

**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
**MINUTES OF MEETING**  
**AUGUST 11, 2011**

The Members of the Department of Financial Institutions met at 10:00 a.m., EST, at 30 South Meridian Street, Suite 300, Indianapolis, Indiana. Present from the Department were David H. Mills, Director; James M. Cooper, Deputy Director, Depository Division and Assistant Secretary; Connie Gustafson, Assistant Counsel; Troy Pogue, Supervisor, Administration Division; Gina R. Williams, Deputy Director, Administration Division; Kirk Schreiber, Senior Bank Analyst; Mark K. Powell, Supervisor, Credit Union Division; and Sharmaine Stewart, Administrative Assistant. John J. Schroeder, General Counsel and Deputy Director, Consumer Credit Division, participated in the public session via telephone. Present representing Griffith Savings Bank was Claudia Swhier, Attorney, Barnes and Thornburg.

**I. EXECUTIVE SESSION: 10:00 a.m.**

- A. James Cooper presented to the Members a review of reports of examination which is confidential 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:**

- A. Members Present: Mark A. Schroeder, Vice Chairman, Michael W. Davis, Donald E. Goetz, Jean L. Wojtowicz and David H. Mills, Director.
- B. Date of next meeting. September 8, 2011 @ 10:00 a.m., at the Indiana Department of Financial Institutions, 30 South Meridian Street, Suite 300, Indianapolis, Indiana.
- C. Vice Chairman Schroeder entertained a motion to approve the minutes for July 14, 2011 meeting. Ms. Wojtowicz moved approval of the minutes; Mr. Goetz seconded the motion, and the motion passed unanimously.

**D. DIVISION OF BANK AND TRUST COMPANIES:**

1. **Griffith Savings Bank, Griffith, Lake County, Indiana (Sale)**  
**Griffith Savings Bank, Griffith, Lake County, Indiana (Voluntary Dissolution)**  
**Griffith Savings Bank, Griffith, Lake County, Indiana (Liquidating Agent)**

Kirk Schreiber, Senior Bank Analyst, presented the three applications together due to the connection of the transactions. Representing Griffith Savings Bank was Claudia Swhier, Attorney, Barnes and Thornburg.

Mr. Schreiber informed the Members that Griffith Savings Bank (“Griffith”), Griffith, Lake County, Indiana, a mutual savings bank, submitted three requests to the Department for approval. The three requests by Griffith were: (1) Approval by the Members of the Board Resolution setting forth the sale of substantially all of the assets of the bank pursuant to IC 28-1-8 *et seq.* The resolution was adopted pursuant to the Purchase and

Assumption Agreement between Griffith and United Federal Credit Union, St. Joseph, Berrien County, Michigan ("United"); (2) A finding by the Members under IC 28-1-9-3 that Griffith has sufficient assets with which to pay all of its depositors and all of its other liabilities, and approval by the Members of the Board Resolution setting forth the Plan of Complete Liquidation and Voluntary Dissolution pursuant to IC 28-1-9 *et seq.*; and (3) Approval of the appointment of James E. Morris, President and Director of Griffith, as liquidating agent under IC 28-1-9-5. In addition, Griffith must obtain all necessary regulatory approvals from the Federal Deposit Insurance Corporation in order to undertake the plan of complete liquidation and voluntary dissolution and United must obtain the approval of the National Credit Union Administration ("NCUA") in order to purchase Griffith's assets and assume its deposit liabilities.

Mr. Schroeder asked Ms. Swhier about the main issue before the Members of the solvency of the institution after the sale. Ms. Swhier responded that they have estimated that the bank will have assets in excess of \$300M to \$400M once all the liabilities are paid. Ms. Swhier indicated she could not give an exact amount due to the unfunded liability of the defined pension plan which will be based on interest rates at the time the pension plan is terminated.

Ms. Wojtowicz asked about the prioritization of the payment of the liabilities. Ms. Swhier responded that United would be assuming essentially all of the liabilities in the asset sale with the exception of the payment of the defined pension plan, deferred director fees and the unfunded retirement plan. These liabilities will all be paid simultaneously.

