



## APPLICATION FOR STATE OF MISSISSIPPI FUNDS

PLEASE RETURN TO THE OFFICE OF THE STATE  
TREASURER BY OCTOBER 1, 2023

**Do not send your CALL REPORTS**

\_\_\_\_\_ Please return **Application and Contract Form D-1** (in excess of \$250,000)  
or **Form D-2** (up to \$250,000) – **signed and notarized**.

\_\_\_\_\_ Complete **Application for State of Mississippi Funds Worksheet** by using  
your June 30, 2023 Call Report (Primary Capital ratio must be five and one-  
half percent, 5 ½%, or more to receive funds in excess of \$250,000).

\_\_\_\_\_ Complete the following to calculate **Mississippi Deposits** as of June 30, 2023. Mississippi Deposits are defined as deposits in branches located in Mississippi.

**FDIC Call Report – Schedule RC line 13A** \$ \_\_\_\_\_

**Deposits from banks outside of Mississippi (-)** \$ \_\_\_\_\_

**Mississippi Deposits (=)** \$ \_\_\_\_\_

If you have any questions, please contact:

Justin Smith  
Office of State Treasurer David McRae  
[qualifieddepository@treasury.ms.gov](mailto:qualifieddepository@treasury.ms.gov)  
601-359-3536  
P.O. Box 138 Jackson, MS 39205  
501 North West Street, Suite 1101  
Jackson, MS 39201



## **APPLICATION AND CONTRACT FOR THE STATE OF MISSISSIPPI FUNDS**

### **In excess of \$250,000 deposit insurance limit**

TO THE TREASURER OF THE STATE OF MISSISSIPPI:

(1) \_\_\_\_\_, a financial institution duly organized, operating and domiciled in the State of Mississippi, whose principal place of business is located in \_\_\_\_\_, (hereinafter "Depository"), hereby requests to be appointed, designated and commissioned a Depository for State Funds for one year beginning December 1, 2023, pursuant to Section 27-105-1, et. seq., of Mississippi Code of 1972, annotated, as amended and to be awarded and allowed to keep, during said year, State Funds in an amount not exceeding thirty-five percent (35%) of said Depository's paid-in and earned capital funds as reported on June 30, 2023, unless additional funds are specifically approved by the State Treasurer and accepted by said Depository.

(2) The Depository hereby agrees to keep on deposit, as security for said funds and for the faithful performance of all duties imposed upon it by law, approved securities in a sum of at least equal to one-hundred-five percent (105%) of the total amount of funds on deposit by the State Treasurer in excess of the two hundred fifty thousand dollars (\$250,000) insured deposit amount, pursuant to Section 27-105-5, of the Mississippi Code of 1972, annotated, as amended.

(3) The Depository agrees to deposit for safekeeping the above pledged securities with an approved State or National bank, which is a member of the Federal Deposit Insurance Corporation or with a Federal Reserve Bank or Federal Reserve Branch Bank. The securities are to be released only upon the joint written authorization of the State Treasurer (or duly authorized representative) and the officials of the Depository. The Depository may pledge,

substitute, or exchange securities held in custodial accounts as outlined in a separate Collateral Security Agreement.

(4) The Depository agrees that it shall be in default if it fails to pay all or any part of the principal amount on deposit in demand accounts, time accounts, certificates of deposit or repurchase agreements, including earned interest at the specified maturity date. The Depository shall also be in default if ruled "bankrupt", "insolvent" or "failed" by the appropriate State or Federal regulatory agency.

(5) In the event of default, failure or insolvency of the Depository, the State Treasurer is hereby given the authority and power to transfer or liquidate the pledged securities. If the security is transferred or liquidated, ownership of the security will transfer entirely to the State of Mississippi; any proceeds over the value of the defaulted amount of the matured investment, including accrued interest, plus expenses related to the liquidation transaction, shall be returned to the Depository.

(6) The Depository will provide to the State Treasurer, semi-annually, any and all financial reports as furnished to its appropriate regulatory agency.

