

1                   A bill to be entitled  
2           An act relating to the management and  
3           regulation of financial institutions; amending  
4           s. 280.02, F.S.; revising a definition;  
5           amending s. 280.03, F.S.; allowing for the  
6           deposit of state and local government funds in  
7           qualified public depositories; amending s.  
8           655.005, F.S.; revising definitions; amending  
9           s. 655.0322, F.S.; applying prohibited acts and  
10          practices provisions to state or federal  
11          savings banks; providing penalties; amending s.  
12          655.045, F.S.; deleting a report requirement;  
13          amending s. 655.41, F.S.; revising a  
14          definition; amending s. 655.414, F.S.;  
15          requiring approval by the Department of Banking  
16          and Finance for a financial entity to acquire  
17          certain financial entities; providing for a  
18          nonrefundable filing fee; deleting a  
19          requirement to file a separate application for  
20          each branch office; amending s. 658.21, F.S.;  
21          revising criteria for approval of applications;  
22          amending s. 658.23, F.S.; clarifying  
23          information required in articles of  
24          incorporation; amending s. 658.26, F.S.;  
25          providing for approval of a branch application  
26          under certain circumstances; revising  
27          provisions providing for relocation of certain  
28          offices in this state; providing a definition;  
29          amending s. 658.295, F.S.; revising certain  
30          acquisition criteria; deleting an obsolete  
31          provision; amending s. 658.2953, F.S.;

1       correcting a threshold date reference; deleting  
 2       certain requirements for notice of  
 3       establishment and maintenance of a branch in  
 4       this state by an out-of-state bank; revising  
 5       certain filing requirements and trust powers;  
 6       amending s. 658.73, F.S.; revising application  
 7       fee provisions; providing for partial refund  
 8       under certain circumstances; amending s.  
 9       663.06, F.S.; providing for indefinite  
 10       operation of an international banking  
 11       corporation; deleting temporary operation  
 12       provisions; amending s. 663.12, F.S.;  
 13       clarifying certain filing fee provisions;  
 14       creating ss. 667.001-667.013, F.S.; providing a  
 15       short title; providing definitions; providing  
 16       applicability; providing for a name; providing  
 17       for reorganization, merger, or consolidation;  
 18       providing for conversion of certain banks or  
 19       associations to capital stock savings banks;  
 20       providing requirements; imposing a fee;  
 21       providing powers and duties of the department  
 22       under certain circumstances; providing for  
 23       acquisition of assets or control of savings  
 24       banks; providing criteria and requirements;  
 25       specifying powers of savings banks; providing  
 26       for loans and loan expenses; providing for  
 27       dealing with successors in interest; providing  
 28       for foreign savings banks; amending s. 737.101,  
 29       F.S.; clarifying application of principal place  
 30       of administration provisions to certain trusts;  
 31       exempting certain financial institutions

1 resulting from an interstate merger transaction  
2 from certain prohibitions; providing for future  
3 repeal; repealing s. 658.295(6)(e), F.S.,  
4 relating to certain notice of acquisitions;  
5 providing effective dates.  
6

7 Be It Enacted by the Legislature of the State of Florida:  
8

9 Section 1. Effective July 1, 1997, subsection (16) of  
10 section 280.02, Florida Statutes, 1996 Supplement, is amended  
11 to read:

12 280.02 Definitions.--As used in this chapter, the  
13 term:

14 (16) "Qualified public depository" means any bank,  
15 savings bank, or savings association that:

16 (a) Is organized and exists under the laws of the  
17 United States, the laws of this state or any other state or  
18 territory of the United States.

19 (b) Has its principal place of business in this state  
20 or has a branch office in this state which is authorized under  
21 the laws of this state or of the United States to receive  
22 deposits in this state.

23 (c) Has deposit insurance under the provision of the  
24 Federal Deposit Insurance Act, as amended, 12 U.S.C. ss. 1811  
25 et seq.

26 (d) Meets all the requirements of this chapter.

