

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

_____)	
In the Matter of)	
)	
BOONE BANK & TRUST CO.)	ORDER TO PAY
BOONE, IOWA)	CIVIL MONEY PENALTY
)	
(Insured State Nonmember Bank))	FDIC-12-533k
_____)	

Boone Bank & Trust Co., Boone, Iowa ("Respondent"), 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 issued by the Federal Deposit Insurance Corporation ("FDIC") detailing the violations of law and regulation for which a civil money penalty may be assessed against the Respondent pursuant to the Flood Disaster Protection Act of 1973 ("Flood Act"), as amended, 42 U.S.C. § 4012a, section 8(i)(2) of the Federal Deposit Insurance Act ("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 with respect to the foregoing, under the Flood Act, 42 U.S.C. § 4012(f)(4), section 8(i) of the Act, 12 U.S.C. § 1818(i), and the FDIC's Rules of Practice and Procedure, 12 C.F.R. Part 308. The Respondent, having waived those rights, entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER TO PAY CIVIL MONEY PENALTY ("Consent

Agreement") with counsel for the FDIC dated October 24, 2012, whereby, solely for the purpose of this proceeding and without admitting or denying any violations of law or regulation, the Respondent consented to the issuance of this ORDER TO PAY CIVIL MONEY PENALTY by the FDIC.

The FDIC considered the matter and determined that the Respondent violated the Flood Act and Part 339 in that:

(a) It has failed to timely notify the borrower that the borrower should obtain flood insurance, at the borrower's expense, upon determining that the collateral was not covered by flood insurance at some time during the term of the loan; and

(b) It has failed to purchase insurance on the borrower's behalf after the borrower failed to obtain flood insurance within 45 days after notification; which violations were cited at the FDIC's Report of Examination dated May 10, 2012.

After taking into account the CONSENT AGREEMENT, the appropriateness of the penalty with respect to the size of the financial resources and good faith of the Respondent, the gravity of the violation, the history of previous violations by the Respondent, 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, by reason of the violations set forth in the CONSENT AGREEMENT, a penalty of \$2,860 is assessed against the Respondent. The Respondent shall pay such amount to the Treasury of the United States.

IT IS FURTHER ORDERED that the Respondent is prohibited from seeking or accepting indemnification from any third party for the civil money penalty assessed and paid in this matter.

This ORDER TO PAY CIVIL MONEY PENALTY shall become effective upon its issuance by the FDIC.

Pursuant to delegated authority.

Dated this 7th day of November, 2012

/s/

Todd L. Hendrickson
Deputy Regional Director (Compliance)
Kansas City Regional Office