(7) Parties to this agreement stipulate that State Funds will be allocated to qualified depositories to the State on a pro rata basis, as determined under Sections 27-105-09 and 27-105-33 of Mississippi Code 1972, annotated, as amended.

(8) The Depository agrees that the provisions of this application, after acceptance by the State Treasurer and upon the issuance of the Commission, to the applying Depository, shall become a binding contract governed and subject to the laws of the State of Mississippi.

(9) I, \_\_\_\_\_, do hereby declare that the  
(Name and Title of Officer Authorized to Sign)  
information provided in this application and supporting materials are correct to the best of my knowledge and that the application and supporting material have been prepared in accordance with Mississippi law and applicable Federal and State regulatory agency requirements. Any knowing or willful misstatement of fact on the application or supporting

material shall subject the below-named officer to the penalty of perjury, and the financial institution of which he is an officer shall not be eligible to serve as a Depository for a period of one year commencing with the date on which the State Treasurer certifies that such a misstatement has been made.

- (10) The Depository agrees to indemnify and hold harmless the State of Mississippi for all costs or expenses incurred, should the Depository default or violate the terms and conditions of this agreements.

\_\_\_\_\_  
Name of Depository

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Typed Name and Title

\_\_\_\_\_  
Date

STATE OF MISSISSIPPI

\_\_\_\_\_ County

Personally appeared before me, the undersigned officer in and for said County and State,  
\_\_\_\_\_, an official of the Depository named above, who  
says upon his oath that the above statements are true and correct.

Sworn to and subscribed before me on this the \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Notary Public

Notary Seal

My Commission Expires\_\_\_\_\_

Accepted this 1<sup>st</sup> day of December 2023 by the State Treasurer.

\_\_\_\_\_  
David McRae  
State Treasurer



## APPLICATION AND CONTRACT FOR STATE OF MISSISSIPPI FUNDS

### Up to \$250,000 deposit insurance limit

TO THE TREASURER OF THE STATE OF MISSISSIPPI:

(1) \_\_\_\_\_, a financial institution duly organized, operating and domiciled in the State of Mississippi, whose principal place of business is located in \_\_\_\_\_, (hereinafter "Depository"), hereby requests  
(City & State)  
to be appointed, designated and commissioned a Depository for State Funds for one year beginning December 1, 2023 pursuant to Section 27-105-1, et. seq., of the Mississippi Code of 1972, annotated, as amended and to be awarded and allowed to keep, during said year, State Funds in an amount not exceeding the Federal Deposit Insurance Corporation \$250,000 deposit insurance limit.

(2) The Depository agrees that the provisions of this application, after acceptance by the State Treasurer and upon the issuance of the Commission to the applying Depository, shall become a binding contract governed and subject to the laws of the State of Mississippi.

(3) I, \_\_\_\_\_, do hereby declare that the  
(Name and Title of Officer Authorized to Sign)  
information provided in this application and supporting materials are correct to the best of my knowledge and that the application and supporting materials have been prepared in accordance with Mississippi law and applicable Federal and State regulatory agency requirements. Any knowing or willful misstatement of fact on the application or supporting materials shall subject the below-named officer to the penalty of perjury, and the financial institution of which he is an officer shall not be eligible to serve as a Depository for a period of one year commencing with the date on which the State Treasurer certified that such as misstatement has been made.

(4) The Depository agrees to indemnify and hold harmless the State of Mississippi for all costs or expenses incurred, should the Depository default or violate the terms and conditions of this agreement.

\_\_\_\_\_  
Name of Depository

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Typed Name and Title

\_\_\_\_\_  
Date

STATE OF MISSISSIPPI

\_\_\_\_\_ County

Personally appeared before me, the undersigned officer in and for said County and State, \_\_\_\_\_, an official of the Depository named above, who says upon his oath that the above statements are true and correct.

