



Comptroller of the Currency
Administrator of National Banks

Southern District Licensing
500 North Akard Street, Suite 1600
Dallas, Texas 75201-3323

October 15, 2007

**Conditional Approval #828
December 2007**

David Ness, President
Raymond James Trust Company
880 Carillon Parkway
St. Petersburg, Florida 33716

**Re: Application to Convert Raymond James Trust Company
Application No. 2007-SO-01-0004
National Charter No. 24771**

Dear Mr. Ness:

The Office of the Comptroller of the Currency (“OCC”) hereby conditionally approves the application of Raymond James Trust Company, St. Petersburg, Florida, a Florida state trust company, to convert to a national bank limited to the activities of a trust company. This approval is granted after a thorough review of the application, other materials you have supplied, and other information available to the OCC, including commitments and representations made in the application and by the trust company’s representatives during the application process. This approval is also subject to the conditions set out herein.

The Conversion

Raymond James Trust Company (“RJTC”) is a wholly-owned subsidiary of Raymond James Financial, Inc. (“RJF”). RJF is a holding company whose subsidiaries engage in a wide variety of financial services, including securities brokerage, investment banking, asset management, and banking services, throughout the United States and in other countries. In addition to RJTC, RJF owns another state trust company, Raymond James Trust Company West, Tacoma, Washington (“RJTCWest”). RJTC and RJTCWest are in the business of providing personal and charitable fiduciary services to the individual clients of RJF affiliated broker-dealers and to the general public. RJF provides banking services through another subsidiary, Raymond James Bank, FSB, an insured federal savings association.

RJTC applied to the OCC for approval to convert to a national bank limited to the activities of a trust company. A state bank, including a state trust company, may convert into a national bank under 12 U.S.C. § 35, with the approval of the OCC. *See, e.g.*, OCC Conditional Approval No. 696 (June 9, 2005). RJTC meets the criteria in section 35. Its sole shareholder has approved

the conversion. The conversion would not be in contravention of state law. Florida permits Florida state banks and state trust companies to convert to a national charter. Fla. Stat. Ann. § 655.411(5). The OCC finds that RJTC's application meets the requirements for approval to convert to a national trust company pursuant to 12 U.S.C. § 35 and 12 C.F.R. § 5.24, and the OCC approves the conversion, subject to the conditions described below. The resulting national bank will have the title: Raymond James Trust, National Association ("RJTNA"). It will continue to have its main office in St. Petersburg, Florida.

Fiduciary Powers

This conditional approval also constitutes the OCC's grant to RJTNA of authority to conduct the fiduciary powers requested in your application, under 12 U.S.C. § 92a and 12 C.F.R. § 5.26.

You will note that 12 C.F.R. § 9.4 places responsibility on the board of directors for the proper exercise of the company's fiduciary powers. However, the board may decide whether it shall supervise the administration of all such powers directly or assign any function related to such powers to any director, officer, employee, or committee.

The board should also provide for:

A proper delineation of duties for trust officer(s) and committee(s).

The designation of the officers or employees responsible for custody of the trust investments in conformity with 12 C.F.R. § 9.13(a).

The deposit of securities with state authorities where required by local law, according to 12 C.F.R. § 9.14.

Under separate cover, the OCC Communications Division will mail to you the series of Comptroller's Handbooks for Fiduciary Activities. The trust officers and staff should become thoroughly familiar with 12 C.F.R. Part 9, "Fiduciary Activities of National Banks" (copy enclosed).

Pre-Conversion Process and Requirements

You are reminded that the following items must be satisfactorily addressed on or before the effective date of the conversion:

1. The institution must purchase adequate fidelity bond coverage in accordance with 12 C.F.R. § 7.2013, which lists four factors the directors should consider to determine adequacy.

2. The board of directors must adopt and have in place policies, practices, and procedures to ensure the safe and sound operation of the trust company. The board also must review those policies, practices, and procedures continually and ensure the trust company's compliance with them.
3. The converting institution must apply to the Federal Reserve for membership.
4. The directors must own qualifying shares in conformance with 12 U.S.C. § 72 and 12 C.F.R. § 7.2005.
5. The converting institution must notify the OCC if the facts described in the filing materially change at any time prior to consummation of the conversion. Any changes to the executive officers or directors must receive a prior "no objection" from the OCC.

Upon completion of all steps required to convert to a national trust company, submit the "Conversion Completion Certification" (enclosed) certifying that you have done so.

When the institution has satisfactorily completed all of the above steps, the OCC will issue a Conversion Completion Acknowledgment officially authorizing the institution to commence business as a national trust company. At that time you will receive the charter certificate. If the conversion is not consummated within six months from the date of this decision, the approval will automatically terminate unless the OCC grants an extension of the time period. The OCC is opposed to granting extensions, except under the most extenuating circumstances and expects the conversion to occur as soon as possible.

Conditions

This approval is subject to the following conditions:

1. RJTNA shall limit its business to the operations of a trust company and activities related or incidental thereto. RJTNA shall not engage in activities that would cause it to be a "bank" as defined in section 2(c) of the Bank Holding Company Act.

2. At all times, RJTNA shall maintain minimum Tier 1 Capital in an amount at least equal to the greater of (a) \$5 million or (b) such other higher amount as may be required by the OCC pursuant to the exercise of its regulatory authority (“Minimum Tier 1 Capital Requirement”). At all times, liquid assets¹ shall comprise at least 75% of RJTNA’s Minimum Tier 1 Capital Requirement (the “Minimum Liquid Capital Requirement”). (The Minimum Tier 1 Capital Requirement and the Minimum Liquid Capital Requirement are collectively the “Minimum Capital Requirement”.)
3. If at any time, RJTNA fails to maintain the Minimum Capital Requirement, RJTNA shall take such corrective measures as the OCC may direct from among the provisions applicable to undercapitalized depository institutions under 12 U.S.C. §1831o(e) and 12 C.F.R. Part 6. For purposes of this requirement, an action “necessary to carry out the purpose of this section” under section 1831o(e)(5) shall include restoration of RJTNA’s capital to levels which comply with the Minimum Capital Requirement and any other action deemed advisable by the OCC to address RJTNA’s capital deficiency or the safety and soundness of its operations.
4. RJTNA’s Board shall adopt, implement, and maintain a system to analyze and maintain capital and liquidity commensurate with RJTNA’s risk profile, in conformance with OCC Bulletin 2007-21, Supervision of National Trust Banks – Revised Guidance: Capital and Liquidity (and any subsequent OCC guidance).
5. Within ten (10) business days of the effective date of the conversion, RJTNA and RJF shall execute a Capital Assurance and Liquidity Maintenance Agreement (“CALMA”), the terms and provisions of which must be acceptable to the OCC. Upon execution of the CALMA, a copy shall be forwarded to the appropriate OCC Supervisory Office. RJTNA shall take all actions to exercise its rights and to enforce the terms of the CALMA, if and when necessary, by making a written demand or request on the Parent. Within one (1) day following RJTNA’s demand or request to the Parent for compliance with the CALMA, RJTNA shall provide the OCC with a copy of such written demand or request.
6. Within ten (10) business days of the effective date of the conversion, RJTNA and RJF shall enter into a written binding Capital and Liquidity Support Agreement (“CSA”) with the OCC setting forth RJF’s obligations to provide capital and liquidity support to RJTNA, if and when necessary, and RJTNA and RJF shall thereafter implement and adhere to the CSA. The terms and provisions of the CSA must be acceptable to the OCC.

¹ The term “liquid assets” means (a) cash and cash equivalents, (b) deposits at insured depository institutions, and (c) investment securities eligible for investment by national banks under 12 C.F.R. Part 1 and valued at the lower of cost or market value. However, liquid assets shall not include any assets encumbered or pledged by lien, right of setoff, preference, or otherwise, or any other asset pledged as security in any transaction with any party.

7. RJTNA: (i) shall give the appropriate OCC Supervisory Office at least sixty (60) days prior written notice of RJTNA's intent to significantly deviate or change from the business plan or operations, as reflected in this application, and (ii) shall obtain the OCC's written determination of no objection before RJTNA engages in any significant deviation or change from its business plan or operations. ²
8. RJTNA, RJF, and its affiliates, upon request by the OCC, shall provide the OCC access to, permit the OCC to examine, and provide the OCC with copies of all books and records, and electronic records that accurately reflect the information in the books and records of RJTNA, and any other information of, or concerning RJTNA.
9. All transactions between RJTNA and any affiliates, foreign or domestic, shall be conducted subject to the applicable provisions of 12 U.S.C. § 371c and 371c-1, 12 C.F.R. Part 223, and other applicable Federal law. The Board of Directors of RJTNA annually shall review and approve any service agreements, and any other transactions with foreign and domestic affiliates, including in particular any cost allocation, fee-sharing or tax-sharing provisions in such agreements or other transactions.

The conditions of this approval are conditions "imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request" within the meaning of 12 U.S.C. § 1818. As such, the conditions are enforceable under 12 U.S.C. § 1818.

Conclusion

This approval, and the activities and communications by OCC employees in connection with the filing, do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory, and examination authorities under applicable law and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

The OCC will send to you under separate cover an appropriate set of OCC handbooks, manuals, issuances, and selected other publications. This information does not include the *Comptroller's Licensing Manual*, which is available in electronic form on our Web site <http://www.occ.treas.gov/corpapps/corpapplic.htm>.

² If such deviation is the subject of an application filed with the OCC, the OCC does not require any further notice to the supervisory office.

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A separate letter is enclosed requesting your feedback on how the OCC handled your application. We would appreciate your response so we may continue to improve our service. All correspondence regarding this application should reference the application control number. If you have any questions, call Senior Licensing Analyst Joseph T. Burbridge at (214) 720-7052 or e-mail joseph.burbridge@occ.treas.gov.

Sincerely,

Karen H. Bryant

Karen H. Bryant
Director for District Licensing

Enclosures: Conversion Completion Certification
12 C.F.R. Part 9
Survey Letter