

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

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In the Matter of	)	
	)	
AMERICAN BANK & TRUST	)	
OF THE CUMBERLANDS	)	ORDER TO PAY
LIVINGSTON, TENNESSEE	)	CIVIL MONEY PENALTY
	)	
	)	FDIC-11-159k
(INSURED STATE NONMEMBER BANK)	)	
_____	)	

AMERICAN BANK & TRUST OF THE CUMBERLANDS, LIVINGSTON, TENNESSEE (“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 4104a of the National Flood Insurance Act, as amended, 42 U.S.C. §4104a (“NFIA”); 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 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 **\$8,085.00** related to the violations of the Flood Act, the NFIA, and Part 339.

The FDIC has reason to believe that the Bank violated Flood Act, the NFIA, and Part 339 when the Bank failed to obtain timely flood insurance on eight loans secured by improved real estate located in areas determined by the Director of the Federal Emergency Management Agency as located in a Special Flood Hazard Area (“Designated Loans”); failed to follow force placement procedures on two Designated Loans; failed to provide the required borrower’s notice on five Designated Loans; failed to timely provide the required borrower’s notice on five Designated Loans; and failed to maintain evidence of the borrower’s receipt of the required notice on one Designated Loan, all as identified at the FDIC’s August 16, 2010, Compliance Examination of the Bank and all in violation of 42 U.S.C. §§ 4102a(b)(2), 4104a(a)(1) and 12 C.F.R. §§ 339.3(a), 339.7 and 339.9(a), (c), and (d).

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 AMERICAN BANK & TRUST OF THE CUMBERLANDS, LIVINGSTON, TENNESSEE, be, and hereby is, assessed a civil money penalty of **\$8,085.00**, 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 Rules and Regulations, 12 C.F.R. Parts 308 and 339. The Bank shall pay the civil money penalty to the “**Treasurer of the United States.**”

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

Pursuant to delegate authority.

Dated at Dallas, Texas, this 14th day of April, 2011.

/s/

Kristie K. Elmquist
Acting Regional Director
Dallas Region
Division of Depositor and Consumer Protection