Director Mills asked about the level of support the applicant is getting from NCUA. Ms. Swhier responded that an application has been filed with the NCUA, the NCUA has asked additional questions in a letter to United, the credit union has responded to NCUA's comments and only an examination of Griffith needs to be performed by NCUA. Ms. Swhier stated the applicants have no reason to believe that NCUA will not approve the application.

Ms. Wojtowicz asked once the remaining liabilities have been paid what will happen to the remaining assets. Ms. Swhier responded that since Griffith is a mutual savings bank they do not have shareholders, but rather members of the bank. Therefore, the remaining assets will be distributed by giving credit to each depositor a pro rata share of the assets remaining.

Mr. Schroeder asked about the timing of the transactions. Ms. Swhier responded that the bank was hoping for an August 31, consummation of the sale, but that date will depend on the NCUA approving the application. Ms. Swhier believed the consummation of the

sale would be no later than September 30. The applicant expects the dissolution to be done by the end of the year or the first quarter of 2012 at the latest.

Mr. Schroeder asked Ms. Swhier why the credit union did not purchase the bank owned life insurance policies assuming they would be able to cash them in without incurring income tax consequences. Ms. Swhier responded by saying the bank needed the cash surrender value of those life insurance policies to pay the bank's liabilities.

A motion was made that the Department, pursuant to IC 28-1-8-3, approve the Board Resolution of Griffith Savings Bank to sell substantially all of the assets of Griffith Savings Bank pursuant to the Purchase and Assumption Agreement between Griffith Savings Bank and United Federal Credit Union. This approval is contingent upon the bank taking immediate steps to voluntarily dissolve under IC 28-1-9 *et seq.* and the submission of a final legal opinion. This motion was made by Director Mills and seconded by Ms. Wojtowicz. The motion was unanimously approved.

A motion was made that the Department find Griffith Savings Bank has sufficient assets with which to pay all of its depositors and all of its other liabilities and that the Department approve the resolution submitted by the board of directors of Griffith Savings Bank to voluntarily dissolve the bank as required by IC 28-1-9-3. The motion allows for the Department to enter an order, evidenced by minutes of this meeting, approving the voluntary dissolution of Griffith Savings Bank and authorizing the board of directors of Griffith Savings Bank to submit the question of dissolution to its members at a special meeting of its members to be held on August 25, 2011. This motion was made by Mr. Goetz and seconded by Mr. Davis. The motion was unanimously approved.

A motion was made that the appointment of James E. Morris, as liquidating agent of Griffith Savings Bank, be approved by the Department pursuant to IC 28-1-9-5. The appointment is subject to the liquidating agent submitting quarterly updates to the Department on the progress of the dissolution until the requirement is waived by the Director. This motion was made by Director Mills and seconded by Ms. Wojtowicz. The motion was unanimously approved.

**E. DIRECTOR'S COMMENTS AND REQUESTS:**

1. A discussion was held regarding the proposed implementation plan for the Director's delegation of duties, as necessary, to the agency's Deputy Directors. An implementation description, draft memo from Mr. Mills and the delegated authority order adopted last month were provided to the members. A motion to adopt the implementation plan was

made by Mr. Schroeder and seconded by Mr. Davis. The motion was unanimously approved.

2. **Tower Bank and Trust Company, Fort Wayne, Allen County, Indiana**

On July 12, 2011, the Department received an application from Tower Bank and Trust to invest in a nonqualifying subsidiary, Title Center of Indiana, LLC. **This item is for informational purposes only.**

F. **ACTIONS BY DELEGATED AUTHORITY:**

1. **Owen Community Bank, Spencer, Owen County, Indiana**

The bank applied for permission to amend Article 1, Section 2 of its Articles of Charter Conversion. This amendment will change the bank's name to Our Community Bank. **This was approved by Action Taken by the Director on July 13, 2011.**

2. **Determination of control pursuant to IC 28-1-2-23(f)**

Ms. Kristin Scrougham, Ms. Bonnie Kruckenberg, and Ms. Wendy Boyd notified the Department of the proposed acquisition of common voting shares of Waytru Bancorp ("Bancorp"), Cambridge City, Indiana, and indirectly, its bank subsidiary, Wayne Bank and Trust Company, Cambridge City, Indiana. Ms. Scrougham, Ms. Kruckenberg and Ms. Boyd will acquire these shares through inheritance from their father's estate. Mr. Boyd's estate plan calls for equal distribution of his Bancorp shares to each of his three daughters. The collective family ownership of Wayne Bank and Trust Company will not change as a result of the inheritance and therefore, the transaction will not be subject to an approval by the Department for a change in control. **This was approved by Action Taken by the Director on July 13, 2011.**

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

The credit union filed 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:

The Gutter Magician – Brownsburg – 3 members (common bond of occupation as defined by IC 28-7-1-10).

