

STATE OF WISCONSIN
Department of Financial Institutions



Division of Banking
 PO Box 7876
 Madison, WI 53707-7876
 Telephone: (608) 261-7578
 Fax: (608) 267-6889
 TTY: 711
 dfi.wi.gov

TRUST POWERS APPLICATION

APPLICANT INFORMATION			
Name of Bank:			Date of Application:
Street Address <i>(include mailing address if different)</i>			
City:	State:	Zip:	Telephone Number:

Name/Title/Affiliation of Person Responsible For Responding To Questions Relating to the Application:	
Mailing Address:	Telephone Number:
	Fax Number:

GENERAL INFORMATION

APPLICATION FORM:

Print or type the requested information in the spaces provided. An original and one copy of the completed application are to be forwarded to the Division at the above address. An approved copy will be returned for the Applicant's file. Schedules or inserts may be attached to this application whenever the space provided is insufficient. Attached schedules or inserts are a part of the application. **If applicable, a copy of the federal regulatory application should also be provided to the Division.**

QUESTIONS:

Questions regarding the application can be directed to 608-266-0446.

FEE:

The application is to be accompanied by the Applicant's check in the amount of \$1,000 payable to the Department of Financial Institutions.

PUBLIC INFORMATION:

This application is a public record and is available to the public upon request. Personally identifiable information may be shared with other State or Government Agencies.

CONFIDENTIAL INFORMATION:

Information derived from an examination by any bank regulatory agency and personally identifiable information, such as found on financial statement and/or biographical information forms, is considered CONFIDENTIAL. Although the Applicant can request CONFIDENTIAL treatment of other information, such as information relating to trade secrets, CONFIDENTIALITY of such information cannot be guaranteed. Information for which CONFIDENTIAL treatment is requested should be specifically identified in the public portion of the application by referencing the CONFIDENTIAL section and should be separately bound and labeled CONFIDENTIAL. A justification as to why the information is considered CONFIDENTIAL should also be provided.

PUBLICATION REQUIREMENT: None.

REQUIRED DOCUMENTATION

Please provide the following information:

1. This application is for written consent to exercise *(check one)*

- Full Trust Powers Limited Trust Powers

Note: If Full Trust Powers is checked, all powers listed in question 2 will be exercised. If Limited Trust Powers is checked, written consent may be granted to only those powers checked in question 2.

2. If Limited Trust powers is checked in question 1, complete the following: *(Trust powers to be exercised will be limited to those checked.)*

PERSONAL TRUST POWERS		
<input type="checkbox"/> Executor and Administrator	<input type="checkbox"/> Guardian	<input type="checkbox"/> Conservator
<input type="checkbox"/> Trustee	<input type="checkbox"/> Agent	<input type="checkbox"/> Custodian
<input type="checkbox"/> Investment Advisor Agent	<input type="checkbox"/> Investment Management Agent	<input type="checkbox"/> Other (Specify)

EMPLOYEE BENEFIT TRUST POWERS		
<input type="checkbox"/> Trustee	<input type="checkbox"/> Custodian	<input type="checkbox"/> Agent
<input type="checkbox"/> Investment Advisor Agent	<input type="checkbox"/> Investment Management Agent	<input type="checkbox"/> Other (Specify)

CORPORATE TRUST POWERS		
<input type="checkbox"/> Trustee	<input type="checkbox"/> Transfer Agent	<input type="checkbox"/> Escrow Agent
<input type="checkbox"/> Agent	<input type="checkbox"/> Paying Agent	<input type="checkbox"/> Other (Specify)
<input type="checkbox"/> Registrar of Stocks and Bonds		

3. List any changes in senior management since the last examination.

4. List any anticipated changes in board composition, senior officer, or controlling shareholders.

5. List any changes in the bank's capital structure anticipated in connection with this proposal.

6. List any changes in fixed assets or furniture, fixtures, and equipment anticipated as a result of this proposal.

7. What effect will the proposal have on the overall earnings of the bank?

REQUIRED DOCUMENTATION (Cont.)

8. List proposed members of the trust committee and give trust related experience/knowledge of each.
9. List plans for the hiring or retaining of competent legal counsel for fiduciary activities.
10. List fees paid in connection with this proposal. Give amount, name of recipient, type of fee (<i>legal, consulting, other</i>), and relationship or association of recipient with bank (<i>specify director, officer, 5% stockholder, or their relatives, designating any business interests of the aforementioned</i>).
11. Describe the anticipated sources and types of new fiduciary business, as well as community need for such services, and project number of accounts and total trust assets anticipated after three year's operation.
12. List financial institutions with trust powers which would compete with the proposed trust department, showing the distance in road miles and direction from the main office of applicant.
13. Estimate the time required to place operations of the trust department on a profitable basis and project total income and expenses for a three year period.
14. Anticipated method of posting trust department records (<i>i.e., machine, computer, other</i>). (a) Vault and security movement protections planned. (b) Audit coverage planned.
15. Estimated population of main office community and normal trade area.
16. Other comments.

