

**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
**MINUTES OF MEETING**  
**JULY 10, 2008**

The Members of the Department of Financial Institutions met at 10:15 a.m., EDT, at 30 South Meridian Street, Suite 300, Indianapolis, Indiana. Present from the Department were Judith G. Ripley, Director; John J. Schroeder, General Counsel, Deputy Director, Non-Depository Division and Secretary; James M. Cooper, Deputy Director, Depository Division and Assistant Secretary; Gina R. Williams, Deputy Director, Administration Division; Troy Pogue, Supervisor, Administration Division; Connie Gustafson, Associate Legal Counsel; Kirk Schreiber, Senior Bank Analyst, Bank Division; Mark K. Powell, Supervisor, Credit Union Division; Janelle Tierney, Field Examiner and Ronda Bailey, Executive Secretary. Guests from American Share Insurance were; Dennis Adams, President/CEO and Duane Welsh, Executive Vice President/General Counsel.

**I. EXECUTIVE SESSION: 9:45 a.m.**

- A. James Cooper presented to the Members a review of confidential regulatory matters pursuant to IC 28-1-2-30. This aspect of the Executive Session is authorized by IC 5-14-1.5-6.1 (b)(7).

**II. PUBLIC SESSION: 10:15 a.m.**

- A. Director Ripley introduced new Board Member, Jean L. Wojtowicz, President of Cambridge Capital Management Corporation, Indianapolis, Indiana.
- B. Members Present: Richard J. Rice, Chairman, Mark A. Schroeder, Vice Chairman, Michael W. Davis, Paul R. Sweeney, Donald E. Goetz, Jean L. Wojtowicz and Judith G. Ripley, Director.
- C. Date of next meeting: August 14, 2008 @ 10:00 a.m., at the Indiana Department of Financial Institutions, 30 South Meridian Street, Suite 300, Indianapolis, Indiana.
- D. Approval of the minutes of the meeting held May 9, 2008. Chairman Rice entertained a motion to approve the minutes of May 9, 2008. Paul Sweeney moved approval of the minutes; Michael Davis seconded the motion, and the motion passed unanimously.
- E. No action was taken pursuant to the Executive Session, as the information was advisory only.

**F. CREDIT UNION DIVISION:**

1. Mark Powell, Supervisor, Credit Union Division introduced Mr. Dennis Adams, President/CEO and Duane Welsh, EVP/General Counsel of American Share Insurance (ASI). Mr. Adams presented to the Members a brief overview of (ASI). **This item was for informational purposes only.**

**G. Re-Organization of the Members as stipulated in IC 28-11-1-8.**

- 1. Election of Vice Chairman** – Mr. Davis moved for the nomination of Mark A. Schroeder as Vice Chairman. Mr. Sweeney seconded the motion. There being no further discussion, the motion passed unanimously.
- 2. Election of Secretary** – Mr. Schroeder moved for the nomination of John J. Schroeder as Secretary. Mr. Sweeney seconded the motion. There being no further discussion, the motion passed unanimously.
- 3. Election of Assistant Secretary** – Ms. Wojtowicz moved for the nomination of James M. Cooper as Assistant Secretary. Director Ripley seconded the motion. There being no further discussion, the motion passed unanimously.
- 4. Other organizational matters.** There were no other organizational matters to be addressed.

**H. DIVISION OF BANKS AND TRUSTS COMPANIES:**

**1. John B. Scheumann, Lafayette, Tippecanoe County, Indiana**

Mr. Kirk J. Schreiber, Senior Bank Analyst presented this application. John B. Scheumann (the "Applicant") has applied to the Department for a change of control of Lafayette Community Bancorp, ("Bancorp"), Lafayette, Tippecanoe County, Indiana, and thereby, indirectly control Lafayette Community Bank (the "Bank") Lafayette, Tippecanoe County, Indiana, pursuant to IC 28-1-2-23.

Bancorp is a one-bank holding company that owns 100% of the outstanding stock of the Bank. The Bank is an Indiana state chartered commercial bank with assets of approximately \$144 million.