ChurchShield, LLC – Noblesville – 14 members (common bond of occupation as defined by IC 28-7-1-10).

DAL Corporate Services – Indianapolis – 18 members (common bond of occupation as defined by IC 28-7-1-10). **This was approved by the Director on July 29, 2011, under delegated authority.**

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

The credit union filed 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:

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

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

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

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

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

Crawford County, Indiana (common bond of community residence or employment with a community as defined by IC 28-7-1-10) **This was approved by the Director on July 29, 2011, under delegated authority.**

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

On June 15, 2011, the bank applied to the Department for approval to establish a branch office to be located at 803 Washington Street, Columbus, Bartholomew County, Indiana. This branch is to be known as the MainSource Bank. **This request was approved by the Director on July 13, 2011, under delegated authority.**

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

On June 22, 2011, the bank applied to the Department for approval to relocate a branch office from 298 State Road 135, Greenwood, Johnson County, Indiana to 1263 North State Road 135, Suites A & C, Greenwood, Johnson County, Indiana. The branch is to be known as the MainSource Bank. **This was approved by the Director on July 13, 2011, under delegated authority.**

7. **Lake City Bank, Warsaw, Kosciusko County, Indiana**

On June 28, 2011, the bank applied to the Department for approval to establish a branch office to be located at 101 North Michigan Street, South Bend, St. Joseph County, Indiana. This branch is to be known as the Lake City Bank - South Bend Downtown. **This request was approved by the Director on July 13, 2011, under delegated authority.**

8. **Bath State Bank, Bath, Franklin County, Indiana**

The bank applied to the Department for approval to pay dividends in excess of what is permitted by IC 28-13-4-3. The bank's dividend request asks approval to pay a cash dividend of \$134,181.87 to its holding company, Bath State Bancorp, Bath, Indiana. The dividend will be upstreamed to the parent holding company to fund holding company obligations. **This request was approved by the Director on July 13, 2011, under delegated authority.**

9. **The Scott County State Bank, Scottsburg, Scott County, Indiana**

On July 14, 2011, the bank applied to the Department for approval to relocate a branch office from 1050 North Gardner Street, Scottsburg, Scott County, Indiana to 307 West Main Street, Austin, Scott County, Indiana. The branch is to be known as the Austin Branch. **This was approved by the Director on August 2, 2011, under delegated authority.**

10. **Ameriana Bank, New Castle, Henry County, Indiana**

The bank applied to the Department for approval to pay dividends in excess of what is permitted by IC 28-13-4-3. The bank's dividend request asks approval to pay a cash dividend of \$ 225,000 to its holding company, Ameriana Bancorp, New Castle, Indiana. The dividend will be upstreamed to the parent holding company to fund holding company obligations, for its regular quarterly dividend and for other holding company expenses. **This was approved by the Director on August 2, 2011, under delegated authority.**

11. **1<sup>st</sup> Source Bank, South Bend, St. Joseph, Indiana**

The bank applied to the Department for approval to pay dividends in excess of what is permitted by IC 28-13-4-3. The bank's dividend request asks approval to pay its next two regular quarterly cash dividends of \$7,043,750 each or total of \$14,087,500 to its holding company, 1<sup>st</sup> Source Corporation, South Bend, Indiana. **This was approved by the Director on August 2, 2011, under delegated authority.**

12. **Green Hill Financial, LLC** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. Applicant is based in Chicago, IL. They will be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on July 12, 2011, under delegated authority.**
  
13. **Cherry Creek Mortgage Company, Inc.** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. Applicant is based in Greenwood Village, CO. They will not be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on July 13, 2011, under delegated authority.**
  
14. **Cherry Creek Mortgage Company, Inc.** applied via the Nationwide Mortgage Licensing System for a Subordinate Lien Mortgage Lending license. Applicant is based in Greenwood Village, CO. They will not be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on July 13, 2011, under delegated authority.**
  
