

**APPLICATION TO ADOPT AND/OR
EXERCISE TRUST POWERS**
submitted to the
ARKANSAS STATE BANK DEPARTMENT

By

Corporate Title of Applicant

Charter Number

Street Address

City

County

State

Zip Code

(hereinafter referred to as "**Applicant**")

hereby applies to the State Bank Commissioner for written consent to adopt and/or exercise trust powers.

Name, title, address, and telephone number of person(s) to whom inquiries concerning this application may be directed:

I hereby certify that the bank's board of directors has authorized the filing of this application and that to the best of my knowledge, it contains no misrepresentations or omissions of material facts.

Signature of Authorized Officer

Date of Application

Typed Name

Title

Telephone Number

PROCEDURES

Fee: To defray the expense of an investigation of the application, Applicant shall submit to the Department a non-refundable filing fee of \$500.00 to adopt and/or exercise trust powers.

Stockholder Approval: Any state bank, through amendment to its articles of incorporation, may affect any fundamental change in its corporate affairs which may be accomplished by charter amendment under any other statute of Arkansas. "An amendment to the articles of incorporation may be adopted on the affirmative vote of the owners of a simple majority of each class of stock entitled to vote on the amendment." A.C.A. § 23-48-307(a)(5) and (c).

Filing of Charter Amendments. If a state bank hasn't already adopted trust powers, then this application may be used to both adopt and exercise trust powers. A charter amendment will be necessary in order to adopt trust powers.

"Proposed charter amendments are to be filed with the Bank Commissioner in duplicate with original signatures, each to be certified by the president or a vice president. Each duplicate shall have annexed thereto, over the official signature, a certificate showing: (1) the date on which the amendment was authorized by the stockholders; (2) the number of shares of each class entitled to vote on the amendment which were outstanding on the date of the stockholders' meeting; (3) the number of shares of each class entitled to vote on the amendment whose owners were present in person or by proxy; (4) the number of shares of each class voted for and against the amendment; and (5) the manner in which the meeting was called and the time and manner of giving notice, with a certification that the meeting was lawfully called and held."

In addition to the filing of the charter amendments in duplicate, the application must be accompanied by a certified copy of the minutes of the stockholders' meeting at which the amendment(s) was approved and a certified copy of the bank's board of directors meeting calling for the stockholders meeting.

"One of the duplicate copies of any charter amendment filed with the Commissioner and certified as prescribed in this section, bearing an endorsement of the Commissioner showing that the amendment has been approved by him and by the State Banking Board shall be returned to the applicant state bank. The amendment shall become effective when it has been approved by the Commissioner and the State Banking Board." A.C.A. § 23-48-308(d).

The amendment to the articles of incorporation to adopt trust powers shall become effective when it has been approved by the Commissioner and the State Banking Board.

Confidentiality: Pursuant to the provisions of the Freedom of Information Act, the application is a public document and available to the public upon request.

If Applicant is of the opinion that disclosure of commercial or financial information would likely result in substantial harm to its competitive position or that of its subsidiaries, or that disclosure of information of a personal nature would result in a clearly unwarranted invasion of personal privacy, confidential treatment of such information may be requested. The request for confidential treatment must be submitted in writing concurrently with the submission of the application, and must discuss in detail the justification for confidential treatment. Such justification must be provided for each response for which confidential treatment in the public portion of the application is requested. Applicant's reasons for requesting confidentiality should demonstrate specifically the harm that would result from public release of the information. A statement simply indicating that the information would result in competitive harm or that it is personal in nature is not sufficient. It must be demonstrated that disclosure would meet either the "substantial competitive harm" or "unwarranted invasion of personal privacy" test.

Information for which confidential treatment is requested should be: (1) Specifically identified in the public portion of the application (by reference to the confidential section); (2) bound separately from the public portion of the application; and (3) labeled "Confidential". The same procedure should be followed with regard to filing any supplemental information to the application.

The Department will determine if information submitted as confidential will be so regarded, and will advise Applicant of any decision to make available to the public information labeled "Confidential". However, it shall be understood that, without prior notice to Applicant, the Department may disclose or comment on any of the contents of the application in the Order or Statement issued by the Department in connection with a decision on the application.

SUPPORTING INFORMATION AND DOCUMENTATION

Applicant is requested to submit the following information and/or documentation in support of the application.

1) This application is for written consent to adopt Full Trust Powers or Limited Trust Powers.