27 (e) Has been designated by the Treasurer as a  
28 qualified public depository ~~organized and existing under the~~  
29 ~~laws of this state and any bank or savings association~~  
30 ~~organized under the laws of the United States that has its~~  
31 ~~principal place of business in this state or has a branch~~

1 ~~office which is authorized under the laws of this state or of~~  
2 ~~the United States to receive deposits in this state, that~~  
3 ~~meets all of the requirements of this chapter, and that has~~  
4 ~~been designated by the Treasurer as a qualified public~~  
5 ~~depository.~~

6 Section 2. Paragraphs (g), (h), and (j) of subsection  
7 (1) of section 655.005, Florida Statutes, are amended to read:

8 655.005 Definitions.--

9 (1) As used in the financial institutions codes,  
10 unless the context otherwise requires, the term:

11 (g) "Federal financial institution" means a federally  
12 or nationally chartered or organized association, bank,  
13 savings bank, or credit union.

14 (h) "Financial institution" means a state or federal  
15 association, bank, savings bank, trust company, international  
16 bank agency, representative office or international  
17 administrative office, or credit union.

18 (j) "Financial institutions codes" means:

- 19 1. Chapter 655, relating to financial institutions  
20 generally;
- 21 2. Chapter 657, relating to credit unions;
- 22 3. Chapter 658, relating to banks and trust companies;
- 23 4. Chapter 660, relating to trust business;
- 24 5. Chapter 663, relating to international banking  
25 corporations; ~~and~~
- 26 6. Chapter 665, relating to associations; ~~and-~~
- 27 7. Chapter 667, relating to savings banks.

28 Section 3. Subsection (1) of section 655.0322, Florida  
29 Statutes, is amended to read:

30 655.0322 Prohibited acts and practices; criminal  
31 penalties.--

1           (1) As used in this section, the term "financial  
2 institution" means a financial institution as defined in s.  
3 655.50 which includes a state trust company, state or national  
4 bank, state or federal association, state or federal savings  
5 bank, state or federal credit union, Edge Act or agreement  
6 corporation, international bank agency, representative office  
7 or administrative office or other business entity as defined  
8 by the department by rule, whether organized under the laws of  
9 this state, the laws of another state, or the laws of the  
10 United States, which institution is located in this state.

11           Section 4. Paragraph (a) of subsection (2) of section  
12 655.045, Florida Statutes, is amended to read:

13           655.045 Examinations, reports, and internal audits;  
14 penalty.--

15           (2)(a) The department shall require each state  
16 financial institution, subsidiary, or service corporation to  
17 submit a report, at least four times each calendar year, as of  
18 such dates as the department may determine. ~~Each such report~~  
19 ~~must contain a declaration by the chief executive officer or~~  
20 ~~any other officer authorized by the board of directors to make~~  
21 ~~such declaration that the report is true and correct to the~~  
22 ~~best of his knowledge and belief.~~ Such report must include  
23 such information as the department by rule requires for that  
24 type of institution.

25           Section 5. Subsection (1) of section 655.41, Florida  
26 Statutes, is amended to read:

27           655.41 Cross-industry conversions, mergers,  
28 consolidations, and acquisitions; definitions used in ss.  
29 655.41-655.419.--As used in ss. 655.41-655.419, the term:

30           (1) "Financial entity" means an association, bank,  
31 credit union, savings bank, Edge Act or agreement corporation,

1 or trust company organized under the laws of this state or  
2 organized under the laws of the United States and having its  
3 principal place of business in this state.

4 Section 6. Section 655.414, Florida Statutes, is  
5 amended to read:

6 655.414 Acquisition of assets; assumption of  
7 liabilities.--With prior approval of the department and upon  
8 such conditions as the department prescribes by rule,any  
9 financial entity may acquire all or substantially all of the  
10 assets of, or assume the liabilities of, any other financial  
11 entity in accordance with the procedures and subject to the  
12 following conditions and limitations:

13 (1) ADOPTION OF A PLAN.--The board of directors of the  
14 acquiring or assuming financial entity and the board of  
15 directors of the transferring financial entity must adopt, by  
16 a majority vote, a plan for such acquisition, assumption, or  
17 sale on such terms as are mutually agreed upon. The plan must  
18 include:

19 (a) The names and types of financial entities  
20 involved.

21 (b) A statement setting forth the material terms of  
22 the proposed acquisition, assumption, or sale, including the  
23 plan for disposition of all assets and liabilities not subject  
24 to the plan.