15. **Capital Solutions Financial Group** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. Applicant is based in Irvine, CA. They will be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on July 13, 2011, under delegated authority.**
  
16. **ITC Financial Licenses, Inc.** applied for a money transmitter license. Applicant is based in Columbus, GA. Money will be transmitted by use of open-loop, stored value cards, bill payment services, and money remittance. **This was approved by the Director on July 28, 2011, under delegated authority.**
  
17. **Mortgage Loan Originator Applications:**  
The following 29 mortgage loan originator applications were recommended for approval. Pursuant to 750 IAC 9-3-2(b), the department staff determined that the professional training and experience, financial responsibility, character, and fitness of each applicant was such as to warrant belief that the mortgage loan originator will operate honestly and fairly within the purposes of the article. **These applications were approved by the Director on July 8, 2011, under delegated authority.**

<u>NMLS #</u>	<u>Last Name</u>	<u>First Name</u>	<u>Middle Name</u>	<u>Suffix</u>	<u>LicID #</u>
68310	Bornstein	Elizabeth	Angela		16872
655022	Carmony	Addam	Warren	Mr	16773

646367	Davies	Christopher	Alan	16666
613161	English	Richard	Jason	16893
262568	Gardner	Jason	Matthew	16887
449328	Jones	Stacy	Christina	16900
180769	Kabinoff	Steven	Frederick	16903
105947	Kean	Jeremy	Chad	16795
411250	Kelly	Matthew	James	16919
330658	Kelly	Jane	Ellen	16667
8511	Klueh	Scott		16899
353328	Lambert	Jill	Marie	16879
613165	Lischio	Lauren	Marie	16920
349984	Manning	Gary	Robert	16878
178696	Manning	Johnjalyn	Shataun	16905
19776	Markis	Mary		16921
40960	McMains	Robert	Jonathan	16898
131225	Mishler	John	S	16875
119853	Poole	Daniel	Dale	16674
253283	Richards	David	Hill	16915
212186	Sanders	Stacey	Marie	16922
225162	Schmidt	Steven	Alan	16923
646259	Slaby	Jack	Glenn	16895
453983	Staley	Cheryl	Ann	16876
428548	Taylor	Jeremy	Robert	16779
502372	Trimble	Julie	K	16908
194442	Vlamis	Constantine	M.	16882
411748	Wald	Ann	Barbara	16867
422865	Weise	Joseph	Erwin	16794



**18. Mortgage Loan Originator Applications:**

The following 21 mortgage loan originator applications were recommended for approval. Pursuant to 750 IAC 9-3-2(b), the department staff determined that the professional training and experience, financial responsibility, character, and fitness of each applicant was such as to warrant belief that the mortgage loan originator will operate honestly and fairly within the purposes of the article. **These applications were approved by the Director on July 15, 2011, under delegated authority.**

<u>NMLS #</u>	<u>Last Name</u>	<u>First Name</u>	<u>Middle Name</u>	<u>Suffix</u>	<u>LicID #</u>
22242	Allen	Gregory	Douglas		16853
658734	Bailey	David	Franklin		16894
503883	Chalou	Kristen	Lynn		16888
142566	Crawford	Joanne	L		16901
762231	Dye	Michael	Griffith		16863
680464	Eadie	Ross	John		16936
759890	Ellison	Shannon	Tywanna		16886
294413	Foley	James	Leondas		16911
28433	Gray	Andre	Lamont		16916
424789	Groller	Robert	Alois		16904
713736	Johnson	Brett	Michael		16910
328305	Kincheloe	Jeffrey	Steven		16885
638694	Lloyd-Jones	Andrew	Thomas		16890
681378	Major	Kyle	Andrew		16897
380254	Mitchell	Dantrell	Duron		16907
378964	Mowrey	Celina	Anne		16874
516913	Nizer	Frederick	Wayne		16914
713813	Norman	Andrew	Franklin		16930
260119	Ring	Cody	Tyler		16877
709923	Schmidt	Matthew	Curtis		16906
760004	Thomas	Derrick	Alan		16889

