



Department of Commerce

Division of Financial Institutions

DENOVO BANK APPLICATION

Stock State Banks – Formation
Ohio Revised Code Chapter 1113

Ohio Department of Commerce
Division of Financial Institutions

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STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF FINANCIAL INSTITUTIONS
"An Equal Opportunity Employer and Service Provider"

**APPLICATION FOR AUTHORIZATION TO ORGANIZE
A DE-NOVO STATE-CHARTERED BANK IN OHIO**

GENERAL INFORMATION

Who Must File This Application

The establishment of a state-chartered bank in Ohio requires the approval of the Superintendent of Financial Institutions ("the Superintendent") pursuant to Chapter 1113 of the Ohio Revised Code. In order to obtain such approval, the organizers of the bank ("Applicants") must prepare and file one complete original and three partial copies (excluding the financial and biographical reports from the copies) of the application with the Division of Financial Institutions ("the Division"). An original and three copies of any supplemental information to be submitted by the Applicants, whether or not in response to a request by the Division for additional information or revisions, shall be provided to the Division. If one of the initial purposes of the bank will be to exercise trust powers, a supplemental application for authorization to exercise trust powers in Ohio must be submitted with the charter application.

Organizers

Ohio law provides that five or more natural persons, at least one of whom is a resident of this state, may serve as incorporators of the proposed bank with the approval of the Superintendent. Each natural person who intends to be an incorporator, director, executive officer, or principal shareholder (i.e., the owner of 10 per cent or more of the outstanding shares) of the bank must complete and submit an original biographical and financial report on forms provided by the Division and undergo a civilian background check. (Note: the Division will accept the federal Interagency Biographical and Financial Report form, but if this form is used, it must show the assets and liabilities of the reporting person only, including their interest in jointly held property and obligations.) The Applicants may request in writing that the Division treat certain information provided in these forms as confidential and unavailable for public inspection (see Confidentiality below) pursuant to Section 1121.25 of the Ohio Revised Code. In processing the application, the Division will conduct a thorough investigation of each Applicant's background, including a fingerprint check.

If a proposed incorporator, director, executive officer or principal shareholder of the bank resided or was employed in a state other than Ohio or a country other than the United States at any time during their adult life, they must obtain a record check from the central criminal records repository of that state or country and submit the original report to the Division with the application.

Additional information regarding background checks can be located on the Attorney General's website: <https://www.ohioattorneygeneral.gov/backgroundcheck>.

The Applicants should familiarize themselves with the Ohio Banking Code (Chapters 1101 through 1127 of the Ohio Revised Code). As a condition for doing business in Ohio, the deposit accounts of the proposed bank must have federal deposit insurance pursuant to Section 1109.03 of the Ohio Revised Code. To obtain such insurance, the Applicants must make application to the Federal Deposit Insurance Corporation (FDIC). In addition, if the bank is to be a member of the Federal Reserve System, an application for membership must be submitted to the Federal Reserve Bank of Cleveland (FRB). The proposed bank will be subject to regulation and examination by the Division and the FDIC, as well as the FRB if it is a member bank. Therefore, the Applicants should contact the appropriate federal agency to discuss their application requirements for a de-novo bank. The addresses of these agencies are as follows:

Federal Deposit Insurance Corporation
500 West Monroe Street, Suite 3600
Chicago, Illinois 60661
Telephone: 312/382-7500

Federal Reserve Bank of Cleveland
P. O. Box 6387
Cleveland, Ohio 44101
Telephone: 216/579-2000

In order to minimize the time required to obtain the necessary approvals, it is suggested that all applications be submitted concurrently to the respective agencies.