25 (c) A provision for liquidation of the transferring  
26 financial entity upon execution of the plan.

27 (d) A statement that the entire transaction is subject  
28 to written approval of the department and approval of the  
29 members or stockholders of the transferring financial entity.

30 (e) If a stock financial institution is the  
31 transferring financial entity and the proposed sale is not to

1 be for cash, a clear and concise statement that dissenting  
2 stockholders of such financial entity are entitled to the  
3 rights set forth in s. 658.44(4) and (5).

4 (f) The proposed effective date of such acquisition,  
5 assumption, or sale and such other information and provisions  
6 as may be necessary to execute the transaction or as may be  
7 required by the department.

8 (2) APPROVAL OF DEPARTMENT.--Following approval by the  
9 board of directors of each participating financial entity, the  
10 plan, together with certified copies of the authorizing  
11 resolutions adopted by the boards and a completed application  
12 with a nonrefundable filing fee, must be forwarded to the  
13 department for its approval or disapproval. The department  
14 shall approve the plan of acquisition, assumption, or sale if  
15 it appears that:

16 (a) The resulting financial entity would have an  
17 adequate capital structure in relation to its activities and  
18 its deposit liabilities;

19 (b) The plan is fair to all parties; and

20 (c) The plan is not contrary to the public interest.

21  
22 If the department disapproves the plan, it shall state its  
23 objections and give an opportunity to the parties to amend the  
24 plan to overcome such objections.

25 (3) VOTE OF MEMBERS OR STOCKHOLDERS.--If the  
26 department approves the plan, it may be submitted to the  
27 members or stockholders of the transferring financial entity  
28 at an annual meeting or at any special meeting called to  
29 consider such action. Upon a favorable vote of 51 percent or  
30 more of the total number of votes eligible to be cast or, in  
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1 the case of a credit union, 51 percent or more of the members  
2 present at the meeting, the plan is adopted.

3 (4) ADOPTED PLAN; CERTIFICATE; ABANDONMENT.--

4 (a) If the plan is adopted by the members or  
5 stockholders of the transferring financial entity, the  
6 president or vice president and the cashier, manager, or  
7 corporate secretary of such financial entity shall submit the  
8 adopted plan to the department, together with a certified copy  
9 of the resolution of the members or stockholders approving it.

10 (b) Upon receipt of the certified copies and evidence  
11 that the participating financial entities have complied with  
12 all applicable federal law and regulations, the department  
13 shall certify, in writing, to the participants that the plan  
14 has been approved ~~adopted and is in compliance with the~~  
15 ~~provisions of this section.~~

16 (c) Notwithstanding approval of the members or  
17 stockholders or certification by the department, the board of  
18 directors of the transferring financial entity may, in its  
19 discretion, abandon such a transaction without further action  
20 or approval by the members or stockholders, subject to the  
21 rights of third parties under any contracts relating thereto.

22 (5) FEDERALLY CHARTERED INSTITUTION AS A  
23 PARTICIPANT.--If one of the participants in a transaction  
24 under this section is a federally chartered financial entity,  
25 all participants must also comply with such requirements as  
26 may be imposed by federal law for such an acquisition,  
27 assumption, or sale and provide evidence of such compliance to  
28 the department as a condition precedent to the issuance of a  
29 certificate authorizing the transaction; however, if the  
30 purchasing or assuming financial entity is a federally

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1 chartered financial entity, approval of the department is not  
2 required.

3 (6) STOCK INSTITUTION ACQUIRING MUTUAL INSTITUTION.--A  
4 mutual financial institution may not sell all or substantially  
5 all of its assets to a stock financial entity until it has  
6 first converted into a capital stock financial institution in  
7 accordance with s. 665.033(1) and (2). For this purpose,  
8 references in s. 665.033(1) and (2) to associations are deemed  
9 to refer also to credit unions; but, in the case of a credit  
10 union, the provision therein concerning proxy statements does  
11 not apply.

