



NC Commissioner of Banks

Location: 316 W. Edenton Street, Raleigh, NC 27603
Mail Address: 4309 Mail Service Center, Raleigh, NC 27699-4309
Telephone: 919/733-3016 Fax: 919/733-6918 Internet: www.nccob.org

Instructions for filing Application to Charter a Nondepository Trust Company (TC-001)

Form TC-001 is to be filed by any organization seeking to charter a North Carolina nondepository trust company pursuant to *N.C.G.S. §53-333(a), et. seq.* (“Applicant”). The form should be filed along with a Form TC-002, “Biographical and Financial Report”, for **each** individual who will serve as a director, officer or principal shareholder* of the proposed trust company, a “Background Records Check” form for each such individual, and a check in the amount of \$8,000.00, payable to the Department of Commerce / Banking Commission, for the nonrefundable application fee.

If this application is for a private trust company, Applicant should also prepare and submit Form TC-003, “Application for Private Trust Company Status”.

The application calls for a copy of the proposed trust company’s articles of incorporation, business plan, feasibility study, if available, the offering circular or offering letter if capital is to be raised by public offering or private placement offering, and various other attachments. Applicant may also elect to furnish additional attachments in response to or as additional support for certain questions. All attachments should be clearly labeled and referenced to the applicable question of the application, and should be presented in the sequence in which the questions they support appear in the application.

Applications **should not** be bound in such a way as to make separation of individual pages or sections difficult.

Certain parts of the application and supporting materials are held to be confidential and not a part of the public record with respect to the application process. For example, the business plan is held to be a proprietary document, and will not be made public. Personal financial information will also be accorded confidential treatment, though biographical information bearing upon the professional ability and experience of certain management officials, including directors, may be disclosed. Should Applicant desire specific confidentiality for any materials submitted with the application and not customarily accorded such treatment, a written request with justification should be submitted with the application. Such requests will be addressed by the Commissioner on a case-by-case basis in the context of statutory authority and requirements.

With the exception of signatures, responses should be type-written or clearly printed, and must be provided for all questions and information the form calls for. The words “not applicable” or “none” should be used, if appropriate. Be certain the “Attestation” on page 2 is properly signed and dated.

An original and one copy of the application should be filed.

Applicant is required to report any material changes in facts or circumstances reported on this form that occur subsequent to filing but prior to conclusion of the application processing period.

Note that the Commissioner of Banks may request additional information or clarification of any responses in the application. Any such requests should be answered within 30 days; absent valid extenuating circumstances, failure to do so may be construed by the Commissioner of Banks to be abandonment of the application (*N.C.G.S. § 53-333(c)*).

Upon receipt of this application in completed form, the Commissioner of Banks will examine all relevant facts connected with formation of the proposed trust company (*N.C.G.S. § 53-333(b)*). In general, the Office of Commissioner of Banks will process such applications in approximately 60 days, and within that time will submit his findings and recommendation to the Banking Commission for review at a public hearing. Applicant should inquire well in advance of anticipated filing to discuss timing issues with the Commissioner.

**A principal shareholder is defined by N.C.G.S. § 53-301(a)(38) as any “person who owns or has the ability or power to vote, directly, acting through one or more other persons, or otherwise indirectly, ten percent (10%) or more of the outstanding shares of any class of voting securities of a company.”*



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Application To Charter A Nondepository Trust Company

Name of proposed trust company

Street address of proposed main office

_____, North Carolina _____
City County Zip Code

Type of trust company:

Private (family) trust company (If checked, submit Form TC-003 and form TC-001)

Public trust company

Individual responsible for answering questions about and coordinating this application:

Name _____ Phone number (_____) _____

Mailing address _____

Attestation

We, the undersigned incorporators, hereby apply to the Commissioner of Banks for a charter to establish and operate a North Carolina trust company pursuant to Article 24 of the Banking Laws of North Carolina. 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 of Banks, constitute grounds for denial of the application.

In witness whereof, we the undersigned incorporators have hereunto set our hands and seals on the date(s) indicated:

| Name (Printed) | Signature | Address | Date |
|----------------|-----------|-------------------------|-------|
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I. Proposed Market

Provide a brief description of the geographic market the proposed trust company intends to serve. 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 area. If a comprehensive feasibility study has been prepared, attach a copy of the study in lieu of a summary description.

II. Services To Be Provided

- A. 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.
- B. Will the proposed trust company apply for federal deposit insurance? Yes No

III. 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.

- B. If processing of fiduciary accounting is to be handled by a vendor, attach copies of any proposed contracts, and provide estimated costs for this processing on an annualized basis.

- C. What provisions are planned for continued operations and/or recovery in the event of a disaster affecting the computer accounting and processing system(s)?

- D. What provisions have been made or are planned for internal and external auditing of the trust company?

IV. Indemnification

Provide a summary of the proposed trust company's fidelity insurance covering the company, its officers, directors and employees.

V. Capitalization

- A. Indicate minimum amount of capital required by Commissioner of Banks for this trust company. _____
- B. Provide a description and reconciliation of capital with which the proposed trust company will commence business. Include a specific breakdown and description of any special voting classes of securities, and the terms of any subordinated debt to be included.

| Description (Capital Segregation) | Amount (000s) |
|-----------------------------------|---------------|
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- C. Attach a copy of the proposed Articles of Incorporation.
- D. 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.

VI. Performance Projections

- A. Attach *pro forma* summary statements of condition for the proposed trust company’s first three years of operation:
- B. Attach *pro forma* income and expense statements for the proposed trust company’s first three years of operation:

Note: Total capital in *pro forma* statements of condition and profit and loss must reconcile to the initial capitalization noted in Section V.B. above.

Trust Charter Application: Confidential Section

VII. Business Plan

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

VIII. Management

A. List all directors, specifically designating the Chairman, Vice Chairman, and committee assignments, if known:

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

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

D. Describe plans for nonsalary compensation, if any, for nondirector officers, including deferred compensation, profit-sharing, stock option plans, bonuses, insurance benefits, etc.

E. Attach drafts of any employment contracts to be entered into with any director or management official.

F. Provide the name, address and principal occupation/business of any shareholder who will control 10% or more of any voting class of securities.

G. Attach financial/biographical statements for each director and officer listed in A and C above.