

DEPARTMENT OF FINANCIAL INSTITUTIONS
MINUTES OF MEETING
January 8, 2026

The Members of the Department of Financial Institutions met at 10:00 a.m., EDT, at 30 South Meridian Street, Suite 200, Indianapolis, Indiana. Present from the Department were Thomas C. Fite, Director; Christopher Dietz, Deputy Director, Depository Division; Parag Pandya, Deputy Director, Administration Division; Miranda Bray, Deputy Director, Consumer Credit Division; Troy Pogue, Chief Operations Officer; Kristy Orr, Associate Deputy Director, Depository Institutions; George Dremonas, General Counsel and Assistant Secretary; Kirk J. Schreiber, Senior Depository Analyst, and Secretary; Scott Conner, General Counsel; Alexander Tison, Depository Workflow Manager; Konnor Miller, IT Project Manager and Sharmaine Stewart, Administrative Assistant.

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

- A. Discussion of records classified as confidential by state or federal statute, authorized under Ind. Code § 5-14-1.5-6.1(b)(1) and (7). The Members certify that no subject matter was discussed in the Executive Session other than the subject matter specified in the public notice.

II. PUBLIC SESSION: 10:30 a.m.

- A. Members Present: Jean Wojtowicz, Chair; Mark Schroeder, Vice Chairman; Thomas C. Fite, Director; Donald E. Goetz, Benjamin Bochnowski, John Kirk and Bryan Price.
- B. Date of next meeting: February 12, 2026 @ 10:00 a.m., at the Indiana Department of Financial Institutions, 30 South Meridian Street, Suite 200, Indianapolis, Indiana.
- C. Approval of the minutes of the November 13, 2025, meeting.

Chair Wojtowicz entertained a motion to approve the minutes. Vice Chairman Schroeder moved approval of the minutes; Mr. Goetz seconded the motion. The minutes were approved 7-0.

D. DEPOSITORY DIVISION:

1. First Merchants Bank, Muncie, Delaware County, Indiana

Ms. Wojtowicz abstained from the discussion and voting on this application and stepped out of the room due to her relationship as Chairman of the Board of First Merchants Bank

and First Merchants Corporation.

Mr. Kirk J. Schreiber, Senior Depository Analyst, presented this application. Representing First Merchants Bank was Jeremy Hill, Attorney, Dentons, Bingham Greenebaum LLP. Mr. Schreiber informed the Members that First Merchants Bank and First Savings Bank Jeffersonville, Indiana proposes to effect a merger pursuant to IC 28-1-7.

First Merchants Bank will survive the merger. Immediately prior to the bank merger, First Merchants Corporation, the financial holding company of First Merchants Bank, will directly acquire First Savings Financial Group, Inc., the holding company for First Savings Bank. The acquisition of First Savings Financial Group, Inc. by First Merchants Corporation does not require the Members' approval due to the merger transaction complying with the exemption provisions of IC 28-2-14-15.

Following the holding company acquisition and bank merger, First Merchants Corporation will be a one bank holding company with First Merchants Bank as its wholly owned bank subsidiary. First Savings Bank's main office and branches will be branches of First Merchants Bank. The corporate existence of First Savings Bank and First Savings Financial Group, Inc. will cease.

Mr. Schreiber reviewed and informed the Members that each of the statutory requirements of IC 28-1-7-4 had all been satisfactorily met.

A motion for approval of the merger application of First Merchants Bank was made by Mr. Goetz and seconded by Mr. Price. The application was unanimously approved 6-0.

2. Energy Plus Credit Union, Indianapolis, Marion County, Indiana

Mr. Alexander Tison, Depository Workflow Manager, presented this application. Representing Harvester Credit Union was CEO Jason Ford. Mr. Tison informed the Members that Energy Plus Credit Union ("Energy Plus") and Harvester Financial Credit Union, Indianapolis, Marion County, Indiana ("Harvester") propose to effect a merger pursuant to IC 28-7-1-33.

Energy Plus and Financial Center entered into a merger agreement dated February 27th, 2025. Energy Plus will survive the merger and branches of Harvester will become branches of the resultant institution. As a part of the merger, Energy Plus will change its name to Origins Credit Union.

Mr. Tison informed the Members that each of the statutory requirements of IC 28-7-1-33 had all been satisfactorily met.

Bryan Price posed a question on both institution's 2025 earnings. Mr. Ford stated Harvester's earnings were similar to last year, and Mr. Tison discussed the increased

interest income and reduction in overhead that will result in the increase in net income for the 2026 projections. A motion to approve was made by Mr. Price and seconded by Mr. Kirk. The application was unanimously approved 7-0.