12 ~~(7) BRANCH OFFICES.--If the acquisition of assets or~~  
13 ~~assumption of liabilities includes any bank, association, or~~  
14 ~~trust company branch office, a branch application must be~~  
15 ~~filed for each proposed branch office of the acquiring or~~  
16 ~~assuming financial entity in accordance with s. 658.26.~~

17 Section 7. Subsections (1) and (4) of section 658.21,  
18 Florida Statutes, are amended to read:

19 658.21 Approval of application; findings  
20 required.--The department shall approve the application if it  
21 finds that:

22 (1) ~~Public convenience and advantage will be promoted~~  
23 ~~by the establishment of the proposed state bank or trust~~  
24 ~~company. Additionally,~~Local conditions indicate reasonable  
25 promise of successful operation for the proposed state bank or  
26 trust company ~~and those financial institutions already~~  
27 ~~established in the primary service area.~~ In determining  
28 whether an applicant meets the requirements of this  
29 subsection, the department shall consider all materially  
30 relevant factors, including:

31

1           (a) The purpose, objectives, and business philosophy  
2 ~~growth rate, size, location, financial strength, and operating~~  
3 ~~characteristics of financial institutions in the primary~~  
4 ~~service area~~ of the proposed state bank or trust company.

5           (b) The projected financial performance of the  
6 proposed bank or trust company ~~growth, economic, and~~  
7 ~~demographic characteristics of the primary service areas and~~  
8 ~~the metropolitan statistical area or county.~~

9           (c) The feasibility of the proposed bank or trust  
10 company, as stated in the business plan, particularly with  
11 respect to asset and liability growth and management.

12           (4) The proposed officers have sufficient financial  
13 institution experience, ability, standing, and reputation and  
14 the proposed directors have sufficient business experience,  
15 ability, standing, and reputation to indicate reasonable  
16 promise of successful operation, and none of the proposed  
17 officers or directors has been convicted of, or pled guilty or  
18 nolo contendere to, any violation of s. 655.50, relating to  
19 the Florida Control of Money Laundering in Financial  
20 Institutions Act; chapter 896, relating to offenses related to  
21 financial institutions; or any similar state or federal law.  
22 At least one of the proposed directors who is not also a  
23 proposed officer shall have had at least 1 year direct  
24 experience as an executive officer, regulator, or director of  
25 a financial institution within 3 years of the date of the  
26 application. This requirement may be waived by the department  
27 if the applicant demonstrates that the proposed director has  
28 very substantial experience as an executive officer, director,  
29 or regulator of a financial institution more than 3 years  
30 before the date of the application. The proposed president or  
31 chief executive officer shall have had at least 1 year of

1 direct experience as an executive officer, director, or  
2 regulator of a financial institution within the last 3 years.

3 Section 8. Paragraph (g) of subsection (2) of section  
4 658.23, Florida Statutes, is amended to read:

5 658.23 Submission of articles of incorporation;  
6 contents; form; approval; filing; commencement of corporate  
7 existence; bylaws.--

8 (2) The articles of incorporation shall contain:

9 (g) The number of directors, which shall be five or  
10 more, and the names and street addresses of the members of the  
11 initial ~~first~~ board of directors.

12

13 The department shall provide to the proposed directors form  
14 articles of incorporation which shall include only those  
15 provisions required by this section or by chapter 607. The  
16 form articles shall be acknowledged by the proposed directors  
17 and returned to the department for filing with the Department  
18 of State.

19 Section 9. Section 658.26, Florida Statutes, 1996  
20 Supplement, is amended to read:

21 658.26 Places of transacting business; branches;  
22 facilities.--

23 (1) Any bank or trust company heretofore or hereafter  
24 incorporated pursuant to this chapter shall have one main  
25 office, which shall be located within the state.

26 (2)(a) In addition, with the approval of the  
27 department and upon such conditions as the department  
28 prescribes, any bank or trust company may establish branches  
29 within or outside the state. With the approval of the  
30 department upon a determination that the resulting bank or  
31 trust company will be of sound financial condition, any bank

1 or trust company incorporated pursuant to this chapter may  
2 establish branches by merger with any other bank or trust  
3 company.