The Applicant does not currently own any shares of common stock of Bancorp. Pursuant to a Subscription Agreement, the Applicant agreed to purchase 338,000 shares of Bancorp common stock at 8.50 per share for a total purchase price of \$2,873,000. After the proposed transaction, the Applicant's ownership would represent 25.24% of the outstanding shares of common stock of Bancorp. There will be no changes in business strategy or other principal relationships of Bancorp or the Bank.

The application for change of control meets the criteria of IC 28-1-2-23 and the staff recommends approval.

A motion for approval of the application was made by Mr. Goetz and seconded by Mr. Schroeder. The application was unanimously approved.

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**I. DIRECTOR'S COMMENTS AND ACTIONS:**

1. The staff requests that the Members approve the Order of Delegation of Duties to the Director. Chairman Rice entertained a motion to approve the Order. Ms. Wojtowicz moved approval of the Order; Mr. Sweeney seconded the motion, and the Order was unanimously approved. The original signed copy of the Order will be placed in the official minute book.
2. **1<sup>st</sup> Source Bank, South Bend, St. Joseph County, Indiana**  
On May 1, 2008, the bank notified the Department of its intent to establish a qualifying subsidiary pursuant to IC 28-13-16. The subsidiary will be known as **Washington and Michigan Insurance, Inc.** The subsidiary will be incorporated and commercially domiciled in Scottsdale, Arizona. **This item was for informational purposes only.**
3. **1<sup>st</sup> Source Bank, South Bend, St. Joseph County, Indiana**  
The Bank notified the Department that the **"Tillman Road Branch"** located at 907 East Tillman Road, Fort Wayne, Indiana closed on May 16, 2008. **This item was for informational purposes only.**
4. **1<sup>st</sup> Source Bank, South Bend, St. Joseph County, Indiana**  
The bank notified the Department that the **"Portage Branch"** located at 5615 US Highway 6, Portage, Indiana closed on June 27, 2008. **This item was for informational purposes only.**
5. **1<sup>st</sup> Source Bank, South Bend, St. Joseph County, Indiana**  
The Bank notified the Department that the **"Valparaiso Branch"** located at 1209 Calumet Avenue, Valparaiso, Indiana closed on June 27, 2008. **This item was for informational purposes only.**
6. **1<sup>st</sup> Source Bank, South Bend, St. Joseph County, Indiana**  
The Bank notified the Department that the **"Wanatah Branch"** located at 10301 West US Highway 30, Wanatah, Indiana closed on June 27, 2008. **This item was for informational purposes only.**
7. **Salin Bank & Trust Company, Indianapolis, Marion County, Indiana**  
The Bank notified the Department that the **"Kokomo Kroger South Banking Center"** located at 2821 South Washington Street, Kokomo, Indiana closed on June 28, 2008. **This item was for informational purposes only.**
8. **Salin Bank & Trust Company, Indianapolis, Marion County, Indiana**  
The Bank notified the Department that the **"Kokomo Kroger North Banking Center"** located at 537 South Reed Road, Kokomo, Indiana closed on June 28, 2008. **This item was for informational purposes only.**

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**9. Salin Bank & Trust Company, Indianapolis, Marion County, Indiana**

The Bank notified the Department that the “**Fort Wayne South Branch**” located at 218 E. Pettit Street, Fort Wayne, Indiana closed on May 17, 2008. **This item was for informational purposes only.**

**10. MainSource Bank, Greensburg, Decatur County, Indiana**

The Bank notified the Department that the “**North Vernon Downtown Branch**” located at 21 Madison Avenue, North Vernon, Indiana closed on May 31, 2008. **This item was for informational purposes only.**

**J. DIRECTOR'S DELEGATED ACTIONS:**

**1.** The following Banks have applied to the Department for approval to acquire a minority interest in a non-qualifying subsidiary known as the “**Title Center of Indiana, LLC**.” (the “Title Agency”).

