

DEPARTMENT OF FINANCIAL INSTITUTIONS
MINUTES OF MEETING
November 13, 2025

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; Miranda Bray, Deputy Director, Consumer Credit Division; Troy Pogue, Chief Operations Officer; Kristy Orr, Associate Deputy Director, Depository Institutions; Scott Conner, General Counsel; George Dremonas, General Counsel; Kirk J. Schreiber, Senior Depository Analyst, and Assistant Secretary; 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: 10:58 a.m.

- A. Members Present: Mark Schroeder, Vice Chairman; Thomas C. Fite, Director; Donald E. Goetz, John Kirk, and Benjamin Bochnowski. Jean Wojtowicz, Chair and Bryan Price were absent.
- B. Date of next meeting: December 11, 2025 @ 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 September 11, 2025, meeting.

Vice Chair Schroeder entertained a motion to approve the minutes. Mr. Goetz moved approval of the minutes; Mr. Kirk seconded the motion. The minutes were approved 5-0.

D. DEPOSITORY DIVISION:

- 1. State Bank of Medora, Medora, Jackson County, Indiana
The New Washington State Bank, Clark County, Indiana

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Mr. Alexander Tison, Depository Workflow Manager, presented this application. Mr. Tison informed the Members that The New Washington State Bank (New Washington) and State Bank of Medora ("Medora") and propose to effect a merger pursuant to IC 28-1-7.

Medora and New Washington entered into a merger agreement on July 14, 2025. This was a two-step merger with NIB Interim Bank, a wholly owned subsidiary of New Washington's holding company, merging with and into Medora before Medora immediately merges with and into New Washington.

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

A motion to approve the Medora merger was made by Mr. Bochnowski and seconded by Mr. Goetz. Mr. Schroeder called roll for the vote. Don Goetz, Benjamin Bochnowski, John Kirk, Mark Schroeder, and Tom Fite all voted yes. The application was approved 5-0.

A motion to approve the New Washington merger was made by Mr. Kirk and seconded by Mr. Bochnowski. Mr. Schroeder called roll for the vote. Don Goetz, Benjamin Bochnowski, John Kirk, Mark Schroeder, and Tom Fite all voted yes. The application was approved 5-0.

2. DFI's Policy Establishing Accounting and Auditing Standards

Deputy Director Chris Dietz presented the updated revisions to the DFI's Policy Establishing Accounting and Auditing Standards pursuant to IC 28-13-10, 28-11-3-1, and 28-7-1-18. Mr. Dietz discussed the three primary reasons for the revisions to the policy, including the addition of credit unions, a waiver option for audit report extension submission to allow for the audit industry's staffing challenges delaying audit report completion, and structural changes. Vice Chair Mark Schroeder entertained a motion to approve the revisions to the Policy Establishing Accounting and Auditing Standards.

A motion for approval of the document was made by Mr. Goetz and seconded by Mr. Kirk. The application was unanimously approved 5-0.

E. DIRECTOR'S COMMENTS AND ACTIONS

1. Director Fite advised the Members of actions taken pursuant to Delegated Authority. Mr. Fite asked if there were any questions on the delegated authority packet and there were none.

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2. Earned Wage Access Implementation

Deputy Director, Miranda Bray, shared a Consumer Credit Division update. During the 2025 legislative session the Indiana Legislature passed IC 28-8-6 creating the 9th statute enforced by the Consumer Credit Division. The Division has been hard at work implementing a new process for license applications, and we now have seven under review in anticipation of the January 1, 2026 active date. The examination team assigned two senior analyst to prepare a manual for examinations under the new statute, and that project is well underway with an eye toward conducting the first exam in Q3 of 2026. The team is working with partner states that have already implemented a similar statute, and will continue to reach out to South Carolina, Nevada and Kansas as we work through the implementation process.

The members did not have any questions on this topic.

3. Mortgage Lending and Fraud Prevention Task Force

Deputy Director, Miranda Bray, shared a Consumer Credit Division update. The DFI participates as one of the five state agencies in the Mortgage Lending and Fraud Prevention Task Force created by IC 4-23-30. This year, Deputy Bray is the Chair of the task force and the annual report was recently completed and published. A copy of the report was provided to each member. The annual report covers updates on any discipline or enforcement actions, criminal prosecutions or referrals, changes to statute or rule, policy changes and legislative recommendations for each of the participating agencies: the Secretary of State Brokers' Division, Office of Attorney General – Homeowner Protection Unit (HPU), Indiana Department of Insurance, Professional Licensing Agency and the Department of Financial Institutions.

The Secretary of State's portion of the report indicated that 5 complaints were handled during the past year, each being resolved by consent agreement. The number of brokers operating in Indiana rose by 6.4%.

The Attorney General's portion of the report discussed a large consent judgment with a company called MV Realty that was engaged in recording exclusive 40-year brokering contracts on homes using deceptive practices. There was also a rise in property deed fraud being monitored by the HPU section.

The Indiana Department of Insurance's section of the report covered the legislative repeal of the RREAL Database, effective July 1, 2025. DFI will continue to review entries into the database over a two-year lookback period during examinations going forward. Deputy Bray explained that the information previously required to be reported to the database is still available on Sales Disclosure Forms, but these are not searchable. IDOI also referenced an increase in attorney opinion letters, wire fraud and joint ventures between brokers and title insurance companies.

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The Professional Licensing Agency's portion of the report addressed implementation of rules creating a Practical Application of Real Estate Appraisal as an alternative to previously required experience for new entrants into the appraising profession. Deputy Bray let the members know that this could affect the quality of appraisals, and the repayment amount for a new product we are seeing (Equity Sharing Agreements) relies heavily on fair and appropriate appraisals at the inception of the agreement and at the end of the agreement term.

The DFI's contribution to the report included an overview of the current mortgage market, including statistics on MLO and lender applications and exam results from the past year. Deputy Bray noted that a recent study released by the Fair Housing Center of Central Indiana indicates that mortgage defaults are up in Marion County. Contributing factors cited by lenders are stagnant wages, higher rates, increasing insurance premium costs and continuing low inventory of homes for sale. If the trend continues, this could signal an extended time of difficulty for the industry, which puts strain on compliance. Deputy Bray also referenced the entrance of a new product – Equity Sharing Agreements – into the market.

The members did not have any questions on this topic.

4. Legislative Update

Director Fite provided a legislative update for the upcoming Legislative session. Director Fite reviewed possible bills of interest to the DFI, including: (1) The staff's hope that equity share agreement language is proposed to ensure transparent regulatory requirements of the product. (2) Stable coin and the GENIUS Act language are being considered, but many questions will remain unanswered until federal guidance is issued in the summer of 2026. (3) Crypto ATM's language is being considered, mainly dealing with fraud and controls which are being proposed for regulation. (4) Consumer lending Chapter 3 rate and fee cap adjustments will likely be proposed. (5) The annual DFI bill, this year primarily focused on putting the Mortgage Loan Originator Rule into state statute, which has been the desire of agency staff for many years. Director Fite discussed with the board a concern pertaining to staffing, stemming from the agency not replacing Legislative Council Buskill. The Director does not want the time commitment allocated to DFI's agency bill to detract from the time available to assist with the other potentially more critical legislation previously discussed.

OTHER BUSINESS:

Vice Chairman Schroeder asked if there was other business. There being no further business, Mr. Schroeder took action to adjourn the meeting.

APPROVED:



Mark Schroeder, Vice Chairman

ATTEST:



Kirk Schreiber, Assistant Secretary