

{{9-30-01 p.C-5181}}

[¶11,821] **In the Matter of Western State Bank, Waterloo, Nebraska**, Docket No. 01-074k (7-30-01)

Respondent agrees to pay civil money penalty assessed by the FDIC in the amount of \$6,000.

**In the Matter of
WESTERN STATE BANK,
WATERLOO, NEBRASKA
(Insured State Non-member Bank)
ORDER TO PAY CIVIL MONEY PENALTY**

FDIC-01-074k

Western State Bank, Waterloo, Nebraska ("Bank"), has been advised of the right to receive a NOTICE OF ASSESSMENT OF CIVIL MONEY PENALTY, FINDINGS OF FACT AND CONCLUSIONS OF LAW, AND NOTICE OF HEARING ("NOTICE") 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 ("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 Rules and Regulations, 12 C.F.R. Part 339, and has been further advised of the right to a hearing on the alleged charges under the Flood Act, 42 U.S.C. §4012a(f), section 8(i)(2)(H) of the FDI Act, 12 U.S.C. §1818(i)(2)(H), and the FDIC 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 ("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 \$6,000 related to violations of the Flood Act and Part 339 of the FDIC Rules and Regulations, 12 C.F.R. Part 339 in that it has made, increased, extended or renewed loans secured by a building or mobile home located or to be located in a special flood hazard area ("SFHA") without requiring that the collateral including personal property be covered by flood insurance; it has made such loans without sufficient flood insurance coverage; it has allowed the flood insurance coverage to lapse during the term of certain loans; and it has failed to mail or deliver the required written notice.

The FDIC considered the matter and determined it had reason to believe that the Bank has engaged or participated in violations of law or regulations for which a civil money penalty of \$6,000 is appropriate to be assessed against the Bank, 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 Part 339 of the FDIC Rules and Regulations, 12 C.F.R. Part 339.

ORDER TO PAY CIVIL MONEY PENALTY

IT IS HEREBY ORDERED that Western State Bank, Waterloo Nebraska, be, and hereby is, assessed a civil money penalty of \$6,000 pursuant to the Flood Act, 42 U.S.C. {{10-31-01 p.C-5183}} §4012a, section 8(i)(2) of the FDI Act, 12 U.S.C. §1818(i)(2), and Part 339 of the FDIC Rules and Regulations, 12 C.F.R. Part 339, the receipt of which is acknowledged.

This Order to Pay shall be effective upon issuance.

Pursuant to delegated authority.

Dated at Washington, D.C., this 30th day of July, 2001.