Full Trust Powers _____ Limited Trust Powers _____

2) If limited trusted powers is checked on question 1, complete the following:

	Yes	No
Personal Trusts	_____	_____
Trustee	_____	_____
-inter vivos	_____	_____
-testamentary	_____	_____
Agency	_____	_____
-custodial	_____	_____
-managerial	_____	_____
Court Accounts	_____	_____
Conservator	_____	_____
Personal Representative	_____	_____
Employee Benefit Trusts.	_____	_____
Trustee	_____	_____
Agency	_____	_____
-custodial	_____	_____
-managerial	_____	_____
Charitable Trusts	_____	_____
Corporate Trusts (specify types of corporate or agency trust services contemplated)	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

3) Indicate the status of any pending applications filed with any other regulatory agency relating to trust powers (attach copy of that application).

4) Have there been any changes in senior management of the institution since the last examination?

Yes_____ (If yes, give full details) No_____

5) The following changes in board composition, senior officers, and/or controlling shareholders are anticipated:

6) Are there any changes anticipated in the institution's capital structure in connection with this proposal?

Yes_____ (If yes, give full details) No_____

7) Will there be any major changes in fixed assets or furniture, fixtures, and equipment as a result of this proposal?

Yes_____ (If yes, give full details) No_____

8) Describe and support why the applicant deems it necessary to offer fiduciary services to customers (other than providing full service financial needs).

9) List the proposed members of the trust committee and give trust related experience/knowledge of each.

10) Has a competent attorney or legal firm been retained or agreed to serve as counsel for fiduciary activities?

Yes_____ (If yes, give full details) No_____

11) Were any fees paid in connection with this proposal?

Yes_____ (If yes, indicate recipient and amount) No_____

12) The following information should be detailed for EACH trust officer:

- a. Name and Proposed Annual Salary
- b. Indicate anticipated percentage of time to be devoted to fiduciary activities.
- c. Present occupation and employer (include position, duties, and year employed).
- d. Education (college and postgraduate, name and location of school, degrees, year graduated).
- e. Specialized fiduciary and investment training.
- f. Employment history (include employer, position, dates employed, and description of duties, particularly those of a fiduciary or investment nature)
- g. Business and community affiliations.
- h. Professional licenses or similar certificates (Attorney, CPA, teaching certificates, etc.).

13) Provide a pro forma estimate of income and expenses for each of the first three years of operations, including the estimate of the number of fiduciary accounts and the estimated volume of business for each year. Estimate the period of time which will be required to place the operation of the proposed trust department on a profitable basis if not within the first three years.

14) Submit a projected budget and pro forma balance sheet of the bank for a three-year period from the date the trust department is placed in operation.

	Year 1	Year 2	Year 3
Number of Accounts			
Value of Trust Assets	<hr/>	<hr/>	<hr/>
Number of Officers	<hr/>	<hr/>	<hr/>
Number of Other Employees	<hr/>	<hr/>	<hr/>
Gross Income (Fees & Commissions)	<hr/>	<hr/>	<hr/>
Operating Expenses (Direct)	<hr/>	<hr/>	<hr/>
Officer Salaries/Benefits	<hr/>	<hr/>	<hr/>
Employee Salaries/Benefits	<hr/>	<hr/>	<hr/>
Other Expenses (Direct)	<hr/>	<hr/>	<hr/>
NET INCOME	<hr/>	<hr/>	<hr/>

INSTRUCTIONS

These forms contain the instructions to prepare the documents for a charter amendment. Also, please include the following:

One copy of the Board of Directors Resolution to call a stockholders meeting resulting from the adoption of trust powers;

One copy of the minutes of the stockholders meeting at which the amendment was adopted;

Two original certificates of Amendment to Charter, both with original signatures and notary seals; and

Once this documentation has been received, It can be reviewed by the members of the State Banking Board for their approval.

If you have any questions, you may contact this office.

DIRECTORS' RESOLUTION

BE IT RESOLVED that *(a special)(the annual)* meeting of the stockholders of _____
_____ will be held on the _____
day of _____, _____, located at _____ at the
hour of _____ o'clock, _____ m., and the stockholders present or represented at said meeting
shall be asked to vote upon a proposal to amend the charter of this bank in such manner as to
authorize the bank, in addition to its present powers, to operate a trust department. It is proposed
that Paragraph _____ of this Bank's Articles of Agreement and Incorporation be
amended to read as follows:

*(Here copy the amendment as set out in the single spaced language found in the
accompanying "Certificate of Amendment to Charter".)*

The *(Secretary)(Cashier)* of the bank is directed to give written notice to the effect that
said *(special)(annual)* meeting will be held to consider the foregoing proposal, and to mail a
certified copy of this resolution to each stockholder of this bank by first class mail, postage
prepaid, addressed to such stockholder at his or her address as shown on the books of the bank,
such mailing to be effected not less than ten (10) days before the date of the meeting unless the
bank's Bylaws call for a longer notice of a meeting, in which event the longer notice must be
given.

