



STATE OF MONTANA • DEPARTMENT OF ADMINISTRATION  
**DIVISION OF BANKING AND FINANCIAL INSTITUTIONS**  
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## APPLICATION FOR NON-DEPOSITORY TRUST COMPANY CHARTER

Name of Proposed Trust Company: \_\_\_\_\_

Company Specific Phone Number: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Type of Trust Company:

- Private Trust Company
- Public Trust Company

Individual responsible for answering questions about and coordinating this application:

Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Email Address: \_\_\_\_\_

**APPLICATION FEE:** A non-refundable application fee of \$10,000.00 must accompany this application pursuant to Administrative Rules Montana 2.60.303(2); Montana Code Annotated 32-1-102(4). Remittance payable to the State of Montana – Division of Banking and Financial Institutions.

## ATTESTATION

We, the undersigned incorporators or organizers hereby apply to the Commissioner of the Division of Banking and Financial Institutions, State of Montana (Commissioner) for a charter to establish and operate a non-depository Montana trust company pursuant, in general, to Title 32, Chapter 1 of the Montana Code Annotated (MCA), and pursuant to 32-1-107, MCA. In connection with this application, we jointly and severally attest that the responses and information herein provided are complete, true and correct to the best of our knowledge and belief. We acknowledge and understand that any misrepresentation or omission of material fact presented in this application or submitted by the applicants in connection with the organization of this trust company may, in the discretion of the Commissioner, constitute grounds for denial of the application.

**NAME**

**SIGNATURE**

**DATE**


**I) Proposed Market**

Provide a brief description of the market the proposed trust company intends to serve. Attach additional sheets if necessary. Include a discussion of the specific demographic profile the trust company plans to target, and the competitive mix and environment for trust services in the market. If a comprehensive feasibility study has been prepared, attach a company of the study in lieu of a summary description.

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**II) Proposed Business Presence in Montana**

Provide a brief description of the proposed trust company’s current or anticipated business presence in Montana. Attach additional sheets if necessary. Include a description of officers and employees located in Montana, the office space to be occupied, and the other economic benefit which will accrue to the state.

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**III) Trust Administration to be Performed in Montana**

With reference to 32-1-107, MCA, provide a detailed description of the trust administration that will be performed in Montana and whether those activities will be performed by an employee of applicant or a third party. Attach additional sheets if necessary.

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**IV) Services to be Provided**

With reference to 32-1-107, MCA, attach a schedule of the types of products and services to be offered by the trust company, including a schedule of fees for each such product or service. Applicant may request confidential treatment of the schedules(s).

**The trust company should provide documentation of the due diligence procedures used in the selection of all outside service providers including those described in sections V and VI below.**

**V) Recordkeeping/Accounting/Auditing**

A) Describe the methods the trust company will use for recordkeeping of fiduciary accounts. If computerized, include the type of system(s) to be used, and whether processing will be done on-premises by applicant or by a vendor under contractual agreement. Attach additional sheets if necessary.

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B) What provisions are planned for continued operations and/or recovery in the event of a disaster affecting the computer accounting and processing system(s)? Attach additional sheets if necessary.

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C) What provisions have been made or are planned for internal and external auditing of the trust company?

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**VI) Servicing Agents**

Describe all other service agents the trust company will use. Attach copies of any proposed contracts, and provide estimated costs for the activity on an annualized basis.

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**VII) Insurance**

Provide a summary of the proposed trust company's fidelity bond and Director's and Officer's (D & O) insurance covering the company, directors, and employees. Applicants are encouraged to have an errors and omissions clause included within the D & O insurance policy.

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**VIII) Capitalization**

- A) Provide a description and reconciliation of capital with which the proposed trust company will commence business. Include a specific breakdown and description of any classes of voting securities, and the terms of any subordinated debt to be included.

Description (Capital Segregation)	Amount (000s)

- B) Attach a copy of the proposed Articles of Incorporation or Articles of Organization.
- C) If initial capital is to be raised in a public offering, attach a copy of the prospectus. If a private placement is to be utilized, attach a copy of the offering letter.