- **Hendricks County Bank and Trust Company, Brownsburg, Hendricks County, Indiana**
- **Wayne Bank and Trust Company, Cambridge City, Wayne County, Indiana**
- **Irwin Union Bank and Trust Company, Columbus, Bartholomew County, Indiana**
- **Heartland Community Bank, Franklin, Johnson County, Indiana**
- **Indiana Business Bank, Indianapolis, Marion County, Indiana**
- **Salin Bank & Trust Company, Indianapolis, Marion County, Indiana**
- **State Bank of Lizton, Lizton Hendricks County, Indiana**
- **Farmers State Bank, New Ross, Montgomery County, Indiana**
- **Jackson County Bank, Seymour, Jackson County, Indiana**

The Banks will invest in the Title Agency pursuant to an Operating Agreement by and between the Title Agency, the Banks, the Indiana Bankers Association and Investors Title Insurance Company. The primary purpose of the Title Agency is to act as agent to sell, solicit, and negotiate title insurance contracts. The Title Agency will be a Delaware limited liability company. The initial authorized units of the Title Agency will consist of 9,400 units, all of which shall be issued to the Members. The Title Agency will offer financial institutions these investment units for \$40.00 per unit. Each Bank will own between 1% to 49% minority interests in the Title Agency, with no one Bank owning a majority of the Title Agency. The title insurance will be underwritten by ITIC, an insurance company chartered in the State of North Carolina and licensed to do business in the State of Indiana. Based on the information provided, the minority investment by the Banks in the Title Agency meets the requirements established in the Department's Policy for Establishing a Bank Subsidiary. **This request was approved by the Director on May 8, 2008, under delegated authority.**

**2. Peoples Bank, SB, Munster, Lake County, Indiana**

The bank has applied to the Department for approval to establish a branch office to be located at 2905 Calumet Avenue, Valparaiso, Indiana. The branch is to be known as the

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“Valparaiso Banking Center”. **This request was approved by the Director on May 15, 2008, under delegated authority.**

**3. MainSource Bank, Greensbrug, Decatur County, Indiana**

The bank has applied to the Department for approval to establish a branch office to be located at 2507 Progress Parkway, Shelbyville, Indiana. The branch is to be known as “MainSource Bank”. **This request was approved by the Director on May 15, 2008, under delegated authority.**

**4. First Federal Savings Bank of Elizabethtown, Inc., Elizabethtown, Hardin County, Kentucky**

First Federal Savings Bank of Elizabethtown, Inc. (“First Federal Savings”) will merge with The Farmers State Bank, Lanesville, Indiana on June 19, 2008. First Federal Savings is the resulting bank after the merger and will retain The Farmers State Bank’s branches in Indiana. This foreign corporation application is being filed to enable the surviving corporation to transact business in Indiana in accordance with the provisions of IC 28-1-22 and IC 28-2-17. S&H Jeffersonville, LLC, 323 East Court Avenue, Jeffersonville, Clark County, Indiana has been appointed as resident agent for service of legal process by First Federal Savings. **A Certificate of Admission was issued by the Director on May 27, 2008, under delegated authority.**

**5. Community First Bank, Corydon, Harrison County, Indiana**

The bank has requested permission to hold a piece of property for future expansion as prescribed in IC 28-1-11-5. The property is located at the northeast corner of the intersection of Corydon Ridge Road and Crandall-Lanesville Road. Allowing the bank to continue to hold the real estate does not appear to endanger the safety and soundness of the bank. **The banks request to hold the real estate until June 30, 2009 was approved by the Director under delegated authority on May 27, 2008.**

**6. Star Financial Bank, Fort Wayne, Allen County, Indiana**

The bank has applied to the Department for approval to establish a branch office to be located at 14675 Hazel Dell Crossing – Outlot #4, Noblesville, Indiana. The branch is to be known as the Hazel Dell Office. **This request was approved by the Director on June 2, 2008, under delegated authority.**

**7. Fireside Bank, Pleasanton, Alameda County, California**

An application for issuance of a certificate of admission was received from the Fireside Bank, Pleasanton, Alameda County, California (“Fireside”). Fireside filed the application to enable it to transact business in Indiana in accordance with the provisions of IC 28-1-22. It does not intend to open an office in Indiana. Fireside is a California state chartered industrial bank. CT Corporation System, 251 East Ohio Street, Suite 1100, Indianapolis, Marion County, Indiana has been appointed as resident agent for service of legal process by Fireside. **A Certificate of Admission was approved by the Director on June 2, 2008, under delegated authority.**

8. **First Sound Bank, Seattle, King County, Washington**

An application for issuance of a certificate of admission was received from the First Sound Bank, Seattle, King County, Washington ("First Sound"). First Sound filed the application to enable it to transact business in Indiana in accordance with the provisions of IC 28-1-22. First Sound intends to conduct business through its leasing division, Puget Sound Leasing, which was purchased by the bank on March 1, 2008. Puget Sound Leasing already holds leases for business equipment and will obtain additional business through vendor and broker referrals. It does not intend to open an office in Indiana. First Sound is a Washington state chartered commercial bank. Incorp Services, Inc., 756 North Main Street, Suite K, Crown Point, Lake County, Indiana has been appointed as resident agent for service of legal process by First Sound. **A certificate of Admission of Admission was approved by the Director on June 18, 2008, under delegated authority.**

9. **Forum Credit Union, Indianapolis, Marion County, Indiana**

The credit union has filed a request for approval of a Petition for approval of a proposed Amendment to the Articles of Incorporation. IC 28-7-1-10 allows a credit union to add one or more qualified groups to its field of membership. This amendment would place the following organizations into the field of membership of the credit union:

ProWellness Chiropractic – Fishers – 5 members (common bond of occupation as defined by 28-7-1-10)

Hightower Graphics – Indianapolis – 10 members (common bond of occupation as defined by 28-7-1-10)

CEDIA – Indianapolis – 32 members (common bond of occupation as defined by 28-7-1-10)

Indy Go – Indianapolis – 480 members (common bond of occupation as defined by 28-7-1-10)

Aerotek – Indianapolis – 250 members (common bond of occupation as defined by 28-7-1-10)

Talent Tree – Indianapolis – 35 members (common bond of occupation as defined by 28-7-1-10)

Indianapolis Senior Center, Inc. – Indianapolis – 14 members (common bond of occupation as defined by 28-7-1-10)

The Telliss Companies, LLC – Fishers – 5 members (common bond of occupation as defined by 28-7-1-10). **This request was approved by the Director on April 30, 2008, under delegated authority.**

10. **Marion School Employees Credit Union, Marion, Grant County, Indiana**

The credit union has filed a request for approval of a Petition for approval of a proposed Amendment to the Articles of Incorporation. IC 28-7-1-7 allows a credit union to amend its' articles of incorporation to change its' corporate name. This amendment would change the corporate name of the credit union to the following:

VIA Credit Union. **This request was approved by the Director on May 7, 2008, under delegated authority.**

**11. Harvester Financial Credit Union, Indianapolis, Marion County, Indiana**

The credit union has filed a request for approval of a Petition for approval of a proposed Amendment to the Articles of Incorporation. IC 28-7-1-10 allows a credit union to add one or more qualified groups to its field of membership. This amendment would place persons who reside or are employed within the following community into the field of membership of the credit union:

Shelby County, Indiana (common bond of community residence or employment within a community as defined by 28-7-1-10). **This request was approved by the Director on May 7, 2008, under delegated authority.**

**12. Teachers Credit Union, South Bend, Saint Joseph County, Indiana**

The credit union has filed a request for approval of a Petition for approval of a proposed Amendment to the Articles of Incorporation. IC 28-7-1-10 allows a credit union to add one or more qualified groups to its field of membership. This amendment would place the following organizations into the field of membership of the credit union:

Craft Press Printing, Inc. – Niles, MI – 2 members (common bond of occupation as defined by 28-7-1-10)

Masten-Murphy Properties, LLC – Niles, MI – 4 members (common bond of occupation as defined by 28-7-1-10)

Berrien Family Chiropractic, Inc – Niles, MI – 10 members (common bond of occupation as defined by 28-7-1-10). **This request was approved by the Director on May 27, 2008, under delegated authority.**

**13. Forum Credit Union, Indianapolis, Marion County, Indiana**

The credit union has filed a request for approval of a Petition for approval of a proposed Amendment to the Articles of Incorporation. IC 28-7-1-10 allows a credit union to add one or more qualified groups to its field of membership. This amendment would place the following organizations into the field of membership of the credit union:

Carlton Apartments – Indianapolis – 14 members (common bond of occupation as defined by 28-7-1-10)

Moody Eyes – Indianapolis – 5 members (common bond of occupation as defined by 28-7-1-10)

Deylen Realty, Inc. – Indianapolis – 3 members (common bond of occupation as defined by 28-7-1-10)

Perkins VonDeylen & Associates, P.C. – Indianapolis – 2 members (common bond of occupation as defined by 28-7-1-10)

Eclipse Fitness – Carmel – 12 members (common bond of occupation as defined by 28-7-1-10)

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Kincaids Meat Market – Indianapolis – 10 members (common bond of occupation as defined by 28-7-1-10)

Star Environmental – Indianapolis – 100 members (common bond of occupation as defined by 28-7-1-10). **This request was approved by the Director on May 27, 2008, under delegated authority.**

**14. Members Source Credit Union, Merrillville, Lake County, Indiana**

The credit union has filed a request for approval of a Petition for approval of a proposed Amendment to the Articles of Incorporation. IC 28-7-1-10 allows a credit union to add one or more qualified groups to its field of membership. This amendment would place persons who reside or are employed within the following communities into the field of membership of the credit union:

Lake County, Indiana (common bond of community residence or employment within a community as defined by 28-7-1-10)

Porter County, Indiana (common bond of community residence or employment within a community as defined by 28-7-1-10)

LaPorte County, Indiana (common bond of community residence or employment within a community as defined by 28-7-1-10)

Jasper County, Indiana (common bond of community residence or employment within a community as defined by 28-7-1-10). **This request was approved by the Director on June 2, 2008, under delegated authority.**

**15. State Merit Service Credit Union, Indianapolis, Marion County, Indiana**

The credit union has filed a request for approval of a Petition for approval of a proposed Amendment to the Articles of Incorporation. IC 28-7-1-10 allows a credit union to add one or more qualified groups to its field of membership. This amendment would place the following organizations into the field of membership of the credit union:

Department of Natural Resources (State of Indiana) – Indianapolis – 2,034 members (common bond of occupation as defined by 28-7-1-10). **This request was approved by the Director on June 9, 2008, under delegated authority.**

**16. Teachers Credit Union, South Bend, St. Joseph County, Indiana**

The credit union has filed a request for approval of a Petition for approval of a proposed Amendment to the Articles of Incorporation. IC 28-7-1-10 allows a credit union to add one or more qualified groups to its field of membership. This amendment would place the following organizations into the field of membership of the credit union:

Knoll Design, LLC – Niles, MI – 3 members (common bond of occupation as defined by 28-7-1-10)

The Gentle Doctor – Niles, MI – 10 members (common bond of occupation as defined by 28-7-1-10). **This request was approved by the Director on June 20, 2008, under delegated authority.**

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**17. Elkhart County Farm Bureau Credit Union, Goshen, Elkhart County, Indiana**

The credit union has filed a request for approval of a Petition for approval of a proposed Amendment to the Articles of Incorporation. IC 28-7-1-7 allows a credit union to amend its' articles of incorporation to change its' corporate name. This amendment would change the corporate name of the credit union to the following:

Interra Credit Union. **This request was approved by the Director on June 24, 2008, under delegated authority.**

**18. Forum Credit Union, Indianapolis, Marion County, Indiana**

The credit union has filed a request for approval of a Petition for approval of a proposed Amendment to the Articles of Incorporation. IC 28-7-1-10 allows a credit union to add one or more qualified groups to its field of membership. This amendment would place the following organizations into the field of membership of the credit union:

TLC Laser Eye Centers – Indianapolis – 9 members (common bond of occupation as defined by 28-7-1-10)

Lenny's Sub Shop – Carmel – 15 members (common bond of occupation as defined by 28-7-1-10)

Penguin Point Franchise Systems, Inc. – Warsaw – 45 members (common bond of occupation as defined by 28-7-1-10)

Health 1<sup>st</sup> – Indianapolis – 10 members (common bond of occupation as defined by 28-7-1-10)

