



STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
LANSING

RICK SNYDER
GOVERNOR

PATRICK M. McPHARLIN
DIRECTOR

FROM: OFFICE OF BANKING

TO: THE INCORPORATOR(S)

Re: Application for Permission to Organize a State-Chartered Bank

Your request for information in connection with the organization of a state-chartered bank is acknowledged.

Enclosed please find instructions for filing the Interagency Charter and Federal Deposit Insurance Application; remittance instructions; background information form; sample certification form; and a reference sheet regarding the statutory criteria for organizing a bank. The Michigan Banking Code of 1999, as amended, may be found on the internet at <http://legislature.mi.gov/doc.aspx?mcl-act-276-of-1999>. Attention is directed to section 3102 and 3108 for the requirements regarding convenience and needs of the public, adequacy of the capital structure of the proposed bank, and likelihood of successful operation. It is essential that the incorporators develop a feasibility study which includes demographic information regarding the market area in which the proposed bank is to be located, the economic characteristics of the primary service area, and the competition offered by existing banks and other financial services providers. This feasibility study should be completed by an individual or firm experienced in developing such a study.

An application, once accepted, may be formally withdrawn by written request of the incorporators, or must be allowed to proceed to a decision before another application will be accepted from the same party within the same primary service area. The Department of Insurance and Financial Services (DIFS) will notify the Designated Representative of the decision in writing. If the application is denied, the incorporators may appeal this decision by requesting reconsideration of the Order. The request for reconsideration must be received by DIFS within five calendar days after issuance of the Order. Subsequent to approval of an application, the incorporators shall file the bank's Articles of Incorporation. Within 30 days after approval and filing of the Articles, or such later time not to exceed one year, as approved by the Director, the incorporators shall file the Certificate of Paid-In Capital. The application will be deemed abandoned if the time requirements are not met.

It is strongly recommended that the incorporators and other interested parties meet with DIFS personnel prior to filing of the application.

If you have any questions, please contact the Office of Banking at 517-284-8834.

Enclosures



Michigan Department of Insurance and Financial Services

DIFS is an equal opportunity employer/program.
Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

Visit DIFS online at: www.michigan.gov/difs Phone DIFS toll-free at: 877-999-6442

Application for Permission to Organize a State-Chartered Bank

Instructions for Filing the Interagency Charter and Federal Deposit Insurance Application

The Director of the Department of Insurance and Financial Services has determined that this application is available for public inspection or copying pursuant to the provisions of the Freedom of Information Act, PA 442 of 1976, MCL 15.231 et seq., and section 2109 of the Michigan Banking Code of 1999, as amended, MCL 487.12109. Accordingly, except as otherwise indicated in this application, the contents of the application shall be disclosed to any person who properly requests an opportunity for inspection, examination, or copying.

1. Submit one copy of the Interagency Charter and Federal Deposit Insurance Application **with original signature(s)** to the Department of Insurance and Financial Services. A copy of the interagency application form may be found on the internet at <https://www.fdic.gov/formsdocuments/InteragencyCharter-InsuranceApplication.pdf>.
2. **All signatures contained in the application must be original.** If any part of the application submitted to a federal regulatory agency is not being filed with the Department of Insurance and Financial Services, a statement must be attached describing those items that have been omitted.
3. Refer to the Remittance instructions for the application fee (FIS 1109).
4. Complete and submit the Background Information Form (FIS 1016) **with original signature** for each incorporator, director, and executive officer of the bank.
5. **A Certification with original signatures must also accompany the application.** Please refer to the sample statement for suggested wording.
6. The Department of Insurance and Financial Services may contact any or all incorporators, individually or collectively, for information regarding the application.
7. Confidential treatment will be accorded to the Background Information Form. Portions of the Interagency Biographical and Financial Report **may** be accorded confidential treatment; any requests for confidential treatment should be made in accordance with the instructions contained in the interagency application.
8. The Department of Insurance and Financial Services will refuse to accept an incomplete application. Incorporators may provide additional information in support of the application as deemed appropriate. However, any such unsolicited information will be accepted for filing with the understanding that it will be made a part of the public record.
9. An application may be amended in writing. Each amendment must clearly state the specific section, page, and item(s) being amended. Substantive amendments will be formally acknowledged in writing by the Department of Insurance and Financial Services and may result in the decision date being extended.



