

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

_____	)	
IN THE MATTER OF	)	
Vernon E. Howell	)	
former Chairman of the Board of Directors	)	OCC-AA-EC-02-01
First National Bank of Lucedale	)	
Lucedale, Mississippi	)	
_____	)	

**STIPULATION AND CONSENT ORDER**

**WHEREAS**, the Comptroller of the Currency of the United States of America (“Comptroller”) has initiated formal enforcement proceedings against Vernon E. Howell (“Respondent”) pursuant to 12 U.S.C. § 1818(b)(6)(A) (as amended) through the issuance of a Notice of Charges for an Order To Cease and Desist For Restitution (the “Notice”), dated April 10, 2002; 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;

**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, First National Bank of Lucedale, Lucedale, Mississippi (“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) The Office of the Comptroller of the Currency (“OCC”) is the "appropriate Federal banking agency" within the meaning of 12 U.S.C. § 1813(q)(1) and for purposes of 12 U.S.C. § 1818(b) to maintain an enforcement proceeding against an institution-affiliated party.

(3) At all relevant times, Respondent was the Chairman of the Board of Directors of the Bank and is 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).

## ARTICLE II

### CEASE AND DESIST ORDER FOR RESTITUTION

(1) Without admitting or denying any wrongdoing, Respondent hereby consents to the payment of restitution to the Bank in the amount of One Thousand Five

Hundred Dollars (\$1,500), which shall be paid by Respondent upon execution of this Stipulation and Consent Order, as follows:

(a) Respondent shall cause payment in full to be made by cashier's check or certified funds payable to "First National Bank of Lucedale". The original check shall be delivered to counsel for the OCC, Saumya Bhavsar and/or Joi Sheffield, Enforcement & Compliance Division, Office of the Comptroller of the Currency, 250 E St., S.W., Washington, D.C., 20219.

### **ARTICLE III**

#### **ENFORCEABILITY**

(1) This Stipulation and Consent 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 (b) (as amended).

### **ARTICLE IV**

#### **WAIVERS**

- (1) By executing this Stipulation and Consent Order, Respondent waives:
- (a) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(b) and 12 C.F.R. Part 19;
  - (b) all rights to seek judicial review of this Order;
  - (c) all rights in any way to contest the validity of this Order;

- (d) any and all claims for fees, costs, expenses, or damages 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
- (e) all rights to assert a "double jeopardy" claim in the event of a criminal prosecution brought by the United States Department of Justice for the acts which form the basis for issuance of this Order.

(2) 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 the restitution under this Order, or any legal (or other professional) expense relative to the negotiation and issuance of this Order; and except as permitted by 12 C.F.R. § 7.2014 and 12 C.F.R. Part 359, Respondent shall not, directly or indirectly, seek, obtain or accept any indemnification (or other reimbursement) from the Bank (or any subsidiary or affiliate thereof) with respect to such amounts.

(3) Respondent acknowledges that he has read and understands the premises and obligations of this Stipulation and Consent 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 this Stipulation.

## **ARTICLE V**

### **BANKRUPTCY**

(1) In any bankruptcy proceeding in which it is or may be contended that Respondent's obligation to pay the agreed upon restitution pursuant to this Stipulation and Consent Order is subject to discharge, Respondent will in no manner contest the Comptroller's assertion, pursuant to 11 U.S.C. §§ 523(a)(7) and (11) or otherwise, that the restitution obligations in this Stipulation and Consent Order arise out of acts which result in claims not dischargeable in bankruptcy.

## **ARTICLE VI**

### **RELEASE OF CLAIMS**

(1) It is hereby agreed that the provisions of this Stipulation and Consent Order constitute a complete and full settlement of all matters between the parties. The Comptroller agrees not to institute other enforcement proceedings against Respondent for any specific acts, omissions and/or violations occurring before the date of this release.

(2) Respondent understands that nothing herein shall preclude any proceedings brought by the Comptroller to enforce the terms of this Stipulation and Consent Order, and that nothing herein constitutes, nor shall Respondent contend that it constitutes, a waiver of any right, power, or authority of any 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/  
\_\_\_\_\_  
Ronald G. Schneck  
Director  
Special Supervision/Fraud  
Office of the Comptroller of the Currency

2/04/2003  
\_\_\_\_\_  
Date

/s/  
\_\_\_\_\_  
Vernon E. Howell

1/30/2003  
\_\_\_\_\_  
Date

**ACKNOWLEDGEMENT**

State of Mississippi

County of George

On this 30th day of January, 2003, before me, the undersigned notary public, personally appeared Vernon E. Howell who is personally known by me or who has produced \_\_\_\_\_ as identification, and acknowledged his execution of the foregoing Stipulation and Consent Order.

James C. Cochran / By: Selina Holifield  
Notary Public

My Commission Expires: January 5, 2004