

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

In the Matter of:

Elizabeth A. Stuart
First National Bank in Pawhuska
Pawhuska, Oklahoma

AA-SO-10-05

CONSENT ORDER

WHEREAS, the Comptroller of the Currency of the United States of America (“Comptroller”) intends to initiate civil money penalty proceedings against Elizabeth A. Stuart (“Respondent”) pursuant to 12 U.S.C. § 1818(i) based upon the Comptroller’s Findings contained in Article II of this Consent Order (which Respondent neither admits or denies);

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(i);

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) First National Bank in Pawhuska, Pawhuska, Oklahoma (“Bank”) is a national banking association, chartered and examined by the Comptroller, pursuant to the National Bank

Initials: _____
Date: _____

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) Respondent is a director 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 this civil money penalty proceeding against him pursuant to 12 U.S.C. § 1818(i).

ARTICLE II

COMPTROLLER’S FINDINGS

The Comptroller finds, and respondent neither admits nor denies, the following:

(1) Respondent has been in longstanding service as Director of the Bank.

(2) Due to unsafe and unsound practices and deterioration in the Bank’s condition, on June 16, 2006, the Bank’s Board entered into a Formal Agreement with the Comptroller. Respondent was a signatory of the Formal Agreement and had a duty to use best efforts to ensure Bank compliance with the Formal Agreement.

(3) Despite numerous warnings, the Board failed to take appropriate actions to ensure the Bank’s compliance with substantive provisions of the Formal Agreement. The Bank’s Report of Examination, as of March 31, 2009, was the third examination that the OCC found that the Bank was in noncompliance with the Formal Agreement. During this time period, the Board continuously failed to adequately ensure that senior management effectively managed and controlled risks inherent in the Bank. Management and the Board failed to implement and

execute many of the requirements of the Formal Agreement. As a result, the Bank's condition continued to deteriorate resulting in increasing losses and increasing levels of criticized loans.

(4) By reason of the foregoing conduct, Respondent breached his fiduciary duties to the Bank, caused the Bank to violate an agreement in writing, and enabled the Bank to continue to engage in unsafe and unsound practices.

ARTICLE III

ORDER FOR CIVIL MONEY PENALTY

Respondent hereby consents to and it is order that:

(1) Without admitting or denying any wrongdoing, Respondent hereby consents to the payment of a civil money penalty in the amount of five thousand dollars (\$5,000.00), which shall be paid upon execution of this Order.

(2) Respondent shall make payment in full by check made payable to the Treasurer of the United States, and shall deliver the payment to: Comptroller of the Currency, P.O. Box 979012, St. Louis, Missouri 63197-9000. The docket number of this case shall be entered on the check.

(3) Respondent shall send a copy of the check to Demitri Benson, Attorney, Office of the Comptroller of the Currency, 1600 Lincoln Plaza, 500 North Akard Street, Dallas, Texas 75201-3394, with reference to the docket number of this case.

(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).

ARTICLE IV

WAIVERS

By executing this Order, Respondent waives:

- (1) the right to the issuance of a Notice of Charges or Notice of Assessment of a Civil Money Penalty under 12 U.S.C. § 1818(b) and (i);
- (2) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. § 1818(i) and 12 C.F.R. Part 19;
- (3) all rights to seek judicial review of this Order;
- (4) all rights in any way to contest the validity of this Order; and
- (5) 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.

ARTICLE V

CLOSING

(1) 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 civil money penalty under this Order, or any legal (or other professional) expense relative to the negotiation and issuance of this Order except in accordance with 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 subsidiary or affiliate thereof) with respect to such amounts except in accordance with 12 C.F.R. § 7.2014 and Part 359.

(2) 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 this Order.

(3) It is hereby agreed that the provisions of this Order constitute a settlement of this civil money penalty proceeding contemplated by the Comptroller. The Comptroller agrees not to institute additional civil money penalty proceedings for the specific acts, omissions, or violations referenced in Article II of this Order, unless such acts, omissions, or violations reoccur.

(4) 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.

(5) Respondent further agrees not to take any action or to make or permit to be made any public statement denying, directly or indirectly, the specific acts, omissions, or violations referenced in this Order, or otherwise creating the impression that this Order is without factual basis. If Respondent violates this provision, the OCC may set aside this settlement and commence administrative proceedings on the actions alleged herein. Nothing in this paragraph shall affect Respondent's testimonial obligations.

(6) 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.

(7) The terms of this Order, including this Paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements, or arrangements or negotiations between the parties, whether oral or written

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

/S/

Gilbert D. Barker
Deputy Comptroller
Southern District

2/10/2010

Date

/S/

Elizabeth A. Stuart

2/1/2010

Date