

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

_____)	
In the Matter of)	
)	
NORTHWEST GEORGIA BANK)	ORDER TO PAY
RINGGOLD, GEORGIA)	CIVIL MONEY PENALTY
)	
(INSURED STATE NONMEMBER BANK))	FDIC-06-225k
_____)	

NORTHWEST GEORGIA BANK, RINGGOLD, GEORGIA ("Bank"), has been advised of its right to receive a NOTICE OF ASSESSMENT OF CIVIL MONEY PENALTY, FINDINGS OF FACT AND CONCLUSIONS OF LAW, ORDER TO PAY, AND NOTICE OF HEARING ("NOTICE OF ASSESSMENT") issued by the Federal Deposit Insurance Corporation ("FDIC") detailing the violations for which a civil money penalty may be assessed against the Bank pursuant to the Flood Disaster Protection Act of 1973 ("Flood Act"), as amended, 42 U.S.C. § 4012a, section 8(i)(2) of the Federal Deposit Insurance Act ("FDI Act"), 12 U.S.C. § 1818(i)(2), and Part 339 of the FDIC Rules and Regulations, 12 C.F.R. Part 339 ("Part 339"), and has been further advised of its right to a hearing on the charges under the Flood Act, 42 U.S.C. § 4012a(f)(4), and Part 308 of the FDIC's Rules of Practice and Procedure, 12 C.F.R. Part 308.

Having waived those rights, the Bank entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER TO PAY CIVIL MONEY PENALTY ("CONSENT AGREEMENT") with a representative of the Legal Division of the FDIC, whereby solely for the purpose of

this proceeding and without admitting or denying any violations, the Bank consented and agreed to pay a civil money penalty in the amount of \$15,600.00 related to the violations of the Flood Act and Part 339. The FDIC has reason to believe that the Bank has violated the Flood Act and Part 339 for the following reasons: (a) its failure to secure or maintain flood insurance, or have a sufficient amount of coverage on 43 out of 90 loans secured by improved real estate located in areas determined by the Director of the Federal Emergency Management Agency to have special flood hazards ("special flood hazard areas"); (b) its failure to maintain a sufficient amount of flood insurance coverage on 13 out of 90 loans secured by improved real estate located in special flood hazard areas; and (c) its failure to provide borrowers with notice as to whether flood insurance was available for 22 of the 90 loans secured by property located within the special flood hazard areas.

After taking into account the CONSENT AGREEMENT, the appropriateness of the penalty with respect to the financial resources and good faith of the Bank, the gravity of the violations by the Bank, the history of previous violations by the Bank, and such other matters as justice may require, the FDIC accepts the CONSENT AGREEMENT and issues the following:

ORDER TO PAY CIVIL MONEY PENALTY

IT IS HEREBY ORDERED that NORTHWEST GEORGIA BANK, RINGGOLD, GEORGIA, be, and hereby is, assessed a civil money penalty of

\$15,600.00, pursuant to the Flood Act, 42 U.S.C. § 4012a, section 8(i)(2) of the FDI Act, 12 U.S.C. § 1818(i)(2), and Parts 308 and 339 of the FDIC Rules and Regulations, 12 C.F.R. Parts 308 and 339. The Bank shall pay the civil money penalty to the Treasury of the United States.

This Order to Pay Civil Money Penalty shall be effective upon issuance.

Pursuant to delegated authority.

Dated at Washington, D.C., this 1 day of May, 2007.

April A. Breslaw
Acting Associate Director
Division of Supervision and Consumer
Protection