



Written Policies and Procedures Guidance

Each South Dakota chartered trust company is required to develop and implement written policies and procedures specific to trust company operations and administration. Management must develop and implement a periodic review program to ensure written policies and procedures remain dynamic. Management's review should be well documented in board and/or committee meeting minutes. Policy components may include the following:

- Board/committee/employee duties and responsibilities – May be addressed in by-laws/operating agreement.
- Job descriptions and employee duties – May be addressed in by-laws/operating agreement.
- Strategic planning – May be addressed in board/committee meeting minutes depending on company size and complexity.
- Succession planning – May be addressed in board/committee meeting minutes depending on company size and complexity.
- Capital assessment and planning process
- Ethics requirements
- Trading error gain and loss guidance
- Escheatment requirements
- Conflict of Interest/Self-Dealing guidance
- Account acceptance/closing guidance
- Account pre- and post-acceptance guidance
- Concentration/diversification guidance
- Periodic administrative and investment account review procedures (See Account-Level Administrative and Investment Review Guidance)
- Third party due diligence review procedures including affiliated service providers (See Due Diligence Review Guidance)
- Proxy voting guidance
- Account borrowing guidance
- Complaint/litigation guidance
- Sweep arrangements/prompt investment of cash guidance
- Discretionary distribution guidance
- Internal and external audit guidance (See Internal Audit Guidance)
- Internal controls and duty segregations
- Account and asset safekeeping reconciliations
- Account statement procedures
- Fee processing and receipt of non-ordinary fees (12b-1, recordkeeping, etc)
- Budget process - May be addressed in board/committee meeting minutes depending on company size and complexity
- Disaster/Contingency/Continuity planning
- Corporate trustee oversight, if applicable
- Investment function and oversight (See Investment Policy Guidance)

- Pooled investment guidance, if applicable (See Pooled Investment Guidance)
- BSA/Customer identification requirements (See BSA and CIP Guidance)
- Regulation R guidance (See Reg R Guidance)