

For OSBD Use Only:

Application No. _____

Date Received _____

**APPLICATION FOR AUTHORITY TO ENGAGE IN
THE TRUST BUSINESS**



**STATE OF OKLAHOMA
STATE BANKING DEPARTMENT**

DATE OF APPLICATION _____

PROPOSED NAME _____

STREET ADDRESS _____ CITY _____

COUNTY _____ STATE _____ ZIP CODE _____

INSTRUCTIONS

Submit one original and ten copies of the application and the nonrefundable application fee of \$7,500. Make the check payable to the Commissioner.

Submit two copies of both the proposed certificate of incorporation and the proposed bylaws with the application. The application and the certificate of incorporation must be signed under oath by each of the organizers.

Schedules or inserts may be attached to this application wherever the space provided is insufficient. Attached schedules or inserts are a part of this application and must be on 8½ by 11 inch paper. Applications are to be securely bound.

Requests for clarification as to what information is necessary to complete this application should be directed to the Commissioner or Deputy Commissioner.

You may provide any information in addition to that requested in the application which, in your opinion, might aid in the disposition of your proposal. However, any such unsolicited information will be accepted for consideration with the understanding that it may be made public.

It is the affirmative duty of the prospective organizers to advise the Commissioner or Deputy Commissioner of any changes in the proposed management (Officers and Directors) or in the proposed ownership of 5% or more of the trust company's stock which may occur prior to the opening of the trust company.

Copies of all representation, management, employment, voting trust, service agreements and/or contracts and agreements or contracts with insiders should be submitted as part of the application.

The organizers must identify an agent to communicate with the Banking Department and keep the Banking Department informed of any changes in the agent. All Banking Department communications and legal notices will be directed to the agent.

Delays in processing occur when an application is incomplete, lacks sufficient detail, contains addition or other reconciliation errors, lacks adequate legal opinions, or otherwise contains inadequate information necessary to render a decision. Applicants will generally have one opportunity to correct deficiencies, which if not adequately corrected when the application is resubmitted may cause the Commissioner to consider the application withdrawn or disapproved.

**SECTION I
FORMAL APPLICATION**

1. Proposed Corporate Name: _____

2. Other Trade Names: _____

3. Proposed Location:

Street Address _____ City _____

County _____ State _____ Zip Code _____

4. Will new trust company be affiliated with a parent holding company? Q Yes Q No
If yes, then provide the following:

Holding company name _____

Holding company location _____

5. Proposed paid-in capital structure (NOTE: Minimum capital required pursuant to Section 303.1(C) is Two Million Dollars (\$2,000,000).

Capital \$ _____ Number of shares to be authorized _____

Surplus \$ _____ Number of shares to be issued _____

Undivided profits \$ _____ Par value per share _____

Total capital \$ _____ Sale price per share _____

6. Representative responsible for responding to questions relating to this application (see Appointment of Agent agreement):

Name _____ Phone No. () _____

7. Each of the following has subscribed to the capital stock in the amount shown and each has paid his pro rata share in cash into a fund to be used to pay the expense of organization as required by 6 O.S. § 304(A). Designate all organizers with an asterisk (*).

NAME	NO. OF SHARES SUBSCRIBED	TOTAL SUBSCRIPTION PRICE	CASH PAID IN FOR ORGANIZATIONAL EXPENSES
TOTAL			

8. List all persons, partnerships, associations or corporations who propose to own or control more than one-half (½) of the capital stock of the proposed trust company.

NAME	NO. OF SHARES OWNED	PERCENTAGE OF SHARES OWNED

I/We, the undersigned organizer(s), being natural person(s) and of lawful age, make application to the Commissioner and the Oklahoma Banking Board for permission to organize a trust company and for authority to engage in the trust business.

It is understood that the Commissioner and the Oklahoma Banking Board, in applying the factors set out in the Title 6, Article III of the Oklahoma Statutes, will consider the application only with respect to the general character or type of business stated and that the trust company will not engage in any other business without the prior written consent of the Commissioner.

