

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

In the Matter of:)
)
William R. Justice)
Former In-House Counsel and)
Assistant Vice President)
)
First National Bank of Shelby County)
Columbiana, Alabama (Merged))
_____)

AA-EC-07-39

STIPULATION AND CONSENT ORDER

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”) has initiated prohibition, civil money penalty and cease and desist proceedings against William R. Justice (“Respondent”) pursuant to 12 U.S.C. §§ 1818(b) 1818(e), and 1818(i) through the issuance of a Notice of Intention to Prohibit Further Participation, a Notice of Charges for Issuance of an Order to Cease and Desist and a Notice of Assessment of a Civil Money Penalty on June 1, 2007 (“Notice”);

WHEREAS, Respondent filed an Answer denying material allegations of the Comptroller on June 21, 2007;

WHEREAS, in the interest of cooperation and to avoid the costs associated with future administrative and judicial proceedings with respect to the above matter, Respondent, without admitting or denying any wrongdoing, desires to enter into this Consent Order (“Order”) issued pursuant to 12 U.S.C. §§ 1818(b), 1818(e), and 1818(i);

Initialed: _____

Date: _____

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 Shelby County, Columbiana, Alabama (“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 was an “insured depository institution” as that term is defined in 12 U.S.C. § 1813(c)(2).

(2) Respondent is and was an attorney licensed to practice law in the State of Alabama. Respondent was the Bank’s In-House Counsel, an Assistant Vice President 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)).

(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. Therefore, Respondent is subject to the authority of the Comptroller to initiate and maintain these civil money penalty and cease and desist proceedings against him pursuant to 12 U.S.C. §§ 1818(b), 1818(e) and 1818(i).

Article II

PROHIBITION ORDER

(1) Respondent hereby consents to a Prohibition from banking pursuant to 12 U.S.C. § 1818(e) and the terms and conditions set forth herein.

(2) With respect to the institutions and agencies set forth in paragraph (3) of this Article, 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).

(3) The prohibitions in paragraph (2) 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.

(4) The prohibitions of paragraphs (2) and (3) 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).

(5) 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) and 1818(h) (as amended).

Article III

PERSONAL CEASE AND DESIST ORDER

(1) Pursuant to the authority of the Federal Deposit Insurance Act, 12 U.S.C. §§ 1818(b), the Comptroller hereby orders that:

(2) With respect to the institutions and agencies set forth in Article II of this Order, except as expressly set forth herein, Respondent shall not render any legal representation, be involved in the issuance of title insurance, or be involved in the collection of debts. Such restriction, however, shall not extend to the representation of an individual not specified as an institution or agency set forth in Article II of this Order, and shall not prohibit Respondent from participation in the closing of loans in connection with his legal practice.

(3) If, at any time, Respondent is uncertain whether a situation implicates paragraph (2) of this Article, or if Respondent is uncertain about his duties arising from these or any other requirements of this Order, he shall obtain, at his own expense, and abide by the written advice of counsel regarding his duties and responsibilities with respect to the matter. To comply with this paragraph, Respondent shall engage counsel who is in no way affiliated with the institution; and who has never been subject to any formal sanctions by any Federal banking agency, either by agency order or consent, as disclosed on the banking agencies' web sites.

(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(b) and 1818(h).

Article IV

ORDER FOR 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 twenty-five thousand dollars (\$25,000.00), which shall be payable immediately upon execution of this Order.

(2) The payment shall be made by certified check, made payable to the Treasurer of the United States and shall be delivered to: Comptroller of the Currency, P.O. Box 979012, St. Louis, Missouri 63197-9000. The docket number of this case, AA-EC-06-28, shall be entered on the memo line of the check. A copy of such payment instrument shall accompany this executed Order when returned to the Comptroller.

(3) 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 1818(i).

Article V

WAIVERS

- (1) By executing this Order, Respondent waives:
- (a) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. §§ 1818(b), 1818(e) and 1818(i) 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; and
 - (d) 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) Respondent shall not cause, participate in or authorize the Bank, or any successor in interest thereto, (or any subsidiary or affiliate thereof) to incur, directly or indirectly, any expense for the payment of the civil money penalty under this Order, or any legal (or other professional) expense relative to the negotiation and issuance of this Order except as permitted by 12 C.F.R. § 7.2014 and Part 359; and Respondent shall not, directly or indirectly, obtain or accept any indemnification (or other reimbursement) from

the Bank, or any successor in interest thereto, (or any subsidiary or affiliate thereof) with respect to such amounts except as permitted by 12 C.F.R. § 7.2014 and Part 359.

Article VI

CLOSING

(1) It is hereby agreed that the provisions of this Order constitute a full and final settlement of the prohibition, cease and desist and civil money penalty proceedings contemplated by the Comptroller. The Comptroller agrees not to institute proceedings for the specific acts, omissions, or violations referenced in the Notice, unless such acts, omissions, or violations reoccur.

(2) It is further agreed that the provisions of this Order shall not be construed as an adjudication on the merits and, except with respect to the acts, violations and/or breaches currently known to the Comptroller which form the basis for the issuance of this Order, 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..

(3) 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 his employees to cause or induce the Respondent to agree to consent to the issuance of this Order or to execute this Order.

(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/ Ronald G. Scheck
Ronald G. Schneck
Director
Special Supervision Division

10/18/07
Date

/s/ William R. Justice
William R. Justice

10/5/07
Date

Sworn and Subscribed before me:

Notary Public

My Commission Expires: