

{{7-31-02 p.C-5440}}

[¶11,927] **In the Matter of First Citizens State Bank, Newport, Indiana**, Docket No. 02-022k (5-9-02).

Respondent agrees to pay civil money penalty assessed by the FDIC in the amount of \$2,800.

**In the Matter of  
FIRST CITIZENS STATE BANK  
NEWPORT, INDIANA  
(Insured State Nonmember Bank)  
ORDER TO PAY CIVIL MONEY PENALTY**

FDIC-02-022k

FIRST CITIZENS BANK, NEWPORT, INDIANA ("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) of the FDI Act, 12 U.S.C. §1818(i), and 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 \$2,800 related to 14 instances in which the Bank failed to provide notice to borrowers on loans made between January 5, 1999 and February 5, 2001, secured by buildings or mobile homes located or to be located in a designated special flood hazard area, as required by section 339.9 of the FDIC Rules and Regulations, 12 C.F.R. §339.9. In addition, the Bank failed to obtain flood insurance on these 14 loans secured by property located in a flood hazard area in which flood insurance has been made available under the National Flood Insurance Act of 1968, as required by section 339.3 of the FDIC Rules and Regulations, 12 C.F.R. §339.3.

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 \$2,800 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*

IT IS HEREBY ORDERED, that FIRST CITIZENS STATE BANK, NEWPORT, INDIANA be, and hereby is, assessed a civil money penalty of \$2,800, 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, 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 9th day of May, 2002.

