



**APPLICATION FOR TRUST POWERS**

---

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

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

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

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

Proposed Company Name: \_\_\_\_\_

---

**TYPE OF TRUST POWERS FOR WHICH YOU ARE APPLYING (Check one)**

- Full** Trust Powers                       **Limited** Trust Powers (*Complete schedule below*)
- 

**Schedule of Limited Trust Powers (Check all applicable boxes)**

- Executor and Administrator       Guardian                       Agent  
 Trustee                                       Investment Advisor Agent  
 Committee or Conservator       Investment Management Agent  
 Other (*Specify*)
- 

**Employee Benefit Trust Powers**

- Trustee                                      Agent                                      Investment Management Agent  
 Custodian                                      Investment Advisor Agent  
 Other (*Specify*)
- 

**Corporate Trust Powers**

- Trustee                                      Paying Agent                                      Agent  
 Transfer Agent                                      Escrow Agent  
 Other (*Specify*)
- 

**To schedule a Pre-Filing Meeting submit this page to the Division of Banks by the following:**

- Email - [banks@dfi.wa.gov](mailto:banks@dfi.wa.gov)
- Fax - (360) 704-6904
- US Mail - PO Box 41200, Olympia WA 98504-1200



### ADDITIONAL APPLICATION INFORMATION – STATEMENT OF TRUST COMPANY PRINCIPLES

Before a *Certificate of Authority* to exercise trust powers in the State of Washington may be granted to an Applicant, a *Statement of Principles of Trust Company Management (Statement)* must be adopted by the organizers and/or Board of Directors, as set forth in **Appendix A**. The *Statement* is general in scope and permits flexibility in implementation. The general *Statement* requirements are set forth below:

- **Trust Officer.** A trust company must identify the individual designated to be the primary Trust Officer. Indicate their age, proposed title, and proposed annual salary, and the percentage of time to be devoted to fiduciary activities. Indicate the candidate's current position and responsibilities, employment history, and business and educational qualifications in the fiduciary, employee benefit and tax areas. Also indicate any professional licenses or similar certificates. Note: In lieu of this descriptive information, the proposed Trust Officer may complete the biographical information portion of the Interagency Biographical and Financial Report.
- **Servicing Arrangements.** If a trust company intends to use another organization to manage the administration of its trust accounts and/or to manage trust investments, please provide: (a) the name, address and phone number of each such organization; (b) the organization's relationship (if any) to the applicant and its directors and officers; (c) the type of service(s) to be provided; (d) the basis for selecting each such organization; (e) whether such service(s) will be governed by a written agreement; (f) the projected annual cost of such service(s); and (g) how the applicant intends to monitor the outside organization's performance and compliance with the scope and terms of fiduciary responsibilities and the written agreement.
- **Trust Committee.** A trust company must list proposed members of the Trust Committee and specify their trust-related experience and knowledge. For each person, provide: Name, position with the applicant, number of years associated with the applicant, principal occupation, and qualifications in fiduciary, investment, employee benefit, and tax areas.
- **Trust Counsel.** A trust company must identify the attorney or legal firm which will serve as trust counsel, and describe their qualifications in fiduciary matters. Provide: (a) name and location of firm [if individual attorney include name]; (b) experience in probating estates and administering other fiduciary business; (c) any present professional services performed for the applicant; and (d) any present fiduciary services performed for competing trust institutions.
- **Projection of Trust Activity.** A trust company must provide a projection of trust accounts, assets, and profitability for the first three calendar years after the trust company begins operations.
  - **Trust Accounts and Assets:** As of each year-end, show the number of accounts expected to be generated, broken down by general type(s) of trust activity (personal trust, employee benefit accounts, corporate trust, etc.), together with the dollar volume of trust assets expected to be under the trust department's administration for each general type of trust activity.



State of Washington  
DEPARTMENT OF FINANCIAL INSTITUTIONS DIVISION OF BANKS

- **Trust Profitability:** For each of the three calendar years, show gross trust account fees, other income, and a breakdown of direct and allocated expenses (such as salaries and benefits, audits, data processing, advertising, operations, legal, overhead, etc.). If the bank intends to provide an internal credit for bank earnings generated by trust deposits, the credit for deposits should be included as a separate item for each year.

### **Confidentiality**

This application is subject to confidentiality under RCW 30B.04.060 and RCW 30A.04.075. The financial statement of a proposed officer, director, manager, or managing participant is confidential and not subject to public disclosure under RCW 30B.08.040(4).

## Appendix A

### **STATEMENT OF PRINCIPLES OF TRUST COMPANY MANAGEMENT**

The minimum requirements to ensure sound trust company practices and to provide safeguards for the protection of 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 company;
- Operation of the trust company separate and apart from every other company of the parent or affiliate, with trust assets separated from other assets owned by the parent or affiliate, 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 company in sufficient detail to properly reflect all trust company 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 company. When delegating duties to subcommittees and/or officers, the Board of Directors 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 company. In addition, the board should define the officer's duties.
2. Name a trust committee to be responsible for and supervise the activities of the trust company. The committee should include, where possible, one or more directors who are not active officers of the company.

The trust committee should:

- a) Meet at least quarterly, and more frequently if considered necessary and prudent to fulfill its fiduciary responsibilities.
  - b) Approve and document the opening of all trust accounts; all purchases, sales, and changes in trust assets; and the closing of trust accounts.
  - c) Provide for a comprehensive review of all new accounts for which the company has investment responsibility promptly following acceptance.
  - d) Provide for a review of each trust 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 company's fiduciary responsibilities, type and size of account, and other relevant factors. Generally, discretionary account reviews should cover both administration of the account and suitability of the account's investments, and nondiscretionary account reviews should address account administration.
  - e) Keep comprehensive minutes of meetings held and actions taken.
  - f) Make periodic reports to the Board of Directors of its actions.
3. Provide comprehensive written policies which address all important areas of trust 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 trust company adopts a continuous audit process instead of performing annual audits, audits 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 company by supervisory agencies and record actions taken in its minutes.

Adopted on this date, \_\_\_\_\_, 20\_\_\_\_, in the county of \_\_\_\_\_, State of Washington,

as signed and affirmed by the officers, organizers, and/or Board of Directors of

---

(Legal name of trust company)

By:

By:

By:

By:

By: