

DEPARTMENT OF FINANCIAL INSTITUTIONS
MINUTES OF MEETING
NOVEMBER 12, 2009

The Members of the Department of Financial Institutions met at 10:00 a.m., EST, at 30 South Meridian Street, Suite 300, Indianapolis, Indiana. Attending the meeting from the Department were: David H. Mills, 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; Connie Gustafson, Assistant Legal Counsel; Kirk J. Schreiber, Senior Bank Analyst; Mark Powell, Supervisor, Credit Union Division and Ronda Bailey, Executive Assistant.

I. EXECUTIVE SESSION:

- 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).
- B. John Schroeder presented to the Members pending litigation. This aspect of the Executive Session is authorized by IC 5-14-1.5-6.1(b)(2)(B).

II. PUBLIC SESSION:

- A. Members Present: Richard J. Rice, Chairman; Mark A. Schroeder, Vice Chairman, Michael W. Davis, Donald E. Goetz, Paul R. Sweeney Jean L. Wojtowicz and David H. Mills, Director.
- B. Approval of October 8, 2009 minutes. Chairman Rice entertained a motion to approve the minutes of October 8, 2009 meeting. Mr. Sweeney moved approval of the minutes. Mr. Schroeder seconded the motion, and the motion passed unanimously.
- C. Date of next meeting: December 17, 2009 @ 10:00 a.m., at the Indiana Department of Financial Institutions, 30 South Meridian Street, Suite 300, Indianapolis, Indiana.
- D. No action was taken pursuant to the Executive Session, as the information was advisory only.

E. DIRECTOR'S COMMENTS AND REQUESTS :

1. Mortgage Loan Originator Rules Amendment

John Schroeder presented a proposed amendment to the Mortgage Loan Originator ("MLO") rules that were adopted by the Members on July 23, 2009, under emergency rulemaking provisions. The authority to promulgate the emergency rules was included in HEA 1001(ss). The proposed amendments reflect definitional clarifications and cooperative regulation issues that have been determined in consultation with the Indiana Securities Division. Mr. Schroeder informed the Members that the DFI staff recommends leaving the MLO rule in place through 2010, rather than codifying its provisions. This will allow time for additional

technical amendments, and the issuance of MLO regulations by the United States Department of Housing and Urban Development. Mr. Goetz moved adoption of the amendment and Ms. Wojtowicz seconded the motion, which was passed unanimously.

2. Lake City Bank, Warsaw, Kosciusko County, Indiana

On September 28, 2009, the Department received an application from Lake City Bank requesting approval to acquire a minority interest in a non-qualifying subsidiary to be known as "Title Center of Indiana, LLC". This request was approved by Action Taken by the Director on October 7, 2009. **This item is for information purposes only.**

3. Monroe Bank, Bloomington, Monroe County, Indiana

On October 27, 2009, the Department received a notice from Monroe Bank requesting permission to establish a wholly owned qualifying subsidiary to be known as "Sycamore Property Investments, LLC". **This item is for informational purposes only.**

F. DIRECTOR'S DELEGATED ACTIONS:

1. MainSource Bank, Greensburg, Decatur County, Indiana

MainSource Bank applied for approval of a merger with MainSource Bank of Illinois, Kankakee, Kankakee County, Illinois pursuant to IC 28-1-7. MainSource Bank will be the surviving bank. Both MainSource Bank and MainSource Bank of Illinois are 100% owned by MainSource Financial Group, Inc., Greensburg, Indiana. The name of the resultant institution will remain MainSource Bank. **This was approved by the Director on November 4, 2009, under delegated authority.**

2. MainSource Bank, Greensburg, Decatur County, Indiana

MainSource Bank applied for approval of a merger with MainSource Bank - Ohio, Troy, Miami County, Ohio pursuant to IC 28-1-7. MainSource Bank will be the surviving bank. Both MainSource Bank and MainSource Bank - Ohio are 100% owned by MainSource Financial Group, Inc., Greensburg, Indiana. The name of the resultant institution will remain MainSource Bank. **This was approved by the Director on November 4, 2009, under delegated authority.**

