

**FEDERAL DEPOSIT INSURANCE CORPORATION**

**In Re:** Wellington Trust Company, National Association  
Boston, Suffolk County, Massachusetts  
Application for Federal Deposit Insurance

**ORDER**

The undersigned, acting on behalf of the Board of Directors pursuant to delegated authority, has fully considered all available facts and information relevant to the factors of Section 6 of the Federal Deposit Insurance Act and relating to the application for Federal deposit insurance for Wellington Trust Company, National Association, Boston, Suffolk County, Massachusetts (Wellington), an operating noninsured national trust company located at 75 State Street, Boston, Suffolk County, Massachusetts, and has concluded that the application should be approved.

Accordingly, it is hereby **ORDERED**, for the reasons set forth in the attached Statement that the application submitted by Wellington for Federal deposit insurance, be and the same hereby is, approved subject to the following conditions:

1. Wellington's beginning paid-in capital funds shall not be less than \$14,600,000. Thereafter, Wellington's Tier 1 capital to assets ratio shall be maintained at not less than eight percent throughout the first three years of operation as an insured depository institution.
2. Federal deposit insurance shall not become effective unless Wellington is selected as a financial agent of the U.S. Government and executes a financial agency agreement with the U.S. Department of the Treasury for asset management services related to the U.S. Treasury's Government Sponsored Enterprise Mortgage Backed Securities Purchase Program.
3. Prior to the effective date of deposit insurance and continuing thereafter, Wellington shall acquire and maintain the requisite deposit to be, "engaged in the business of receiving deposits other than trust funds" as defined in section 303.14 of the FDIC Rules and Regulations.
4. Prior to the effective date of Federal deposit insurance, Wellington shall develop a comprehensive framework of policies, procedures, and agreements, supported by an appropriate system of controls and audit, to govern the dual officer and employee arrangements between Wellington and its parent company, Wellington Management Company, Inc. Further, the framework must be consistent with sound principles of corporate governance and should ensure compliance with 12 U.S.C.1828 (j) and 12 U.S.C. 1831(g).
5. Wellington shall obtain an audit of its financial statements by an independent accountant annually for at least the first three years after the effective date of

deposit insurance, and Wellington shall submit to the appropriate FDIC Regional Director, (i) a copy of the audited annual financial statements and the independent public auditor's report thereon within 90 days after the end of the depository institution's fiscal year, (ii) a copy of any other reports by the independent auditor (including any management letters) within 15 days after their receipt by the institution, and (iii) written notification within 15 days when a change in the institution's independent auditor occurs.

6. Wellington shall operate within the parameters of the business plan submitted to the FDIC. During the first three years of operations, Wellington shall notify the Regional Director and its primary federal regulator of any proposed major deviation or material change from the submitted plan 60 days before consummating the change.
7. This approval is conditioned on the facts and circumstances as currently known by the FDIC. If there are any material events prior to deposit insurance becoming effective, including, for example, any changes in proposed management or any person or group obtaining ownership, control, or the ability to vote 10 percent or more of any class of voting shares of Wellington or any company that controls Wellington, the applicant shall notify the appropriate Regional Director as soon as the applicant becomes aware of the event.
8. If Wellington does not commence operations as a financial agent of the U.S. Government under the U.S. Treasury's Government Sponsored Enterprise Mortgage Backed Securities Purchase Program within twelve months from the date of this ORDER, the consent granted herein shall expire, unless the Corporation approves a request for an extension of the deadline prior to the expiration. In the interim, the Corporation shall have the right to alter, suspend, or withdraw this approval should any development warrant such action.

Dated at Washington, D.C., this 15<sup>th</sup> day of October, 2008.

FEDERAL DEPOSIT INSURANCE CORPORATION

By: \_\_\_\_\_ /s/  
Lisa D. Arquette  
Associate Director  
Division of Supervision and Consumer Protection

**FEDERAL DEPOSIT INSURANCE CORPORATION**

**In Re:** Wellington Trust Company, National Association  
Boston, Suffolk County, Massachusetts  
Application for Federal Deposit Insurance  
(Deposit Insurance Fund)

**STATEMENT**

Pursuant to the provisions of Section 5 of the Federal Deposit Insurance Act (12 U.S.C. 1815), an application for Federal deposit insurance has been filed by Wellington Trust Company, National Association (Wellington), an operating noninsured national trust company located at 75 State Street, Boston, Suffolk County, Massachusetts. Wellington's application also requested that the FDIC waive the publication notice requirements of the FDIC's Rules and Regulations for good cause; the FDIC's Board of Directors granted Wellington's request on September 26, 2008.

Wellington is a wholly-owned subsidiary of Wellington Management Company, LLP, an independent investment management company. Wellington's application for Federal deposit insurance stems from its desire to apply for participation as a financial agent for the U.S. Government in the U.S. Treasury's Government Sponsored Enterprise Mortgage Backed Securities Purchase Program.

Wellington will maintain its headquarters in Boston, Massachusetts, and has no plans to open additional facilities. Wellington's core business is management of client assets in a fiduciary capacity, either through commingled pools or separate accounts. Wellington will continue to offer complete investment management and asset allocation services for pension, endowment, foundation, and certain other qualified investors. Wellington will accept a single \$500,000 deposit from an affiliate in order to qualify as "in the business" of receiving deposits other than trust funds.

For the purposes of this proposal, capital is adequate, future earnings prospects are favorable, management is considered satisfactory, and the corporate powers to be exercised are consistent with the purposes of the Federal Deposit Insurance Act. No undue risk to the Deposit Insurance Fund is apparent.

Accordingly, based upon a careful evaluation of all available facts and information, the Associate Director, pursuant to delegated authority, has concluded that approval of the application is warranted.

**ASSOCIATE DIRECTOR  
DIVISION OF SUPERVISION AND CONSUMER PROTECTION  
FEDERAL DEPOSIT INSURANCE CORPORATION**