In support of this application, I/we hereby make the following statements and representations and submit the following information based upon the requirements enumerated in Title 6, Article III of the Oklahoma Statutes for the purpose of inducing the Commissioner and the Oklahoma Banking Board to approve the organization of a trust company, and I/we hereby request that examiners be assigned to make any investigations necessary:

- (1) None of the shares of stock issued by the proposed trust company to obtain the total consideration set forth above will be sold by the trust company for a price other than \$_____ per share, without obtaining prior written approval from the Commissioner.
- (2) None of the shares of stock issued by the proposed trust company to obtain the total consideration set forth above will be sold through an underwriter, broker or dealer, nor will any commission or other fee be paid to any person or company in connection with the sale of the stock, without obtaining prior written approval from the Commissioner.
- (3) The undersigned have not directly or indirectly paid to or received from any person, partnership, association, or corporation, any money or other thing of value as a fee, commission or other compensation for any service rendered or to be rendered or for any property transferred or to be transferred in connection with the organization of the proposed trust company except as follows:
- (4) The undersigned are not parties to any agreement, oral or written, to sell or otherwise transfer any of his or her stock in the proposed trust company without obtaining prior written approval from the Commissioner.
- (5) The undersigned are not acting as representatives of or on behalf of any person, partnership, association or corporation undisclosed to the Commissioner.
- (6) The undersigned certify that the requirements of Title 6 of the Oklahoma Statutes, Sections 303 and 304 have been satisfied.

THE UNDERSIGNED ORGANIZER(S) HEREBY CERTIFY that the statements and all information contained in this application or in attachments or supplements hereto are true to my/our best knowledge and belief. I/We further certify that any misrepresentation(s) or omission(s) of material fact(s) with respect to this application, any attachments to it and any other documents or information provided in connection with this application for the organization of a trust company shall be grounds for either the denial of the application or revocation of the trust company charter or grounds for resignation of the undersigned as organizer(s), directors or officers of the proposed trust company and may subject the undersigned to other legal sanctions, including the criminal sanctions provided for in 6 O.S. §§ 1409, 1410(2), 1414 and 21 O.S. 491.

APPOINTMENT OF AGENT

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, being the organizer(s) of an Application for Authority to Engage in the Trust Business, dated _____, _____, do hereby appoint and designate:

Name _____	Title _____
Street Address _____	City _____
State _____ Zip Code _____	Phone No. () _____
FAX No. _____	E-mail Address _____

as my/our agent, as hereinafter set forth, hereby revoking any and all previous appointments of agent previously executed concerning the application.

SAID AGENT is hereby authorized to represent and appear for the undersigned before the Bank Commissioner and the State Banking Board of the State of Oklahoma, in relation to the aforesaid application and, except in instances where the Bank Commissioner and the Banking Board shall require personal actions by the undersigned, said agent is hereby empowered and authorized to do and perform all and every act whatsoever in connection with the aforesaid application, and to receive all communications, correspondence and documents from the Bank Commissioner in connection with the aforesaid application.

THE AGENCY CREATED HEREUNDER shall automatically terminate upon the date of issuance of the certificate of authority.

THE AGENCY CREATED HEREUNDER is and shall be irrevocable except by resolution adopted by a majority of the undersigned, which resolution shall be certified to the Bank Commissioner by the undersigned voting for the same.

THE UNDERSIGNED represent and warrant to the Bank Commissioner and the Banking Board that the agreement of the undersigned with the said agent is available and will be promptly provided to the Bank Commissioner upon request.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands on this _____ day of _____, _____.

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

CERTIFICATION OF DEPOSIT: (Organizational Expense Account)

This is to certify that there is on deposit in this financial institution the sum of \$ _____, in the name of _____.

The following are authorized to make withdrawals:

Dated this _____ day of _____, _____.

(Seal)

(Name of Financial Institution)

By: _____
(Officer's Name and Title)

CERTIFICATION OF DEPOSIT: (Subscription Account)

This is to certify that there is on deposit in this financial institution the sum of \$ _____, in the name of _____.

The following are authorized to make withdrawals:

Dated this _____ day of _____, _____.

(Seal)

(Name of Financial Institution)

By: _____
(Officer's Name and Title)

SECTION II
GENERAL CHARACTER AND FITNESS OF MANAGEMENT

A. QUALIFICATIONS OF PROPOSED MANAGEMENT

1. Describe the qualifications of the proposed directors, the chief executive officer and other management. Indicate the nature and extent of experience they have in providing the proposed services or serving the proposed market areas.

2. Attach signed statements prepared by each organizer, proposed director and the proposed chief executive officer discussing why they are interested in the organization of the trust company and why the trust company would be beneficial to the proposed market.

