

UNITED STATES OF AMERICA

DEPARTMENT OF THE TREASURY

OFFICE OF THE COMPTROLLER OF THE CURRENCY

In the Matter of:)	
VERNON E. HOWELL)	
CHAIRMAN OF THE BOARD AND DIRECTOR)	OCC-AA-EC-00-49
FIRST NATIONAL BANK OF LUCEDALE)	
LUCEDALE, MISSISSIPPI)	

STIPULATION AND CONSENT TO ORDER OF PROHIBITION

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”) intends to initiate prohibition proceedings against Respondent, Vernon E. Howell (“Respondent”), Chairman of the Board and Director of First National Bank of Lucedale, Lucedale, Mississippi (“Bank”), pursuant to 12 U.S.C. § 1818 (e) (as amended), through the issuance a Notice of Intention to Prohibit Further Participation; and

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 Comptroller and Respondent desire to enter into this Stipulation and Consent to Order of Prohibition (“Order”);

NOW, THEREFORE, in consideration of the above premises, it is stipulated by and between the Comptroller, through his duly authorized representative, and Respondent that:

ARTICLE I

JURISDICTION

(1) At all relevant times, the Bank was a national banking association, chartered and examined by the Comptroller, pursuant to the National Bank Act of 1864, as amended, 12 U.S.C. § 1 et seq. Accordingly, the Bank is an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2).

(2) At all relevant times, Respondent was Chairman of the Board and Director of the Bank and was an “institution-affiliated party” of the Bank as that term is defined in 12 U.S.C. § 1813(u), having served in such capacity within six (6) years from the date hereof. See 12 U.S.C. § 1818(i)(3).

(3) Pursuant to 12 U.S.C. § 1813(q), the Comptroller is the “appropriate Federal banking agency” to maintain an enforcement proceeding against institution-affiliated parties.

ARTICLE II

PROHIBITION ORDER

(4) With respect to the institutions and agencies set forth in this Article, and without admitting or denying any wrongdoing, Respondent hereby agrees that he shall not:

- (a) participate in any manner in the conduct of their affairs;
- (b) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights;
- (c) violate any voting agreement previously approved by the “appropriate Federal banking agency,” as defined in 12 U.S.C. § 1813(q) (as amended);
or
- (d) vote for a director, or serve or act as an “institution-affiliated party,” as defined in 12 U.S.C. § 1813(u) (as amended).

(5) The prohibitions of this Article apply to the following institutions and agencies:

- (a) any insured depository institution, as defined in 12 U.S.C. § 1813(c);

- (b) any institution treated as an insured bank under 12 U.S.C. §§ 1818(b)(3), (b)(4), or as a savings association under 12 U.S.C. § 1818(b)(9) (as amended);
- (c) any insured credit union under the Federal Credit Union Act;
- (d) any institution chartered under the Farm Credit Act of 1971;
- (e) any appropriate Federal depository institution regulatory agency; and
- (f) the Federal Housing Finance Board and any Federal home loan bank.

(6) The prohibitions of this Article shall cease to apply with respect to a particular institution if Respondent obtains the prior written consent of both the Comptroller and the institution's "appropriate Federal financial institutions regulatory agency," as defined in 12 U.S.C. § 1818(e)(7)(D) (as amended).

(7) 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(e), (i), (j), and (h) (as amended).

ARTICLE III

WAIVERS

- (8) By executing this Order, Respondent waives:
- (a) the right to issuance of a Notice of Intent to Prohibit Further Participation pursuant to 12 U.S.C. § 1818(e)
 - (b) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(e) and 12 C.F.R. Part 19;
 - (c) all rights to seek judicial review of this Order;
 - (d) all rights in any way to contest the validity of this Order;

- (e) any and all claims for fees, costs or expenses against the Comptroller, or any of his agents or employees, related in any way to this enforcement matter and/or this Order, whether arising under common law or under the terms of any statute, including but not limited to, the Equal Access to Justice Act, 5 U.S.C. § 504 and 28 U.S.C. § 2412; and
- (f) all rights to assert a “double jeopardy” claim in the event of a criminal prosecution brought by the Department of Justice for the acts which form the basis for issuance of this Order.

(9) Respondent shall not cause, participate in or authorize the Bank (or any subsidiary or affiliate thereof) to incur, directly or indirectly, any expense for the payment of any legal (or other professional) expense relative to the negotiation and issuance of this Order; and, in accordance with 12 C.F.R. § 7.2014, Respondent shall not, directly or indirectly, obtain or accept any indemnification (or other reimbursement) from the Bank (or any subsidiary or affiliate thereof) with respect to such amounts.

(10) Respondent acknowledges that he has read and understands the premises and obligations of this Order and 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 Respondent to agree to consent to the issuance of this Order and/or to execute it.

ARTICLE IV

(11) It is hereby agreed that the provisions of this Order constitute a settlement of the prohibition action only as contemplated by the Comptroller. The Comptroller expressly reserves the right to initiate other proceedings against the Respondent, Vernon E. Howell including but

not limited to the assessment of civil money penalties, and the issuance of an order to make restitution or provide reimbursement, indemnification or guaranty against loss arising out of any acts, omissions and/or violations committed by the Respondent in connection with his conduct of the affairs of the Bank.

(12) It is further agreed that the provisions of this Order shall not be construed as an adjudication on the merits and shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any action affecting the Respondent if, at any time, the Comptroller deems it appropriate to do so to fulfill the responsibilities placed upon him by the several laws of the United States of America.

(13) Respondent understands that nothing herein shall preclude any proceedings brought by the Comptroller to enforce the terms of this Order, and that nothing herein constitutes, nor shall Respondent contend that it constitutes, a waiver of any right, power, or authority of any other representatives of the United States, or agencies thereof, including the Department of Justice, to bring other actions deemed appropriate.

IN TESTIMONY WHEREOF, the undersigned have hereunto set their hands.

/s/

Leann G. Britton
Senior Deputy Comptroller
for Bank Supervision Operations

10/23/2000

Date

/s/

Vernon E. Howell

10/17/2000

Date

ACKNOWLEDGEMENT

State of Mississippi

County of George

On this 17th day of October, 2000, before me, the undersigned notary public, personally appeared Vernon E. Howell who is personally known by me or who has produced driver license as identification, and acknowledged his execution of the foregoing Stipulation and Consent to Entry of an Order of Prohibition.

Deborah Anderson

Notary Public

My Commission Expires: April 9, 2001