PROCEDURES FOR MAKING APPLICATION TO ENGAGE IN BANKING BUSINESS IN THE U.S. VIRGIN ISLANDS IN ACCORDANCE WITH TITLE NINE <u>OF THE VIRGIN ISLANDS CODE.</u>

1. Any five (5) persons of legal capacity may organize a bank. Application shall be in writing to the **Banking Board** requesting a permit to do so, in accordance with Section 31 of Title Nine.

2. The name of the bank shall not be **similar** to the name of any other established institution. In addition, the applicant shall not use the name of a bank which ceased operation if the use of such name would tend to be misleading.

3. The minimum capital shall in no case be less than $500,000, with capital stock divided into shares of $100.00 each. At least 50 per cent, but no less than $500,000 of the bank's subscribed capital stock shall be paid in before the bank is authorized to commence business.

4. **The application shall set forth and prove the need of services of a banking institution in the locality where the bank is to be established; state the benefits to the general public; and prove that services presently rendered by other banking institutions do not meet the needs of the said locality.**

5. **The application shall set forth the banking and commercial ability and experience of the applicants and whether said ability and experience is sufficient for the efficient functioning and operation of the proposed bank.**

6. **The applicant shall furnish character references, and banking and commercial experience of the prospective directors and/or officers who will conduct the bank's business.**

7. **The applicant bank shall secure deposit insurance as a condition to doing business in the U.S. Virgin Islands, by any agency of the United States, to secure its depositors.**

8. After the permit is granted, and subject to Section 31(d) of Title 9, Articles of Incorporation should be filed in duplicate with the Lieutenant Governor, subject to a filing fee of $300.00.

9. Similar to the above, a bona fide resident of the U.S. Virgin Islands shall be appointed to accept service of on behalf of the bank, process, after payment of the required filing fee of $25.00

Annual Licenses for Banks and Foreign Banks; Grace Period; Penalties:

A) Every bank, national banking association, or foreign bank doing business in the U.S. Virgin Islands shall obtain, on or before the 30th day of June of each year, a special license to do business in the U.S. Virgin Islands during the succeeding calendar year, upon payment of the corresponding fees, as follows:

(1) Banks with a paid-in capital or debentures and reserve fund aggregating to $500,000 shall pay the sum of $75,000.

(2) Banks with a paid-in capital and reserve fund aggregating over $500,000 shall pay the sum of $150,000.

(3) All other banks, national banking associations, and foreign banks $150,000.

(4) Any local bank which first engaged in the banking business in the U.S. Virgin Islands after January 1, 1987, shall be exempt from the provisions of this subsection as follows:

a) the license fee shall be waived for the first (3) three years after the local bank has first engaged in the banking business in the U.S. Virgin Islands; and

b) upon expiration of the initial three (3) year period and for the next four (4) year period, the annual license fee shall be one (1) percent (%) of the local bank's aggregate paid-in capital and reserve fund, but shall in no case exceed $100,000 per year.

c) "**Local Bank**" as referred to in this item only shall mean any bank where not less than 50% of its stockholders are residents of the U.S. Virgin Islands as defined in Title 29, Section 703(e), of the Virgin Islands Code.

APPLICATION FOR A PERMIT
TO ESTABLISH A BRANCH
OF A FOREIGN BANK
IN THE U.S. VIRGIN ISLANDS

VIRGIN ISLANDS BANKING BOARD
#18 KONGENS GADE
CHARLOTTE AMALIE
ST. THOMAS, VIRGIN ISLANDS, 00802

Application Date: ________________________

Name of applicant (Entity): ____

We the undersigned incorporators, propose to establish a foreign bank branch under the provisions of Title 9 of the U.S. Virgin Islands Banking Code.

In support of this application, we hereby make the following statements and representations and submit information pursuant to Chapter 3 of Title 9 of the U.S. Virgin Islands Banking Code.

Name of Bank: ____

Proposed Location (Address): ____

____

____

That the said institution is authorized to issue _______________ shares of common stock, each having a par value of $____________ and __________ shares of preferred capital stock, each having a par value of $____________.

That the consideration received by said bank for the shares issued by it are allocated as follows:

	Consideration Per Share	Aggregate Consideration
Capital…………………………………	$	$
Paid-in Surplus…………………...……	$	$
Paid-in Undivided Profits……………...	$	$
Organizational Expense……………….	$________________	$________________
Total Consideration	**$**_______________	**$**___________________

That_____________________________________of __________________________________
(Full Name) **(Street Address)**

____
(City/Town) **(State)** **(Zip Code)**

is authorized to act as sole and exclusive agent to represent and appear for the undersigned incorporators before the Banking Board of the U.S. Virgin Islands, and to receive all correspondence and documents in respect to this application.

