

**OFFICIAL ORDER OF
THE BANKING COMMISSIONER
ORDER NO. 2009-035**

IN RE: CHARTER APPLICATION FOR	§	BEFORE THE BANKING
	§	
ROSEWOOD TRUST COMPANY, LTA	§	COMMISSIONER OF TEXAS
	§	
DALLAS, TEXAS	§	AUSTIN, TEXAS

ORDER APPROVING FAMILY LIMITED TRUST ASSOCIATION CHARTER

Pursuant to Section 182.003 of the Texas Finance Code (the “Code”), I, Charles G. Cooper, Banking Commissioner of the State of Texas (the “Commissioner”), find that after statutory notice was given to the public and to all interested parties in the manner provided by law, and after review and consideration of the application on file and the investigation report that:

1. The public convenience and advantage will be promoted by the establishment of the proposed family limited trust association;
2. The proposed organizational and capital structure and amount of initial capitalization is adequate for the proposed business and location;
3. The anticipated volume and nature of business indicates a reasonable probability of success and profitability based on the market to be served;
4. The proposed officers and directors, as a group, have sufficient fiduciary experience, ability, standing, competence, trustworthiness, and integrity to justify a belief that the state trust company will operate in compliance with law and that success of the state trust company is probable;
5. Each principal shareholder has sufficient experience, ability, standing, competence, trustworthiness, and integrity to justify a belief that the state trust company will be free from improper or unlawful influence or interference with respect to the state trust

company's operation in compliance with law; and

6. The organizers are acting in good faith.

THEREFORE, I, Charles G. Cooper, Banking Commissioner, hereby grant and approve the charter application of Rosewood Trust Company, LTA (the "Trust Company") upon the following conditions:

- A. The Trust Company will maintain no less than \$750,000 in restricted capital. In the event that restricted capital falls below \$750,000, the Board will take action to restore restricted capital to at least \$750,000 by no later than 30 days after the end of the quarter after the event occurred;
- B. For a period of two years after approval of the charter, the Trust Company will provide the Commissioner with at least 30 days prior written notice of any proposed change of any individual to the board of directors or senior executive officer and will not make the noticed change if the Commissioner objects within 30 days of receipt of the notice;
- C. For a period of three years following its opening, the Trust Company will not declare or pay any dividend without the prior written approval of the Commissioner if the dividend would cause the Trust Company's restricted capital to decline below \$750,000;
- D. From the date of this Order through the first three years of operation, the Trust Company will provide written notification to the Commissioner at least 60 days in advance of any change in or deviation from the Business Plan submitted in the charter application. The notice must contain, at a minimum, a summary of the anticipated change, any proposed management changes as a result of the change, pro forma financial statements that measure the impact of the change to actual and to the original plan, and the Board's risk

assessment of the change. For the calendar years ending December 31, 2009, December 31, 2010, and December 31, 2011, the limited trust association will compare its Business Plan to actual performance, noting and explaining in writing any material deviations and affirmative actions which will be taken to correct any materially adverse deviations. This comparison will be submitted to the Department of Banking on or before March 15 following each period;

- E. Prior to acceptance of any fiduciary appointments, the Trust Company will adopt an audit plan, which must be approved by the Commissioner;
- F. The Trust Company will adopt a Statement of Trust Principles acceptable to the Commissioner prior to the opening of the Trust Company;
- G. The Trust Company will maintain no less than \$250,000 in liquid assets, with liquid assets defined as cash and readily marketable assets convertible to cash within four business days. In the event that total liquid assets falls below \$250,000, the Board will take action to restore the liquid assets to at least \$250,000 by no later than the 30th day following the deficiency;
- H. The Trust Company will obtain, prior to accepting any fiduciary appointments, bond coverage that complies with Finance Code §183.112 and that has been deemed acceptable by the Commissioner.

Due to the limited scope of the business to be conducted by the Trust Company, I hereby grant the limited trust association the following exemptions pursuant to Section 182.011 of the Code and 7 TAC §21.24, all other requests for exemptions pursuant to Section 182.011 or the related regulation being specifically denied:

1. The Trust Company is granted an exemption under Section 181.107(b)(2) and (3) of the Code in that the report of assets portion of the statement of condition and income of the Trust Company is not considered a public record.

IT IS THEREFORE ORDERED that the application for a Texas state trust company for Rosewood Trust Company, LTA. Dallas, Texas, subject to the conditions set forth above and under Charter Number 3160-16, be and hereby is **APPROVED**.

Signed in triplicate original this 31st day of August, 2009.

/s/ Charles G. Cooper
Charles G. Cooper
Commissioner, Department of Banking