PLEASE NOTE: THE APPLICANTS WILL BE BOUND BY, AND THE PROPOSED BANK MUST CONFORM IN ALL MATERIAL RESPECTS WITH, ALL ORAL AND WRITTEN REPRESENTATIONS MADE IN OR IN CONNECTION WITH THIS APPLICATION. FURTHER, ALL REPRESENTATIONS AND COMMITMENTS MADE BY THE APPLICANTS AND RELIED ON BY THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS IN REACHING A DECISION ON THE APPLICATION ARE CONDITIONS IMPOSED IN WRITING BY THE SUPERINTENDENT IN CONJUNCTION WITH THE FINDINGS AND DECISION AND MAY BE ENFORCED UNDER SECTIONS 1121.32, 1121.33 AND 1121.35 OF THE OHIO REVISED CODE AND OTHER STATUTORY PROVISIONS FOR ADDRESSING VIOLATIONS OF CONDITIONS IMPOSED BY THE SUPERINTENDENT IN WRITING. ANY VERBAL REPRESENTATIONS MADE BY THE APPLICANT WITH REGARD TO THE APPLICATION WILL NOT BE CONSIDERED BY THE SUPERINTENDENT IN MAKING A DECISION ON THE APPLICATION UNLESS THEY ARE SUBSEQUENTLY CONFIRMED IN WRITING WITHIN THE TIME PERIODS STATED IN THE APPLICATION.

Application Fee

Pursuant to Section 1121.29 of the Ohio Revised Code, the Superintendent has established an application fee that is payable to the Division by the Applicants for processing the application; this fee is listed on the attached schedule of Ancillary Fees. However, **the fee should not accompany the application.** Upon receipt of the application, the Division will conduct a preliminary review to determine if the application is sufficiently complete to be accepted for processing. If the application is found to be acceptable, Applicants will be advised to submit a check, payable to the Division of Financial Institutions, in the amount of the proper application fee. Upon receipt of the correct fee, the application will be accepted for processing and the Applicants will be so notified in writing. If the application is approved, an Organization Fee will become due and payable to cover the organizational phase of the chartering process. In accordance with Section 1121.29(F) of the Revised Code, once the application is accepted for filing, the fee is non-refundable.

Name Reservation

Under Section 1103.07 of the Ohio Revised Code, Applicants may secure the exclusive use of the proposed name of the bank by submitting to the Division the name reservation form and filing fee prescribed by the Ohio Secretary of State. Upon receipt of the reservation request, the Superintendent will determine if the name is misleading or distinguishable from that in use or reserved by any other financial institution in Ohio. If the proposed name is available, the Superintendent will approve the name reservation, forward it and the fee to the Office of the Secretary of State for filing, and notify the Applicants that the name has been reserved. The name reservation is effective for a period of 180 days from the date it is filed with the Secretary of State and may be renewed with the Superintendent's approval. Once the de-novo charter application has been accepted by the Division, a reserved name is considered to be reserved throughout the application process.

Please note: Any document that is to be filed with the Secretary of State regarding the bank must first be submitted to the Superintendent for review and approval. The Division will handle the filing of all such documents with the Secretary of State. Any necessary filing fees must be forwarded to the Division along with the documents to be filed.

Public Notice

Within ten days of receiving notice that the application has been accepted for processing by the Division, the incorporators must publish notice pursuant to Section 1113.03(A) of the Ohio Revised Code of their

intent to organize the new bank. The notice shall be published once a week for two weeks in a newspaper of general circulation in the county where the bank is to be located, and a publisher's affidavit attesting to such publication must be submitted to the Division. The notice must specify the name of the proposed bank, its proposed location, the amount of its proposed capital, the names and addresses of the incorporators, the address of the Superintendent, and the date by which comments on the application must be filed with the Superintendent, which is 30 days after the date of first publication of the notice (see attached sample Notice of Intention to Incorporate a New Bank). If any written comments or objections to the application are received by the Superintendent within the 30-day comment period, the matter will be investigated in the manner the Superintendent deems appropriate.

Confidentiality

Under the provisions of Section 149.43 of the Ohio Revised Code, once the Superintendent accepts the application for processing, it becomes a public document and must be made available for review by the public upon request. However, Applicants may submit a written request that certain information in the application be given confidential treatment pursuant to Section 1121.25 of the Ohio Revised Code. No data will be treated confidentially by the Division if such treatment would impair an interested party's right to comment on or protest the application.

The Applicants' request for confidential treatment must be submitted in writing along with the application and must provide a detailed justification for such treatment. The permissible reasons for which the Superintendent may grant confidential treatment are set forth in Section 1121.25(A) of the Ohio Revised Code. The request for confidential treatment must justify such treatment for each item for which confidentiality is requested and specifically state the harm that would result from release of the information to the public. A statement that release of the information would result in competitive harm or that the information is personal in nature is not sufficient.