4 (b) An application for a branch shall be in writing in  
5 such form as the department prescribes and be supported by  
6 such information, data, and records as the department may  
7 require to make findings necessary for approval. Applications  
8 filed pursuant to this subsection shall not be published in  
9 the Florida Administrative Weekly but shall otherwise be  
10 subject to the provisions of chapter 120. Upon the filing of  
11 an application and a nonrefundable filing fee for the  
12 establishment of any branch permitted by paragraph (a), the  
13 department shall make an investigation with respect to  
14 compliance with the requirements of paragraph (a) and shall  
15 investigate and consider all factors relevant to such  
16 requirements, including the following:

17 1. The sufficiency of capital accounts in relation to  
18 the deposit liabilities of the bank, or in relation to the  
19 number and valuation of fiduciary accounts of the trust  
20 company, including the proposed branch, and the additional  
21 fixed assets, if any, which are proposed for the branch and  
22 its operations, without undue risk to the bank or its  
23 depositors, or undue risk to the trust company or its  
24 fiduciary accounts;

25 2. The sufficiency of earnings and earning prospects  
26 of the bank or trust company to support the anticipated  
27 expenses and any anticipated operating losses of the branch  
28 during its formative or initial years;

29 3. The sufficiency and quality of management available  
30 to operate the branch;

31

1           4. The name of the proposed branch to determine if it  
2 reasonably identifies the branch as a branch of the main  
3 office and is not likely to unduly confuse the public; and

4           5. Substantial compliance by the applicants with  
5 applicable law governing their operations.

6           (c) A branch application, filed by a strong,  
7 well-managed state bank or trust company, which is not denied  
8 within 10 working days after receipt of the application shall  
9 be deemed approved unless the department notifies the  
10 financial institution in writing that the application was not  
11 complete.

12           (3)(a) ~~An office in this state which has been in~~  
13 ~~operation for at least 18 months may be relocated within this~~  
14 ~~state upon 30 days' prior written notification to the~~  
15 ~~department. An office in this state which has been open for~~  
16 ~~less than 18 months may be relocated within this state with~~  
17 ~~prior written approval of the department, if the relocation~~  
18 ~~will not create an unsafe and unsound condition. An~~  
19 application for relocation shall be in writing in such form as  
20 the department prescribes and shall be supported by such  
21 information, data, and records as the department may require  
22 to make findings necessary for approval.~~Additional~~  
23 ~~investments in land, buildings, leases, and leasehold~~  
24 ~~improvements resulting from such relocation shall comply with~~  
25 ~~the limitations imposed by s. 658.67(7)(a). The location of~~  
26 ~~an office may not be moved beyond the limits of the county or~~  
27 ~~counties in which the bank or trust company maintains~~  
28 ~~authorized bank or trust company offices and may not be moved~~  
29 ~~outside this state unless expressly authorized by the~~  
30 ~~financial institutions codes or by federal law.~~

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1           (b) Applications filed pursuant to this subsection  
2 shall not be published in the Florida Administrative Weekly  
3 but shall otherwise be subject to the provisions of chapter  
4 120. However, an application for the relocation of a main  
5 office that has not been in operation for at least 24 months  
6 shall be published in the Florida Administrative Weekly. Upon  
7 the filing of a relocation application and a nonrefundable  
8 filing fee, the department shall investigate to determine  
9 substantial compliance by the financial institution with  
10 applicable law governing its operations. Additional  
11 investments in land, buildings, leases, and leasehold  
12 improvements resulting from such relocation shall comply with  
13 the limitations imposed by s. 658.67(7)(a). A main office may  
14 not be moved outside this state unless expressly authorized by  
15 the financial institutions codes or by federal law. The  
16 ~~redesignation of a main office and a branch office within this~~  
17 ~~state may be made with prior written notification to the~~  
18 ~~department. However, the redesignation of the main office~~  
19 ~~during the bank or trust company's first 18 months of~~  
20 ~~operation requires the prior written approval of the~~  
21 ~~department.~~

22           (c) A relocation application, filed by a strong,  
23 well-managed state bank or trust company, which is not denied  
24 within 10 working days after receipt shall be deemed approved  
25 unless the department notifies the financial institution in  
26 writing that the application was not complete.

27           (d) In addition to the application required by  
28 paragraph (a), a financial institution whose main office in  
29 this state has been in operation less than 24 months must  
30 provide evidence that the criteria of s. 658.21(1) will be  
31 met.