REQUIRED DOCUMENTATION	
The following information should be detailed for each trust officer.	
Name:	Date of Birth:
Place of Birth:	Percentage of Time to be Devoted to Fiduciary Activities:
Proposed Salary:	
Present occupation and employer. Include position, duties, and years employed.	
General education. Include college and postgraduate, name and location of school, degrees, and year graduated.	
Specialized fiduciary and investment training. Include name and location of school, type of program, and year completed.	
Employment history. Include employer, position, dates employed, and duties, particularly those of a fiduciary or investment nature.	
List business and community affiliations.	
List professional licenses or similar certificates. (<i>Attorney, CPA, teaching certificate, etc.</i>)	

STATEMENT OF PRINCIPLES OF TRUST DEPARTMENT MANAGEMENT

The minimum requirements to provide for sound banking practices in the operation of a trust department and to provide safeguards for the protection of depositors, fiduciary beneficiaries, creditors, stockholders, and the public, should include:

- Involvement by the Board of Directors in providing for the establishment and continuing operation of a trust department;
- Operation of the trust department separate and apart from every other department of the bank, with trust assets separated from other assets owned by the bank, and the assets of each trust account separated from the assets of every other trust account; and
- Maintenance of separate books and records for the trust department in sufficient detail to properly reflect all trust department activities.

Nothing herein is intended to prohibit the Board of Directors from acting as the trust committee, or from appointing additional committees and officers to administer the operations of the trust department. When delegating duties to subcommittees and/or officers, the Board and the trust committee continue to be responsible for the oversight of all trust activities. Sufficient reporting and monitoring procedures should be established to fulfill this responsibility.

The Board of Directors, by proper resolution included in its minutes, should:

1. Designate an officer, qualified and competent, to be responsible for and administer the activities of the trust department. In addition, the Board should define the officer's duties.
2. Name a trust committee consisting of at least three directors to be responsible for and supervise the activities of the trust department. The committee should include, where possible, one or more directors who are not active officers of the bank.

The trust committee should:

- a. Meet at least quarterly, and more frequently if necessary and prudent to fulfill its supervisory responsibilities;
- b. Approve and document the opening of all new trust department accounts; all purchases and sales of, and changes in, trust assets; and the closing of trust accounts;
- c. Provide for a comprehensive review of all new accounts for which the bank has investment responsibility promptly following acceptance;
- d. Provide for a review of each trust department account, including collective investment funds, at least once during each calendar year. The scope, frequency, and level of review (trust committee, subcommittee, or disinterested account officer) should be addressed in appropriate written policies, which give consideration to the department's fiduciary responsibilities, type and size of account, and other relevant factors.

Generally, discretionary account reviews should cover administration of the account and suitability of the account's investments, and non-discretionary account reviews should address account administration;

- e. Keep comprehensive minutes of meetings held and actions taken; and
 - f. Make periodic reports to the Board of its actions.
3. Provide comprehensive written policies which address all important areas of trust department activities.
 4. Provide competent legal counsel to advise trust officers and the trust committee on legal matters pertaining to fiduciary activities.
 5. Provide for adequate internal controls including appropriate controls over trust assets.
 6. Provide for an adequate audit (by internal or external auditors or a combination thereof) of all fiduciary activities, annually. The findings of the audit, including actions taken as a result of the audit, should be recorded in its minutes.

If a bank adopts a continuous audit process instead of an annual audit process, the audit may be performed on an activity-by-activity basis, at intervals commensurate with the level of risk associated with that activity. Audit intervals must be supported and reassessed regularly to ensure appropriateness given the current risk and volume of the activity.

7. Receive reports from the trust committee and record actions taken in its minutes.
8. Review the examination reports of the trust department by supervisory agencies and record actions taken in its minutes.

APPLICANT ACTION	
<p>BOARD RESOLUTION: (Attach copy of actual resolution or complete resolution in format provided below.)</p> <p>The Board of Directors of the Bank, at a meeting held on _____, adopted the following (Date)</p> <p>Resolution:</p> <p>“BE IT RESOLVED that _____ of this Bank is hereby authorized (Name and Title of Designated Officer)</p> <p>and directed to make Application on behalf of this Bank to the Division of Banking to exercise Trust Powers and to submit in connection therewith information on several factors enumerated in the statutes for the purpose of inducing the Division of Banking to grant written consent to exercise Trust Powers as indicated in this Resolution;</p> <p>BE IT FURTHER RESOLVED, That the Statement of Principles of Trust Department Management is hereby adopted and that the exercise of any fiduciary powers granted will be in conformance with such principles, except where they may conflict with any State law or regulation.”</p> <p>The above Resolution has not been rescinded or modified and has been duly entered in the minute book of the Bank. Application is hereby made.</p>	
_____ Signature of Designated Officer/Title	_____ Date

DIVISION ACTION		
Date Application Filed:	Application Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No	Date Approved/Denied:
_____ Administrator Division of Banking		

This document can be made available in alternate formats upon request to qualifying individuals with disabilities.