

**STATE OF VERMONT  
DEPARTMENT OF FINANCIAL REGULATION**

**IN RE:**

**ORGANIZERS' CAPITAL, INC.  
(BANK OF BURLINGTON)**

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**DOCKET NO. 22-007-B**

**ORDER GRANTING PERMISSION TO ORGANIZE  
AS AN INVESTOR-OWNED UNIVERSAL FINANCIAL INSTITUTION**

Organizers' Capital, Inc., a Vermont corporation (the "Applicant" or the "Proposed Bank"), filed an application dated November 30, 2021 (the "Application") with the Commissioner of Financial Regulation (the "Commissioner") to organize an investor-owned universal financial institution pursuant to 8 V.S.A., Chapter 202. The Application requests that the Commissioner conditionally approve the Application and issue a Certificate of General Good to the Applicant, to permit the Applicant to amend and restate its Articles of Incorporation to change its name to "Bank of Burlington" and to change its corporate purposes to those of an investor-owned universal financial institution, as defined in 8 V.S.A. § 11101(64).

Concurrently with the filing of the Application, the Applicant filed an Interagency Charter and Federal Deposit Insurance Application (the "FDIC Application") with the Federal Deposit Insurance Corporation (the "FDIC"). The FDIC accepted the Applicant's FDIC Application for filing as of February 7, 2022.

On March 9, 2022, the Applicant published notice of the Application in the Burlington Free Press (the "Notice") in a form approved by the staff of the Department of Financial Regulation (the "Department") pursuant to 8 V.S.A. § 11702. The Notice established a deadline of March 15, 2022 for the receipt of written comments on the Application. The Commissioner has received no comments on the Application as of the date of this Order Granting Permission to Organize as an Investor-Owned Universal Financial Institution (this "Order").

This Order is issued to the Applicant pursuant to 8 V.S.A. § 12103. Simultaneous with the issuance of this Order, the Commissioner is issuing a Certificate of General Good to the Applicant to form an investor-owned universal financial institution pursuant to 8 V.S.A. § 12102.

The Commissioner, having considered the Application and all available facts and relevant information, finds that:

- 1) The Application is complete.
- 2) The Applicant's proposed Amended and Restated Articles of Incorporation, in the form submitted with the Application, are satisfactory.

- 3) Establishment and maintenance of the Proposed Bank will promote the general good of the State of Vermont.

### **PERMISSION TO ORGANIZE**

The Commissioner hereby grants the Applicant permission to organize an investor-owned universal financial institution. The Applicant is hereby authorized to adopt and approve the proposed Amended and Restated Articles of Incorporation, in the form submitted with the Application, thereby changing the Applicant's name to "Bank of Burlington" and changing its corporate purposes to those of an investor-owned universal financial institution. The Applicant shall duly file its Amended and Restated Articles of Incorporation and the Certificate of General Good with the Secretary of State pursuant to 8 V.S.A. § 12102(b).

### **MINIMUM PAID-IN CAPITAL REQUIREMENTS**

The minimum amount of paid-in capital the Applicant must have to begin business is Twenty Four Million Dollars (\$24,000,000) (the "Minimum Paid-In Capital"), a portion of which has been previously paid in by the organizers of the Proposed Bank. All capital contributions shall be in the form of cash.

The Commissioner hereby authorizes the Applicant to complete the raising of such capital through the sale of a minimum of 2,150,000, and a maximum of 2,715,000, additional shares of its Common Stock at a price of Ten Dollars (\$10.00) per share in a private placement to accredited investors. The manner in which the Applicant raises such capital must not deviate from that described in the Application without prior written notification to, and approval by, the Banking Division of the Department.

When the entire paid-in capital has been received in escrow by the Applicant, the Applicant shall file with the Commissioner a complete list of the investors with the name and post office address of each investor and the portion of ownership interest held by each investor.

