

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

_____)	
In the Matter of)	
BLACKHAWK STATE BANK)	ORDER TO PAY
MILAN, ILLINOIS)	FDIC-05-218k
(Insured State Nonmember Bank))	
_____)	

BLACKHAWK STATE BANK, MILAN, ILLINOIS ("Bank"), has been advised that a civil money penalty may be issued by the Federal Deposit Insurance Corporation ("FDIC") only after notice and an opportunity for a hearing on the record, pursuant to 42 U.S.C. § 4012a(f)(4), detailing the violations for which the 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, and Part 339 of the FDIC's Rules and Regulations, 12 C.F.R. Part 339, and has been further advised of the right to a hearing on the alleged charges under the Flood Act, 42 U.S.C. § 4012a(f) and 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 ("CONSENT AGREEMENT") with a representative of the Legal Division of the FDIC, dated May 9, 2006, whereby Respondent, solely for the purpose of this proceeding and without admitting or denying

any violation of law for which a civil money penalty may be assessed, consented and agreed to pay a civil money penalty in the amount specified below to the Treasury of the United States.

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

ORDER TO PAY

IT IS HEREBY ORDERED, that by reason of the violations set forth in paragraph 3 of the CONSENT AGREEMENT, a penalty of \$3,400.00 be, and hereby is, assessed against the Bank. The Bank shall pay the civil money penalty to the Treasury of the United States.

This ORDER TO PAY shall be effective upon issuance.

Pursuant to delegated authority.

Dated at Washington, D.C., this 21st day of July, 2006.

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