

BUREAU OF FINANCIAL INSTITUTIONS
Department of Professional and Financial Regulation
State of Maine



ORDER APPROVING THE APPLICATION
TO ESTABLISH A NONDEPOSITORY TRUST COMPANY
TO BE KNOWN AS ATLANTIC TRUST
AND WAIVER OF TITLE 9-B M.R.S. §252(6)

Atlantic Financial Services of Maine, LLC, Portland, Maine (“AFS”), an investment adviser firm licensed by the State of Maine, Office of Securities and wholly-owned by John P.M. Higgins (“Higgins”), has applied to the Superintendent of the Bureau of Financial Institutions, pursuant to Title 9-B, M.R.S. Chapter 121, for a certificate of public convenience and advantage to establish a nondepository trust company to be known as Atlantic Trust, LLC and to be located at 111 Commercial Street, Portland, Maine. If approved, the applicant would change its name to **Atlantic Trust, LLC** (“AT”) and become a nondepository trust company.

The application was accepted for processing on March 17, 2016. Public notice, as required by Title 9-B M.R.S. 252(2)(B), was provided by publication, posted on the Bureau’s website and delivered to interested parties, affording them an opportunity to either submit written comments or request a hearing. There were no comments received during the 30-day public comment period, which ended April 17, 2016.

A Principal Bank Examiner of the Maine Bureau of Financial Institutions (the “Bureau”) conducted an investigation of this transaction. All evidence and pertinent materials considered by the Examiner were also considered by the Superintendent in reaching his decision.

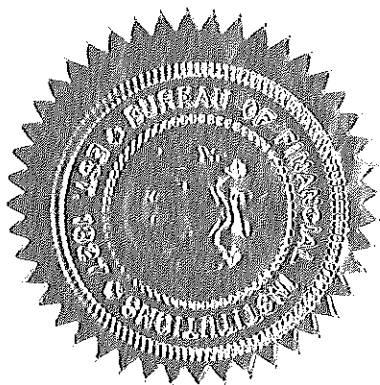
The nondepository trust company would remain wholly-owned by John P.M. Higgins. The financial and managerial resources of Higgins are sufficient to provide necessary support to AT. The proposed initial directors would be comprised of five individuals: Higgins; a Portfolio Manager at AFS; and three other individuals, all of whom have shared prior business interests with Higgins and have a background in investment management activities. AFS currently provides investment advisory services for approximately 230 accounts with \$200 million in assets under management, all of which would become AT’s book of business.

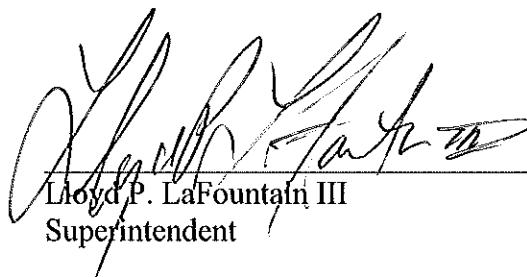
The Bureau has considered the competitive effects, the future prospects, and the convenience and needs of the markets to be served and found them consistent with approval. Accordingly, the application of Atlantic Financial Services of Maine, LLC to establish a nondepository trust company and to be known as “Atlantic Trust, LLC” is approved, subject to the terms and conditions listed in Appendix A.

The applicant requested a waiver of the 30-day waiting period, pursuant to Title 9-B M.R.S. §252(6), to minimize the delay of establishing the proposed nondepository trust company in order to better serve existing customers. The shortened waiting period will also enable AT to more quickly finalize new custodian and trust accounting vendor relationships, which cannot be completed until the Trust Company is operating. The Superintendent has determined these factors constitute extraordinary or unusual conditions and, therefore, the Superintendent agrees to grant the waiver so that the transaction may be consummated effective May 20, 2016.

The transaction shall be completed within one year of the effective date of this Order, unless a written extension is granted by the Superintendent. Any person aggrieved by this Order shall be entitled to a judicial review of the Order in accordance with the Maine Administrative Procedure Act, Title 5, Chapter 375, subchapter VII.

By order of the Superintendent, effective May 20, 2016.




Lloyd P. LaFountain III
Superintendent

Gardiner, Maine
May 10, 2016

APPENDIX A

TERMS & CONDITIONS

1. John P.M. Higgins, Robert A.G. Monks, Stewart A. Gardner, Richard A. Bennett, and Jonathan L. Cottrell are approved as directors.
2. John P.M. Higgins is approved as President, Chief Executive Officer, and Chairman of the Board.
3. The minimum amount of initial Equity Capital and Tier 1 Capital shall be \$300,000, all of which shall be paid in cash and funded prior to the issuance of a Certificate to Transact Business.
4. Atlantic Trust, LLC shall maintain Tier 1 Capital (as defined in Bureau Regulation 27) not less than the greater of (a) \$300,000 or (b) the sum of (1) ten basis points (0.10%) of discretionary assets and (2) five basis points (0.05%) of nondiscretionary assets, including assets held in custody, unless a different amount is established by the Superintendent. As such, the Superintendent reserves the right to change the above formula for determining ongoing capital adequacy.
5. If Atlantic Trust, LLC fails to maintain Tier 1 Capital in the minimum amount specified above in Condition #4, it shall be deemed to have inadequate capital and the Bureau shall have the authority to take any action authorized by Regulation 27.
6. Prior to the issuance of a Certificate to Transact Business, and pursuant to Title 9-B M.R.S. §1213-A, Atlantic Trust, LLC shall pledge to the Bureau readily marketable assets having a fair value of at least \$300,000.
7. The Superintendent must approve the organizational documents (i.e., the LLC Agreement).
8. During the first five years of operation, John P.M. Higgins may not reduce his membership interest in Atlantic Trust, LLC without the Bureau's prior written permission.
9. Prior to the issuance of a Certificate to Transact Business, Atlantic Trust, LLC must submit evidence that it has obtained adequate fidelity bond coverage, including an Errors and Omissions rider; the coverage must be in an amount (including the amount of the deductible) and for such coverage that shall be satisfactory to the Superintendent.
10. Prior to the issuance of a Certificate to Transact Business, Atlantic Trust, LLC shall submit its written Anti-Money Laundering Program and Customer Identification Program to the Bureau.
11. On the business day prior to the issuance of a Certificate to Transact Business, John P.M. Higgins must certify in writing to the Bureau that no material adverse changes have occurred with respect to his financial condition or the financial condition or operation of Atlantic Financial Services of Maine, LLC as disclosed in the application.
12. All technology-related vendor contracts must stipulate that the performance of services provided by the vendors to Atlantic Trust, LLC is subject to the Bureau's examination and regulatory authority.

13. During the first two years of operations, Atlantic Trust, LLC shall not implement any material change or deviation from its operating plan without the prior written approval of the Bureau.
14. During the first two years of operations, the Bureau must review and have no objection to any proposed executive officer or director of Atlantic Trust, LLC.
15. During the first two years of operations, Atlantic Trust, LLC may not open any additional offices, besides the Portland location, without the prior written approval of the Bureau.
16. At all times, Atlantic Trust, LLC shall maintain liquid assets at least equal to 25% of the minimum Tier 1 Capital requirement, or a lesser amount if approved by the Superintendent.
17. During the first two years of operations, Atlantic Trust, LLC must obtain the Bureau's prior written permission before declaring member distributions.
18. Atlantic Trust, LLC shall comply with all applicable laws, including the Maine Financial Institutions Law Title 9-B M.R.S., regulations, and policies of the Bureau.