

**STATE OF ILLINOIS**

**OFFICE OF BANKS AND REAL ESTATE**

**BUREAU OF BANKS AND TRUST COMPANIES**

\_\_\_\_\_  
IN THE MATTER OF: )  
Country Bank )  
Aledo, Illinois )  
 )  
An Illinois state-chartered bank )  
\_\_\_\_\_ )

No. 2003-BBTC-52

**ORDER ASSESSING CIVIL MONETARY PENALTY**

The COMMISSIONER OF BANKS AND REAL ESTATE, (the “Commissioner”), having conducted an examination of facts related to Country Bank, (the “Bank”) 1308 SE 4<sup>th</sup> Street, Aledo, Illinois 61231-0009 and having found that the Bank has violated the provisions of Section 14 of the Illinois Banking Act [205 ILCS 5/1 et. seq.] (the “Act”) hereby issues this ORDER pursuant to the authority provided under Section 48 (8) of the Act. Specifically, the Commissioner makes the following:

**FINDINGS**

1. That at all times relevant hereto, the Bank was a state-chartered bank pursuant to the Illinois Banking Act, [205 ILCS 5/1] and subject to regulation by the Commissioner of Banks and Real Estate;
2. That Section 14(6) of the Act, provides that subject to the Commissioner’s receipt of a written application at least 60 days prior to a proposed purchase and further subject to the approval of the Commissioner, a state-chartered bank may purchase and hold as treasury stock such amounts of the total number of issued and outstanding shares of its capital and preferred stock as the Commissioner determines is consistent with the safety and soundness of the bank;
3. That between March 14, 2001 and December 20, 2002, the Bank on eleven separate occasions purchased a total 11,360 of its issued and outstanding shares of stock, (the “Purchase Transactions”);

4. That in conjunction with the above referenced Purchase Transactions, the Bank failed to submit an application and obtain the Commissioner's approval as required pursuant to Section 14(6) of the Act;
5. That between March 29, 2001 and December 26, 2001, the Bank on forty separate occasions sold a total of 11,360 shares of its issued and outstanding shares of Stock, (the Sale Transactions);
6. That in conjunction with the above referenced Sale Transactions, the Bank failed to provide the Commissioner with notice prior to the ultimate disposition, as required pursuant to Section 14(6) of the Act;
7. That by virtue of the failure to obtain the Commissioner's approval prior to the referenced Purchase Transactions and provide the required notice prior to the Sale Transactions, the Bank has violated the provisions of Section 14(6) of the Act; and
8. That Section 48(8) of the Act provides the Commissioner the authority to assess a civil monetary penalty in an amount up to \$10,000 for each violation of any provision of the Act, any rule promulgated in accordance with the Act or any order of the Commissioner.

### **CONCLUSIONS**

1. That by virtue of the failure to provide the required notice and obtain the Commissioner's approval prior to the referenced Purchase Transactions, the Bank has violated the provisions of Section 14(6) of the Act; and
2. This Order is authorized and appropriate under the provisions of Section 48(8) of the Act.

### **ORDER**

NOW THEREFORE IT IS HEREBY ORDERED:

1. Country Bank, Aledo, Illinois shall be and hereby is assessed a civil monetary penalty in the amount of \$3,000.00;
2. The civil monetary penalty in the amount of \$3,000.00 shall be paid no later than sixty (60) days after service of this Order upon the Bank; and

3. The civil monetary penalty in the amount of \$3,000.00 shall be paid by means of a certified check or money order made payable to the Office of Banks and Real Estate.

ORDERED THIS 10th DAY OF SEPTEMBER 2003.

Scott D. Clarke  
Assistant Commissioner  
State of Illinois  
Office of Banks and Real Estate

You are hereby notified that this Order is an administrative decision. Pursuant to 38 Ill. Adm. Code, Section 392, any party may file a request for a hearing on an administrative decision. The request for a hearing shall be filed within 10 days after the receipt of an administrative decision. A hearing shall be held within thirty (30) days after the receipt by the Commissioner of Banks and Real Estate of a request for a hearing. Absent a request for hearing, this Order shall constitute a final administrative Order subject to the Administrative Review Law, [735 ILCS 5/3-101].