

**SPECIAL STATE BANKING BOARD MEETING
OFFICE OF THE COMMISSIONER
DEPARTMENT OF FINANCIAL INSTITUTIONS
2000 SCHAFFER STREET, SUITE G
BISMARCK, NORTH DAKOTA**

December 29, 2014

A special meeting of the State Banking Board was held in the Office of the Commissioner, Department of Financial Institutions, 2000 Schafer Street, Suite G, Bismarck, North Dakota. Secretary Webb called the meeting to order at 2:00 p.m., Monday, December 29, 2014, by conference call.

MEMBERS PRESENT: Aaron K. Webb, Acting Chairman (*Office*)
Nancy Baerwald, Member (*Cando*)
Kim Larson, Member (*Casselton*)
John Schmid, Member (*Carson*)
Tom Stennes, Member (*Harwood*)
Cheryl Thompson, Member (*Fargo*)

MEMBER ABSENT: Robert J. Entringer, Chairman
Linda Beall, Member

ALSO PRESENT: Suzette Richardson, Acting Secretary (*Office*)
Jan Murtha, Assistant Attorney General (*Bismarck*)
Lise Kruse, Chief Examiner – Banks (*Fargo*)

**CHANGE OF CONTROL – LAKOTA BANK HOLDING COMPANY, INC.,
LAKOTA**

Assistant Commissioner Webb reviewed his Memorandum dated December 18, 2014, indicating the Department received the change of control application on December 3, 2014, and the application was deemed complete on December 11, 2014.

Assistant Commissioner Webb indicated pursuant to North Dakota Administrative Code § 13-02-17-01, notice of the above transaction was published in the *Lakota American*, Lakota, on December 17, 2014, with the comment period ending December 27, 2014. Assistant Commissioner Webb indicated as of the date of this meeting no comments were received nor were there any requests for copies of the application.

Assistant Commissioner Webb reviewed the provisions of Section 6-08-08.1(4) of the North Dakota Century Code regarding a change of control application.

Assistant Commissioner Webb indicated both Jeffrey D. Anderson and Bruce A. Anderson would be acquiring the transferred shares through an inheritance from their parents, Aron and Mary Anderson. Assistant Commissioner Webb indicated of the 104 shares being transferred, 52 shares will be acquired by each Jeffrey D. Anderson and Bruce A. Anderson; adding that upon completion of the transfers, each of the applicants would control a total of 91 shares or 26% of The Lakota Bank Holding Company. Assistant Commissioner Webb indicated the Lakota Bank Holding Company owns and controls 100% of the stock of the State Bank of Lakota, Lakota, North Dakota.

Assistant Commissioner Webb indicated since the transfers are occurring as a result of inheritance, there is no purchase and sale agreements, shareholder agreements, non-compete agreements, employment contracts, or trust agreements. Assistant Commissioner Webb indicated the applicant has stated that there will not be any changes to the management of the holding company or bank.

It was moved by Member Schmid, seconded by Member Larson, and carried by a vote of 5 to 0, with Chairman Entringer and Member Beall absent, to approve the change of control application for Jeffrey D. Anderson and Bruce A. Anderson, Lakota, North Dakota, to each acquire 25% or more of the voting shares and thereby the control of Lakota Bank Holding Company, Lakota, North Dakota, which controls the State Bank of Lakota, Lakota, North Dakota.

The meeting adjourned at 2:08 a.m.

Aaron Webb, Acting Chairman

Suzette Richardson, Acting Secretary