

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

In the Matter of: )  
 )  
The First National Bank of Waterloo )  
Waterloo, Illinois )

STIPULATION AND CONSENT ORDER

WHEREAS, the Comptroller of the Currency of the United States of America (Comptroller) intends to initiate a civil money penalty proceeding against The First National Bank of Waterloo (Respondent) pursuant to 42 U.S.C. § 4012a(f) and (g) for activities detailed in a Report of Examination dated June 30, 1999; 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 Order (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) The First National Bank of Waterloo is 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 Respondent 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 42 U.S.C. § 4012a(f), the Comptroller is the “appropriate Federal entity for lending regulation” to maintain an enforcement proceeding against the Respondent. Therefore, Respondent is subject to the authority of the Comptroller to initiate and maintain a civil money penalty proceeding pursuant to 42 U.S.C. § 4012a(f).

## Article II

### CIVIL MONEY PENALTY

(1) Without admitting or denying any wrongdoing, Respondent hereby consents to the payment of a civil money penalty in the amount of two thousand four hundred dollars (\$2400.00), which shall be paid upon execution of this Order. Respondent shall make payment in full by check made payable to the National Flood Insurance Program and shall deliver said check to: Kevin Montgomery, Financial Management Specialist, Federal Emergency Management Agency, Federal Insurance Administration, c/o NFIP Bureau and Statistical Agent, 7700 Hubble Drive, Lanham, Maryland 20706.

(2) 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) (as amended).

## Article III

### WAIVERS

(1) By executing this Order, Respondent waives:

- (a) the right to the issuance of Notices pursuant to 12 U.S.C. § 1818(i) and 42 U.S.C. § 4012a(f)(4), and instead, recognizes the letter issued by District Deputy Comptroller Gilland to the Respondent dated July 27, 2000, to constitute a valid substitute Notice of Assessment;
- (b) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(i), 12 C.F.R. Part 19, and 42 U.S.C. § 4012a(f)(4);
- (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 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;

(2) It is hereby agreed that the provisions of this Order constitute a settlement of a civil money penalty proceeding contemplated by the Comptroller against the Respondent. The Comptroller agrees not to institute proceedings against the Respondent for the specific acts, omissions, or violations relating to the Report of Examination dated June 30, 1999, unless such acts, omissions, or violations reoccur.

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

(4) 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/ Jeri Gilland  
Jerilyn Gilland  
Deputy Comptroller

7-28-00  
Date

/s/ William R. Gardner  
William R. Gardner  
Director

8-16-00  
Date

/s/ Donald L. Gleiber  
Donald L. Gleiber  
Director

8-16-00  
Date

/s/ Russel W. Jost  
Russel W. Jost  
Director

8-16-00  
Date

/s/ Gary D. Hemmer  
Gary D. Hemmer  
President, Chief Executive Office, and Director

8-16-00  
Date

/s/ Robert A. Hoffman  
Robert A. Hoffmann  
Director

8-16-00  
Date

/s/ Otis Lutz  
Otis Lutz  
Director

8-16-00  
Date

/s/ David A. Mehrmann  
David A. Mehrmann  
Director

8-16-00  
Date

/s/ Robert H. Voris  
Robert H. Voris  
Director

8-16-00  
Date

/s/ George P. Ziebold  
George P. Ziebold  
Director

8-16-00  
Date