

MINUTES OF THE REGULAR MEETING
OF THE STATE BANKING BOARD

FEBRUARY 18, 2004

As first item in order of business on the agenda, Acting Chairman Griffith called the Banking Board meeting to order at 10:00 a.m., pursuant to the Agenda that was posted for public display prior to 10:00 a.m. on February 17, 2004. The meeting was held in the Conference Room of the State Banking Department, Oklahoma City, Oklahoma.

Second item on the agenda was roll call; the following members were present:

Charles R. Griffith, Acting Chairman
Cheri Cartwright
Chris Conn
John Goad
Gary Huckabay
Bob Newcomb

Member Greer was absent.

Also present: Dudley Gilbert, Legal Counsel; Sherbie Kiffin, Assistant Deputy Commissioner; Rhonda Bruno, Budget Director; Stacey Tayar, Administrative Assistant; and Angela Morris, Secretary.

The Acting Chairman noted for the record that a quorum was present. He said the Commissioner is on his way to a meeting with the California Banking Department.

Third item on the agenda, Acting Chairman Griffith called for approval or discussion of the Minutes of the Regular Meeting of the State Banking Board held January 21, 2004. Member Newcomb made the motion for approval. Motion was seconded and approved as follows:

Chris Conn – voted yes
Gary Huckabay – voted yes
John Goad – voted yes
Bob Newcomb – voted yes

Fourth item on the agenda, Commissioner's Monthly Reports:

A. Department Status Update

Acting Chairman Griffith said the OCC's preemption law took effect February 12, 2004. He said the New York Banking Commissioner testified before the House Banking Committee January 28, 2004, but apparently Mike Oxley is not receptive to taking any congressional action at this time. He said there are two court cases going on in Michigan and Connecticut regarding preemption.

Acting Chairman Griffith said the Department is working on CSBS Accreditation information. He said there is a self-evaluation form which five or six committees are working on. The information is prepared and submitted to CSBS and they do an on-site visit in May for three days.

B. Examination Report .

Acting Chairman Griffith gave the monthly examination report showing that during the month of January two fed member banks, four nonmember banks, one credit union, one trust department, and two cemeteries were examined. Examinations in process at the end of January were nine banks, one credit union, one cemetery, and one trust department.

Seven examiners attended a one-day USA Patriot Act training at the FDIC Field Office in Oklahoma City.

C. Legislative Update

Acting Chairman Griffith said there isn't much information since the Department doesn't have a Bill. He said Dudley Gilbert will be attending a Banking Committee meeting this afternoon.

Mr. Gilbert described the bills to be head by the Committee today. He said that the "Family Wealth Preservation Trust Act", is a bill with provisions that say if the trust keeps all of its assets in Oklahoma assets (including bank accounts), it would be exempt up to \$1 million from creditors.

Mr. Gilbert said there is another bill that says if a lender does not file a release of mortgage within sixty days after it is paid off, then a title company can file an affidavit on behalf of the homeowner that releases the mortgage.

Mr. Gilbert said there are also some changes being made to a predatory lending bill.

Member Newcomb asked if the exemption of up to \$1 million would be effective in Bankruptcy?

Mr. Gilbert said the assets are exempt from sale by creditors and the Bankruptcy Act generally will defer to state exemptions.

Member Huckabay asked if this would prevent creditors if there is a security interest in the assets?

Mr. Gilbert said no. Only unsecured assets.

D. Pending Applications

Acting Chairman Griffith asked if Board members are still receiving pending applications every week? They said they are.

Acting Chairman Griffith welcomed Board Member Cartwright at 10:06 a.m.

Fifth item on the agenda, Consideration and adoption of proposed amendments to Banking Board Rule 85:10-3-21, relating to fees for operating and financial subsidiaries and registration statements.

Member Newcomb made the motion to approve proposed amendments to Rule 85:10-3-21 which make technical corrections to subsection (a)(2), increase the application fee for operating and financial subsidiaries to \$2,000, and increase the Registration Statement fee to \$500. Motion was seconded and approved as follows:

Cheri Cartwright – voted yes
Chris Conn – voted yes
Gary Huckabay – voted yes
John Goad – voted yes
Bob Newcomb – voted yes

Member Goad made the motion to adjourn at 10:07 a.m. Motion was seconded and unanimously approved as follows:

Cheri Cartwright – voted yes
Chris Conn – voted yes
Gary Huckabay – voted yes
John Goad – voted yes
Bob Newcomb – voted yes

Charles R. Griffith, Acting Chairman

Gary Huckabay

Cheri Cartwright

John Goad

Bob Newcomb

Chris Conn