B. BIOGRAPHICAL AND FINANCIAL INFORMATION

1. Attach a biographical and financial report for each organizer, proposed director and the proposed chief executive officer. The financial report is considered confidential information.
2. NOTE: Persons employed by or related to established and financially strong bank holding companies applying for a new trust company charter are required to file only the biographical report.

SECTION III
MARKET ANALYSIS

A. PRIMARY MARKET

1. Population of city or town in which the proposed institution is to be located.

Last Decennial Census _____ Present Estimate _____

2. Describe the primary market from which the proposed institution can reasonably expect to draw approximately 75% or more of its business.
3. If the primary market has geographic boundaries, then provide a map or aerial photograph outlining the primary market. (Include the geographic boundaries within which all or most of the proposed institution's potential customers reside). If primary market has no identifiable geographic boundaries, then provide information specifically describing the market to be served.
4. Describe the economic characteristics of the primary market. Include anticipated changes in the market, the factors influencing those changes, and the effect they will have on the proposed institution.

5. Describe the negative impact, if any, on banks offering fiduciary services serving all or part of the proposed market.

6. Was a preliminary survey made prior to filing this application? Yes No If yes, attach a copy of the survey.

C. FUTURE EARNINGS PROSPECTS

1. Pro Forma Statements: Attach a *4-year balance sheet and income and expense statement for the proposed institution that reflects the asset, liability and capital projections to reach profitability. Average balances, rather than year-end estimates, should be used. Average balances may be computed by projecting monthly or quarterly account balances and averaging for the appropriate number of periods used.
2. Percentage of Loan and Deposit Volume: Estimate the percentage of loan and deposit volume that can reasonably be expected by the proposed institution over the next *4-year period. At a minimum, the information should include an analysis of loans and deposits by type.

*Applicant has the option of providing this information for a longer period than listed above.

D. PREMISES TO BE OCCUPIED BY PROPOSED INSTITUTION

1. Provide a detailed description of premises, including dimensions of lot and building, number of stories, number of parking spaces, number of teller's stations, type of building construction and details of building interior. Also indicate whether premises is an existing structure or a proposed structure.

2. If premises will be OWNED, provide the following information:

Name of Seller	Date Purchased (or attach option agreement, inserting expiration date)	Cost to Proposed Institution
Cost Estimate* and Description of Improvements (include vault door and security equipment)		
Insurance to be Carried	Estimated Annual Depreciation	Depreciation Method

*Outline below, in detail, the basis for cost estimates for premises shown above.

3. If premises will be LEASED, provide the following information:

Name of Owner	Cost or Appraised Value of Premises	Insurance to be Carried
Cost and Description of Leasehold Improvements		Annual Rental
		Annual Amortization
Terms of Lease (Include renewal options)		

ALL LEASE AGREEMENTS SUBMITTED IN CONNECTION WITH THIS APPLICATION MUST CONTAIN THE FOLLOWING CLAUSE:

"Notwithstanding any other provision of this lease, in the event the lessee or its successors or assignees shall become insolvent, bankrupt, or make an assignment for the benefit of creditors, or if its or their interest hereunder shall be levied upon or sold under execution or other legal process, or in the event the trust company to be operated on the premises is closed, or is taken over by the Bank Commissioner of the State of Oklahoma, the lessor may terminate the lease only with the concurrence of the Commissioner, and the Commissioner shall in any event have the election to either continue or terminate the lease. In the event the lease is terminated, the maximum claim of lessor for damage or indemnity of injury resulting from the rejection or termination of the unexpired lease shall be limited to an amount equal to the unpaid rent accrued to the date of reentry of lessor.

4. Attach a copy of any lease or option agreement for the confidential use of the State Banking Department. If no formal lease has been entered into, outline below the organizers' plans for providing a banking house and how they plan to arrive at the terms and conditions of a future feasible lease agreement.

E. PROPOSED INVESTMENT IN AND RENTAL OF FURNITURE, FIXTURES AND EQUIPMENT

1. Estimate the total cost (if owned) or annual rental (if leased) of the following: safe, safe deposit boxes, vault door, tellers' windows, adding machines, posting and proof machines, electronic data processing equipment, automobiles, personal computers, chairs, desks, filing cabinets, tables, air conditioning and heating systems, carpeting, draperies and other (specify) items.

Total cost \$_____ Annual Rental \$_____

2. Amount of insurance coverage \$_____

3. Total annual depreciation \$_____

4. Outline below, in detail, the basis for cost estimates shown above. Use the same basis used to determine the occupancy expense on the pro forma income statement.