1           (e) With 30 days' prior written notice, an established  
2 branch office may be consolidated with another established  
3 branch office when the two offices are located within a 1-mile  
4 radius. The notice shall include any information the  
5 department may prescribe by rule.

6           (f) A branch office may be closed with 30 days' prior  
7 written notice to the department. The notice shall include any  
8 information the department may prescribe by rule.

9           (4) With prior written notification to the department,  
10 any bank may operate facilities which are not physically  
11 connected to the main or branch office of the bank, provided  
12 that the facilities are situated on the property of the main  
13 or branch office or property contiguous thereto. Property  
14 which is separated from the main or branch office of a bank by  
15 only a street, and one or more walkways and alleyways are  
16 determined to be, for purposes of this subsection, contiguous  
17 to the property of the main or branch office.

18           (5) A bank may provide, directly or through a contract  
19 with another company, off-premises armored car service to its  
20 customers. Armored car services shall not be considered a  
21 branch for the purposes of subsection (2).

22           (6)(a) Any state bank that is a subsidiary of a bank  
23 holding company may agree to receive deposits, renew time  
24 deposits, close loans, service loans, and receive payments on  
25 loans and other obligations, as an agent for an affiliated  
26 depository institution.

27           (b) The term "close loan" does not include the making  
28 of a decision to extend credit or the extension of credit.

29           (c) As used in this section, "receive deposits" means  
30 the taking of deposits to be credited to an existing account  
31 and does not include the opening or origination of new deposit

1 accounts at an affiliated institution by the agent  
2 institution.

3 (d) Under this section, affiliated banks may act as  
4 agents for one another regardless of whether the institutions  
5 are located in the same or different states. This section  
6 applies solely to affiliated depository institutions acting as  
7 agents, and has no application to agency relationships  
8 concerning nondepositories as agent, whether or not affiliated  
9 with the depository institution.

10 (e) In addition, under this section, agent banks may  
11 perform ministerial functions for the principal bank making a  
12 loan. Ministerial functions include, but are not limited to,  
13 such activities as providing loan applications, assembling  
14 documents, providing a location for returning documents  
15 necessary for making the loan, providing loan account  
16 information, and receiving payments. It does not include such  
17 loan functions as evaluating applications or disbursing loan  
18 funds.

19  
20 For the purposes of this section, a strong, well-managed state  
21 bank or trust company is an institution that has been in  
22 operation for at least 24 months, is well capitalized, has  
23 received a satisfactory rating at the institution's most  
24 recent state or federal safety and soundness examination, and  
25 is not the object of any enforcement action.

26 Section 10. Paragraph (b) of subsection (3) and  
27 paragraph (a) of subsection (8) of section 658.295, Florida  
28 Statutes, 1996 Supplement, are amended to read:

29 658.295 Interstate banking.--

30 (3) STATEMENT OF LEGISLATIVE INTENT.--In general,  
31 states have a strong interest in the activities and operations



1 of depository institutions doing business within their  
2 jurisdictions, regardless of the type of charter an  
3 institution holds. In particular, states have a legitimate  
4 interest in protecting the rights of consumers, businesses,  
5 and communities. Further, Congress did not intend that the  
6 Interstate Banking and Branching Efficiency Act of 1994 alter  
7 this balance and thereby weaken states' authority to protect  
8 the interests of consumers, businesses, or communities.

9 (b) Nothing in this section shall be construed to  
10 prohibit the acquisition by an out-of-state bank holding  
11 company of all or substantially all of the shares of a bank  
12 organized solely for the purpose of facilitating the  
13 acquisition of a bank that has been in existence and  
14 continuously operated as a bank for more than 3 ~~2~~ years, if  
15 the acquisition has otherwise been approved pursuant to this  
16 section.