3. Lake City Bank, Warsaw, Kosciusko County, Indiana

On September 13, 2009, the Department received an application from Lake City Bank for approval to acquire a minority interest in a nonqualifying subsidiary to be known as the "Title Center of Indiana, LLC." **This was approved by Action Taken by the Director on October 7, 2009.**

4. Peoples Bank, SB, Munster, Lake County, Indiana

The bank requested an extension of time for the opening of its branch to be located at **9903 Wicker Avenue, St. John, Lake County, Indiana**. The branch application was approved under delegated authority on September 16, 2008 with a projected opening date of

February 1, 2009. The projected opening date has been delayed by management due to the current state of the economy. **On November 4, 2009, the Director under delegated authority approved the bank's request for an extension until September 30, 2010.**

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

The credit union 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:

Curt's Signs and Graphics – Edwardsburg, MI – 1 member (common bond of occupation as defined by 28-7-1-10)

Clevenger Food Service dba The Diesel Diner – Niles, MI – 28 members (common bond of occupation as defined by 28-7-1-10)

B-N-L Properties – Niles, MI – 2 members (common bond of occupation as defined by 28-7-1-10). **This was approved by the Director on October 26, 2009, under delegated authority.**

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

The credit union 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:

Linder Partners, LLC d/b/a Sitehawk Retail Real Estate – Indianapolis – 16 members (common bond of occupation as defined by 28-7-1-10)

Pep Boys – Plainfield – 110 members (common bond of occupation as defined by 28-7-1-10) **This was approved by the Director on November 2, 2009, under delegated authority.**

7. **CIS Financial Services, Inc** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. Applicant is based in Hamilton, Alabama. They will be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on October 7, 2009, under delegated authority.**

8. **Nationwide Mortgage Concepts, LLC** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending. Applicant is based in Rancho Mirage, California. They will not be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on October 7, 2009, under delegated authority.**

9. **Swain Mortgage Company** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. Applicant is based in Mansfield, Ohio. They will

- be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on October 7, 2009, under delegated authority.**
10. **Zenta Mortgage Services, LCC** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. They are also applying for a Subordinate Lien Mortgage License. Applicant is based in Charlotte, North Carolina. They will not be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on October 7, 2009, under delegated authority.**
 11. **Zenta Mortgage Services, LCC** applied via the Nationwide Mortgage Licensing System for a Subordinate Lien Mortgage Lending license. They are also applying for a First Lien Mortgage License. Applicant is based in Charlotte, North Carolina. They will be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on October 7, 2009, under delegated authority.**
 12. **Brightgreen Home Loans, Inc** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. Applicant is based in Charlotte, North Carolina. They will not be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on November 3, 2009, under delegated authority.**
 13. **Euro International Mortgage, Inc** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. Applicant is based in Boca Raton, Florida. They will not be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on November 3, 2009, under delegated authority.**
 14. **Freedom Financial Mortgage Corporation** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. Applicant is based in Fort Wayne, Indiana. They will not be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on November 3, 2009, under delegated authority.**
 15. **Security Atlantic Mortgage Co., Inc** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. Applicant is based in Edison, New Jersey. They will not be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on November 3, 2009, under delegated authority.**
 16. **Security One Lending** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. Applicant is based in San Diego, California. They will be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on November 3, 2009, under delegated authority.**

17. **United Mortgage Corp. d/b/a UMC Mortgage Company** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. They may originate Reverse Mortgages. Applicant is based in Hauppauge, New York. They will not be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on November 3, 2009, under delegated authority.**
18. **WCS Lending, LLC** applied via the Nationwide Mortgage Licensing System for a First Lien Mortgage Lending license. They are also applying for a Subordinate Lien Mortgage License. Applicant is based in Boca Raton, Florida. They will not be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on November 3, 2009, under delegated authority.**
19. **WCS Lending, LLC** applied via the Nationwide Mortgage Licensing System for a Subordinate Lien Mortgage Lending license. They are also applying for a First Lien Mortgage License. Applicant is based in Boca Raton, Florida. They will be servicing their loans. Loans will be closed by title companies. **This was approved by the Director on November 3, 2009, under delegated authority.**

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. Sweeney seconded the motion, and the motion passed unanimously.

APPROVED

ATTEST:

Richard J. Rice, Chairman

John J. Schroeder, Secretar