## FEDERAL DEPOSIT INSURANCE CORPORATION WASHINGTON, D.C.

In the Matter of	)	
in the Matter of	)	
FARMERS DEPOSIT BANK OF MIDDLEBURG, INC.	) ORDER TO PA	ΑY
MIDDLEBURG, KENTUCKY	) FDIC-08-184	4k
(Insured State Nonmember Bank)	)	

Farmers Deposit Bank of Middleburg, Inc., Middleburg, Kentucky ("Respondent") has been advised that a penalty under the Flood Disaster Protection Act ("FDPA") as amended, 42 U.S.C. § 4012a(f), and Part 339 of the FDIC Rules and Regulations, 12 C.F.R. Part 339, may be issued only after a notice detailing the violations and an opportunity for a hearing on the record. Having waived those rights, the Respondent and a representative of the Legal Division of the Federal Deposit Insurance Corporation ("FDIC") executed a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER TO PAY ("CONSENT AGREEMENT") dated March 26, 2009, whereby Respondent, solely for the purpose of this proceeding and without admitting or denying any violation of law for which civil money penalties may be assessed, consented and agreed to pay a civil money penalty in the

amount specified below to the Treasury of the United States.

The FDIC has reason to believe that the

Respondent has violated the FDPA and Part 339 of the FDIC

Rules and Regulations. Specifically, on 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, and property located in non
participating communities, the Respondent violated:

- Section 339.3(a) of the FDIC Rules and
   Regulations, 12 C.F.R. § 339.3(a), by failing
   to require flood insurance at origination in
   three instances; and
- Section 339.9(c) of the FDIC Rules and
  Regulations, 12 C.F.R. § 339.9(c), by failing
  to provide the required notice to borrowers on
  loans secured by property located in a special
  flood hazard area prior to origination in four
  instances.

After taking into account the CONSENT AGREEMENT, the appropriateness of the penalty with respect to the financial resources and good faith of the Respondent, the gravity of the violations by the Respondent, 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

IT IS HEREBY ORDERED that a civil money penalty of \$2,695.00 be, and hereby is, assessed against Respondent pursuant to the FDPA, 42 U.S.C. § 4012a, section 8(i)(2) of the Federal Deposit Insurance 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 Respondent shall pay the civil money penalty to the Treasury of the United States.

This ORDER TO PAY shall be effective upon issuance. Pursuant to delegated authority.

Dated at Chicago, Illinois, this 1st day of April, 2009.

/s/

M. Anthony Lowe Regional Director Chicago Regional Office Federal Deposit Insurance Corporation