procedures to report SARs to the Board in a timely manner.

8. Currency Transaction Reporting

(a) Within thirty (30) days, the Bank shall update its policies and procedures to ensure timely, complete and accurate reporting for all other BSA reporting requirements, including

CTRs.

(b) Within thirty (30) days from the effective date of this ORDER, the Bank shall develop policies and procedures and processes related to the Bank's reporting of currency transactions that must include:

- 1) providing the most complete filing information available,
- 2) aligning with existing regulatory expectations,
- 3) filing with FinCEN within 15 calendar days after the date of the transaction, and
- 4) retaining copies of CTRs for five years from the date of report.

(c) Internal controls for reporting of currency transactions must be designed to assure ongoing compliance with CTR requirements and be commensurate with the Bank's ML/TF risk profile, complexity and organizational structure.

(d) Within thirty (30) days from the effective date of this ORDER, the Bank shall improve policies, procedures, and processes related to the designation of transactions of exempt persons to include at least annually reviewing the eligibility of an exempt person that is a listed public company, a listed public company subsidiary, a non-listed business, or a payroll customer to determine whether such person remains eligible for an exemption.

INDEPENDENT TESTING

9. (a) Within forty-five (45) days from the effective date of this ORDER, the Bank shall identify a qualified party with the requisite ability to perform independent testing of the AML/CFT Program. The qualified party may be an outside party or Bank personnel independent of the AML/CFT Program and BSA Department with the knowledge to conduct this function.

The Bank shall notify the Regional Director and the Commissioner regarding the chosen party to conduct the independent testing.

(b) Within seventy-five (75) days of the effective date of the ORDER, the Bank must submit to the FDIC and the DBCF, for review, comment and non-objection a written plan for independent testing. The Bank shall ensure that the scope of future AML/CFT independent testing is comprehensive and includes a review of compliance with all BSA rules and regulations and Bank policies and procedures as they relate to the Bank's business activities; the ML/TF RA; efforts to address regulatory recommendations and actions; and other corrective efforts. Additionally, the Board shall ensure that future AML/CFT independent testing, whether conducted by internal or external parties, is appropriately staffed with respect to both resources and expertise to adequately perform a comprehensive review, reach a sound conclusion, and provide appropriate support for their assessment.

(c) Further, the Bank shall obtain such independent testing within one hundred twenty (120) days from the effective date of this ORDER, and at least annually thereafter, and the results of such testing shall be reported to, and the remediation of findings monitored by, the Board and provided to the FDIC and the DBCF in the subsequent Progress Report as required below. Additionally, the Board must ensure that appropriate updates to the Bank's ML/TF RA and the AML/CFT Program are implemented pursuant to any such findings during independent testing.

AML/CFT OFFICER, STAFFING, AND RESOURCES

10. (a) Within sixty (60) days from the effective date of this ORDER, the Board shall designate an individual or individuals with qualifications commensurate with the Bank's ML/TF risk, size, and complexity. The AML/CFT Officer must have appropriate training and experience, sufficient delegated authority and suitable resources, including time, staffing and systems, to effectively coordinate and monitor day-to-day compliance and administer all aspects of the AML/CFT Program, including the Bank's compliance with the BSA regulatory

requirements pursuant to Section 326.8 of the FDIC's Rules and Regulations

(b) Within seventy-five (75) days from the effective date of this ORDER, the Board shall assess staffing needs (Resource Assessment) and provide an adequate number of qualified staff to execute the Bank's AML/CFT Program, including compliance with the BSA. Staff of the AML/CFT function shall be evaluated to determine ability, experience, training needs and other necessary qualifications to perform present and anticipated duties, including adherence to the AML/CFT regulatory requirements and the provisions of this ORDER.

(c) Within thirty (30) days after the completion of the Resource Assessment, the Board must:

1) develop a written Resource Plan, which includes appropriate corrective actions to address each Resource Assessment finding, and assign the responsibility and timeframe for completion of each corrective action;

2) provide to the Board the Resource Plan for review and approval;
and,

3) submit a copy of the Resource Assessment and Resource Plan to the FDIC and the DBCF for non-objection or comment.

AML/CFT TRAINING

11. (a) Within ninety (90) days from the effective date of this ORDER, the Bank shall develop an effective AML/CFT Training Program for the AML/CFT Officer and all staff, including newly hired employees, members of the Board, and management, on all relevant aspects of laws, regulations, and Bank policies and procedures relating to the Bank's AML/CFT Program. The AML/CFT Training Program also shall reflect the particular money laundering, terrorist financing and illicit finance risks of the Bank based on its products, services, business lines, customer types, geographic reach and any other risks reflected in the RA. This training shall be

conducted at least annually and shall be updated, as appropriate, to include changes to the Bank's RA, which shall also be reviewed annually.

(b) The Bank shall ensure that all appropriate personnel are aware of and can comply with internal procedures and the requirements of the BSA and its implementing rules and regulations applicable to the individual's specific responsibilities. The Bank shall also ensure that all appropriate personnel are aware of and can comply with: (i) the CDD requirements; and (ii) the reporting requirements associated with SARs and CTRs. The AML/CFT Training Program shall be designed to ensure that training is tailored to address the specific compliance responsibilities of the group or individual for which the training is being provided and ensure that those being trained are aware of and can comply with the requirements of the BSA on an ongoing basis and, at a minimum, include:

- 1) An overview of the BSA for new Bank personnel and specific training designed for their specific duties and responsibilities upon hiring;
- 2) Specific training on CDD policies and procedures with regard to due diligence and monitoring of high-risk customers; and
- 3) A requirement that the Bank fully document the AML/CFT Training Program, including training materials, dates of the training sessions, attendance, and knowledge check results.

VIOLATIONS OF LAW AND REGULATIONS

12. Within ninety (90) days of the effective date of this ORDER, the Bank shall correct all BSA violations of law, as more fully set forth in the 2025 ROE. In addition, the Bank shall take all necessary steps to ensure future compliance with all applicable BSA laws and regulations.

PROGRESS REPORTS

13. Within thirty (30) days after the end of the first calendar quarter following the effective date of this ORDER, and within thirty (30) days after the end of each successive calendar quarter, the Bank shall furnish written progress reports to the Regional Director and the Commissioner detailing the form and manner of any actions taken to secure compliance with this ORDER and the results thereof. Such reports may be discontinued when the corrections required by the ORDER have been accomplished and the Regional Director and the Commissioner have released the Bank in writing from making additional reports.

BINDING EFFECT

14. (a) The provisions of this ORDER shall not bar, estop, or otherwise prevent the FDIC, the DBCF, or any other federal or state agency or department from taking any other action against the Bank or any of the Bank's current or former institution-affiliated parties, as that term is defined in Section 3(u) of the FDI Act, 12 U.S.C. § 1813(u).

(b) This ORDER shall be effective on the date of issuance. The provisions of this ORDER shall be binding upon the Bank, its institution-affiliated parties, and any successors and assigns thereof.

(c) The provisions of this ORDER shall remain effective and enforceable except to the extent that and until such time as any provision has been modified, terminated, suspended, or set aside by the FDIC and the DBCF.

Issued pursuant to delegated authority this 15th day of August, 2025.

/s/ _____
J. Mark Love
Deputy Regional Director
Dallas Regional Office
Division of Risk Management Supervision
Federal Deposit Insurance Corporation

/s/ _____
Rhoshunda G. Kelly
Commissioner
Department of Banking
and Consumer Finance