

FEDERAL DEPOSIT INSURANCE CORPORATION  
WASHINGTON, D.C.

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In the Matter of	)	
	)	
	)	
	)	ORDER TO PAY
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JEFFERSON BANK.	)	FDIC-10-405k
SAN ANTONIO, TEXAS	)	
	)	
	)	
(Insured State Nonmember Bank)	)	

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Jefferson Bank, San Antonio, Texas (“Bank”), having been advised of a Notice of Assessment of Civil Money Penalty, Findings of Fact and Conclusions of Law, Order to Pay, and Notice of Hearing under 12 U.S.C. § 1818(i)(2) detailing the violations of law and regulations alleged to have been committed by the Bank and of its right to a hearing with respect to the foregoing, and having waived those rights, entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER TO PAY (CONSENT AGREEMENT) with counsel for the Federal Deposit Insurance Corporation (FDIC) dated July 21, 2010, whereby, solely for the purpose of this proceeding and without admitting or denying any violations of law or regulation, the Bank, consented to the issuance of an ORDER TO PAY by the FDIC.

The FDIC considered the matter and determined that it has reason to believe that the Bank engaged in a pattern or practice of discrimination in violation of the Equal Credit Opportunity Act (ECOA), 15 U.S.C. §§1691-1691f, and its implementing regulation, Regulation B of the Board of Governors of the Federal Reserve System (Regulation B), 12 C.F.R. Part 202, and the Fair Housing Act (FHA), 42 U.S.C. § 3601 *et seq.*, and its implementing regulations, the Fair Housing Regulations of the Department of Housing and Urban Development (FHA

Regulations), 24 C.F.R. Part 100. The FDIC believes that the Bank engaged in a pattern or practice of discrimination in violation of the ECOA and FHA in 2005 and 2006 when the Bank limited the choice of loan programs it offered to certain Hispanic borrowers who also qualified for other loan programs the Bank offered to non-Hispanic, white borrowers. Pursuant to 15 U.S.C. § 1691e(g), the FDIC referred the Equal Credit Opportunity Act and Fair Housing Act violations to the Department of Justice(DOJ). After consultation, DOJ referred the matter back to the FDIC, and the FDIC determined to take administrative enforcement action in the form of this Order. The FDIC, therefore, accepts the CONSENT AGREEMENT and issues the following:

### **ORDER TO PAY**

IT IS ORDERED THAT, by reason of the alleged violations of law and regulation, and 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 conduct of the Bank, the history of previous conduct by the Bank, and such other matters as justice may require pursuant to 12 U.S.C. § 1818(i)(2), a civil money penalty of Ten Thousand and 00/100 (\$10,000) Dollars is assessed against the Bank.

The Bank shall pay the civil money penalty to the Treasury of the United States. The Bank shall pay such civil money penalty itself and is prohibited from seeking or accepting indemnification for such payment from any third party.

### **MISCELLANEOUS**

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 actions or seeking further remedies against the Bank or any of the Bank's current or former institution-affiliated parties or agents. The provisions of this ORDER apply to the Bank's successors and assigns.

This ORDER shall become effective upon its issuance by the FDIC. The provisions of this ORDER shall remain effective and enforceable except to the extent that, and until such time as, any provisions of this ORDER shall have been modified, terminated, suspended, or set aside by the FDIC.

Pursuant to delegated authority.

Dated at Washington, DC this 15<sup>th</sup> day of September, 2010.

/s/  
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Sylvia H. Plunkett  
Associate Director  
Division of Supervision and Consumer Protection