UNITED STATES OF AMERICA
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D.C.

In the Matter of RUSH F. HARDING III, A Former Institution-Affiliated Party of FIRST SECURITY BANCORP, Searcy, Arkansas, A Bank Holding Company.	Docket No. 26-036-B-I 26-036-CMP-I Order to Cease and Desist and Assessment of Civil Money Penalty Issued Upon Consent Pursuant to Sections 8(b) and 8(i) of the Federal Deposit Insurance Act, as Amended

WHEREAS, the Board of Governors of the Federal Reserve System (the "Board of Governors"), pursuant to sections 8(b) and 8(i) of the Federal Deposit Insurance Act, as amended (the "FDI Act"), 12 U.S.C. §§ 1818(b) and (i), issues this Order to Cease and Desist and Assessment of Civil Money Penalty (the "Order") upon the consent of Respondent Rush F. Harding III ("Harding"), a former employee and institution-affiliated party, as defined in sections 3(u) and 8(b)(3) of the FDI Act, 12 U.S.C. §§ 1813(u) and 1818(b)(3), of First Security Bancorp (the "Company"), a bank holding company, and of Crews and Associates, Inc., Little Rock, Arkansas ("Crews"), a nonbank subsidiary of the Company;

WHEREAS, Harding was a director at the Company and a broker at Crews during all times relevant to this Order;

WHEREAS, from January 2017 to June 2021, Harding facilitated the sale of municipal securities from Crews to First Security Bank (the "Bank"), a subsidiary of the Company, at marked-up prices using broker-dealers as intermediaries;

WHEREAS, Harding's conduct violated a 2015 agreement between the Bank and the Federal Reserve Bank of St. Louis (the "Agreement") related to section 23A and 23B of the

Federal Reserve Act (12 U.S.C. §§ 371c and 371c-1) and Regulation W of the Board of Governors (12 C.F.R. Part 223) (collectively, "Regulation W");

WHEREAS, the Agreement referenced the requirements for transactions between banks and their affiliates found in Regulation W (12 C.F.R. § 223.51) and imposed certain additional conditions before which the Bank could reestablish a securities purchasing relationship with Crews, including the requirement that the purchase of a security by Crews and its sale to the Bank occur on the same day and at the same purchase price;

WHEREAS, Harding earned commissions by facilitating the sale of securities through third parties to the Bank;

WHEREAS, Harding's conduct resulted in a financial loss to the Bank of approximately $918,000 from overpaying for such securities;

WHEREAS, Harding's conduct constituted violations of law, unsafe or unsound banking practices, or a breach of fiduciary duty; and

WHEREAS, by affixing his signature hereunder, Harding has consented to the issuance of this Order by the Board of Governors and has agreed to comply with each and every provision of this Order, and has waived any and all rights he might have pursuant to 12 U.S.C. § 1818, 12 C.F.R. Part 263, or otherwise: (a) to contest the issuance of a cease-and-desist order on any matter implied or set forth in this Order; (b) to a hearing for the purpose of taking evidence with respect to any matter implied or set forth in this Order; (c) to obtain judicial review of this Order or any provision hereof; and (d) to challenge or contest in any manner the basis, issuance, terms, validity, effectiveness, or enforceability of this Order or any provision hereof.

NOW THEREFORE, before the filing of any notices, or the taking of any testimony or adjudication of or finding on any issue of fact or law implied or set forth herein, and without Harding admitting or denying any allegation made or implied by the Board of Governors in

connection herewith, and solely for the purpose of settling this matter without a formal proceeding being filed and without the necessity for protracted or extended litigation,

IT IS HEREBY ORDERED that:

Cease and Desist

1. Pursuant to section 8(b) of the FDI Act, 12 U.S.C. § 1818(b), prior to accepting any position that would cause Harding to become an institution-affiliated party, or upon execution of this Order if Harding is currently an institution-affiliated party, as defined in sections 3(u) and 8(b)(3) of the FDI Act, 12 U.S.C. §§ 1813(u) and 1818(b)(3), of any institution or agency described in section 8(e)(7)(A) of the FDI Act, 12 U.S.C. § 1818(e)(7)(A), including, but not limited to, any insured depository institution or any holding company of an insured depository institution, or any subsidiary of such holding company, or any foreign bank or company to which subsection (a) of 12 U.S.C. § 3106 applies and any subsidiary of such foreign bank or company, Harding shall:

(a) provide the Managing Director/Senior Vice President or a person of equivalent seniority at the institution with notice and a copy of this Order;

(b) fully familiarize himself with the policies and procedures of the institution that pertain to his duties and responsibilities, including, but not limited to, the policies and procedures concerning (i) Regulation W and (ii) conflicts of interest in the purchase and sale of securities from affiliates; and

(c) within ten (10) days after his acceptance of any position, or execution of this Order, as described in this paragraph, provide written notice to the Board of Governors, along with a written certification of his compliance with each provision of this paragraph.

2. In connection with Harding's current or future status as an institution-affiliated party, as defined in sections 3(u) and 8(b)(3) of the FDI Act, 12 U.S.C. §§ 1813(u) and 1818(b)(3),

Harding shall:

(a) fully comply with all applicable laws, rules, regulations, policies, and procedures;

(b) not engage in any unsafe or unsound practice; and

(c) fully observe his fiduciary duties.

Assessment of Civil Money Penalty

3. The Board of Governors hereby imposes a civil money penalty on Harding in the amount of $100,000 that shall be remitted within sixty (60) days of the execution of the Order by Fedwire transfer of immediately available funds to the Federal Reserve Bank of Richmond, ABA No. 051053310, while designating the Board of Governors of the Federal Reserve System as the beneficiary of this payment. The Federal Reserve Bank of Richmond, on behalf of the Board of Governors, shall distribute this sum to the United States Department of the Treasury, pursuant to section 8(i) of the FDI Act, 12 U.S.C. § 1818(i). This penalty is paid to a government agency in relation to the violation of any law or the investigation or inquiry by such agency into the potential violation of any law for purposes of 26 U.S.C. § 162(f) and 26 C.F.R. § 1.162-21.

4. All communications regarding this Order shall be addressed to:

a. David Williams, Esq.
Senior Associate General Counsel
Board of Governors of the Federal Reserve System
20th & C Streets, NW
Washington, DC 20551

b. Rush F. Harding III
Attn: John M. Geiringer
Barack Ferrazzano Kirschbaum & Nagelberg LLP
200 West Madison Street
Suite 3900
Chicago, IL 60606

5. Any violation of this Order shall separately subject Harding to appropriate civil penalties under section 8(i) of the FDI Act, 12 U.S.C § 1818(i).

6. The provisions of this Order shall not bar, estop, or otherwise prevent the Board of Governors, or any other federal or state agency or department, from taking any other action affecting Harding; provided, however, that the Board of Governors shall not take any further action against Harding on any matters concerning or arising from the matters addressed by this Order based upon facts presently known by the Board of Governors. This release and discharge shall not preclude or affect (i) any right of the Board of Governors to determine and ensure compliance with this Order, or (ii) any proceedings brought by the Board of Governors to enforce the terms of this Order.

7. Each provision of this Order shall remain fully effective and enforceable until expressly stayed, modified, terminated, or suspended in writing by the Board of Governors.

By order of the Board of Governors of the Federal Reserve System, effective this ___ day of _____, 2026.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

/s/ Rush F. Harding III
Rush F. Harding III

By: /s/ Michele Taylor Fennell
Michele Taylor Fennell
Associate Secretary of the Board