E. CONSUMER CREDIT DIVISION:

1. **Mortgage Loan Originator background check review process update**

Scott Conner, Legal Counsel for the Department, provided an overview of a new background check process for Mortgage Loan Originators (“MLOs”). MLOs who are originally convicted of a felony but later have that conviction reduced to a misdemeanor, through the alternative misdemeanor sentencing law in Indiana or other similar laws in other states, will no longer be subject to automatic denial of their MLO license application. Previously, the Department would deny such licensures based on guidance from the Consumer Financial Protection Bureau. However, that guidance has been removed, prompting the Department’s review of its procedures. After review, the Department changed its process for three reasons:

1. Alternative misdemeanor sentencing laws were intended to reduce felonies to misdemeanors and thereby provide individuals with a second chance. The intent is to allow for employment that would otherwise be prohibited based on the felony conviction. It makes sense for the Department to follow the court’s decision to lower a felony to a misdemeanor.
2. Indiana residents are treated harsher under the old procedure than residents of other states. In other states, the alternative misdemeanor sentencing procedures are different. The result is that in other states the felony conviction is never entered into the record. As such, an individual from another state would be approved for licensure even if they were convicted of the same crime, and similar facts, to an Indiana resident. This disparity will be fixed under the new procedure.
3. The Department will maintain its discretion to deny licensure based on character and fitness.

Members asked a few questions and Scott Conner responded that only Level 6 felonies are eligible to be reduced to a misdemeanor. Level 6 felonies are the lowest level of felony in Indiana. It was also confirmed that any denial of an MLO licensure for character and fitness would come to the Board Members for a hearing and ultimate decision. It was also confirmed that this was a change in interpretation and not a change in policy—so no vote is required by the Board.

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

1. **Legislative Update**

The next topic discussed by Scott Conner was the 2026 legislative session with a focus on bills that affect the Department. Director Fite confirmed again that there is no agency bill this year. Based on the volume of other bills affecting the Department this year, it was the right call not to have an agency bill. A cryptocurrency bill was heard in December.

Three bills were discussed: HB 1217 stablecoin bill. This bill mirrors language in the GENIUS Act. The bill is expected to pass in the House. The Department continues to provide support to answer any technical questions. HB 1116 Virtual Currency Kiosks was discussed. 20 other states have passed or have pending bills to regulate virtual currency kiosks. Just one company alone, Bitcoin Depot, has roughly 698 kiosks in Indiana. The Department wants to be sure that the bill is clear about what the Department should do. The Department has some issues with the bill that we are attempting to address. For example, the bill changes the definition of money, so the Department wants to clear up the language to ensure it isn't too expansive of the Department's jurisdiction. There will be a fiscal impact to the Department, so we are attempting to work through that issue as well. The Department doesn't want to kill the bill, but we still need fiscal support. SB 169 will reorganize the code citations for the Department's consumer lending laws, including Chapter 2 and Chapter 3 of the UCCC. The Department continues to review the bill to ensure there are no errors. There are a few issues but nothing problematic at this point, although it will require more work for the agency. There are about 8 other bills out there the Department is tracking, including a bill that would cap interchange fees and another bill to regulate payroll service providers. There was discussion about how the interchange fee bill could impact depository institutions—but there are still a lot of unknowns.

2. **Financial Update – Parag Pandya**

FYE JUNE 30, 2026 Projected using 11.30.2025 ACTUALS

REVENUE

Projected Revenue for the Fiscal year 2026 is expected to total \$11,535,683.

EXPENDITURES

Projected total expenditures for the Fiscal year 2026 are projected to be \$10,768,128.

Appropriation

The agency's original appropriation was \$12,472,649. In accordance with the Governor's directive issued last year requiring all agencies to maintain a 5% reserve, the adjusted appropriation is \$11,849,017. Based on this revised amount, the agency anticipates a favorable variance of \$1,080,889 between appropriations and projected expenditures. This outcome reflects the agency's commitment to supporting the Governor's fiscal objectives

Minutes of Members' Meeting

January 8, 2025

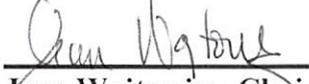
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through disciplined resource management, including delaying hires and reducing discretionary spending. Our approach ensures a prudent balance between fiscal responsibility and the agency's obligation to meet statutory requirements while maintaining a responsive and effective regulatory presence.

OTHER BUSINESS:

Chair Wojtowicz asked if there was other business. There being no further business, Ms. Wojtowicz took action to adjourn the meeting.

APPROVED:



Jean Wojtowicz, Chair

ATTEST:



Kirk J. Schreiber, Secretary