**19. Mortgage Loan Originator Applications:**

The following 32 mortgage loan originator applications were recommended for approval. Pursuant to 750 IAC 9-3-2(b), the department staff determined that the professional training and experience, financial responsibility, character, and fitness of each applicant was such as to warrant belief that the mortgage loan originator will operate honestly and fairly within the purposes of the article. **These applications were approved by the Director on July 25, 2011, under delegated authority.**

<u>NMLS #</u>	<u>Last Name</u>	<u>First Name</u>	<u>Middle Name</u>	<u>Suffix</u>	<u>LicID #</u>
97055	Ackerman	Steven			16764
415802	Albone	Gregory	William		16939
259989	Baker	Austin	Edward		16966
755033	Bakken	Thomas	Richard		16959
684455	Brown	Khalif	D		16928
503079	Caruso	Belinda	Fay		16806
411225	Casey	Kyle	Robert		16960
755035	Chanthadouangsy	Vonemane			16962
759507	Dress	Kyle	Thomas		16913
10490	Ellis	Nicolas			16938
338407	Garguilo	Jeffrey	Mark		16985
613162	House	Roxanne	Denise		16957
22146	Korn	Mark	Leslie		16956
42174	Lukevich	Kevin	Christopher		16958
138224	Mantai	Jennifer	A		16964
376199	Park	Daniel	Hanuli		16769
181812	Parker	Christopher	Edward		16987
259872	Peterson	Thomas	M		16954
327602	Primicias	Darren	Louis		16902
269128	Rangel	David	Robert		16942
619451	Seastrom	Nels	Russell		16934
362474	Sichuga	Alina	Konstantinovna		16918
217579	Simmons	Curt	Charles		16871
224167	Sims	Christopher	Dee		16948
358601	Sourbeer	Jeremy	Ryan		16933
372008	Spalding	David	Leland		16989
530739	Steier	Laura			16706
759962	Storey	Paul	William		16947
30741	Talwalkar	Neha			16120
337090	Wallace	Sheila	Eileen		16881

613217	Washington	Gwendolyn	Joann	16967
176617	Williams	David	J	16861

**20. Mortgage Loan Originator Applications:**

The following 27 mortgage loan originator applications were recommended for approval. Pursuant to 750 IAC 9-3-2(b), the department staff determined that the professional training and experience, financial responsibility, character, and fitness of each applicant was such as to warrant belief that the mortgage loan originator will operate honestly and fairly within the purposes of the article. **These applications were approved by the Director on July 29, 2011, under delegated authority.**

<u>NMLS #</u>	<u>Last Name</u>	<u>First Name</u>	<u>Middle Name</u>	<u>Suffix</u>	<u>LicID #</u>
6595	Aubourg	Tess	Elizabeth		16955
147022	Baxter	Dennis	L		16997
6703	Childress	Christopher	Warner		16953
517125	Deutch	Landin	Harrison		16992
250332	Durant	Millicent	Sue		17004
737326	Dye	Joshua	M		16999
3599	Elkins	Timothy	Richard		16983
141161	Fantini	Christopher	Brian		16896
136788	Gaither	John	Clay		16986
787880	Gravenstreter	Jeffrey	Scott		16978
315875	Hunnicutt	Troy	Dean		16926
684452	Karam	Phillip	Duane		16816
80386	Lopez	Ronald	Edward		17003
193384	Maxie	Darice	Rene		16752
791897	Mencarini	Mark	Scott		16968
787808	Minear	Daniel	E.	Jr	16980
19057	Miranda	Larry	Henry		16941
141271	Niccum	Margaret	Ellen		16984
398680	Ronderos	Matthew	Michael		16949
198568	Salinger	Joseph	Gregory		16963
33931	Sanders	Edward	Darryl		13373

47683	Self	Dawn	Michelle	16990
336278	Sinclair	Chad		16865
258491	Sturm	Gary	John	16961
773339	Terhune	Chad	Andrew	16846
157847	Trotter	William	David	16883
135350	Webb	Jonathan	Robert	17002

**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.**

Vice Chairman Schroeder asked if there was other business. There being no further business, Vice Chairman Schroeder entertained a motion to adjourn the meeting. Mr. Davis moved for adjournment, Mr. Mills seconded the motion, and the motion passed unanimously.

**APPROVED:**

**ATTEST:**

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**Mark A. Schroeder, Vice Chairman**

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**John J. Schroeder, Secretary**