



**Comptroller of the Currency
Administrator of National Banks**

Western District Office
50 Fremont Street, Suite 3900
San Francisco, CA 94105
415-545-5900: Fax: 415-545-5925

December 21, 1999

**Conditional Approval #345
January 2000**

Daniel Prohaska
Chairman and CEO
Idaho Trust Company
608 Northwest Boulevard, Suite 300
Coeur d'Alene, Idaho 83814

Re: Application to Convert Idaho Trust Company to a National Charter
OCC Control Number: 1999-WE-01-0013

Dear Mr. Prohaska:

The Office of the Comptroller of the Currency (OCC) has reviewed your request, dated November 8, 1999, to convert Idaho Trust Company to a national bank. After a thorough review of all information available, including the representations and commitments made in the application and the bank's representatives, we find that your request meets the requirements for approval to convert to a national banking association pursuant to 12 USC 35 and 12 CFR 5.24 as follows:

Title: Wealthbank, National Association
Location: 608 Northwest Boulevard, Suite 300
Coeur d'Alene, Idaho 83814

This approval is subject to the following special condition:

The bank must maintain Tier I capital of no less than \$2 million at all times.

Please be advised that this condition of approval shall be deemed to be a condition "imposed in writing by the agency in connection with the granting of any application or other request" within the meaning of 12 U.S.C. §1818(b)(1). This condition is enforceable under 12 U.S.C. §1818 as specifically applied to uninsured national banking associations under section 1818(b)(5).

Wealthbank, National Association
OCC Control Number 1999-WE-01-0013

We also made our decision to grant preliminary conditional approval with the understanding that the proposed national trust bank will limit its operations to fiduciary activities, will not be insured by the FDIC, and intends to apply for capital stock in the Federal Reserve System.

This letter also constitutes official OCC authorization to operate the following branches:

OCC Branch Number:	117136A
Branch Popular Name	Boise Branch
Street Address	714 West State Street, Suite 100
City, State, ZIP Code	Boise, Idaho 83702

Please retain this letter as the official branch authorization. If the branch is closed, a 90-day advance notice of the proposed branch closing must be submitted to the OCC pursuant to 12 USC 1831r-1. Following the expiration of the 90-day notification period, this authorization must be surrendered. If the branch is sold, the branch authorization should be surrendered to the OCC.

The OCC also has approved your proposal to conduct fiduciary powers pursuant to 12 USC 92a. This approval constitutes a permit to conduct the fiduciary powers requested in your application [12 CFR 5.26(e)(4)].

The board of directors should provide for the establishment and administration of the trust department (or fiduciary operation) either through the adoption of amendments to the bylaws or by appropriate resolutions. You will note that 12 CFR 9.4 places responsibility on the board of directors for the proper exercise of the bank'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:

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

The pledging of securities to secure trust funds on deposit in the bank as required by 12 CFR 9.10(b).

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

The deposit of securities with state authorities where required by local law, according to 12 CFR 9.14.

The establishment and administration of the trust department may appear in the bylaws or in the board resolutions, or partly in the bylaws and partly in the resolutions. After adoption, a copy of those provisions should be furnished to the trust officer(s) for guidance.

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 "Fiduciary Activities of National Banks" at 12 CFR 9 (copy enclosed).

You may begin exercising fiduciary powers simultaneously with your conversion to a national bank. If the bank decides to surrender its fiduciary powers, it should notify the OCC in accordance with 12 CFR 9.17(a).

You are reminded that the following are required before the effective date of the conversion:

1. Acceptable executed Articles of Association and an Organization Certificate should be filed with the OCC's Western District Office. In addition, please provide the required Oaths of Directors. Please refer to the Corporate Organization section of the Comptrollers Corporate Manual for instructions on completion of the conversion process.
2. The institution must purchase adequate fidelity bond coverage in accordance with 12 CFR 7.2013, which lists four factors the directors should consider to determine adequacy.
3. If a director, officer, employee, or principal shareholder of the bank (including an entity in which such person owns an interest of 10 percent or more) is involved in the sale of credit life insurance to loan customers, the bank should ensure compliance with 12 CFR 2, which among other things, prohibits a covered person from retaining commissions or other income from the sale of credit life insurance connected with any loan the bank makes.
4. The board of directors must adopt and have in place policies, practices, and procedures to ensure the safe and sound operation of the bank. The board also must review those policies, practices, and procedures continually and ensure bank compliance with them. We are enclosing the minimum policies and procedures applicable to national banks.
5. The converting institution must obtain any other required regulatory approvals.

The OCC will send to you under separate cover an appropriate set of OCC handbooks, manuals, issuances, and selected other publications.

Wealthbank, National Association
OCC Control Number 1999-WE-01-0013

If the conversion is not consummated within six months from the date of the decision, approval will be withdrawn. The OCC is opposed to granting extensions, except under the most extenuating circumstances and expects the conversion to occur as soon as possible.

Upon conversion, please submit a letter certifying that you have completed all steps required to convert to a national banking association (sample enclosed). If you have any questions, please contact me at (415) 545-5921. Our fax number is (415) 545-5974.

Sincerely,

/s/

James A. Bundy
Licensing Manager
Western District

Enclosures: Conversion Completed Certification Sample Letter
 Minimum Policies and Procedures
 12 CFR 9

Wealthbank, National Association
OCC Control Number 1999-WE-01-0013