

WASHINGTON, D.C.

(INSURED STATE NONMEMBER BANK)

FDIC-17-0225k

CREST SAVINGS BANK, WILDWOOD, NEW JERSEY ("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 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 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), and has been further advised of the right to a hearing with respect to the foregoing under section 102(f)(4) of the FDPA, 42 U.S.C. § 4012a(f)(4) and the FDIC's Rules of Practice and Procedure, 12 C.F.R. Part 308. The Bank, 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 March 8, 2018, whereby, solely for the purpose of this proceeding and without admitting or denying the violations of law, the Bank consented to the issuance of this ORDER TO PAY CIVIL MONEY PENALTY ("ORDER") by the FDIC.

The FDIC considered the matter and determined that the Bank has engaged in a pattern or practice of committing violations of the FDPA and/or the notice requirements under section 1364 of the National Flood Insurance Act of 1968, 42 U.S.C. 4104a, and/or Part 339 of the FDIC's Rules and Regulations, 12 C.F.R. Part 339, by reason that the Bank on 9 occasions violated the FDPA and 12 C.F.R. § 339.3(a), which requires that the building, mobile home, or personal property securing a designated loan be covered by flood insurance for the term of the loan, and the Bank on 14 occasions violated the FDPA and 12 C.F.R. § 339.7, which provides that if a bank or servicer acting on behalf of the bank determines at any time during the term of the designated loan that the building or mobile home is not covered by flood insurance that meets the requirements referenced in 12 C.F.R. § 339.3(a) the bank or its servicer must notify the borrower that the borrower should obtain, at the borrower's expense, flood insurance that meets such requirements for the remaining term of the loan and, if the borrower fails to obtain such flood insurance within 45 days after notification, the bank or its servicer must purchase such insurance on the borrower's behalf.

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 of law set forth herein, pursuant to section 102(f) of the FDPA, 42 U.S.C. § 4012a(f), a penalty of \$10,100 is assessed against the Bank. The Bank shall pay such amount to the Treasury of the United States.

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

This ORDER shall become effective upon its issuance by the FDIC.

The provisions of this ORDER shall not bar, estop, or otherwise prevent the FDIC or any other federal or state agency or department from taking any other action against the Bank or any of the Bank's current or former institution-affiliated parties, as that term is defined in Section 3(u) of the Federal Deposit Insurance Act, 12 U.S.C. § 1813(u).

Pursuant to delegated authority.

Dated at New York, New York this 19th day of March, 2018.

/s/

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Scott D. Strockoz  
Deputy Regional Director  
New York Region  
Division of Depositor and Consumer Protection