

**APPLICATION FOR AUTHORITY FOR A BANK
OR ASSOCIATION TO EXERCISE TRUST POWERS**

BANK OR ASSOCIATION: _____

LOCATION: _____ Florida _____
(City or Town) (County) (ZipCode)

CORRESPONDENT

Additional details concerning this application may be obtained from:

_____ (Name) _____ (Title)

_____ (Address)
Telephone: () _____

Application fee **\$2,500** payable to the Office of Financial Regulation is attached for deposit to the Financial Institutions' Regulatory Trust Fund.

Org: 4384300000
Flair Object Code: 001068
EO: V1
Revenue Source Code: 225

Note: Additionally, should this application require OFR's investigation outside this state, OFR is authorized to assess the financial institution applying for trust powers for reimbursement of expenses on an actual-cost-incurred basis.

RESOLUTION AND CERTIFICATION OF BOARD OF DIRECTORS

As the duly elected officials of the applicant bank or association, we certify that at a legally held meeting of the Board of Directors on _____, a resolution was passed directing the officers of the bank or association to prepare and file an application for authority to exercise trust powers with supporting information as required.

The undersigned officials of the bank or association hereby attest to the adoption of the necessary resolution and certify to the correctness of all information submitted in support of this application.

(Date)

(Bank or Association Name)

(Seal)

(President)

Attest:

(Cashier/Secretary)

(Not required for a proposed bank or association requesting trust powers.)

GENERAL INFORMATION

Prior to preparing and submitting an application, the correspondent for the Applicant should read carefully the rules and procedures which govern the processing of applications (Rules 69U-105.101 thru 69U-105.115 and 69U-105.500 thru 69U-105.507, Florida Administrative Code). (Copies of these procedures may be obtained at no cost from the Office of Financial Regulation). Further, the correspondent for the Applicant should review the provisions of Sections 660.26 - 660.31, Florida Statutes.

Submit the original only of the application to:

Deputy Director
Office of Financial Regulation
200 East Gaines Street
Tallahassee, Florida 32399-0371

(1) **PROJECTED BUSINESS DEVELOPMENT AND INCOME PRODUCTION**

A. Estimates of Capital Expense:

Remodeling or new Construction	\$
Furniture and Equipment	\$
Other	\$
TOTAL	\$

Describe premises by size and location within the quarters of the bank or association:

B. Estimates of Business Development:

Year	Number of Accounts	Type of Accounts	Dollar Value	Fee Income
First:			\$	\$
Totals			\$	\$
Second:			\$	\$
Totals			\$	\$
Third:			\$	\$
Totals			\$	\$

C. Estimates of Operating Expenses and net Income:

	First Year	Second Year	Third Year
Fee Income	\$	\$	\$
Expenses:	\$	\$	\$
Salaries & Fees			
Supplies			
Occupancy			
Other			
Total Expenses	\$	\$	\$
Net Income	\$	\$	\$

D. Estimates of Salary and Fee Expense: (First Year Only)

	Name	Title Function	Time Devoted	Fee or Salary	Bonus
Officers					
Employees					
Trust Committee					
Attorney					
TOTAL					

- (2) **SUPPLEMENTS TO APPLICATION** (Provide response on separate schedules keyed to the questions posed, i.e. Exhibit A, Exhibit B, etc.)
- A. Describe the business plan of the proposed trust department. The plan should establish the purpose, objectives and business philosophy of the department. Explain in detail the methods by which business development and income production projections were made, including the underlying assumptions.
- B. Is the bank or association in compliance with the sufficiency of earnings and earnings prospects requirements of Rule 69U-105.505(2)(b), Florida Administrative Code? _____ (Please furnish supporting documentation for these calculations.)
- C. Is the state financial institution in compliance with the capital adequacy requirement of Rule 69U-105.505(2)(c), Florida Administrative Code? _____ If not, indicate plans to increase the capital structure other than through retained earnings.