17 (8) STANDARDS FOR APPROVAL.--Except as otherwise  
18 provided in this section:

19 (a) No direct or indirect acquisition of a Florida  
20 bank or a Florida bank holding company by a bank holding  
21 company shall be permitted unless the Florida bank or all  
22 Florida bank subsidiaries of the bank holding company to be  
23 acquired have been in existence and continuously operating, on  
24 the date of such acquisition, for more than 3 years. ~~Provided~~  
25 ~~however, that this subsection shall not prohibit approval of~~  
26 ~~any acquisition otherwise lawful for which a definitive~~  
27 ~~agreement for acquisition is entered into within 6 months of~~  
28 ~~the effective date of this statute.~~

29 Section 11. Subsections (2), (6), (8), and (14) of  
30 section 658.2953, Florida Statutes, 1996 Supplement, are  
31 amended to read:

1           658.2953 Interstate branching.--

2           (2) PURPOSE.--The purpose of this section is to permit  
3 interstate branching, effective May 31 ~~June 1~~, 1997, by a  
4 merger transaction under s. 102 of the Riegle-Neal Interstate  
5 Banking and Branching Efficiency Act of 1994, Pub. L. No.  
6 103-328, in accordance with this section.

7           (6) AUTHORITY OF STATE BANKS TO ESTABLISH INTERSTATE  
8 BRANCHES BY MERGER.--Beginning May 31 ~~June 1~~, 1997, with the  
9 prior written approval of the department, a state bank may  
10 establish, maintain, and operate one or more branches in a  
11 state other than this state pursuant to an interstate merger  
12 transaction in which the state bank is the resulting bank. No  
13 later than the date on which the required application for the  
14 interstate merger transaction is filed with the responsible  
15 federal bank regulatory agency, the applicant state bank shall  
16 file an application on a form prescribed by the department  
17 accompanied by the required fee pursuant to s. 658.73. The  
18 applicant shall also comply with the provisions of ss.  
19 658.40-658.45. branching.--

20           (8) NOTICE AND FILING REQUIREMENTS.--Any out-of-state  
21 bank that will be the resulting bank pursuant to an interstate  
22 merger transaction involving a Florida bank shall notify the  
23 department of the proposed merger within 15 days after the  
24 date on which it files an application for an interstate merger  
25 transaction with the appropriate federal regulatory agency. ~~A~~  
26 ~~copy of the application shall be submitted to the department~~  
27 ~~accompanied by the required filing fee, pursuant to s. 658.73.~~  
28 ~~Any out-of-state bank that shall be the resulting bank in such~~  
29 ~~an interstate merger transaction shall comply with applicable~~  
30 ~~requirements of ss. 607.1501-607.1532.~~

31           (14) ADDITIONAL BRANCHES; POWERS.--

1 (a) An out-of-state bank or bank holding company that  
2 has acquired a bank in this state pursuant to s. 658.295, or  
3 by interstate merger pursuant to this section, may establish  
4 an additional branch or additional branches in this state to  
5 the same extent that any Florida bank may establish a branch  
6 or branches in this state.

7 ~~(b) An out-of-state bank desiring to establish and~~  
8 ~~maintain a branch in this state pursuant to this section shall~~  
9 ~~provide written notice of the proposed transaction to the~~  
10 ~~department within 15 days after the date on which the bank~~  
11 ~~applies to the responsible federal bank regulatory agency for~~  
12 ~~approval to establish the branch. The filing of such notice~~  
13 ~~shall be accompanied by the filing fee pursuant to s. 658.73.~~

14 (b)(c) An out-of-state bank may conduct only those  
15 activities at its Florida branch or branches that are  
16 authorized under the laws of this state or of the United  
17 States. However, an out-of-state bank with trust powers  
18 resulting from an interstate merger transaction with one or  
19 more Florida banks with trust powers shall be entitled to and  
20 may exercise all trust powers in this state as a Florida bank  
21 with trust powers that participated in the transaction.

22 Section 12. Subsections (2) and (3) of section 658.73,  
23 Florida Statutes, 1996 Supplement, are amended to read:

24 658.73 Fees and assessments.--

25 (2) Applications filed with the department shall be  
26 accompanied by payment of the following nonrefundable fees:

27 (a) Fifteen thousand dollars for each application for  
28 authority to organize a new state bank or state trust company.

29 (b) Two thousand five hundred dollars for each  
30 application by an existing bank or association for trust  
31 powers.

1           (c) Seven thousand five hundred dollars for each  
2 application for authority to acquire a controlling interest in  
3 a state bank or state trust company; however, if more than one  
4 bank or trust company is being acquired in any such  
5 application, the fee shall be increased by \$3,500 for each  
6 additional bank or trust company. However, in no event shall  
7 the fee exceed \$15,000.

