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FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

In the Matter of	)	
	)	
JAMES MICHAEL WILLIAMS,	)	ORDER OF PROHIBITION
individually and as an	)	FROM FURTHER PARTICIPATION
institution-affiliated party of	)	
	)	FDIC-15-250e
FIRST BANK OF THE SOUTH	)	
RAINSVILLE, ALABAMA	)	
	)	
(INSURED STATE NONMEMBER BANK)	)	

JAMES MICHAEL WILLIAMS (“Respondent”) has been advised of the right to receive a NOTICE OF INTENTION TO PROHIBIT FROM FURTHER PARTICIPATION (“NOTICE”) issued by the Federal Deposit Insurance Corporation (“FDIC”) detailing the unsafe or unsound banking practices and breaches of fiduciary duty for which an ORDER OF PROHIBITION FROM FURTHER PARTICIPATION (“ORDER”) may issue, and has been further advised of the right to a hearing on the alleged charges under section 8(e) of the Federal Deposit Insurance Act (“Act”), 12 U.S.C. § 1818(e), and the FDIC’s Rules of Practice and Procedure, 12 C.F.R. Part 308. Having waived those rights, Respondent entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER OF PROHIBITION FROM FURTHER PARTICIPATION (“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 unsafe or unsound banking practices or breaches of fiduciary duty, Respondent consented to the issuance of an ORDER by the FDIC.

The FDIC considered the matter and determined it had reason to believe that:

(a) Respondent recklessly engaged and participated in unsafe or unsound banking practices and breaches of fiduciary duty, while an institution-affiliated party of First Bank of the South, Rainsville, Alabama (“Bank”), which was part of a pattern of misconduct;

(b) By reason of such unsafe or unsound banking practices and breaches of fiduciary duty, the Bank could likely have suffered more than a minimal financial loss or other damage, and Respondent received financial gain or other benefit; and

(c) Such unsafe or unsound banking practices and breaches of fiduciary duty involved personal dishonesty on the part of the Respondent and demonstrated Respondent’s willful and continuing disregard for the safety or soundness of the Bank.

The FDIC further determined that such unsafe or unsound banking practices and breaches of fiduciary duty demonstrated Respondent’s unfitness to serve as a director, officer, person participating in the conduct of the affairs or as an institution-affiliated party of the Bank, any other insured depository institution, or any other agency or organization enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(A).

The FDIC, therefore, accepts the CONSENT AGREEMENT and issues the following:

ORDER OF PROHIBITION FROM FURTHER PARTICIPATION

1. Respondent is hereby, without the prior written approval of the FDIC and the appropriate Federal financial institutions regulatory agency, as that term is defined in section 8(e)(7)(D) of the Act, 12 U.S.C. § 1818(e)(7)(D), prohibited from:

(a) participating in any manner in the conduct of the affairs of any financial institution or organization enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(A);

(b) soliciting, procuring, transferring, attempting to transfer, voting, or attempting to vote any proxy, consent or authorization with respect to any voting rights in any financial institution enumerated in section 8(e)(7)(A) of the Act, 12 U.S.C. § 1818(e)(7)(A);

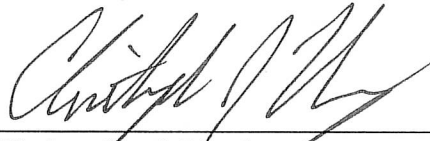
(c) violating any voting agreement previously approved by the appropriate Federal banking agency; or

(d) voting for a director, or serving or acting as an institution-affiliated party.

2. This ORDER will become final and effective upon its issuance by the FDIC. The provisions of this ORDER will remain effective and enforceable except to the extent that, and until such time as, any provision of this ORDER shall have been modified, terminated, suspended, or set aside by the FDIC.

Pursuant to delegated authority.

Dated this 22nd day of April, 2016.



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Christopher J. Newbury  
Associate Director  
Division of Risk Management Supervision