The foregoing resolution was duly adopted at a *(regular)(special)* meeting of the bank's
Board of Directors on the _____ day of _____.

Chairman

STOCKHOLDERS' MEETING

(Have the stockholders meet and adopt a resolution reading:)

BE IT RESOLVED that Paragraph_____of the Articles of Agreement and Incorporation of_____is hereby amended to read as follows:

(Here copy the amendment as set out in the single spaced language found in the accompanying "Certificate of Amendment to Charter".)

The president and *(Secretary)(Cashier)* of this bank are instructed to take such steps as may be necessary to have said charter amendment approved by the supervisory banking authorities and established of record.

Secretary

The undersigned Chairman of this bank does hereby certify that the following resolution was *(unanimously/majority, etc.)* approved on the_____day of_____, _____, by the stockholders of this bank.

Chairman

CERTIFICATE OF AMENDMENT TO CHARTER

(After the stockholders' meeting, prepare this form, and have it signed in duplicate)

STATE OF ARKANSAS)
)
COUNTY OF _____)

The undersigned _____, as President, and _____
as *(Secretary)(Cashier)*, respectively, of _____, of _____
Arkansas, certify that at *(a special)(the annual)* meeting of the stockholders of said bank held on
the _____ day of _____, 19____, Paragraph _____ of the Articles
of Agreement and Incorporation of said bank was amended to read as follows:

- “_____ : The charter of the business proposed to be transacted by the corporation is:
 - i) A general banking business; and
 - ii) The operation of a Trust Department, in which capacity this bank shall have the right, along with its other powers, to act as:
 - a) Administrator, executor, receiver, trustee (under a testamentary or inter vivos trust), trustee under any pension, retirement or profit sharing plan established by said bank for its own officers and/or employees of any other incorporated or unincorporated business; or as
 - b) Guardian or curator; or as
 - c) Registrar or transfer agent of any corporate stock or security; or as
 - d) Fiscal agent of the United States, the State of Arkansas, or any political subdivision thereof, or any public body; or as
 - e) Trustee and/or paying agent under any mortgage or indenture executed by any State or political subdivision thereof or by any individual or corporation; or

f) In any other fiduciary capacity”.

The number of shares outstanding on the date of said stockholders’ meeting was_____.

The number of shares whose owners were present in person or by proxy at said stockholders’ meeting was_____.

The owners of_____shares who were present or represented by proxy at said meeting voted for the adoption of said charter amendment.

On the_____day of_____, 20____, the board of Directors of said bank adopted a resolution providing that at (a special)(the annual) meeting to be held on _____ 20____, a proposal to amend Paragraph_____of the Articles of Agreement and Incorporation to read as above set out would be submitted to all stockholders present or represented at said (*special*)(*annual*) meeting, and a true copy of such resolution was mailed by first class mail, postage prepaid, to each stockholder of the bank at the address of such stockholder as shown on the books of the bank on the _____day of_____, 20____.

IN WITNESS WHEREOF we have hereunto set our hands and the Seal of said bank on this_____day of_____, 20_____.

President

(Secretary)(Cashier)

Sworn and subscribed before me this_____day of_____, 20_____.

Notary Public

My Commission Expires:

PROXY
(SPECIAL)(ANNUAL) MEETING
(NOTE: Form for all proxies)

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, as shareholder(s) of _____, of _____,
Arkansas, hereby nominate and appoint _____ and _____,
and each of them, as proxies and attorneys in fact for the undersigned with full authority and
uncontrolled discretion to vote all shares of said bank owned by the undersigned at the
(special)(annual) meeting of the stockholders of said bank to be held in the banking house of the
bank at _____ o'clock, _____ .m., on the _____ day of _____, 20____, or at any
adjournment of said meeting, upon any matter coming within the scope of (a special)(an annual)
meeting, and/or coming within the scope of the proposals to be submitted to the stockholders at
said meeting as set out in the resolution of the Directors dated _____, 20____
_____. The undersigned agree(s) that the above named proxies, acting jointly, or either of them
acting separately, may represent the undersigned in voting the shares of the undersigned at said
meeting; all action taken by said joint proxies, or either of them, as said meeting will be binding
upon the undersigned.

This proxy may be revoked only upon written notice signed by the undersigned and
delivered to the President or (Secretary)(Cashier) of said bank prior to the date of the
(special)(annual) meeting above mentioned.

Executed on this _____ day of _____, 20____.

