The regular meeting of the State Banking Board was held in the Office of the Commissioner, Department of Financial Institutions, 1200 Memorial Highway, Bismarck, North Dakota. The meeting was conducted via Microsoft Teams. Chair Kruse called the meeting to order at 9:00 a.m., Thursday, July 8, 2021, by conference call.

MEMBERS PRESENT: Lise Kruse, Chair  
Todd Heilman, Member  
Pete Jahner, Member  
John Schmid, Member  
Tom Stennes, Member  
Pao-Yueh (Claudia) Schollmeyer

ALSO PRESENT: Corey Krebs, Secretary  
Ryan Spah, Chief Examiner  
Angie Mills Fischer, Review Examiner  
Megan Sauer, Administrative Examiner  
Dean DePountis, Assistant Attorney General  
Brad Kraft, Ascensus Trust Company  
David Katz, Simpson Thacher & Bartlett LLP  
Spencer Sloan, Simpson Thacher & Bartlett LLP  
Kelsey Dahl, American Bank Center  
Caitlin Houlton Kuntz, Fredrikson & Byron  
Tara McFadden, Choice Financial Group  
Jeff Kram, Choice Financial Group

APPROVAL OF MINUTES

Chair Kruse indicated the Board received copies of the minutes of the regular meeting held on May 13, 2021.
It was moved by Member Jahner, seconded by Member Schmid, and carried by a vote of 6 to 0 to approve the minutes of the regular meeting held May 13, 2021.

REQUEST TO CHANGE NAME OF AMERICAN BANCOR, LTD, DICKINSON; AMERICAN BANK CENTER, DICKINSON; AMERICAN TRUST CENTER, DICKINSON TO BRAVERA HOLDINGS CORP., BRAVERA BANK, BRAVERA WEALTH, RESPECTIVELY.

Assistant Commissioner Krebs reviewed the memorandum. The request was received on June 25, 2021.

Caitlin Houlton Kuntz gave some details about the name changes.

There were no additional comments or questions from the Board.

It was moved by Member Heilman, seconded by Member Stennes, and carried by a vote of 6 to 0 to approve the request by American Bancor, LTD, Dickinson; American Bank Center, Dickinson; and American Trust Center, Dickinson to change names to Bravera Holdings Corp., Bravera Bank, and Bravera Wealth, respectively.

APPLICATION BY TRIDENT VIII, L.P., TRIDENT VIII PARALLEL FUND, L.P., TRIDENT VII DE PARALLEL FUND, L.P., TRIDENT VIII PROFESSIONALS FUND, L.P., MERCURY PARENT HOLDINGS, INC., MERCURY INTERMEDIATE I, INC., MERCURY INTERMEDIATE II, INC., AND MERCURY MERGER SUB, INC. TO INDIRECTLY ACQUIRE CONTROL OF ASCENSUS TRUST COMPANY.

Review Examiner Angela Mills Fischer reviewed the memorandum. The application was received on May 14, 2021. The application was deemed complete on May 27, 2021.

Brad Kraft gave details regarding the acquisition and that no management changes are expected at Ascensus Trust Company.
Review Examiner Angela Mills Fischer stated it is the recommendation of the Department that the application for change of control be approved, and that the Commissioner be authorized to sign the proposed Order on behalf of the Board.

It was moved by Member Heilman, seconded by Member Schollmeyer, and carried by a vote of 6 to 0 to approve the application Trident VIII, L.P., Trident VIII Parallel Fund, L.P., Trident VIII DE Parallel Fund, L.P., Trident VIII Professionals Fund, L.P., Mercury Parent Holdings, Inc., Mercury Intermediate I, Inc., Mercury Intermediate II, Inc., and Mercury Merger Sub, Inc. to indirectly acquire control of Ascensus Trust Company.

REQUEST FOR RETROACTIVE APPROVAL BY CHOICE FINANCIAL GROUP, FARGO, TO INVEST IN PROPEL NONPROFITS.

Chief Examiner Spah reviewed the memorandum. The retroactive request was received on June 29, 2021.

There were no comments or questions from the Board.

Jeff Kram went over some details of the investments, and its benefits for Choice Financial Group.

Chief Examiner Spah stated it is the recommendation of the Department that the request for retroactive approval be approved, and that the Commissioner be authorized to sign the proposed Order on behalf of the Board.

It was moved by Member Jahner, seconded by Member Schmid, and carried by a vote of 6 to 0 to approve the request for retroactive approval by Choice Financial Group, Fargo, to invest in Propel Nonprofits.

UNITED VALLEY BANK, CAVALIER REQUEST FOR ARTICLES OF AMENDMENT TO CHANGE THE NUMBER OF BOARD MEMBERS

Commissioner Kruse stated the number of Board members the Articles would reflect.

There were no comments or questions from the Board.
It was moved by Member Schmid, seconded by Member Stennes, and unanimously carried, to approve the request by United Valley Bank, Cavalier for Articles of Amendment to change the number of Board Members.

ITEMS TO BE NOTED

Chair Kruse gave an overview of approvals that were done by the Commissioner since the last State Banking Board meeting. First International Bank & Trust, Watford City established an interstate branch at 3600 Minnesota Dr, Ste 70, Edina, MN. Bell Bank, Fargo, established an interstate branch at 3800 American Blvd W, Bloomington, MN. Border Bank established a facility at 3203 32nd Ave S, Ste 100, Fargo, ND. Western State Bank, Devils Lake established an interstate branch at 22601 N 19th Ave, Phoenix, AZ. First Western Bank & Trust, Minot established an LPO at 320 S Phillip Ave, Ste 201, Sioux Falls, SD. Peoples Bank, Dayton, OH, requested to use the word “bank” in the registered trade name of the business.

Brad Kraft and David Katz left the meeting.

BANK BUDGET UPDATE

Assistant Commissioner Krebs gave an overview of the Department’s budget. He stated the Department budget, and what is remaining for the biennium is tracking well within budget.

Member Schmid asked if the legislative changes regarding cash carryover for the Department and semi-annual assessments has taken affect. Commissioner Kruse confirmed that they have.

Commissioner Kruse addressed the construction of offices in Bismarck and Fargo that have yet to take place but are planned. She stated the Department may need to go to the Emergency Committee to request the authorization to spend the funds for construction that was supposed to take place in the 2019-2021 biennium.

Commissioner Kruse also stated that the audit is complete of the Department and that there were no findings.
Commissioner Kruse stated that the Department is still looking into pledging laws and what other states are doing.

It was moved by Member Heilman, seconded by Member Schmid, and carried by a vote of 6 to 0 to adjourn to executive session.

The Board went into closed session at 9:28 a.m. to review the Supervisory Reports of Examination pursuant to North Dakota Century Code 6-01-07.1, and to discuss any confidential records pursuant to North Dakota Century Code 44-04-19.2, and returned to open session at 10:38 a.m. Those that were present during the executive session were Chair Kruse, Member Heilman, Member Schmid, Member Stennes, Member Jahner, Member Schollmeyer, Corey Krebs, Ryan Spah, Angie Mills Fischer, Megan Sauer, and Dean DePountis.

It was moved by Member Heilman, seconded by Member Schmid, and unanimously carried, to authorize the Commissioner to proceed with Option 1 on the Board’s behalf.

The meeting adjourned at 11:00 a.m.

Lise Kruse, Chair

Corey Krebs, Secretary