### **CONDITIONAL APPROVAL**

The Commissioner hereby grants conditional approval of the Application after considering the Application and all relevant matters, including, among other factors, the items set forth in 8 V.S.A. § 11703(f). This conditional approval is granted based on an evaluation of all information available to the Department, including the representations and commitments made in the Application and by the Applicant's representatives.

This conditional approval is subject to the satisfaction of each of the following preopening conditions (collectively, the "Conditions"):

1. The Applicant shall establish a principal place of business in Vermont at 30 Kimball Ave., Suite 201, South Burlington, VT.
2. The Applicant has duly filed the Certificate of General Good and the Restated Articles of Incorporation with the Secretary of State.

3. The Applicant's proposed Amended and Restated, in the form submitted with the Application or as otherwise approved by the Commissioner, have been adopted by the Applicant.
4. The Applicant has duly filed the Certificate of General Good and the Restated Articles of Incorporation with the Secretary of State.
5. The entire Minimum Paid-In Capital has been received by the Applicant and a complete list of the investors with the name and post office address of each and the portion of ownership interest held by each has been filed with the Commissioner.
6. The Applicant has demonstrated to the satisfaction of the Commissioner that it has completed the pre-organizing activities described in its Application, including without limitation:
  - a. Finalizing policies and procedures for all key business areas;
  - b. Developing adequate documents, policies, and procedures for delivering loan, deposit, and other banking products or services;
  - c. Hiring and training staff;
  - d. Formalizing all necessary service and vendor relationships;
  - e. Ensuring all physical office space is ready for occupancy;
  - f. Ensuring information technology systems are operational and will operate as planned; and
  - g. Instituting appropriate physical and cybersecurity measures and procedures.
7. The Applicant shall: (i) give the Banking Division of the Department at least sixty (60) days prior written notice of its intent to significantly deviate or change from its business plan contained in the Application (the "Business Plan") (if such deviation is the subject of an application filed with the Commissioner, no separate notice to the Banking Division of the Department is required), and (ii) obtain the Commissioner's written approval or written determination of no objection before the Applicant engages in any significant deviation or change from its Business Plan. This condition shall remain in effect during the Proposed Bank's first three years of operation;
8. Prior to the Proposed Bank commencing operation, the Applicant must obtain the Department's prior written approval or written determination of no objection for any change in or additional organizers or executive officers, or directors appointed or elected before the person assumes such position.
9. The FDIC has issued an order approving the Applicant's FDIC Application (the "FDIC Approval Order").
10. All conditions in the FDIC Order have been satisfied in full.
11. The Banking Division of the Department has examined the Applicant and confirmed to the Commissioner's satisfaction that all Conditions of this Order are satisfied.

The Commissioner will not grant final approval and issue the Applicant a Certificate of Authority to Commence Business pursuant to 8 V.S.A. § 12103(e) (the "Certificate of Authority")

until all Conditions are satisfied to the Commissioner's satisfaction. And in no event shall the Proposed Bank accept any deposits from customers unless and until the Proposed Bank's FDIC deposit insurance has become effective. Until final approval is granted, the Commissioner reserves the right to modify, suspend, or rescind this preliminary conditional approval should the Commissioner deem any interim development to warrant such action.

The Proposed Bank may not commence business until the Commissioner confirms that the Minimum Paid-In Capital has been paid in, the Proposed Bank has complied with all of the terms and conditions of the Certificate of General Good and of this Order, the Commissioner has issued a Certificate of Authority authorizing the Proposed Bank to commence business, and the Certificate of Authority has been filed with the Secretary of State.

Pursuant to 8 V.S.A. § 12104, if a financial institution does not commence business within two years from the filing of its organizational documents with the Secretary of State, its right to do business shall lapse.

This Order Granting Permission to Organize as an Investor-Owned Universal Financial Institution is issued this 16<sup>th</sup> day of March 2022.



Michael S. Pieciak  
Commissioner of Financial Regulation  
Vermont Department of Financial Regulation