

**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 CLEARSTEAD TRUST, LLC**  
**AND WAIVER OF TITLE 9-B M.R.S. §252(6)**

Clearstead Advisors, LLC, Cleveland, Ohio (“Clearstead”), an SEC-registered investment advisory firm, has applied to the Superintendent of the Bureau of Financial Institutions (“Superintendent”), 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 Clearstead Trust, LLC (“CT”) to be located at 1 Union Street, Suite 302, Portland, Maine. The granting of the certificate of public convenience and advantage will facilitate the acquisition by CT of substantially all of the assets of Atlantic Trust, LLC (“AT”) a Maine-chartered nondepository trust company located in Portland, Maine.

The application to establish a nondepository trust company was accepted for processing on March 23, 2021. Public notice, as required by Title 9-B M.R.S. §252(2)(B), was provided by newspaper publication in the Portland Press Herald for 3 successive weeks beginning on March 26, 2021, 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 25, 2021.

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 will be wholly-owned by Clearstead. The financial and managerial resources of Clearstead are sufficient to provide necessary support, if any, to CT and for the acquisition of substantially all of the assets of AT and for the planned assignment to CT of the wealth management and fiduciary services operations of Plimsoll Mark Capital (“PMC”), a private client advisory firm and division of Clearstead located in Portland, Maine. The proposed initial directors would be comprised of seven individuals: three directors who currently serve in management capacities at Clearstead, two directors who will have management roles in CT, and two directors who are independent of both organizations.

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Together, AT and PMC currently provide trust or investment advisory services for approximately 650 accounts with approximately \$600 million in assets under management, all of which would become CT'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 Clearstead Advisors, LLC to establish a nondepository trust company to be known as "Clearstead Trust, LLC" is approved, subject to the terms and conditions listed in Appendix A.

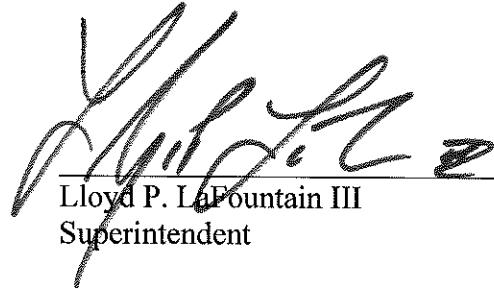
The applicant requested a waiver of the 30-day waiting period, pursuant to Title 9-B M.R.S. §252(6), to minimize delay in the acquisition of assets of AT. The shortened waiting period will facilitate CT's ability to finalize vendor relationships prior to the asset transfer. The Superintendent has determined 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 18, 2021.

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 7.

By order of the Superintendent, effective May 18, 2021.



Gardiner, Maine  
May 18, 2021



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Lloyd P. LaFountain III  
Superintendent

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***APPENDIX A***

***TERMS & CONDITIONS***

1. David Fulton, Jr.; John P.M. Higgins; William O. Hall, III; Carl J. Tippit; Gregory P. Althans; Thomas J. Clarke, Jr.; and Albert J. Bartosic are approved as directors. Pursuant to Title 9-B M.R.S. §1212(1-A), at least one director must be a resident of Maine.
2. William O. Hall, III is approved as President and Chief Executive Officer. Other executive positions approved as disclosed in the application to establish Clearstead Trust, LLC.
3. The minimum amount of initial Equity Capital and Tier 1 Capital shall be \$800,000, all of which shall be paid in cash and funded prior to the issuance of a Certificate to Transact Business.
4. Clearstead Trust, LLC shall maintain Tier 1 Capital (as defined in Bureau Regulation 27) not less than the greater of (a) \$800,000 or (b) the sum of (1) ten basis points (0.10%) of discretionary assets under management and (2) five basis points (0.05%) of nondiscretionary assets under management, 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. At all times, Clearstead 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.
6. Prior to the issuance of a Certificate to Transact Business, and pursuant to Title 9-B M.R.S. §1213-A, Clearstead Trust, LLC shall pledge to the Bureau readily marketable assets having a fair value of at least \$300,000.
7. If Clearstead Trust, LLC fails to maintain Tier 1 Capital in the minimum amount specified in this Appendix A, it shall be deemed to have inadequate capital and the Bureau shall have the authority to take any action authorized by Bureau Regulation 27.
8. The Superintendent must approve the organizational documents (i.e., the LLC Operating Agreement and Articles of Organization). Once filed with the Secretary of State, the newly formed Clearstead Trust, LLC may undertake other necessary steps in preparation for receipt of a Certificate to Transact Business, including activities related to the acquisition of assets of Atlantic Trust, LLC.
9. Prior to issuing a Certificate to Transact Business Clearstead Trust, LLC must successfully apply to the Bureau to acquire substantially all of the assets of Atlantic

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Trust, LLC and provide evidence to the Superintendent that the sale of the assets has closed pursuant to agreement of the parties.

10. Prior to the issuance of a Certificate to Transact Business, Clearstead 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.
11. On the business day prior to the issuance of a Certificate to Transact Business, Clearstead Advisors, LLC must certify in writing to the Bureau that no material adverse changes have occurred with respect to its financial condition as disclosed in the application.
12. Prior to the issuance of a Certificate to Transact Business, Clearstead Trust, LLC shall submit its written Anti-Money Laundering Program and Customer Identification Program to the Bureau.
13. All technology-related vendor contracts must stipulate that the performance of services provided by the vendors to Clearstead Trust, LLC is subject to the Bureau's examination and regulatory authority.
14. During the first five years of operation, Clearstead Advisors, LLC may not reduce its membership interest in Clearstead Trust, LLC without the Bureau's prior written permission.
15. During the first two years of operations, Clearstead Trust, LLC shall not implement any material change or deviation from its operating plan without the prior written approval of the Bureau.
16. During the first two years of operations, the Bureau must review and have no objection to any proposed executive officer or director of Clearstead Trust, LLC.
17. During the first two years of operations, Clearstead Trust, LLC may not open any additional offices, besides the Portland location, without the prior written approval of the Bureau.
18. During the first two years of operations, Clearstead Trust, LLC must obtain the Bureau's prior written permission before declaring member distributions.
19. Within one year of receiving a Certificate to Transact Business, Clearstead Advisors, LLC will complete its planned transfer of PMC accounts and assets to Clearstead Trust, LLC.
20. Clearstead 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.

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21. All transactions between Clearstead Trust, LLC and Clearstead Advisors, LLC, including subsidiaries and affiliates of Clearstead Advisors, LLC, shall be conducted subject to the provisions of Title 9-B M.R.S. §468. Prior to commencing operations, Clearstead Trust, LLC shall enter into written agreements, acceptable to the Bureau, governing all relationships, including shared management, employees, office space, equipment, and lending relationships with Clearstead Advisors, LLC. (and subsidiaries and affiliates). The Board of Directors of Clearstead Trust, LLC shall annually review and approve any service agreements or other transactions with affiliates, including cost allocation or fee sharing provisions in such agreements or other transactions. The Bureau does, however, grant a waiver to §468 to the extent that such services are covered by a "Services Agreement" provided in its application between Clearstead Advisors, LLC and Clearstead Trust, LLC. This waiver is limited to reimbursement for services provided to Clearstead Trust, LLC by Clearstead Advisors, LLC employees, waiving the requirement that the terms and circumstances would in good faith be offered to, or would apply to, nonaffiliated companies. The Bureau will review this waiver, and the "Fees and Expenses" calculation set out in the "Services Agreement" in particular, during its examinations of Clearstead Trust, LLC and reserves the right to withdraw this waiver.