

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of

**AMERICAN BANK CENTER FIRST,
formerly known as
BANK CENTER FIRST
BISMARCK, NORTH DAKOTA**

(Insured State Nonmember Bank)

**ORDER TO PAY
CIVIL MONEY PENALTIES**

FDIC-06-137k

FDIC-06-138k

American Bank Center First, formerly known as Bank Center First, Bismarck, North Dakota ("Bank") has been advised of its right to receive a NOTICE OF ASSESSMENT OF CIVIL MONEY PENALTIES, 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 civil money penalties may be assessed against the Bank pursuant to (a) the Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. § 4012a ("Flood Act"), and Part 339 of the FDIC Rules and Regulations, 12 C.F.R. Part 339 ("Part 339"), and (b) section 8(i)(2) of the Federal Deposit Insurance Act, 12 U.S.C. § 1818(i)(2) ("Act"), section 305 of the Home Mortgage Disclosure Act ("HMDA"), 12 U.S.C. § 2804, and section 203.6 of Regulation C of the Board of Governors of the Federal Reserve System, 12 C.F.R. § 203.6 ("Regulation C"), and has been further advised of its right to a hearing on the alleged charges under the Flood Act, 42 U.S.C. § 4012a(f)(4), section 8(i)(2) and Part 308 of the FDIC Rules of Practice and Procedure, 12 C.F.R. Part 308 ("Part 308").

Having waived its rights under the Flood Act, 12 U.S.C. § 1818(i)(2), and Parts 308 and 339, 12 C.F.R. Parts 308 and 339, the Bank entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER TO PAY CIVIL MONEY PENALTIES ("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 civil money penalties in the amount of \$7,050, of which \$5,050 relate to the violations of the Flood Act and Part 339, and \$2,000 relate to violations of HMDA, 12 U.S.C. § 2804, and section 203.6 of Regulation C, 12 C.F.R. § 203.6.

The FDIC has reason to believe that the Bank has violated HMDA and section 203.6 of Regulation C in that it reported inaccurate loan application data on its 2004 Loan Application Register, and the Flood Act and Part 339 in that:

- (a) 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 without requiring that the collateral be covered by flood insurance;
- (b) 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 without requiring that the collateral be covered by sufficient flood insurance; and
- (c) It has made, increased extended or renewed a loan secured by a building or mobile home located or to be located in a special flood hazard area without notifying the borrower and/or the servicer whether flood insurance is available for the collateral;

which violations were cited at the FDIC's January 17, 2006 examination.

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 violation by the Bank, the history of previous violations by the Bank, and such other matters as justice may require, 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: (a) for which a civil money penalty of \$5,050 is appropriate to be assessed against the Bank, pursuant to the Flood Act and Part 339, and (b) for which a civil money penalty of \$2,000 is appropriate to be assessed against the Bank for the HMDA violations.

The FDIC, therefore, accepts the CONSENT AGREEMENT and issues the following:

ORDER TO PAY CIVIL MONEY PENALTIES

IT IS HEREBY ORDERED that the Bank be, and hereby is, assessed: (a) a civil money penalty of \$5,050 pursuant to the Flood Act, 42 U.S.C. § 4012a, and Part 339, 12 C.F.R. Part 339, and (b) a civil money penalty of \$2,000 pursuant to section 8(i)(2) of the Act, 12 U.S.C. § 1818(i)(2), section 305 of HMDA, 12 U.S.C. § 2804, and section 203.6 of Regulation C, 12 C.F.R. § 203.6. The receipt of the civil money penalties is hereby acknowledged.

Pursuant to delegated authority.

Dated at Washington, D.C., this 8th day of December, 2006.

April A. Breslaw
Acting Associate Director
Division of Supervision and
Consumer Protection