Information for which the Applicants request confidential treatment must be specifically noted in the public portion of the application (by reference to the confidential section), separately bound, and labeled "Confidential." Applicants should follow this same procedure on confidentiality with regard to the filing of any supplemental information. Upon receipt of the application, the Superintendent will review any information for which the Applicants request confidential treatment to determine whether the request is justified and in compliance with Section 1121.25 of the Revised Code, and will advise Applicants in writing of the decision on confidentiality. Should the Superintendent determine that any such information is not to be given confidential treatment, Applicants may withdraw the information by written request within 10 days of their receipt of the Superintendent's decision. If Applicants fail to withdraw such information within that 10-day period, they will be deemed to have waived the right to withdraw, and the information will become part of the public portion of the application.

The above notwithstanding, the Applicants are hereby advised that, without prior notice to Applicants, the Superintendent may disclose or comment on any of the contents of the application, including information previously determined to be confidential, in any order, statement, or opinion issued by the Superintendent in connection with his or her decision on the application.

Examination and Assessment

State-chartered banks in Ohio pay an annual assessment to the Superintendent based on each bank's total assets as of December 31, payable in two equal installments on the following July and December. The annual assessment covers the Division's routine examination and administrative services. In addition, the Superintendent annually establishes ancillary fees for special examinations/visitations and for processing specific applications. After the proposed bank is authorized to commence business, it will be billed for the actual costs incurred by the Division for any examinations and visitations conducted prior to the initial annual assessment.

Application Phase

The Application Phase begins with the Applicants' initial contact with the Division and continues through the approval/denial of the application. Within 10 days of receipt of the final application, the Division's

Corporate Section will conduct a preliminary review of the application to determine whether all of the required documents have been submitted. If the application is found to be substantially complete, the Division will accept the application for processing. If the application is not substantially complete, the Division will either return it to the Applicants for completion or, if only minor items of information are missing, request the additional items needed to complete the application. When the application is complete and accepted for processing, the Division will so advise the Applicants in writing. However, the acceptance of the application for processing merely indicates that, upon preliminary review, it has been found to contain the required documents and information. Such acceptance does not imply that the Superintendent has made any substantive determinations regarding the proposed bank, nor does it assure that the application will ultimately be approved. By law, the Division has 180 calendar days to act upon the application from the date it is accepted for processing.

Upon accepting the application for processing, the Corporate staff will evaluate the application to determine whether the proposed bank meets the requirements for approval set forth in Section 1113.03(C) of the Ohio Revised Code. If corrections or additional information are needed, the Division will send a comment letter to the Applicants advising them of the needed items. The Applicants' response to the Division's comment letter should be submitted as a single package and should address only the problems and concerns noted in the letter. Substantive alterations of the original application may, at the discretion of the Superintendent, be refused or may necessitate the filing of a new application. If the Applicants do not respond within 60 days of receiving the Division's comment letter, a decision on the proposed bank will be made by the Superintendent based solely on the information in the application as originally filed.

If the final application is approved, the Superintendent will issue an approval order containing a number of conditions that must be satisfied before the bank will be allowed to commence business, and will approve the bank's Articles of Incorporation for filing in the office of the Secretary of State, whereupon the bank's corporate existence will begin. Once the application is approved, the Applicants may not significantly alter the proposed location, capitalization, directorate, management, ownership, services, and other material characteristics of the bank without the prior consent of the Superintendent. Furthermore, the Superintendent shall have the right to amend or cancel the approval order at any time prior to the issuance of authority for the bank to commence business should any interim development be deemed sufficient to warrant such action.

Organizational Phase

The Organizational Phase for the proposed bank, which can last a year or more, commences with the approval of the final application and the filing of the bank's Articles of Incorporation with the Secretary of State, at which time the Division's Organizational Fee becomes due and payable. During this Phase, the incorporators of the bank-in-organization will complete the process of preparing the bank for the commencement of business. This includes the offering of the bank's stock, selection and training of bank personnel, preparation of the banking premises, and development of the bank's policies and procedures. Until the bank receives authorization to commence business from the Superintendent pursuant to Section 1113.09 of the Ohio Revised Code, it cannot accept deposits, incur indebtedness, or engage in any other business except that which is incidental to its organization or the sale of its capital stock.

