

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

	)	
In the Matter of	)	
	)	ORDER TO PAY
	)	
NORTHWEST SAVINGS BANK	)	CIVIL MONEY PENALTY
WARREN, PENNSYLVANIA	)	
	)	
	)	FDIC –11–315k
(INSURED STATE NONMEMBER BANK)	)	
	)	

NORTHWEST SAVINGS BANK, WARREN, PENNSYLVANIA (“Bank”), has been advised of its right to receive a NOTICE OF ASSESSMENT OF CIVIL MONEY PENALTY, FINDINGS OF FACT AND CONCLUSIONS OF LAW, ORDER TO PAY, AND NOTICE OF HEARING (“NOTICE OF ASSESSMENT”) issued by the Federal Deposit Insurance Corporation (“FDIC”) detailing the violations for which a civil money penalty may be assessed against the Bank pursuant to the Flood Disaster Protection Act of 1973 (“Flood Act”), as amended, 42 U.S.C. § 4012a, section 8(i)(2) of the Federal Deposit Insurance Act (“FDI Act”), 12 U.S.C. § 1818(i)(2), and Part 339 of the FDIC’s Rules and Regulations, 12 C.F.R. Part 339 (“Part 339”), and has been further advised of its right to a hearing on the charges under the Flood Act, 42 U.S.C. § 4012a(f)(4), and Part 308 of the FDIC’s Rules of Practice and Procedure, 12 C.F.R. Part 308.

Having waived those rights, the Bank entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER TO PAY CIVIL MONEY PENALTY (“CONSENT AGREEMENT”) with a representative of the Legal Division of the FDIC, whereby solely for the purpose of this proceeding, and without admitting or denying any

violations, the Bank consented and agreed to pay a civil money penalty in the amount of \$78,155 related to the violations of the Flood Act and Part 339.

The FDIC has reason to believe that the Bank committed the following violations of the Flood Act and Part 339:

(a) the Bank violated 12 C.F.R. §339.3(a) by failing on one hundred forty-five occasions to obtain flood insurance or adequate flood insurance at closing when originating, extending or increasing the amounts of loans secured by a building or mobile home located in a special flood hazard area;

(b) the Bank violated 12 C.F.R. § 339.9(a) by failing on twenty-seven occasions to provide required flood insurance notices to borrowers when loans secured by a building or mobile home located in a special flood hazard area were originated;

(c) the Bank violated 12 C.F.R. § 339.9(c) by failing on twenty-three occasions to notify the borrowers within a reasonable time prior to the closing date that the building or mobile home securing their loans were located in a special flood hazard area; and

(d) the Bank violated 12 C.F.R. § 339.9(d) by failing on eight occasions to maintain a record of receipt of the notice by borrowers that the building or mobile home securing their loans was located in a special flood hazard area.

After taking into account the CONSENT AGREEMENT, the appropriateness of the penalty with respect to the financial resources and good faith of the Bank, the gravity of the violations by the Bank, the history of previous violations by the Bank, and such other matters as justice may require, the FDIC accepts the CONSENT AGREEMENT and issues the following:

ORDER TO PAY CIVIL MONEY PENALTY

IT IS HEREBY ORDERED, that NORTHWEST SAVINGS BANK, WARREN, PENNSYLVANIA, be, and hereby is, assessed a civil money penalty of \$78,155 pursuant to the Flood Act, 42 U.S.C. § 4012a, section 8(i)(2) of the FDI Act, 12 U.S.C. § 1818(i)(2), and Parts 308 and 339 of the FDIC's Rules and Regulations, 12 C.F.R. Parts 308 and 339. The Bank shall pay the civil money penalty to the Treasury of the United States.

This Order to Pay Civil Money Penalty shall be effective upon issuance.

Issued pursuant to delegated authority.

Dated this 27th day of June, 2011.

By:

/s/
Scott D. Strockoz
Deputy Regional Director
New York Regional Office
Division of Depositor and Consumer Protection