Sworn to and subscribed before me on this the \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Notary Public

Notary Seal

My Commission Expires\_\_\_\_\_

Accepted this 1<sup>st</sup> day of December 2023 by the State Treasurer.

\_\_\_\_\_  
David McRae  
State Treasurer

## APPLICATION FOR STATE OF MISSISSIPPI FUNDS

**WORKSHEET** To be completed by using your June 30, 2023

	<u>FDIC Call Report.</u>	<b>FDIC CALL REPORT</b> (in thousands)
<b>"A"</b>		
ADD	Total Bank Equity Capital (Sum of items 23 through 26C)	_____ Line 27A Sch RC
ADD	Minority Interests in Consolidated Subsidiaries	_____ Line 27B Sch RC
ADD	Allowance for Loan and Lease Losses	_____ Line 4C Sch RC
+/-	Unrealized Gain/Loss on Available for Sale Debt Securities*	_____ Line 9A Sch RC-R
ADD	Additional Tier 1 Capital Instruments	_____ Line 20 Sch RC-R
ADD	Non-Qualifying Capital Instruments Subject to Phase Out Tier 1 Capital	_____ Line 21 Sch RC-R
ADD	Tier 2 Capital Instruments	_____ Line 39 Sch RC-R
ADD	Non-Qualifying Capital Instruments Subject to Phase Out Tier 2 Capital	_____ Line 40 Sch RC-R
<b>TOTAL PRIMARY CAPITAL - TOTAL "A"</b>		_____
<b>"B"</b>		
	Total Assets	_____ Line 27 Sch RC-R
ADD	Allowance for Loan and Lease Losses	_____ Line 4C Sch RC
Deduct	Assets Classified Loss (see definitions)	_____ Provided by financial institution
Deduct	Intangible Assets Other than Mortgage Servicing Rights	_____ Line 2B & 2C Sch RC-M
<b>TOTAL ADJUSTED ASSETS TOTAL "B"</b>		_____
<b>PRIMARY CAPITAL RATIO</b>		_____
Divide Total "A" by Total "B"		_____

\* If the amount reported on Line 9A of Schedule RC-R of the FDIC Call Report for your institution is negative, and you have entered a "1" on line 3.a of Schedule RC-R of that same report, then the absolute value of the amount you reported on Line 9A of Schedule RC-R should be ADDED here. If the amount reported on Line 9A of Schedule RC-R of the FDIC Call Report for your institution is positive, and you have entered a "1" on line 3.a of Schedule RC-R of that same report, then the absolute value of the amount you reported on Line 9A of Schedule RC-R should be SUBTRACTED here.





To: Mississippi Public Depositories

From: Justin Smith, Chief Investment Officer

Date: November 4, 2022

Re: Primary Capital Ratio Calculation Guidance

In recent weeks, the Office of the State Treasurer has received several inquiries on the interpretation and calculation of the primary capital to total assets ratio requirement of five and one-half percent (5-1/2%) for financial institutions to qualify as a public funds depository, pursuant to Section 27-105-5, of the Mississippi Code of 1972, annotated, as amended. This memorandum is meant to provide guidance on the calculation used in the Application for State of Mississippi Funds and for quarterly Guaranty Pool Analysis.

During the application process, clarification was provided to ensure there was no duplication of "Unrealized Gains or Losses on Available for Sale Equity Securities", Line 9A Sch RC-R. After further research of primary capital, the current worksheet calculation, including the clarification previously issued, has been updated to be more representative and consistent with the statutory definition and how the FDIC would calculate the primary capital to total assets ratio.

The following revised worksheet removes the Accumulated Other Comprehensive Income ("AOCI") from the ratio calculation to align with the original intention of the statutory definition and representative of current federal bank capital regulations.

The Office of the State Treasurer will use this calculation for all applications already received and issue certification letters on December 1, 2022. It is not necessary to resend revised worksheets. This calculation revision will also be brought to the Guaranty Pool Board of Directors to be included in the analysis at the next meeting scheduled for December 6, 2022.