After the bank's Articles of Incorporation are approved and filed with the Secretary of State, the incorporators may begin to accept subscriptions to the bank's stock. An installment of not less than 10 percent of the subscription price of each share must be paid at the time of making the subscription, with the balance payable as soon thereafter as the incorporators determine. The bank must forward drafts of the capital stock offering circular/prospectus and all other subscription materials to the Division for review and comment prior to their use in any solicitation efforts. In preparing the offering circular, the Applicants must take great care to disclose all pertinent information that a potential investor will need to make an informed investment decision regarding the capital stock of the bank.

When the bank's shares have been fully subscribed, the incorporators (or a majority of them) shall execute and submit a certificate of full subscription to the Division, along with a check in the amount of \$25.00 payable to the Secretary of State. Upon receipt of this certificate, the Superintendent will forward it to the Secretary of State for filing. Upon the filing of the certificate of full subscription with the Secretary of State, the incorporators shall call a meeting of the bank's shareholders for the purpose of electing a board of directors, adopting a code of regulations, and transacting any other appropriate organizational business. Written notice of the time, place and purposes of this meeting must be given to the shareholders by mail at least 10 days prior to the meeting date. Drafts of the notice of meeting, any proxy solicitation materials, and the proposed code of regulations and bylaws (optional) for the bank must be submitted to the Division for review and comment prior to their distribution to the shareholders and/or directors of the bank.

When the Applicants believe the bank has complied with all of the requirements of law and the approval order, is fully capitalized, and is ready to commence banking operations, they must file a report with the Superintendent, whereupon a pre-opening examination will be scheduled by the Division pursuant to Section 1113.08(C) of the Ohio Revised Code to verify that the bank is prepared to open for business. This examination will be conducted within 30 days of receipt of the report, and the results thereof will be presented to the Superintendent pursuant to Section 1113.09 of the Revised Code. Based upon the findings of the pre-opening examination, the Superintendent will determine whether the bank is prepared and entitled to commence banking operations and will either issue a certificate of authority to commence business, thereby authorizing the bank to open for business, or notify the bank of the additional items that must be completed before the certificate will be issued. When the certificate of authority to commence business is issued, the bank must cause it to be published once a week for two consecutive weeks in a newspaper of general circulation in the county where the bank's principal office is located, and submit to the Division a publisher's affidavit attesting to the publication of the certificate.

CONTENTS OF APPLICATION

The application consists of the following:

- A. The attached cover page providing the name and exact location of the proposed bank, the identity of any consultants utilized in the preparation of the application, and the contact person to whom questions or requests for additional information are to be directed. The cover page should also indicate whether the application is in draft or final form.
- B. The fully executed Articles of Incorporation for the proposed bank on the form prescribed by the Ohio Secretary of State (suggested language attached).

- C. A copy of the proposed Code of Regulations of the bank.
- D. A history of the evolution of the organizer group and its plans for the establishment of the state-chartered bank.
- E. A written statement, signed by each of the incorporators, certifying that all representations, data, and other information contained in the Application for Authorization to Organize a New State Chartered Bank, as well as all other documents submitted in connection with said Application, contain no misstatements, misrepresentations, or omissions of material facts.
- F. Capitalization/Organizational Expenses
 - 1. Describe the proposed capital structure of the bank and justify this amount. The capitalization of the proposed bank must be commensurate with its Business Plan, projected type and volume of business, marketing strategies, earnings prospects, and the economic and competitive characteristics of the PSA. Show the planned allocation to capital and surplus (see Sections 1107.03 and 1107.07 of the Ohio Revised Code), and the number, par value, and projected selling price of the shares. After a review of the business plan, the Division will establish a minimum level of capital, net of reimbursable expenses or fixed asset contributions, that must be on the balance sheet and available the day the bank opens for business.
 - 2. Discuss contingency plans for raising additional capital if needed to cover losses or support future growth.
 - 3. If the proposed bank is to be owned by a bank holding company, identify the company and provide full details concerning the parent's funding of the bank's capitalization and organizational expenses.
 - 4. If a bank holding company will be formed to organize and capitalize the proposed bank, provide the name of the proposed holding company, the names of its incorporators, and a copy of the Y-1 application to the Federal Reserve Bank of Cleveland.
 - 5. If funds to organize the bank will be obtained through an initial public or private offering of holding company stock, provide a copy of the offering circular and other subscription materials.
 - 6. Describe plans for offering and selling bank or holding company stock to capitalize the bank.