- D. Provide a Biographical Report, (OFR-U-10) for the designated Senior Trust Officer and any other Trust Officers. Care should be taken that complete details of the experience of the designated officers in trust department operation and trust administration is fully described.
- E. Provide a daily Statement of Condition of the Applicant at December 31 of the last previous year and as of the date on which the application is filed.
- F. Provide a copy of the resolution of the Board of Directors of the Applicant showing adoption of a Statement of Principles conforming with those set forth in "THE STATEMENT OF PRINCIPLES OF TRUST DEPARTMENT MANAGEMENT" as outlined in Addendum I, or, in the case of a proposed bank or association, provide assurance that such statement will be adopted prior to opening for business.
- G. Discuss provisions for physical security of trust assets, important documents, and records. In relation to this, discuss also the fidelity bond and other indemnity protection coverage which will be carried.
- H. Comment upon any plans to enter into contractual agreements with existing banks, associations, trust companies, or brokerage houses for the purpose of obtaining investment research or advisory services. Name the institutions and indicate the cost of obtaining such services.
- I. Provide evidence that accurate records will be kept and that acceptable bookkeeping procedures and standard forms will be used. If accounting and record keeping functions are to be performed off premise, name the servicing agent and give the costs involved.
- J. Comment upon plans or capabilities for meeting responsibilities relative to estate taxation and all other fiduciary related taxation requirements.
- K. Provide the name of the attorney retained or to be retained to act as counsel to the Trust Department, his academic training and experience as fiduciary or attorney for fiduciaries.
- L. Attach an unsigned copy of the proposed amendment to the Articles of Incorporation of the bank or association specifically providing for the institution to engage in the trust business. (NOTE: While shareholder approval is not required to establish the Trust Department, amendment to the Articles of Incorporation will require shareholder approval.)

STATEMENT OF PRINCIPLES OF TRUST DEPARTMENT MANAGEMENT

The minimum requirements for sound banking practices in the operation of a Trust Department, and as safeguards for the protection of depositors, fiduciary beneficiaries, creditors, stockholders, and the public, should include:

- (1) Operation of the Trust Department separate and apart from every other department of the bank or association, with trust assets separated from other assets owned by the bank or association and the assets of each trust account separated from the assets of every other trust account; and
- (2) Maintenance of a separate set of books and records for the Trust Department in sufficient detail to properly show all Trust Department activities.

The board of directors should, by proper resolution, include in its minutes:

- (1) Designate an officer, qualified and competent, to be responsible for and administer the activities of the Trust Department, and define his/her duties:

- (2) Name a Trust Committee consisting of at least three (3) directors, at least one (1) of whom shall not be an officer of the bank or association, to be responsible for and supervise the activities of the Trust Department. The Trust Committee should:
- (a) Meet at least once a month;
 - (b) Review the assets of each trust account at least once during each twelve-month period;
 - (c) Approve all purchases, sales, and changes of trust assets;
 - (d) Approve the opening of all new trust accounts;
 - (e) Approve the closing of trust accounts;
 - (f) Keep full minutes of its actions, including its actions on matters included in (a) through (e) above;
 - (g) Make periodic reports to the board of directors of its actions.
- (3) Provide competent legal counsel to advise the Trust Officers and the Trust Committee on legal matters pertaining to the administration of the Trust Department;
- (4) Provide for joint custody of trust assets under at least two (2) or more officers or employees;
- (5) Receive the report of the Trust Committee and record its actions thereon in its minutes;
- (6) Make or cause to be made an annual audit of the Trust Department at least once during each period of twelve months and, where possible and practical, provide for internal controls over the Trust Department; and
- (7) Review the examination reports of the Trust Department by Supervisory Agencies and record its action thereon in its minutes.

Nothing herein is intended to prohibit the board of directors from acting as the Trust Committee, from designating additional officers to administer the operations of the Trust Department and defining their duties, or from appointing additional committees for the Trust Department operation and defining the duties of such committees.