

DIRK KEMPTHORNE
GOVERNOR



GAVIN M. GEE
DIRECTOR

STATE OF IDAHO
DEPARTMENT OF FINANCE
700 W. STATE STREET, 2ND FLOOR
P. O. BOX 83720
BOISE ID 83720-0031
Website: <http://finance.state.id.us>

August 27, 2003

Re: New Business

Dear M

This is in response to your letter of August 12, 2003 seeking guidance to the requirements for your proposed new business activities. I have forwarded a copy of your letter to Mary Hughes, the Bureau Chief of the Financial Institution bureau, to have her assess the applicability of statutes administered by her division. My comments are limited to considerations under the Idaho Securities Act.

It is our understanding that you intend to establish a consulting business that would provide services to fiduciaries serving as conservators and trust agents. Your services may include inventory preparations, court accounting, client bill paying, insurance claim processing, and bank account balancing and statement explanation.

Your letter states that you will not be recommending or trading any individual securities or any other financial products. Also, in our conversation yesterday, you confirmed that you do not intend to offer financial planning services or asset allocation services. Based on your representations, it appears that your business would not be required to register with our Department as an investment advisor.

In general, the Idaho Securities Act defines an investment advisor as a person who, for compensation, engages in the business of advising others as to the value of securities or as to the advisability of investing in, purchasing or selling securities. Financial planners are considered investment advisors in Idaho and are required to be registered.

In the future, if you wish to act in the capacity of an investment advisor, you will need to register with our Department. The registration requirements can be viewed on our website at www.idahofinance.com.

If you have any questions or if I can be of further assistance, please call 208-332-8004.

Sincerely,

Ax (file copy)
Nancy C. Ax
Securities Analyst

Banks and Savings Banks	(208) 332-8005	PHONE:	(208) 332-8000	Supporting Services	(208) 332-8001
Credit Unions	(208) 332-8003	Fax:	(208) 332-8098	Mortgage Companies	(208) 332-8002
Securities	(208) 332-8004	Director's Fax:	(208) 332-8097	Finance Companies	(208) 332-8002
Money Transmitters	(208) 332-8003	Securities Fax:	(208) 332-8099	Collection Agencies	(208) 332-8002

EQUAL OPPORTUNITY EMPLOYER

August 12, 2003

Idaho State Department of Finance
Box 83720
Boise, ID 83720

Attn: Nancy Ax

Re: New Business

Dear Ms. Ax:

Today I called the Department of Finance to ask about requirements for a new business. The gentlemen I spoke with asked me to write a letter to you and enclose a check for \$50 for your comments regarding Department of Financing issues surrounding this new business.

As background, I am a Registered with the State of Idaho as an Investment Advisor, I am affiliated with Wells Fargo Investments and maintain active Series 7 and Series 66 licenses. I am a Certified Trust and Financial Advisor (CTFA) and a Certified Individual Retirement Professional (CISP). I am also a Certified Paraplanner. Currently a Vice President & Regional Trust Manager for Wells Fargo Private Client Services, I am retiring at the end of this month. With 30 years experience, all with large Banks including Seafirst, First Security Bank and now Wells Fargo Bank, I am skilled and trained in the areas of Trust, Probate, Conservatorship, VA Conservatorship, Estate Planning, Investment and Asset Management, Charitable Trust Management and Tax.

I am proposing to start up a small business similar to one in Coeur d'Alene called operated by . I will not be handling affairs in the capacity of a fiduciary, but will act as the Agent for individual Trustees to unbundle services for the Trustee, and as Agent for individual Personal Representatives to unbundle tasks associated with the Probate process, for example, Inventory preparation, court accountings etc. I expect to receive Attorney referrals for Conservatorship work that banks will not accept.

I WILL NOT be recommending or trading any individual securities or any other financial products. I will not be affiliated with any insurance company or brokerage house but will be making referrals to professionals that I believe suit the client. I will be authorized by the client to communicate their needs to brokerage firms, similar to a limited power of attorney, but will not be making investment decisions. My role is to profile the client so the investment manager is better able to meet client objectives.

I will charge hourly for unbundled services. I will be handling client money and will establish bank accounts as a matter of convenience for bill paying. I will have authority to direct movement of funds from a brokerage account to a bank account for that purpose. A lot of the work involves assistance to clients that require help with day to day tasks such as bill paying, insurance claim processing, bank account balancing and help understanding today's complex brokerage and bank account statements. There is a real need for this kind of service that the banks no longer provide to clients with accounts under \$500,000 to \$1,000,000. This business is designed to help fill that void.

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DEPARTMENT OF FINANCE

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Of course I want to understand the State Requirements for operating a business under this kind of business model. Since I am retiring from banking at the end of the month and will not be affiliated with Wells Fargo Investments, it is important to stay in line with regulations if I am acting individually.

I would appreciate your comments regarding the business activities I propose. The services are not available in central Idaho. There are indications that there is a need for individual Conservators and Agents to assist people with tasks associated with Trust administration and Estate Settlement. There seems to be a need for a third party to discuss benefits and suitability of financial products that are difficult to understand or misleading to many people.

Your guidance is appreciated regarding bonding and insurance requirements, if I am able to retain my capacity as RIA, and any other things I need to be aware of before beginning this journey.

Thank you very much.

Sincerely,