Please note: The Division of Financial Institutions will not allow any shareholder or subscriber to the initial private or public offerings of bank or holding company stock to receive any incentives or benefits (e.g., warrants, conversion rights, founders' options, stock splits, dividends, redemptions, etc.) not granted to all shareholders or subscribers equally. Proposals that allow the Applicants or another group of subscribers to purchase stock at a discount from the original issue price paid by other investors or to purchase or acquire a separate class of stock with more favorable voting or redemption rights are unacceptable. No disparate treatment of any group of subscribers will be allowed. All subscribers to the initial offering(s) will pay the same price per share. However, stock option or stock purchase plans for directors and employees may be adopted by the shareholders with the approval of the Superintendent of Financial Institutions.

- 7. If known, provide the names and addresses of any proposed shareholders who intend to purchase 10 per cent or more of the outstanding shares of the bank or holding company, indicating the number and percentage of shares each such individual plans to purchase.

8. Provide a listing of the types and amounts of expenses which Applicants anticipate will be incurred in connection with the organization of the proposed bank. Indicate who will pay such expenses, the source of funds for such payment, and if reimbursement will be made by the bank after it opens for business. These expenses are charged to current operating expenses following the commencement of operations. The accounting and reporting of organizational expenses shall be in accordance with AICPA Statement of Position 98-5 ("Reporting on the Costs of Start-Up Activities") and the FFIEC instructions for the preparation of reports of condition and income.

Please note: No expenses may be charged to the proposed bank which relate to the formation of a bank holding company, and no expenses may be paid directly by the proposed bank until it receives authorization to commence business. Furthermore, the bank may not pay any of the above types of expenses or reimburse its organizers or parent company for such expenses without the prior written approval of the Superintendent of Financial Institutions.

G. Business Plan

The Applicants must develop and submit a Business Plan for the proposed bank, which shall demonstrate that the bank will:

- Have reasonable earnings prospects commensurate with the economic and demographic characteristics of the primary service area (PSA) or targeted "niche" markets;
- Attract and retain competent management;
- Maintain an adequate level of capital, after payment of start-up expenses, to enable the bank to successfully implement the Business Plan and effectively compete in the chosen market area;
- Offer services that are responsive to the needs of the community; and
- Be operated in a safe and sound manner in compliance with all applicable laws and regulations.

The Business Plan shall consist of the following:

1. Business Description

- a) Describe and provide a map outlining the primary service area (PSA) of the proposed bank, from which it is expected to draw 75 per cent of its business. Explain the rationale behind the delineation of the PSA and describe any physical barriers or other factors which influenced the configuration of the area. If the bank will serve a significant number of customers outside the PSA, identify those types of customers. The Applicants should exercise caution in defining the PSA, as it forms the basis for much of the information upon which the feasibility of the proposed bank will be evaluated.
- b) Discuss the ways in which the bank will serve the present and future needs and convenience of the public in the PSA. List and describe the services to be offered. If different services will be offered in different localities, identify the areas and the services to be offered therein.

2. Market Analysis

- a) Provide a socioeconomic profile of the PSA in terms of population, households, family and per-capita income, business and housing patterns, and employment. Describe recent trends and the prospects for future growth and development, and

assess the expected impact of these trends on the proposed bank. To the extent possible, discuss the differences in product markets to be served. If the proposed bank will depend to a significant degree on local commercial activity to attract customers, describe the business development in the vicinity of the bank site. Discuss any other socioeconomic factor which may have a material effect of the success of the bank. List the sources of this information. This analysis should be based on the most current information available.

- b) List the names and addresses of all financial institution offices (commercial banks, savings banks, savings and loan associations, and credit unions) located within the PSA, as well as offices in adjacent areas that affect this market. Prepare a schedule listing the total deposits of each of these offices for each of the prior three years, and the total projected deposits for the service area for each of the next three years. Explain the basis for these projections and estimate the bank's share of this projected total deposit volume. The methodology and assumptions used for these projections must be consistent with the bank's Business Plan.

3. Plans, Objectives, and Strategies

- a) Discuss the assumptions used to analyze the market and set the plans and objectives for the proposed bank, including market growth, interest rates, costs of funds, and competition. These assumptions must be reasonable and consistent with current economic conditions in the market; any disregard of current conditions must be explained. Summarize the credit needs in the market and describe how those credit needs were evaluated
- b) Describe the intended strategies for capturing the proposed share in each product market. Indicate how the bank will endeavor to inform the community of its products and services.
- c) Prepare pro-forma balance sheets and operating statements showing the bank's expected performance for each of the first three years of operation based on three or four different growth and interest-rate scenarios. Provide detailed information concerning the estimated deposits, earning-asset yields, interest cost factors, and other income and expenses. The pro-forma projections must be based on the planning assumptions, market analysis, and strategies discussed above. Fully describe the methodologies, hypotheses and suppositions that were used in the development of these projections. If the bank is not expected to reach profitability within the first three years, the projections must be extended through the year in which profitability is expected.

4. Bank Premises

- a) Provide a detailed summary of the anticipated investment in bank premises, furniture, fixtures, and equipment. Describe the proposed premises of the bank in terms of size, location, physical layout, and cost, and discuss the reasons this location was selected. Information submitted must show that suitable space is available for the bank's proposed operations. If the premises are to be owned, provide copies of the letter of intent or purchase option and a third-party estimate of the cost of construction or renovation. If the premises are to be leased, a copy of the lease option or proposed lease agreement must be submitted, along with a third-party estimate of the cost of leasehold improvements. Any contracts executed with regard to the purchase or lease of real or personal property should contain an escape clause which will allow the contract to be voided if the bank does not open for business for any reason.
- b) If any fixed assets (land, building, furniture, fixtures, or equipment) of the bank are to be purchased or leased from an incorporator, director, officer, or major shareholder

(direct or beneficial owner of 10 per cent or more of the bank's stock) or from a company in which any of the foregoing has an interest, an independent third-party appraisal of the value of the property and the propriety of the terms and conditions of the proposed transaction must be submitted, along with other evidence necessary to show that the transaction is fair, reasonable, and comparable to similar transactions that could be arranged with unrelated parties. The appraiser must be independent, as defined in Part 323.5(b) of the Rules and Regulations of the Federal Deposit Insurance Corporation (12 CFR 323.5).

- c) Indicate whether the proposed bank building complies with local zoning and public access laws and other land-use plans and restrictions, including historical and architectural preservation laws and the "Americans with Disabilities Act" (42 USC 12101-12213). Describe arrangements for customer parking based upon the projected volume of business, including peak periods. Discuss the impact of any known environmental hazards, and describe the steps taken to determine the existence of such hazards. The premises of the proposed bank must comply with all applicable security laws and regulations, including (without limitation) Regulation P of the Federal Reserve Board or Part 326 of the Rules and Regulations of the Federal Deposit Insurance Corporation.

5. Leadership and Management

- a) Identify the organizers, proposed directors, proposed president/chief executive officer (CEO), and all other proposed executive officers of the bank, describe their backgrounds and qualifications, and indicate the nature and extent of their experience in serving the proposed market area. Describe the anticipated duties and responsibilities of each position.

The Superintendent of Financial Institutions will not approve the charter application until the Applicants have selected a chief executive officer, chief lending officer, chief financial officer, and chief operations officer. With the approval of the Superintendent, the chief financial officer and chief operations officer positions may be combined. The Applicants must submit the names and qualifications of all prospective executive officers to the Division for review and shall not hire any such officers until the Superintendent has notified the Applicants in writing that the Superintendent has no objections to the proposed officer candidates.

Please note: until the bank has been in operation for three years, all employment contracts for bank officers must be approved in advance by the Superintendent of Financial Institutions.

- b) Provide a listing of the other proposed employee positions, the anticipated duties and responsibilities of each position, and the experience and qualifications required to fill those positions.
- c) Indicate the type and amount of the bankers' blanket bond and/or other bond or insurance coverage to be obtained.
- d) Discuss plans for accounting/auditing and control.
- e) Describe plans for data processing and backroom operations. If any of these functions will be outsourced, provide the names of the providers, a listing of the services to be provided, and copies of the servicing contracts.

