

MINUTES OF THE REGULAR MEETING  
OF THE STATE BANKING BOARD

OCTOBER 15, 2008

**First item** in order of business on the agenda, Chairman Thompson 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 October 14, 2008. Notice of the meeting was also made available to the Secretary of State pursuant to Title 25 O.S. § 311 (The Open Meeting Act). 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:

Mick Thompson, Chairman  
David Burrage  
Chris Conn  
Gordon Greer  
Brad Krieger  
Bob Weaver

Member Newcomb was absent.

Also present: Charles Griffith, Deputy Commissioner; Dudley Gilbert, Legal Counsel; Sherbie Kiffin, Assistant Deputy Commissioner; Paul Qualls, Regional Examiner; Regina Rainey, Administrative Assistant; and Angela Morris, Secretary.

The Chairman noted for the record that a quorum was present.

**Third item** on the agenda was the approval of the minutes for the regular meeting held August 22, 2008.

Member Weaver made the motion for approval of the minutes. The motion was seconded by Member Conn and approved as follows:

David Burrage – voted yes  
Chris Conn – voted yes  
Gordon Greer – voted yes  
Brad Krieger – voted yes  
Bob Weaver – voted yes

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

A. Department Status Update

Chairman Thompson said a new examiner, Morris "Mo" Wilson, has been hired. Mr. Wilson has a Masters Degree in accounting and used to be a basketball coach for Southern Nazarene University.

Chairman Thompson gave Board members a copy of a CSBS summary of a temporary liquidation guaranty program. There will be more information to come later.

#### B. Examination Report

Chairman Thompson said during the month of September, five nonmember banks, three credit unions, one savings and loan, one trust company, one trust department, and three cemeteries were examined. He said examinations in process at the end of September were four banks, one credit union, and one cemetery.

Chairman Thompson said schools for September were: 1 Senior Examiner attended Money Transmitter Regulators Association Annual Meeting; 1 Examiner attended CSBS Credit Evaluation School; 1 Regional Examiner instructed at CSBS Credit Evaluation School; 1 Senior Examiner attended FFIEC Cash Flow Analysis from Tax Return School; 2 Senior Examiners attended CSBS Technology Conference, and 1 Staff person attended CSBS Technology Conference.

Mr. Griffith said the Department is current on examinations.

#### C. Legislative and Rulemaking Update

Chairman Thompson said in the next couple of weeks there will be a meeting regarding legislation. Please contact Dudley or Regina if you have any suggestions or ideas for the upcoming legislative session.

#### D. Report to the Board on status of pending applications.

**Fifth item** on the agenda:

Consideration of, and possible action on, Application for Authority to Engage in the Banking Business by a company to be known as InVest Community Bank, Edmond, Oklahoma, pursuant to Title 6 O.S. § 301 *et. seq.*

Paul Foster, Attorney, was present to answer questions. Mr. Foster introduced the following executive officers/organizers: Jim Faaborg, past banker; and Steve Rahill, director and previous banker. He also introduced Jack Fesler, previous executive with Sara Lee; Tracy Wills, business person from El Reno; Dick Horton, formerly in insurance business; and Dennis Murphy, CFO/Cashier. There are others who are not present, but resumes should be included in the Board packets.

Mr. Foster said the organizers submitted the best group of letters he's ever seen addressed to the Board as to why they plan to develop this bank. He said the Analysis contains good information. He said they have outstanding management and capital tier 1 leverage capital ratio does not fall below 15% in four years. He said they spent a lot of time on projections, capital is strong and should become stronger in the next four years and they have a good liquidity plan.

Chairman Thompson asked if there are any questions/comments from the Board?

Member Krieger asked if considering the competitive nature in business, especially now, how they plan to focus on the competition?

Mr. Rahill said they plan to be aggressive and have a good core group. They have good customer business and personal relationships and will develop good strategies with a long term approach. They plan to be able to compete, but know they will have to work hard.

Member Greer said there are 42 financial locations in Edmond. He said it will be difficult for a new organization to work in this market and experience is going to be needed. He said Mr. Murphy is a fine person and raising the \$8 million is important for capital base and will be difficult.

Ms. Kiffin said she reviewed the application and out of the offices in Edmond, there has been only one new charter opened in 2008. This bank will be locally owned and better received.

Mr. Qualls said he and Carter Sheehan, FDIC, feel each individual is invigorating and have the desire to be a part of a locally owned bank. The customer base is adept in their field with a broad base to appeal to because of various backgrounds.

Chairman Thompson said he is familiar with Mr. Rahill and his style of running banks.

Member Greer made the motion to approve the Application for Authority to Engage in the Banking Business. Motion was seconded by Member Krieger and approved as follows:

David Burrage – voted yes  
Chris Conn – voted yes  
Gordon Greer – voted yes  
Brad Krieger – voted yes  
Bob Weaver – voted yes

Mr. Foster thanked the Department for the quick review of the application and getting it to the Banking Board.

Mr. Rahill said he will make sure the Board's decision is a good one and will do whatever it takes to be successful.

Chairman Thompson said if you have questions in the future, please contact Dudley Gilbert, Charles Griffith, Regina Rainey, or himself.

Mr. Foster added that Chairman Thompson offered Paul Qualls to do a private seminar on responsibilities of bank directors which was informative to everyone.

**Sixth item** on the agenda: Adjournment.

Motion made to adjourn by Member Conn.

Motion seconded by Member Krieger.

Motion was approved as follows:

David Burrage – voted yes  
Chris Conn – voted yes  
Gordon Greer – voted yes  
Brad Krieger – voted yes

Bob Weaver – voted yes

Meeting was adjourned at 10:28 a.m.

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Mick Thompson, Chairman

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David Burrage

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Chris Conn

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Gordon Greer

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Brad Krieger

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Bob Weaver