REPRESENTATIONS

THE UNDERSIGNED INCORPORATORS, for the purpose of making application to the Banking Board of the U.S. Virgin Islands, (Banking Board) to permit the organization of said bank, upon the terms and conditions set forth in this Application or upon such other or additional terms and conditions that may be lawfully required by the Banking Board, and with the intention that the Banking Board shall rely upon the following, do hereby jointly and severally represent and warrant to the Banking Board as follows:

FIRST, that the undersigned incorporators, as directors or shareholders of the said bank or otherwise, will not vote for or in any other manner, approve of or consent to any payment from the organization expense fund for obtaining subscription to the capital stock of said institution nor shall any organization expense be paid out of any other funds of the said bank.

SECOND, that the undersigned incorporators have not directly or indirectly paid to or received from any person, partnership, association, or corporation not named on the annexed Appointment of Agent, any money or other thing of value as a fee, commission, or other compensation for any service rendered or to be rendered or for any property transferred or to be transferred, in connection with the organization of said bank, except as follows:

Name(s) of Payor(s)	Name(s) of Payee(s) (If None, So State)	Reason for Payment	Date Paid	Amount Paid

THIRD, that the undersigned incorporators are not directly or indirectly party to any written or oral agreement or understanding to directly or indirectly pay to or receive from any person, partnership, association or corporation not named on the annexed Appointment of Agent any money or thing of value as a fee, commission, or other compensation for a service rendered or to be rendered or for any property transferred or to be transferred, in connection with the organization of said bank, except as follows:

Name(s) of Payor(s)	Name(s) of Payee(s) (If None, So State)	Date and Terms of Agreement (If None, So State)	Amount Paid

FOURTH, that the undersigned incorporators are not acting in this application as representative of or on behalf of any person, partnership, association or corporation undisclosed to the Banking Board.

FIFTH, that the undersigned incorporators are not directly or indirectly party to any written or oral agreement or understanding providing for the undersigned incorporators or any other person, partnership, association, or corporation not party to any of the annexed Stock Subscription Agreements, to directly or indirectly purchase any stock of said bank or providing for the sale, pledge, transfer or other disposition of any stock in the said bank to be legally or equitable owned by the undersigned incorporators to or for the benefit of any person, partnership, association, or corporation, except as follows:

Name(s) of Undersigned Party to the Agreement	Name(s) of other Party(ies) to the Agreement	Date and Terms Agreement
	(If None, So State)	

SIXTH, that with the exception of the securities issued or guaranteed as to principal and interest by the United States or any Agency thereof; by a state or territory of the United States, or a subdivision, instrumentality or public authority organized under the laws of such state or territory, or pursuant to an interstate compact between two or more states, the undersigned incorporators, as officers, directors, employees, or affiliates of said bank or otherwise, will not engage in the business of issuing, floating, underwriting, distributing or promoting the sale of stocks, bonds, or other securities, and will not be an officer, trustee, director, employee, stockholder or partner of any person engaged principally in such business.

SEVENTH, that the undersigned incorporators are not directly or indirectly party to any written or oral agreement or understanding, undisclosed to the Banking Board, providing for the sale of the assets of said bank to, or merging or consolidating the said bank with, any other financial institution.

EIGHTH, that the undersigned incorporators, as directors or officers of the said bank or otherwise, have not been convicted of fraud involving any financial institution or of a felony, except as might be enumerated in the annexed Biographical Reports.

NINTH, that the undersigned incorporators have annexed to this application those attachments listed and enumerated below incorporating expressly by reference the information set forth therein within this Application.

TENTH, that the undersigned incorporators acknowledge that any misrepresentation or omission of a material fact with respect to the foregoing Application and Representations or with respect to any other documents or papers submitted by the undersigned incorporators to the Banking Board, in connection with the organization of said bank shall, unless expressly waived by the Banking Board, constitute fraud in the inducement and be grounds for the denial of the bank charter requested herein.

IN WITNESS WHEREOF, the undersigned incorporators have hereunto set our hands and seals on the date set forth above.

______________________	______________________
Signature	**Signature**
______________________	______________________
Typed Name	**Typed Name**
______________________	______________________
Typed Address	**Typed Address**
______________________	______________________
Typed City, State, ZIP	**Typed City, State, ZIP**
______________________	______________________
Signature	**Signature**
______________________	______________________
Typed Name	**Typed Name**
______________________	______________________
Typed Address	**Typed Address**
______________________	______________________
Typed City, State, ZIP	**Typed City, State, ZIP**
______________________	______________________
Signature	**Signature**
______________________	______________________
Typed Name	**Typed Name**
______________________	______________________
Typed Address	**Typed Address**
______________________	______________________
Typed City, State, ZIP	**Typed City, State, ZIP**

STATE OF _______________________)
) ss
COUNTY OF ______________________)

The foregoing Application for permission to establish a Branch of a Foreign Chartered Banking Institution and the Representation of the Incorporators were subscribed and sworn to before me this ____________day of_______________, 20___, by the following persons:

____________________________   ______________________________

____________________________   _______________________________

____________________________   _______________________________

Witness my hand and official seal.