Applicants are encouraged to submit any additional information which may assist the Superintendent in rendering a decision on the application in accordance with the factors set forth in Section 1113.03(C) of the Ohio Revised Code. Furthermore, the Superintendent reserves the right to request additional information at any time to ensure a complete evaluation of the proposal. All facts, hypotheses and forecasts in

the application must be supported by appropriate sources, references and methodologies. In addition to the information contained in the application, the Division will obtain and consider information relating to Applicants and the proposed bank from other sources including, but not limited to, other governmental agencies. If the Division obtains information from a source other than Applicants and such information adversely affects the pending application, the Superintendent will notify Applicants of the substance of such information and Applicants will have an opportunity to comment in writing on such information.



Bank Background Check Instructions

Ohio Revised Code Sections 109.572(B)(1) and 1121.23

Ohio law requires individuals participating in bank operations to obtain criminal record checks whenever the approval of the Superintendent of Financial Institutions is required for the individual to begin service with the bank. Background checks are required for bank organizers, incorporators, directors, executive officers, controlling shareholders, any person having substantial interest in a bank, and any person participating in the management of a bank.

An applicant must obtain a National/FBI Background Check, and/or a BCI Background Check, and/or State/Local Background Check from each state in which the applicant resided or worked during the 5 years preceding the application.

Fingerprint service providers charge a fee for their services. Some providers may be able to both accommodate your national/FBI check and well as your BCI check. Please note that the providers' fees are not part of the Division's application fees. In general, the turnaround period from the time when fingerprints are taken, to the time when the Division receives the results, is 30-45 days. Therefore, the Division encourages applicants to schedule their fingerprinting appointments as early as possible during the application process.

Please note the Division must review your background check results to make a decision regarding your application. When you submit your application and direct your background check results to the Division, you consent for Division staff to access the personal information that is contained in those materials.

Background check applicants must:

1. Request to have their fingerprints scanned electronically.
2. Request a National/FBI background check (All applicants).
3. Request a BCI background check (Ohio applicants).
4. Request a State/Local background check (Out-of-State applicants).
5. If a reason fingerprinted code is requested, use 1121.23.
6. Have results mailed directly to the Division of Financial Institutions at the address listed below, from the background check provider or the government agency conducting the check.

All background checks should be mailed to the attention of:

Anika Parker, Corporate Specialist
Ohio Division of Financial Institutions
77 South High Street, 21st Floor
Columbus, OH 43215-6120

Additional Detail***All Applicants – National/FBI Check***

For the national FBI background check, applicants may view a list of background check providers at <https://www.ohioattorneygeneral.gov/backgroundcheck> for providers that offer “National WebCheck” electronic fingerprinting.

Ohio Applicants – BCI Criminal Records Check

You must obtain a background check from BCI in addition to a national/FBI background check. A list of available BCI background check providers is available at <https://www.ohioattorneygeneral.gov/backgroundcheck>. If you have lived or worked outside of Ohio during the past 5 years, you will also need to obtain a state criminal record check from the law enforcement department in each state in which you have resided or worked.

Out-of-State Applicants – State/Local Criminal Records Check

If your place of residence or your workplace has been located outside of Ohio anytime during the last five years, you must furnish a state criminal record check from the law enforcement department in each state in which you have resided or worked, as well as a national/FBI background check. The state criminal record check must be verified on the law enforcement department’s stationery or computer printout. The reporting agency must send the report directly to the Division (see mailing address above).



