

**OFFICIAL ORDER OF  
THE BANKING COMMISSIONER  
ORDER NO. 2018-020**

**IN THE MATTER OF:**

<b>CHARTER APPLICATION FOR</b>	<b>§</b>	<b>BEFORE THE BANKING</b>
	<b>§</b>	
<b>QUEST TRUST COMPANY</b>	<b>§</b>	<b>COMMISSIONER OF TEXAS</b>
	<b>§</b>	
<b>HOUSTON, TEXAS</b>	<b>§</b>	<b>AUSTIN, TRAVIS COUNTY, TEXAS</b>

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**ORDER APPROVING TRUST COMPANY CHARTER**

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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”), finds 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 finds that:

1. The public convenience and advantage will be promoted by the establishment of the proposed trust company;
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 trust company will operate in compliance with law and that success of the 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 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 Quest Trust Company upon the following conditions:

- A. After consideration of the safety and soundness factors enumerated in Section 182.008(b) of the Code, the Commissioner finds that Quest Trust Company may begin operations with no less than \$2,000,000 in restricted capital and must increase restricted capital to \$4,000,000 by December 31, 2020. The required restricted capital level shall be composed of tangible equity as reflected in financial statements prepared in accordance with generally accepted accounting principles. At any time, additional restricted capital may be required if the commissioner finds it necessary to protect the safety and soundness of the company based on its condition and operations. In the event that restricted capital falls below the required restricted capital level, the trust company will take action to restore restricted capital to the required level by no later than 30 days after the end of the quarter in which the event occurs;
- B. Quest 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 position of the trust company for a period of three years following approval of its charter;
- C. No dividends will be declared or paid by Quest Trust Company for the first three years of operation without the express written approval of the Commissioner;

- D. From the date of this Order through the first three years of operation, Quest 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 resulting management change, pro forma financial statements that measure the impact of the change to the original plan, and the Board's risk assessment of the change;
- E. The trust company will obtain annual unqualified audits of its corporate financial statements, or an unqualified audit of its parent company that includes a separate schedule of the trust company's balance sheet and income statement, and an "agreed upon procedures" report covering its custodial/agent activities;
- F. The trust company's Board of Directors will adopt a Statement of Trust Principles acceptable to the Commissioner prior to opening. Any subsequent deviations from the approved Statement of Trust Principles must obtain prior written approval from the Commissioner; and
- G. The trust company will develop and implement a Director Training Program before the Certificate of Authority is issued. This Program will include, at a minimum, a review and assessment of the directors' training needs, identification of training providers, and a proposed training schedule for each director.

**IT IS THEREFORE ORDERED** that the application for a Texas state trust company for Quest Trust Company, Houston, Texas, subject to the conditions set forth above and under Charter Number 1050-32, be and hereby is **APPROVED**.

Signed in triplicate original this 7<sup>th</sup> day of August, 2018.

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