

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of	)	
	)	
PAUL E. FINKE, individually and as	)	
an institution-affiliated party of	)	
	)	ORDER OF PROHIBITION
	)	FROM FURTHER PARTICIPATION
	)	
	)	
FARMERS STATE BANK OF HOFFMAN	)	
HOFFMAN, ILLINOIS	)	FDIC-10-848e
	)	
(INSURED STATE NONMEMBER BANK)	)	
	)	

Paul E. Finke ("Respondent") has been advised of the right to receive a NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION ("NOTICE") issued by the Federal Deposit Insurance Corporation ("FDIC") detailing the unsafe or unsound banking practices or breaches of fiduciary duty for which an ORDER OF PROHIBITION FROM FURTHER PARTICIPATION ("ORDER") may issue, and has been further advised of the right to a hearing on the charges under section 8(e) of the Federal Deposit Insurance Act ("Act"), 12 U.S.C. § 1818(e), and the FDIC Rules of Practice and Procedure, 12 C.F.R. Part 308. Having waived those rights, the Respondent entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER OF PROHIBITION FROM FURTHER PARTICIPATION ("STIPULATION") with a representative of the Legal Division of the FDIC, whereby solely for the purpose of this proceeding and

without admitting or denying any unsafe or unsound banking practices, violations of law, rule, or regulation, or breaches of fiduciary duty, Respondent consented to the issuance of an ORDER by the FDIC.

The FDIC considered the matter and determined it had reason to believe that:

(a) The Respondent has engaged or participated in unsafe or unsound banking practices, violations of law, rule, or regulation, and breaches of fiduciary duty as an institution-affiliated party of Farmers State Bank of Hoffman, Hoffman, Illinois ("Bank");

(b) By reason of such actions, the Respondent obtained personal financial gain; and

(c) Such practices, violations, and breaches of fiduciary duty involved personal dishonesty on the part of the Respondent or demonstrated the Respondent's willful or continuing disregard for the safety and soundness of the Bank.

The FDIC further determined that such practices, violations, and breaches of fiduciary duty demonstrate the Respondent's unfitness to serve as a director, officer, person participating in the conduct of the affairs or as an institution-affiliated party of the Bank, any other insured depository institution, or any other agency or organization enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(A).

The FDIC, therefore, accepted the STIPULATION and issues the following:

ORDER OF PROHIBITION FROM FURTHER PARTICIPATION

1. Respondent is hereby, without the prior written approval of the FDIC and the appropriate Federal financial institutions regulatory agency, as that term is defined in section 8(e)(7)(D) of the Act, 12 U.S.C. § 1818(e)(7)(D), prohibited from:

(a) participating in any manner in the conduct of the affairs of any financial institution or organization enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(A);

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

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

(d) voting for a director, or serving or acting as an institution-affiliated party.

2. This ORDER shall be effective upon issuance. The provisions of this ORDER will remain effective and enforceable except to the extent that, and until such time as, any provision of this ORDER shall have been modified, terminated, suspended or

set aside by the FDIC.

Pursuant to delegated authority.

Dated this 15th day of September, 2011.

/s/
Serena L. Owens
Associate Director
Division of Risk Management
Supervision