**Department of
Commerce**

Division of Financial Institutions

Mike DeWine, Governor
Jon Husted, Lt. Governor

Sheryl Maxfield, Director

**DIVISION OF FINANCIAL INSTITUTIONS
ANCILLARY FEE SCHEDULE
Effective July 1, 2019**

FEE CATEGORY	ANCILLARY FEES
Examination at the Request of Board	Actual Costs
Special/Additional Examinations & Visitations	Actual Costs
Examination of Subsidiaries & Affiliates	None
Trust Examinations	\$80 per hour per examiner
De Novo Charter Application	\$10,000 Application Fee \$5,000 Organization Fee
Streamlined Charter Application	\$6,000 Application Fee \$3,000 Organization Fee
Trust Only Charter Application	\$10,000 Application Fee \$5,000 Organization Fee
Streamlined Trust Only Charter Application	\$6,000 Application Fee \$3,000 Organization Fee
Application for National/Federal Charter to Convert to a Bank Doing Business Under Authority Granted by the Superintendent of Financial Institutions	Actual Examination Costs Only
Application for a Foreign Bank Representative Office, Agency, or Branch	\$5,000 ¹ Branch & Agency: \$500 Representative Office: \$80 per hour Exam Fee
OTHER FEES CREDITED TO THE BANKS FUND	
Money Transmitter License – New	\$5,000
Money Transmitter Pre-Licensing Exam	Actual Costs
Money Transmitter Annual License	Based on volume of business in Ohio
Money Transmitter Examination	Actual Costs
Money Transmitter Change in Control Application Fee	\$2,500

¹ Plus \$500 per additional office.

NEWSPAPER NOTICE

Notice of the proposed bank is to be published once a week for two consecutive weeks in accordance with Section 1113.03(A) of the Ohio Revised Code, and copies of the notice, showing the dates and newspaper of publication, must be furnished to the Superintendent of Financial Institutions. In lieu thereof, an original publisher's affidavit attesting to such publication may be submitted. The suggested wording of the notice is provided below.

* * * * *

NOTICE OF INTENTION TO INCORPORATE A NEW BANK

In accordance with the provisions of Section 1113.03 of the Ohio Revised Code, notice is hereby given of the proposed formation of a (bank or bank and trust company) under and pursuant to the laws of the State of Ohio.

The name of the proposed bank is _____ .

The bank is to be located at _____ , Ohio.
(street address; city, village, or township; and county)

The proposed total equity capital of the bank is \$_____ .

The names and addresses of the proposed incorporators of the bank are:

Name	Residence Address
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Pursuant to Section 1113.01 of the Ohio Revised Code, an application for authority to incorporate the proposed bank has been filed with the Ohio Department of Commerce, Division of Financial Institutions. Interested persons may submit comments regarding the application to the Superintendent of Financial Institutions; 77 South High Street, 21st Floor; Columbus, Ohio 43215-6120. In accordance with Section 1113.03(A) of the Ohio Revised Code, such comments must be in writing and must be submitted to the Superintendent by (insert date which is 30 days following the first date of publication of this notice).

Draft Final [check one]
See General Information for Details

**STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF FINANCIAL INSTITUTIONS**

APPLICATION FOR AUTHORIZATION TO
ORGANIZE A NEW STATE-CHARTERED BANK

Name of Proposed Bank

Street Address of Proposed Bank*

City, Village, or Township; County; Zip Code

*If an exact street address is not yet available, describe the location as precisely as possible in the space below by indicating its distance and direction from a significant landmark. If the bank will not be physically located in the municipality stated in its mailing address, give details below.

Consultant:

Name

Organization

Address

Telephone

Party to be contacted for additional information:

Name

Title

Address

Telephone

We, the undersigned incorporators of the aforesaid bank, hereby certify that all representations, data, and other information contained in this Application, as well as all other documents submitted in connection with this Application, contain no misstatements, misrepresentations, or omissions of material facts.

Print Names of Incorporators

Signatures of Incorporators

ARTICLES OF INCORPORATION

Use of the language shown below is suggested, although it may be modified as needed to suit the purposes of the proposed bank, subject to the approval of the Superintendent of Financial Institutions (see Section 1113.04 of the Ohio Revised Code).

* * * * *

ARTICLES OF INCORPORATION

OF

Name of Bank

The undersigned, at least one of whom is a resident of the State of Ohio, desiring to form a corporation under the banking laws of said State, do hereby certify:

FIRST: The name of said Corporation shall be _____.

SECOND: The place where the principal place of business of the Corporation is to be located is the (city, village, or township) of _____, County of _____, State of Ohio.

THIRD: The Corporation is formed for the purpose of conducting the business of a commercial bank and a trust company*; exercising any powers and engaging in any activities permitted under Chapters 1101. through 1127. of the Ohio Revised Code, as now in force or hereafter amended; and doing any and all things related or incidental thereto.

FOURTH: The maximum number of shares which the Corporation is authorized to have outstanding is _____ () shares of common stock with a par value of _____ (\$) per share.

IN WITNESS WHEREOF, we have hereunto subscribed our names this _____ day of _____, 20____.

Printed Names of Incorporators

Signatures of Incorporators

*Optional