5. Do proposed fixed asset expenditures conform to statutory limitations? Yes No
 If no, describe the deficiency and management's plans to correct it.

F. RELATIONSHIPS AND ASSOCIATIONS WITH APPLICANT

1. Are any architects, real estate brokers, sellers or lessors of land, buildings or equipment listed herein otherwise directly or indirectly associated with the applicant? Yes No
 (If yes, complete the following table.)

Name	Item (Mark Appropriate Column)			Relationship or Association With Applicant (Specify Director, Officer, 5% Stockholder, or their relatives. Designate any business interests of the aforementioned.)
	Land	Building	Equipment	

2. If fixed assets are to be purchased from a related party, evidence of the reasonableness of the cost(s) must be provided. Attach copies of bids, independent appraisals and/or other supporting evidence for the confidential use of the State Banking Department.

SECTION IV
REVIEW CRITERIA

Pursuant to 6 O.S. § 309(C), the presiding officer may consider the following factors in arriving at a recommendation for approval or disapproval of an application to organize a trust company:

- (a) The character, financial responsibility and business experience of the organizers and proposed directors;
 - (b) The adequacy of the existing banking facilities in the proposed market;
 - (c) The economic and competitive conditions in the proposed market;
 - (d) The likelihood of successful operation of the proposed institution;
 - (e) The adequacy of initial capital, proposed earnings and deposit prospects of the proposed institution; and
 - (f) Negative impact on banks serving all or part of the proposed market.
1. By utilizing information previously provided or such additional information as deemed appropriate, address each of the factors listed above.
2. Address any other items which, in your opinion, should be considered by the presiding officer.

4. List the members of the trust committee; indicate if they are directors of the proposed trust company and discuss their qualifications and experience in fiduciary activities.
5. Will legal counsel be available to provide advice on fiduciary matters? Q Yes Q No
If yes, provide the name of legal counsel _____
6. Provide an estimate of income and expenses for each of the first four years of operation, including an estimate of the number of fiduciary accounts and the volume of business for each year. The pro forma fiduciary income and expense schedule may be used for this purpose.
7. If the trust company anticipates writing title guaranty and/or surety, fidelity or guaranty bonds, then
- (A) Indicate the maximum amount of liability for one individual: _____
- (B) Describe what protection the trust company will have for its liability on said bonds.

SECTION VI

VERIFIED APPLICATION FOR CERTIFICATE OF AUTHORITY

(To Be Completed Only After Final Approval of Application to Engage in the Trust Business)

THIS IS TO CERTIFY:

1. That the first meeting of the stockholders of _____, (Trust Company) located at _____, _____, (Street Address) (City or Town) County of _____, State of Oklahoma, was held on _____, _____, and that the following directors were elected.

Name

Address

<u>Name</u>	<u>Address</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2. That the business and professional affiliations of the directors are as follows:

3. That the names and addresses of all executive officers and their business and professional affiliations are as follows:

4. That the entire capital has been paid in and the statement of condition as of this date is as follows:

ASSETS		LIABILITIES	
	Amount		Amount
Cash and due from banks	\$	Liabilities	\$
Securities			
Loans			
Premises			
Furniture and equipment		Total Liabilities	
Other assets		Capital stock	
		Surplus	
		Undivided profits	
		Earnings	
		Other	
TOTAL ASSETS	\$	TOTAL LIABILITIES AND CAPITAL	\$

8. That the following officers have been elected:

_____ President

_____ Secretary or Cashier

9. That the proposed institution will open on or about _____, _____,
at a permanent / temporary location at _____,
(Street Address)
_____, _____, State of Oklahoma.
(City or Town) (County)

I/We, the undersigned, certify that the information contained in this Verified Application for Certificate of Authority and the Request for Approval of Managing Officer is true and correct to the best of my/our knowledge and belief.

President

ATTEST:

Secretary or Cashier

REQUEST FOR APPROVAL OF MANAGING OFFICER

Proposed Name of Institution

We submit to you _____ as the proposed managing officer of this institution. The organizers propose to pay him an annual salary of \$ _____ and have agreed to the following as additional consideration or compensation: _____

_____.

He now resides at _____

_____.

He will purchase _____ shares from _____
_____ at \$ _____ per share.

The organizers believe that he has the character, financial responsibility and ability to manage said trust company for the following reasons: _____

_____.

AGENT