



IDAHO

DEPARTMENT OF FINANCE

C.L. "BUTCH" OTTER
Governor

GAVIN M. GEE
Director

February 8, 2016

Re: Request for "No-Action" Position—

Dear _____:

This is in reference to _____ (the Issuer) request for this Department to take a no enforcement action position ("no-action") with regard to the proposed offering by the Issuer. Although not specifically stated in its request, the Issuer has informed us that it seeks the Department's "no-action" position with regard to its offering of securities that would not otherwise be exempt from registration under Section 30-14-201(3)(c) of the Idaho Uniform Securities Act (the Act).

Exemption from Registration

Section 30-14-201(3)(c) of the Act states that a security is exempt from the registration requirements of Section 30-14-301 of the Act if the security is:

"A security issued by and representing, or will represent, an interest in or a direct obligation of, or be guaranteed by:

(c) Any other depository institution, or any trust company organized or chartered under the laws of this state..."

Our view is this exemption is intended to exempt only those securities of institutions that are already organized or chartered as a trust institution. Therefore, we do not view the exemption from registration provided under this Section of the Act as available to the Issuer.

No-Action

In light of the Issuer's current status with this Department as a trust company information, and based on the representations reflected in the Issuer's letter, the offering document, and in discussions with the Issuer, we understand that the offering will be structured to incorporate the following:

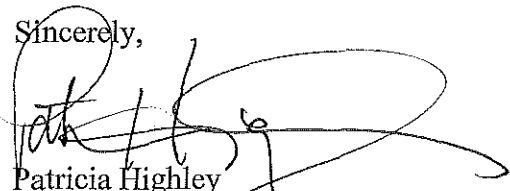
SECURITIES BUREAU
800 Park Boulevard, Suite 200, Boise, ID 83712
Mail To: P.O. Box 83720, Boise ID 83720-0031
Phone: (208) 332-8004 Fax: (208) 332-8099
<http://finance.idaho.gov>

- 1) An escrow account will be established in which investor funds will be held until the Issuer has been granted a state charter from this Department. We understand that the escrowed funds will be held in a state or federal chartered bank located in Idaho, in certificate of deposits or other Federal Deposit Insurance Corporation (FDIC) insured accounts, and that if the Issuer is not granted a charter by this Department, all funds will be returned to investors along with any interest accrued on the account. Furthermore, the Issuer agreed to structure the escrow agreement in such a manner that the Director of this Department must give approval to release the escrowed funds.
- 2) The Issuer will comply with all provisions of the Idaho Trust Institutions Act.
- 3) The offering will be sold only by the Issuer's officers and directors, and those individuals will not be compensated either directly or indirectly in connection with the sale of securities.
- 4) A copy of the offering document has been reviewed by the Department, and the Issuer has updated the offering document accordingly.

We view the above structure of the Issuer's offering as providing the necessary investor protections and assurances for an offering of this nature. Therefore, based on the representations contained in the Issuer's letter, correspondence, and the revised offering document, the Department will not recommend that enforcement action is taken concerning the Issuer's offering of securities. Should circumstances in this matter change, or should the Issuer's representations be deemed inaccurate, our "no-action" position may also change.

If you have any questions regarding the above, please contact the undersigned.

Sincerely,



Patricia Highley
Senior Securities Analyst
Idaho Department of Finance

Cc: Mary Hughes
Gavin Gee

RECEIVED

2015 AUG 28 AM 11:26

STATE OF IDAHO
DEPT OF FINANCE

Via Hand Delivery

Ms. Patty Highley
Securities Examiner
Idaho Dept of Finance
Securities Bureau
800 Park Boulevard, Ste 200
Boise ID 83712

Re: Request for No-Action Position

August 27, 2015

Dear Ms. Highley:

In connection with our recent application to form an Idaho State Chartered Trust Company currently pending approval from Mr. Gavin Gee, Director of the Idaho Department of Finance ("Director"), we are submitting this letter for the purpose of requesting a "no-action" position from the Securities Bureau of the Idaho Department of Finance. A check for \$50.00 is enclosed for processing this request.

" (Proposed Trust Company") is an independent corporate fiduciary currently operating in Idaho since 2002. Upon approval the Proposed Trust Company will form a state chartered non-bank trust company located in Boise, Idaho. On December 31, 2014, the Proposed Trust Company filed a new trust company application and supporting materials with the Idaho Department of Finance.

The Proposed Trust Company's management team consists of the current Board of Directors and shareholders of the S-corporation, ; who each have extensive experience in Trust and Estate administration. Up to 3 additional directors may be nominated from the Proposed Trust Company's investors who participate in the capital raise necessary to secure the state charter.

The Proposed Trust Company plans to raise between \$1.5 million and \$2.0 million of capital in a new offering of its common stock. The offering is intended for financially

sophisticated subscribers who meet the criteria of an accredited investor, since the minimum investment for any subscriber is \$50,000.

We respectfully request that the Securities Bureau take a no enforcement action position with respect to the solicitation and registration of the securities to be offered by the Proposed Trust Company based on the following factors:

- (1) The Proposed Trust Company will establish an escrow account at Bank of the Cascades into which subscribers' funds will be held until the Proposed Trust Company has obtained the appropriate minimum capital requirement of \$1.5 million and is granted a state charter from the Idaho Department of Finance. An escrow agreement will be executed with the bank that restricts release of funds from the escrow account only upon approval of the Director.
- (2) The Proposed Trust Company intends to comply with all applicable provisions of the Idaho Bank Act and the rules and requirements of the Idaho Department of Finance.
- (3) A copy of the proposed offering circular is enclosed for your review prior to the commencement of the offering.

In addition, we ask that you please provide guidance regarding any requirements that a U-4 form be completed pursuant to the Uniform Securities Act (2004). No other individuals will be involved in the sale of the securities and no individual will be compensated, either directly or indirectly, for the sale of securities.

Thank you for your assistance in this matter. Please don't hesitate to contact us if you have any questions or require additional information.

Sincerely,

Enclosure
Cc: Connie Newgard