My commission expires:……………

……………………………………..
Notary Public

(SEAL)

APPLICATION ATTACHMENTS

1. Articles of Incorporation **
2. Bylaws **
3. Appointment of Resident Agent **
4. List of Stockholders/Subscribers
5. Stock Subscription Agreement
6. Economic Data or Economic Survey
7. Biographical Report of Each Incorporator, Officer and Director
8. Financial Reports for Officers, Directors and Stockholders
9. Copy of Application filed with the appropriate Federal Agency/Office
10. Copy of Deposit Insurance Certificate (FDIC) or Other Security Deposit to secure depositors in the US. Virgin Islands. ++
11. Copy of Certificate of Incorporation as registered with the Lieutenant Governors' Office, Corporate Division. ++

***** Should be submitted after permit is granted***
++ Should be submitted after permit is issued

BIOGRAPHICAL AFFIDAVIT

(Print or Type)

Full Name and Address of Applicant Bank ____
____
____

In connection with the above-named bank, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if necessary to answer any question fully.) ***IF ANSWER IS "NO" OR "NONE", SO STATE.***

1. Affiant's Full Name (Initials Not Acceptable) ______________________________________
   ____

2. a. Have you ever had your name changed? ______ If yes, give the reason for the change:
   ____
   b. Other names used at any time: ____
   ____

3. Affiant's Social Security Number: ____

4. Date and Place of Birth: ____

5. Affiant's Business Address: ____
   Business Telephone: _______ - ________ - ___________

   6.List your residences for the last ten (10) years starting with your current address, giving:

DATE	ADDRESS	CITY AND STATE

7. Education, Dates, Names, Locations and Degrees:
   College ____
   ____
   Graduate Studies ____
   ____
   Other ____
   ____

8. List Membership in Professional Societies and Associations. __________________________
   ____
   ____

9. Present or Proposed Position with the Applicant Bank. _______________________________
   ____

10. List complete employment record (up to and including present jobs, positions, directorates or officerships) for the past twenty (20) years, giving:

DATES	EMPLOYER AND ADDRESS	TITLE

11. Present employer may be contacted: ☐ Yes ☐ No

    Former employers may be contacted: ☐ Yes ☐ No

12. a. Have you ever been in a position which required a fidelity bond? ____________________
    If any claims were made on the bond, give details: ________________________________
    ____

    b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond cancelled or revoked? __________ If yes, give details. _____________________
    ____

13. List any professional, occupational, and vocational licenses, issued by any public or governmental licensing agency or regulatory authority, which you presently hold or have held in the past (state date license issued, issuer of license, date terminated, reasons for termination.) ____
    ____

14. During the last ten (10) years, have you ever been refused a professional, occupational, or vocational license by any public or governmental licensing agency or regulatory authority, or has any such license held by you ever been suspended or revoked? ______________________
    If yes, give details: ____
    ____

15. List any bank or any other company in which you control directly or indirectly, or own legally or beneficially, 10% or more of the outstanding stock (in voting power):
    ____
    ____

16. Will you or members of your immediate family subscribe to or own, beneficially or of record, shares of stock of the bank or its affiliates? ____________________________________

17. Have you ever been adjudged a bankrupt? ________

18. a. Have you ever been convicted or had a sentence imposed or suspended, or had pronouncement of a sentence suspended or been pardoned for conviction of, or pleaded guilty or nolo contendere to an information or indictment charging any felony, or charging a misdemeanor involving embezzlement, theft, larceny, or mail fraud, or violating any corporate securities statute or any banking or insurance laws, or been the subject of any disciplinary proceedings of any federal or state regulatory agency? _____
    If yes, give details: ____
    ____

b. Has any company been so charged, allegedly as a result of any action or conduct on your part? __________________ If yes, give details. __________________________________
____

19. Have you ever been an officer, director, trustee, investment committee member, key employee, or controlling stockholder of any bank which, while you occupied any such position or capacity with respect to it, became insolvent or was placed under supervision or in receivership or liquidation? ____
____

20. Has the charter of any bank of which you were an officer or director, or key management person, ever been suspended or revoked while you occupied such position? _____ If yes, give details: ____
____

Dated and signed this ______day of _____________, 20___ at _______________________
I hereby certify under penalty of perjury that I am acting on my own behalf, and that the foregoing statements are true and correct to the best of my knowledge and belief.

____
(Signature of Affiant)

Territory of the Virgin Islands ______________________)
)
District of ______________________________________)

Personally appeared before me the above named ____
Personally known to me, who, being dully sworn, deposes and says that he/she executed the above instrument and that the statements and answers contained therein are true and correct to the best of his/her knowledge and belief.

Subscribed and sworn to before me this the ______ day of ___________________, 20____.

____
Notary Public

My commission expires: _____________