

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

_____)	
In the Matter of)	
)	ORDER TO PAY
BANK OF BLUFFS)	CIVIL MONEY PENALTY
BLUFFS, ILLINOIS)	
)	FDIC-18-0230k
(Insured State Nonmember Bank))	
_____)	

BANK OF BLUFFS, BLUFFS, ILLINOIS ("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 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 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 March 25, 2019, 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 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 as follows:

- 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 three (3) loans;
- 12 C.F.R. § 339.3(a), by failing to obtain adequate flood insurance for seven (7) loans;
- 12 C.F.R. § 339.3(a), by failing to maintain flood insurance for six (6) loans;
- 12 C.F.R. § 339.7, by failing to follow force placement flood insurance procedures for seven (7) loans; and
- 12 C.F.R. § 339.9(c), by failing to provide to borrowers a Notice of Special Flood Hazard and Availability of Federal Disaster Relief Assistance within a reasonable time before the completion of the transaction on three (3) loans.

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 42 U.S.C. § 4012a(f), a penalty of \$18,812.00 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 12 U.S.C. § 1813(u).

Pursuant to delegated authority.

Dated at Chicago, Illinois this 1st day of April, 2019.

_____/s/_____
John P. Conneely
Regional Director