

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of)
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)
HOLMES COUNTY BANK AND TRUST CO.)
LEXINGTON, MISSISSIPPI)
)
)
(Insured state nonmember bank))
_____)

ORDER TO PAY
CIVIL MONEY PENALTY
FDIC-12-409k

HOLMES COUNTY BANK AND TRUST COMPANY, LEXINGTON, MISSISSIPPI (“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 section 102(f)(1) of the Flood Disaster Protection Act of 1973, as amended (“FDPA”), 42 U.S.C. § 4012a(f)(1); 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 (“Part 339”), 12 C.F.R. Part 339, and has been further advised of its right to a hearing on the charges under section 102(f)(4) of the FDPA, 42 U.S.C. § 4012a(f)(4); section 8(i)(2)(H) of the FDI Act, 12 U.S.C. § 1818(i)(2)(H); and Part 308 of the FDIC Rules and Regulations, 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 **\$3,135.00** related to violations of the FDPA and Part 339. The FDIC considered the matter and determined that the Bank violated the FDPA and Part 339, in that:

- Bank failed to obtain flood insurance coverage on one (1) loan secured by a building or mobile home that is located or to be located in a special flood hazard area, as identified by the Director of the Federal Emergency Management Agency, in which flood insurance is available under the National Flood Insurance Act of 1968, as amended (“designated loan”), in violation of 42 U.S.C. § 4012a(b)(1) and 12 C.F.R. § 339.3(a);
- Bank failed to obtain an adequate amount of flood insurance coverage on two (2) designated loans, in violation of 42 U.S.C. § 4012a(b)(1) and 12 C.F.R. § 339.3(a); and
- Bank failed to notify the borrower of force placement of flood insurance on nine (9) designated loans, in violation of 42 U.S.C. § 4012a(e)(1) and 12 C.F.R. § 339.7.

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 HOLMES COUNTY BANK AND TRUST COMPANY, LEXINGTON, MISSISSIPPI, be, and hereby is, assessed a civil money penalty of **\$3,135.00**, pursuant to section 102(f)(1) of the FDPA, 42 U.S.C. § 4012a(f)(1); 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 **“Treasury of the United States.”**

This ORDER TO PAY CIVIL MONEY PENALTY shall be effective upon issuance.

Pursuant to delegated authority.

Dated at Dallas, Texas, this 11th day of September, 2012.

/s/ _____
Kristie K. Elmquist
Regional Director
Dallas Regional Office