

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

**October 25, 2019**

The 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. Chair Kruse called the meeting to order at 9:00 a.m., Friday, October 25, 2019, by conference call.

MEMBERS PRESENT: Lise Kruse, Chair *(Fargo)*  
Todd Heilman, Member *(Devils Lake)*  
John Schmid, Member *(Carson)*  
Tom Stennes, Member *(Harwood)*  
Linda Beall, Member *(Velva)*

MEMBERS ABSENT: Kim Larson, Member

ALSO PRESENT: Corey Krebs, Secretary *(Office)*  
Ryan Spah, Chief Examiner *(Fargo)*  
Angie Mills Fischer, Review Examiner *(Fargo)*  
Megan Sauer, Administrative Examiner *(Office)*  
Brent Srejma, Aspire Financial *(Phone)*  
John Ouradnik, Aspire Financial *(Phone)*  
Dennis Pederson, First National Bank & Trust Co. *(Phone)*  
Chris Jundt, First National Bank & Trust Co. *(Phone)*  
John Taverna, First National Bank & Trust Co. *(Phone)*  
Wendy Hendrickson, First National Bank & Trust Co. *(Phone)*  
Abby Hagen, First National Bank & Trust Co. *(Phone)*

**ASPIRE FINANCIAL, FARGO – REQUEST TO CHANGE NAME TO ASPIRE BANK.**

Commissioner Kruse reviewed the request. The articles of amendment were received on September 30, 2019. Commissioner Kruse stated the Department had verified that the Aspire

Bank name has not been used and is not currently in use by any other financial institution in North Dakota.

Mr. Srejma stated the bank wishes to simplify the name to prevent public confusion. There is also an Aspire Financial out of Florida that handles the investment accounts for West Fargo Public Schools and the bank receives several calls from West Fargo Public Schools employees that have miscellaneous questions for that Aspire Financial. The bank also wishes to recognize that it is a bank and does not handle wealth management or investments.

**It was moved by Member Heilman, seconded by Member Schmid, and carried by a vote of 5 to 0, with Member Larson absent, to approve the name change of Aspire Financial to Aspire Bank.**

### **FIRST NATIONAL BANK & TRUST COMPANY, WILLISTON – APPLICATION TO CONVERT TO STATE BANK CHARTER**

Commissioner Kruse indicated First National Bank & Trust has submitted an application to convert to a state charter and change its name to First State Bank & Trust.

Assistant Commissioner Krebs reviewed the Memorandum dated October 22, 2019, indicating the Department received the conversion application on September 23, 2019.

Assistant Commissioner Krebs indicated authority to convert to a state charter falls under North Dakota Century Code § 6-03-13.5, which provides the conversion must be granted if the applicant follows federal procedures and meets the requirements for a new charter under state law.

Assistant Commissioner Krebs indicated there is no notice requirement and the State Banking Board does not need to hold a formal public hearing. Assistant Commissioner Krebs indicated notice of this application was included in the State Banking Board agenda filed with the Secretary of State and included in the Department's Monthly Bulletin as well as a press release made by First National Bank & Trust Company.

Assistant Commissioner Krebs reviewed the conversion requirements outlined under North Dakota Century Code § 6-02-06(1) and indicated a representative of First National Bank & Trust Company is available on the conference call to address the

referenced criterion, although any information relating to the bank's financial statements or the qualifications of management are confidential and would need to be discussed in Executive Session. Assistant Commissioner Krebs indicated the Department has provided a proposed Findings of Fact, Conclusions of Law, and Order for the Board's consideration.

Assistant Commissioner Krebs indicated the Department has not received a protest or objection to the conversion application.

Commissioner Kruse stated the Department did an onsite visitation of the bank and had no concerns of the condition of the bank.

Board member Stennes asked why they were looking to convert from a national charter to a state charter.

Mr. Pederson stated they are in good standing with the OCC and that fee assessments would be less with a state charter. Sister banks in Kenmare and Mohall are state chartered and want to be in alignment with them as there could possibly be a merger in the future. Also, the state is more familiar with the oil and agricultural aspects of the bank. The bank is truly a state bank with locations only in North Dakota. It was stated that they get a lot of questions from the transient population in the area if they are related to other banks with similar names throughout the country, which they are not.

Assistant Commissioner Krebs explained if the majority of the Board denies the application the reasons for denial must be clearly stated; if the majority of the Board approves the application the Board must: (1) attach its Order to the organization certificate and present them to the Secretary of State, and (2) inquire into the qualifications of the management of the proposed bank, including experience with financial institutions and other related experience. Assistant Commissioner Krebs indicated per North Dakota Century Code § 6-02-07, if the conversion application is approved, the organization certificate and Board Order must also be recorded in the office of the recorder of the county in which the state banking association is to be established. Assistant Commissioner Krebs indicated upon completion of the above, the Secretary of State will issue a certificate of authority to the corporation, which will be held by the Commissioner until: (1) an examination is conducted and a certificate indicating the capital stock and required surplus have been paid in full; (2) the Federal Deposit Insurance Corporation insurance of deposits has been secured; and (3) all conditions of the law have been complied with strictly.

**It was moved by Member Stennes, seconded by Member Beall, and carried by a vote of 5 to 0, with Member Larson absent, to approve the conversion of First State Bank & Trust Company from a national charter to a state charter.**

The meeting adjourned at 9:24 a.m.

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Lise Kruse, Chair

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Corey Krebs, Secretary