**IX) Statutory and Administrative Rule Factors 2.60.301 through 2.60.303, Administrative Rules of Montana (ARM)**

- A) Statutory Factors §32-1-203, MCA
- i) Public Necessity and Demand – In accordance with Mont. Code Ann. §32-1-203 and with reference to Admin. R. Mont. 2.60.301 describe in detail the reasonable public necessity and

demand for the trust company in its proposed Montana market. Attach additional sheets if necessary.

- ii) Ownership and Management/Safe and Sound Operation – In accordance with Mont. Code Ann. §32-1-203, and with reference to Admin. R. Mont. 2.60.302 complete the Interagency Biographical & Financial Report form found at [Banking.mt.gov](http://Banking.mt.gov) for each owner and manager of the proposed trust company to demonstrate good moral character and financial integrity and that the trust company will be safely and soundly operated. Applicant may request confidential treatment of the Interagency Biographical and Financial Reports.

B) Performance Projections – In accordance with Mont. Code Ann. 32-1-203 and with reference to Admin. R. Mont. 2.60.303(1)(a),(b),(d) and 2.60.305

- i) Complete a *pro forma* schedule of the estimate of trust business by type including the number of accounts, and anticipated dollar market value for the proposed trust company's first three years of operation. (An Applicant for a Private Trust Company may request "confidential" treatment for this schedule.)

**PRO FORMA  
ESTIMATED TRUST BUSINESS – FIRST THREE YEARS**

Trust Activity By Type of Account	Year 1		Year 2		Year 3	
	Amount (000)	Accts (#)	Amount (000)	Accts (#)	Amount (000)	Accts (#)
<u>Discretionary Accounts</u>						
Personal Trusts and Estates						
Employee Benefit Trusts and Agencies						
All Other Fiduciary Accounts						
<b>Total Discretionary Accounts</b>						
<u>Non-Discretionary Accounts</u>						
Personal Trusts and Estates						
Employee Benefit Trusts and Agencies						
All Other Fiduciary Accounts						
<b>Total Non-Discretionary Accounts</b>						
<b>Total Discretionary and Non-Discretionary Accounts</b>	Amount (000)	Accts (#)	Amount (000)	Accts (#)	Amount (000)	Accts (#)
<b>Custody and Safekeeping Accounts</b>	Amount (000)	Accts (#)	Amount (000)	Accts (#)	Amount (000)	Accts (#)
<b>Pooled Investment Funds</b>	Amount (000)	Funds (#)	Amount (000)	Funds (#)	Amount (000)	Funds (#)

C) Complete a *pro forma* income and expense statement for the proposed trust company’s first three years of operation. (An Applicant for a Private Trust Company may request “confidential” treatment for this schedule.)

**PRO FORMA  
ESTIMATED INCOME AND EXPENSES – FIRST THREE YEARS**

Description	Year 1	Year 2	Year 3
<b>INCOME:</b>			
Fees			
All Other Fiduciary Income			
Total Fiduciary Income			
<b>EXPENSES:</b>			
Salary & Employee Benefits			
Other Direct Expenses			
Allocated and Indirect Expenses			
Total Expenses			
<b>Net Income (Loss)</b>			

**TRUST CHARTER APPLICATION - CONFIDENTIAL SECTION**

**X) Business Plan**

Attach a copy of the proposed trust company's business plan.

**XI) Management**

A) **Directors:** List all directors or managers, specifically designating the Chairman, Vice Chairman, and committee assignments, if known. Director requirements may be found at 32-1-322, MCA.

Name	Title	Committee Assignment(s)

**A name-based independent criminal background check of each director is required. (32-1-322, MCA).**

B) Describe plans for compensation of directors, if any, including fees for attending meetings, retainers, salary, deferred compensation, stock option plans, insurance benefits, etc.

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C) **Officers:** List all officers, including names, titles, brief description of duties, and proposed salaries.

Name	Title and Duties	Salary

