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Member FDIC

May 19, 2009

Dear Valued Client,

With all the recent turmoil in the financial markets and the continued announcements of failing financial institutions, we are pleased to state that Trust Company of America remains financially strong.

Since our establishment in 1972, our philosophy has always been, and remains, conservative. We continue to believe that our financial strength is the foundation of providing on-going service to our clients in all market conditions.

#### **Trust Company Summary of Facts**

Here is an abbreviated list of safety facts about Trust Company. More details on these subjects can be found in the rest of this letter.

- We have no long-term debt
- We have received the highest rating for capital adequacy from both the Federal Deposit Insurance Corporation (FDIC) and the State of Colorado Division of Banking
- We do not make loans, therefore we have no exposure to defaulting loans
- Our investment portfolio is conservative and well diversified
- We have no investments in mortgage pools containing sub-prime mortgages
- We are well insured, including FDIC insurance for investors' deposits
- We are highly regulated by the FDIC and the State of Colorado Division of Banking
- We are audited annually by a top ten CPA firm

#### **Financial Soundness**

Trust Company has no long-term debt. Our operating performance has enabled us to self-fund our market expansion and capital growth, so we have not had to seek long-term debt to support our business. Our parent company has a line of credit with our primary correspondent bank which we have available for short term working capital needs.

Under both the FDIC and the State of Colorado Division of Banking guidelines we are "Well Capitalized," the highest category available for depository institutions such as banks and trust companies.

Trust Company has a track record of profitability and financial strength. In addition, our assets under custody have grown from \$2.7 billion in 2005 to over \$7.0 billion in 2008.

Since we are not a lending institution, we have no exposure to defaulting loans. Defaulting loans are the most common cause for traditional depository institutions failing.

More detailed information regarding FDIC standards is available at [www.fdic.gov](http://www.fdic.gov) within the Regulation and Examinations section.

### **Portfolio Overview<sup>1</sup>**

When industry underwriting standards were lowered in recent years, we made a conscious decision to not invest in mortgage pools containing sub-prime mortgages. We do not hold, nor have we ever held, any exposure to equities in FNMA (Fannie Mae) or FHLMC (Freddie Mac).

Trust Company's investment portfolio is primarily comprised of 1) short-term AAA-rated U.S. Agency securities and short-term AAA-rated U.S. Agency mortgage pools, of which the majority are backed by the full faith and credit of the U.S. government, and 2) investments in AAA-rated money market mutual funds. A small portion of the portfolio is invested in municipal bonds which are diversified across many different issues and are either pre-funded or guaranteed by either a public or private entity.

### **Corporate Insurance**

Your assets at Trust Company are protected. Through Trust Company's charter with the FDIC, investors' cash deposits are insured up to \$250,000 per account.

At the corporate level, Trust Company of America's insurance coverage includes \$10 million for Financial Institutions Bond/Computer Crime, \$10 million for Bankers Professional Liability, and \$10 million for Directors and Officers Liability.

We operate from a secure facility with security features that meet the requirements for a U.S. bank. In addition, each of our employees undergoes thorough pre-employment security screening and background checks.

For information on the full insurance coverage of client securities, see [www.trustamerica.com/advisor-forms](http://www.trustamerica.com/advisor-forms) under Other Forms and Information section.

### **Highly Regulated**

Accountable for billions of dollars in client investments, Trust Company of America ensures the safekeeping of client assets under custody by managing, tracking, and holding title to clients' securities. Our clients' securities are held separately from corporate assets. While we hold title to the clients' securities, the investments in mutual funds are held at the various mutual fund companies and the direct investments in equity securities are safely held at one of two large, reputable, and highly regulated organizations – The Bank of New York or Pershing, LLC.

As an FDIC insured depository institution, Trust Company complies with federal statutes and regulations enforced by stringent FDIC examinations. Trust Company is also supervised and examined by the Colorado Division of Banking and is bound by Colorado State Banking Commission regulations. Trust Company also utilizes the services of a third-party examiner who reviews compliance with operating policies and internal controls on an annual basis, and reports his findings to Trust Company's board of directors.

In addition, Trust Company is audited annually by BKD, LLP ([www.bkd.com](http://www.bkd.com)), one of the 10 largest CPA firms in the United States.

In summary, we understand your concerns during this unprecedented time of economic uncertainty. We believe our conservative philosophy and strong financial track record have positioned us well to service our clients in this financial environment. We would like to stress our commitment to financial strength and the soundness of Trust Company of America.



D. Terry Reitan  
President and CEO  
Trust Company of America

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<sup>1</sup> The portfolio composition is subject to change over time. Trust Company does not recommend or endorse any securities or investment strategies. Trust Company acts as an asset custodian and does not offer investment advice.