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10. Please include Form FIS 1015 when completing the bank's proposed Articles of Incorporation. The Department of Insurance and Financial Services cannot approve the bank's articles until a firm commitment to insure the bank's deposit accounts up to the maximum permitted by federal law has been issued by the Federal Deposit Insurance Corporation.
11. The Director will render a decision on the application generally within 100 days from date of acceptance, and will notify the contact person in writing of the decision.
12. Completed applications should be sent to:

FIRST-CLASS MAIL: **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**
ATTENTION: OFFICE OF BANKING
P. O. BOX 30220
LANSING, MI 48909-7720

OVERNIGHT DELIVERY: **530 W. ALLEGAN STREET**
LANSING, MI 48933-1521

Questions regarding the completion of this application may be directed to the Office of Banking at 517-284-8834.

We recommend the appropriate federal regulatory application(s) be filed contemporaneously with the filing of this application. Contact information for the Federal Deposit Insurance Corporation and the Federal Reserve Bank is subject to change and can be obtained from our office upon request. You are also encouraged to contact the Environmental Review Coordinator, Michigan State Historic Preservation Office, Michigan State Housing Development Authority, 735 E. Michigan Ave., Lansing, MI 48912, 517-373-1630, to obtain the required federal regulatory agency site clearance.

Authorized by PA 276 of 1999, as amended. Required to organize a state-chartered bank.

Statutory Criteria: Organizing a State-Chartered Bank

(Source: Michigan Banking Code, as amended, MCL 487.11101)

<u>BANKING CODE SECTION #</u>	<u>LEGAL CITE [MCL #]</u>	<u>DESCRIPTION</u>
2203(6)	487.12203	<u>Fee</u>
2302(8) 2303(1)	487.12302 487.12303	<u>Director's Decision/Order</u> A. Due within 100 days after date of acceptance for filing B. Request for reconsideration of Order (must be requested within 5 days of issuance of Order)
3101 3102(2)(a)	487.13101 487.13102	<u>Incorporators and Directors</u> A. Incorporators (5 or more natural persons or a bank holding company) B. Character, responsibility, and fitness test C. Motives in seeking to organize the proposed bank
3501(1)	487.13501	D. Directors (minimum of 5 up to 25) E. Elect initial Board of Directors prior to the commencement of business
3102(2)(b) 3102(2)(c)	487.13102 487.13102	<u>Application</u> A. Convenience and needs of the public will be served by the proposed bank B. Likelihood of successful operation giving consideration to: 1. Economic and demographic characteristics 2. Competition 3. Adequate capital
3201	487.13201	<u>Articles of Incorporation</u> (2 originals) A. Approval 1. Signed by all incorporators 2. Firm commitment for FDIC insurance required as a condition of approval 3. Approval does not indemnify bank against claims for the improper use of the bank name stated in the articles
3202	487.13202	B. Contents 1. Name, county, and city, village or township where bank is to be located 2. Purpose of incorporation 3. Authorized capital stock i. Class of stock (preferences and rights) ii. # of shares issued iii. Par value 4. Names of the incorporators 5. Period for which the bank is organized (perpetuity)

BANKING CODE SECTION #	LEGAL CITE [MCL #]	DESCRIPTION
		6. Shareholders of the bank may be assessed a capital deficiency payment 7. Other provisions consistent with the law
3105	487.13105	<u>Body Corporate</u> (upon approval of Articles of Incorporation)
3106	487.13105	<u>Commencement of business</u> (within 30 days to 1 year after approval of Articles of Incorporation as approved by the Director)
3108	487.13108	<u>Capital</u> A. Adequate capital B. Surplus must equal at least 20% of capital (stock)

