

**UNITED STATES OF AMERICA  
DEPARTMENT OF THE TREASURY  
OFFICE OF THE COMPTROLLER OF THE CURRENCY**

**In the Matter of:** )  
 )  
First Federal Savings & Loan Association ) AA-SO-2017-65  
Pascagoula, Mississippi )

**STIPULATION AND CONSENT TO THE ISSUANCE  
OF AN ORDER FOR A CIVIL MONETARY PENALTY**

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”), through his duly authorized representative, has supervisory authority over First Federal Savings & Loan Association, Pascagoula, Mississippi (“Bank”);

WHEREAS, the Comptroller intends to initiate a civil monetary penalty action against the Bank pursuant to section 102(f) of the Flood Disaster Protection Act, as amended, (“Flood Act”) (42 U.S.C. § 4012a(f)) for a pattern or practice of violations of the Flood Act and its implementing regulations, specifically 12 C.F.R. §§ 22.3(a) (requirement to purchase flood insurance when available) and 22.7(a) (forced placement of flood insurance);

WHEREAS, in the interest of cooperation and to avoid the costs associated with future administrative and judicial proceedings with respect to the above matter, the Bank, without admitting or denying any wrongdoing, desires to enter into this Stipulation and Consent Order (“Order”); and

NOW, THEREFORE, in consideration of the above premises, the Comptroller, through his duly authorized representative, and the Bank, through its duly elected and acting Board of Directors, stipulate and agree to the following:

## **Article I**

### **JURISDICTION**

(1) The Bank is a federal savings association, chartered and examined by the Comptroller pursuant to the Home Owners' Loan Act, as amended, 12 U.S.C. § 1461 *et seq.* Accordingly, the Bank is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2) and is a “regulated lending institution” as that term is defined in 42 U.S.C. § 4003(a)(10).

(2) Pursuant to 42 U.S.C. §§ 4003(a)(5) and 4012a(f), the Comptroller is the appropriate “Federal entity for lending regulation” to maintain an enforcement proceeding against the Bank for Flood Act violations.

## **Article II**

### **ORDER FOR CIVIL MONETARY PENALTY**

The Bank hereby consents, and the Comptroller orders that:

(1) The Bank shall pay a civil monetary penalty in the amount of thirty-five thousand dollars (\$35,000.00) upon execution of this Order.

(2) The Bank shall make payment in full by check made payable to the National Flood Insurance Program and shall deliver the payment to: Kevin Montgomery, Federal Emergency Management Agency, 18400 C St. SW, 3<sup>rd</sup> Floor, Washington, DC 20472. The docket number of this action shall be entered on the check.

(3) The Bank shall submit a copy of the check to J. Scott McNeill, Special Counsel, Office of the Comptroller of the Currency, Southern District Office, 500 North Akard Street, Suite 1600, Dallas, TX 75201.

(4) This Order shall be enforceable to the same extent and in the same manner as an effective and outstanding order that has been issued and has become final pursuant to 12 U.S.C. §§ 1818(h) and (i) and 42 U.S.C. § 4012a.

### **Article III**

#### **WAIVERS**

- (1) By executing this Order, the Bank waives:
  - (a) the right to the issuance of a Notice under 12 U.S.C. § 1818(i) and 42 U.S.C. § 4012a(f)(4), and recognizes that the OCC letter dated October 19, 2017, from David A. Clay, Assistant Deputy Comptroller, constitutes a valid substitute notice (“Notice Letter”);
  - (b) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(i), 12 C.F.R. Part 109, and 42 U.S.C. § 4012a(f)(4);
  - (c) all rights to seek judicial review of this Order; and
  - (d) all rights in any way to contest the validity of this Order.
- (2) The Bank declares that no separate promise or inducement of any kind has been made by the Comptroller, his agents or employees, to cause or induce the Bank to agree to consent to the issuance of this Order and/or to execute this Order.
- (3) It is hereby agreed that the provisions of this Order constitute a settlement of the civil monetary penalty proceeding contemplated by the Comptroller on the basis of the Bank’s violations of the Flood Act and regulations as described in this Order and in the Notice Letter. However, the specific violations described herein may be used by the Comptroller in future enforcement actions to establish a pattern or practice of misconduct or the continuation of a pattern or practice of misconduct.



