

STATE OF VERMONT

DEPARTMENT OF FINANCIAL REGULATION

IN THE MATTER OF:)	
)	Docket No. 3-021-B
SECURITIES FINANCE)	
TRUST COMPANY)	

This Order is issued by the Commissioner of the Vermont Department of Financial Regulation pursuant to 9 V.S.A. §§ 5102(15)(H), 5102(3)(E) of the Vermont Securities Act, 9 V.S.A. Chapter 150 (the "Securities Act"), and the provisions of 8 V.S.A. § 15(a).

Findings and Law

1. Securities Finance Trust Company ("SFTC") has filed an application with the Department for an Independent Trust Company charter under 8 V.S.A. Chapter 77.
2. Contemporaneous with the issuance of this Order the Commissioner will issue a Certificate of Authority to SFTC for a Vermont Independent Trust Company charter.
3. Solely in connection with, and ancillary to, the provision of trust services, including acting as an independent agent lender in the securities lending industry, SFTC may engage in activities that would cause SFTC to come within the definition of "broker-dealer" under 9 V.S.A. § 5102(3) of the Securities Act or the definition of "investment adviser" under 9 V.S.A. § 5102(15) of the Securities Act.
4. SFTC will be regulated and examined by the Banking Division of the Department pursuant to Vermont laws and regulations governing the operation of an independent trust company in Vermont, and will be examined pursuant to examination protocols and standards as established by the Department and as amended from time to time.
5. 9 V.S.A. § 5102(15)(H) of the Securities Act authorizes the Commissioner to exclude any person, by rule or order, from the definition of "investment adviser" under the Securities Act.
6. 9 V.S.A. § 5102(3)(E) of the Securities Act authorizes the Commissioner to exclude any person, by rule or order, from the definition of "broker-dealer" under the Securities Act.

Order

NOW, THEREFORE, IT IS HEREBY ORDERED that:

7. SFTC and any employee engaged in the business of SFTC, is excluded from the definition of "investment adviser" under Section 5201 (15) of the Securities Act, and is excluded from the definition of "broker-dealer" under Section 5201 (3) of the Securities Act.

8. The exclusions provided under Section 7 of this Order shall be subject to the following conditions:

- (i) SFTC shall limit any activities as a broker-dealer to those activities described in 9 V.S.A. § 5102(3)(C) of the Securities Act;
- (ii) SFTC shall immediately report any customer complaints regarding SFTC, its employees, or its agents to the Department's Banking Division; and
- (iii) SFTC and its employees and agents shall be subject to the anti-fraud and related enforcement provisions of the Securities Act.

THIS ORDER SHALL BE EFFECTIVE AS OF THE DATE EXECUTED BELOW AND SHALL REMAIN IN EFFECT UNLESS AND UNTIL THIS ORDER IS SUBSEQUENTLY AMENDED OR RESCINDED BY THE COMMISSIONER.

Effected at Montpelier, Vermont this 29th day of July 2013.



Susan L. Donegan
Commissioner
Vermont Department of Financial Regulation