

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

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| In the Matter of |) | |
| |) | |
| FIRST TRUST AND SAVINGS BANK, |) | ORDER TO PAY |
| ONEIDA, TENNESSEE |) | |
| ONEIDA, TENNESSEE |) | |
| |) | FDIC-11-282k |
| |) | |
| (State Chartered |) | |
| Insured Nonmember Bank) |) | |
| _____ |) | |

First Trust and Savings Bank, Oneida, Tennessee ("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 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 ("STIPULATION") dated November 15, 2011, 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. 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 the Respondent violated:

- section 339.3(a) of the FDIC Rules and Regulations, 12 C.F.R. § 339.3(a), by failing to obtain flood insurance on a building securing a designated loan at the time of the origination of four (4) loans; and
- section 339.9(d) of the FDIC Rules and Regulations, 12 C.F.R. § 339.9(d), by failing to retain a record of the receipt of the Notice of Special Flood Hazard and Availability of Federal Disaster Relief Assistance by the borrower for four (4) loans.

After taking into account the STIPULATION, 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

