



BOARD OF GOVERNORS  
OF THE  
**FEDERAL RESERVE SYSTEM**  
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE  
TO THE BOARD

October 31, 2012

Lawrence Martinez, Esq.  
Senior Vice President and  
General Counsel  
Davidson Companies  
Davidson Building  
8 Third Street North  
P.O. Box 5015  
Great Falls, Montana 59403

Dear Mr. Martinez:

This is in response to the application by Davidson Companies, The Abigail Davidson 1997 Trust, Andrew Davidson 1999 Trust, Nicholas Descamps 1995 Trust, Ian T. Descamps 1997 Trust, Lucas Maxwell 1994 Trust, Alex Maxwell 1992 Trust, Zachary Maxwell 1999 Trust, Ryan Maxwell 1991 Trust, Casey Maxwell 1991 Trust, Davidson Companies Employee Stock Ownership Plan, Ian B. Davidson Revocable Trust, and Davidson Legacy LLC (together, the "Davidson Companies"), all of Great Falls, Montana, to deregister as savings and loan holding companies ("SLHCs") pursuant to section 604(i) of the Dodd-Frank Act, 12 U.S.C. § 1467a(a)(1)(D)(ii)(II), and the Board's Regulation LL, 12 CFR 238.4(d). The Davidson Companies seek to deregister based on the representation that the companies' subsidiary federal savings association, Davidson Trust Co. ("Trust Company"), Great Falls, Montana, qualifies as a trust-only company pursuant to section 2(c)(2)(D) of the Bank Holding Company Act, 12 U.S.C. § 1841(c)(2)(D).

The Davidson Companies are SLHCs because they own Trust Company. Trust Company is a limited-purpose savings association that serves as a trustee and custodian for its customers and provides investment management services.

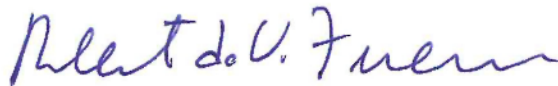
In connection with the application, the Davidson Companies and Trust Company have committed as follows:

1. Trust Company will not, without the prior approval of the Board or its staff, engage in activities beyond those that are permissible under section 5(n) of the Home Owners' Loan Act, 12 U.S.C. § 1464(n), and its implementing regulations.
2. Trust Company will hold at least 99 percent of its deposits in a trust or fiduciary capacity (excluding from the calculation the amount required to maintain deposit insurance from the Federal Deposit Insurance Corporation ("FDIC")).

3. Trust Company does not maintain and will not accept demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties or others.
4. Trust Company does not and will not make commercial loans.
5. Trust Company will not obtain payment or payment-related services from any Federal Reserve Bank and will not seek to exercise discount or borrowing privileges with the Federal Reserve.
6. No affiliates of Trust Company will offer or market deposits of Trust Company that are insured by the FDIC.

Based on the foregoing and all the facts of record, including the most recent call report and report of examination of Trust Company and consultation with the Office of the Comptroller of the Currency, Trust Company's primary federal regulator, the General Counsel and the Director of the Division of Banking Supervision and Regulation, acting pursuant to authority delegated by the Board, have approved the application by the Davidson Companies to deregister as SLHCs. This action is taken in reliance on all the facts of record, including all the representations and commitments made to the Board in connection with the application. Those representations and commitments constitute conditions imposed in writing in connection with the approval of the Davidson Companies' application to deregister as SLHCs and, as such, may be enforced in proceedings under applicable law. Any change in the representations or commitments may result in a different conclusion and should be reported to Board staff promptly.

Sincerely yours,



Robert deV. Frierson  
Secretary of the Board

cc: Ron J. Feldman, Senior Vice President  
Federal Reserve Bank of Minneapolis  
Office of the Comptroller of the Currency