Morales Group – Indianapolis – 100 members (common bond of occupation as defined by 28-7-1-10)

Dr. Holly Lewton – Indianapolis – 5 members (common bond of occupation as defined by 28-7-1-10). **This request was approved by the Director on June 26, 2008, under delegated authority.**

**19. Cummins, Inc. is requesting a consumer loan license. Applicant is based in Columbus, Indiana. They will be making unsecured loans to employees who have been impacted by the massive flooding in Columbus. They will be servicing the loans. The license is being approved in an expedited manner subject to IC 28-11-1-15 which provides for the director to take necessary and appropriate action to establish or preserve safe and sound methods of banking and to safeguard the interests of depositors, debtors, consumers, and creditors. The governor has declared an emergency as detailed in the section under IC 10-14-3-12. Applicant is recommended for approval, consistent with the criteria established under IC 24-4.5-3-503(2). **This request was approved by the Director on June 12, 2008, under delegated authority.****

**20. Heeter & Smith Corporation d/b/a Cash Plus is requesting a consumer loan license. Applicant is based in South Bend, Indiana. They will be making small, single pay short term loans under IC 24-4.5-7. They will be servicing their own loans. **This request was approved by the Director on June 24, 2008, under delegated authority.****

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21. **Consumer Credit Counseling Service of the Midwest, Inc.** is requesting a budget service company license. Applicant is based in Columbus, Ohio. Their business in Indiana will be in New Albany. They currently operate in 9 states. **This request was approved by the Director on June 24, 2008, under delegated authority.**
22. **Consumer Credit Counseling of Greater Atlanta, Inc.** is requesting a budget service company license. Applicant is based in Atlanta, Georgia. They currently operate in 49 states. **This request was approved by the Director on June 24, 2008, under delegated authority.**
23. **Credit Advisors, Inc.** is requesting a budget service company license. Applicant is based in Omaha, Nebraska. They will be soliciting Indiana customers via radio, TV and internet. **This request was approved by the Director on June 24, 2008, under delegated authority.**
24. **Momentive Consumer Credit Counseling Service, Inc.** is requesting a budget service company license. Applicant is based in Indianapolis, Indiana and is an IRS approved 501 (c) (3) non-profit agency. **This request was approved by the Director on June 24, 2008, under delegated authority.**
25. **IPayDebt Financial Services, Inc.** is requesting a budget service company license. Applicant is based in Austin, Texas and is an IRS approved 501 (c) (3) non-profit agency. **This request was approved by the Director on June 24, 2008, under delegated authority.**
26. **Heeter & Smith Corporation d/b/a Cash Plus** is requesting a check casher license. Applicant is based in South Bend, Indiana. They will be cashing all types of checks. **This request was approved by the Director on June 24, 2008, under delegated authority.**
27. **American Check Cashing II, Inc. d/b/a American Check Cashing** is requesting a check casher license. Applicant is based in Fort Wayne, Indiana. They will be cashing all types of checks, except personal. **This request was approved by the Director on June 24, 2008, under delegated authority.**
28. **U.S. Bank National Association** is requesting approval as third party administrator for a Guaranteed Auto Protection (GAP) Program. Applicant is based in Cincinnati, Ohio. They currently operate in 36 states. **This request was approved by the Director on June 24, 2008, under delegated authority.**
29. **21<sup>st</sup> Mortgage Corporation** is requesting a consumer loan license. Applicant is based in Knoxville, Tennessee. They currently operate in 37 states. **This request was approved by the Director on June 26, 2008, under delegated authority.**

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**CERTIFICATION:**

The Department certifies that the business discussed in the Executive Session was limited only to business that was set out in the Department's Notice of Meeting and Agenda under the heading of "Executive Session." All action taken by the Department, if any, relating to the business discussed in the Executive Session was conducted in the Public Session.

**Other Business.** Chairman Rice asked if there was other business. There being no further business, Chairman Rice entertained a motion to adjourn the meeting. Mr. Davis moved for adjournment and Mr. Goetz seconded the motion, and the motion passed unanimously.

**APPROVED:**

**ATTEST:**

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**Richard J. Rice, Chairman**

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**John J. Schroeder, Secretary**