

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

	)	
In the Matter of	)	
	)	ORDER TO PAY
FIRST STATE BANK	)	CIVIL MONEY PENALTY
PAINT ROCK, TEXAS	)	
	)	FDIC-22-0039k
(Insured State Nonmember Bank)	)	
	)	

FIRST STATE BANK, Paint Rock, Texas (“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 its 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 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 April 26, 2022, whereby, solely for the purpose of this proceeding and without admitting or denying the violations of law and regulations, 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: three (3) violations of section 102(b)(1) of the FDPA, 42 U.S.C. §

4012a(b)(1), section 339.3(a) of the FDIC Rules and Regulations, 12 C.F.R. § 339.3(a), for failure to obtain flood insurance or obtain an adequate amount of insurance coverage, at or before loan origination, for all structures in a flood zone, including multiple structures; and one (1) violation of Section 102(e) of the FDPA, 42 U.S.C. § 4012a(e), and section 339.7(a) of the FDIC Rules and Regulations, 12 C.F.R. §339.7(a), for failure to force-place flood insurance, after loan origination, when the insurance on buildings securing the loan, are either not covered or covered in an amount less than the amount required pursuant to § 339.3 of the FDIC Rules and Regulations, 12 C.F.R. § 339.3. 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 civil money penalty of \$2,000.00 is assessed against the Bank. The Bank shall pay such amount to the FDIC via wire transmittal.

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 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 director, officer, employee, agent, successor, assignee, or other current or former institution-affiliated party, as that term is defined in section 3(u) of the Federal Deposit Insurance Act, 12 U.S.C. § 1813(u), of the Bank.

Pursuant to delegated authority

Dated at Dallas, Texas, this 2nd day of May, 2022.

/s/
Julie V. Banfield
Deputy Regional Director
Federal Deposit Insurance Corporation