8           (d) Seven thousand five hundred dollars for each  
9 application for conversion of a national bank to a state bank.

10           (e) Seven ~~Two thousand five~~ hundred fifty dollars for  
11 each application to establish a branch of a strong,  
12 well-managed state bank, ~~an out-of-state bank, or a state~~  
13 trust company as defined in s. 658.26. One thousand five  
14 hundred dollars for each application to establish a branch by  
15 any other state bank or state trust company.

16           (f) One thousand five hundred dollars for each  
17 application for authority to establish a trust service office  
18 of a state trust company or of a trust department of a state  
19 bank or association, and a like amount for each application by  
20 a bank or association with trust powers which is not a state  
21 bank or state association for authority to establish a trust  
22 service office at a state bank, state association, or state  
23 credit union.

24           (g) Seven thousand five hundred dollars for each  
25 application for a merger or consolidation; however, if three  
26 or more banks or trust companies are involved in any such  
27 application, the fee shall be \$3,500 for each involved  
28 institution. However, in no event shall the fee exceed  
29 \$15,000.

30           (h) Two thousand five hundred dollars to establish a  
31 successor institution.

1           (i) Two hundred fifty dollars for each application by  
2 a strong, well-managed state bank or trust company, as defined  
3 in s. 658.26, to relocate the main office of a state bank or a  
4 state trust company. Each other state bank or trust company  
5 shall pay a fee of \$750 for each application for relocation of  
6 its main office.~~Seven thousand five hundred dollars for each~~  
7 ~~application by an out-of-state bank holding company to make an~~  
8 ~~acquisition pursuant to s. 658.295.~~

9           (j) Two thousand five hundred dollars for each  
10 application for the purchase of assets and the assumption of  
11 liabilities. If, as a result of such application, the  
12 applicant will establish more than 10 branch offices within  
13 this state, an application fee of \$100 is required for each  
14 additional branch office.

15           (3)(a) If, as a result of any application filed with  
16 the department, the department determines that an examination  
17 is necessary to assess the financial condition of any  
18 financial institution, the applying financial institution  
19 shall pay to the department a nonrefundable examination fee,  
20 pursuant to s. 655.045(1).

21           (b) The department may refund up to one-half of the  
22 fee submitted with an application if the application is  
23 withdrawn by the applicant prior to publication in the Florida  
24 Administrative Weekly.

25           (4)~~(3)~~ The amounts of all fees and assessments  
26 provided for in this section shall be deemed to be maximum  
27 amounts; and the department has the authority to establish, by  
28 rule, and from time to time to change, fees and assessments in  
29 amounts less than the maximum amounts stated in this section.

30           Section 13. Section 663.06, Florida Statutes, is  
31 amended to read:

1           663.06 Licenses; permissible activities.--

2           (1) An international banking corporation licensed to  
3 operate an office in this state may engage in the business  
4 authorized by this part at the office specified in such  
5 license for an indefinite such period ~~as is provided in~~  
6 ~~subsection (2) or subsection (3)~~. An international banking  
7 corporation may operate more than one international bank  
8 agency, international branch, or international representative  
9 office, each at a different place of business, provided that  
10 each office shall be separately licensed. No license to  
11 operate an international bank office is transferable or  
12 assignable. However, the location of an international bank  
13 office may be changed after notification of the department.  
14 Every such license shall be, at all times, conspicuously  
15 displayed in the place of business specified therein.

16           ~~(2) Except as provided in subsection (3), a license to~~  
17 ~~operate an international bank agency, international branch,~~  
18 ~~international representative office, or international~~  
19 ~~administrative office shall be valid for a period of 1 year,~~  
20 ~~unless such license is suspended or revoked sooner pursuant to~~  
21 ~~subsection (5). The license may be renewed annually upon~~  
22 ~~application to the department, upon forms available for that~~  
23 ~~purpose, within 30 days prior to the expiration of the~~  
24 ~~license. The license may be renewed by the department, in its~~  
25 ~~discretion, upon its determination, with or without~~  
26 ~~examination, that the international banking corporation is in~~  
27 ~~a safe and sound condition and has complied with all~~  
28 ~~requirements of law with respect to the international bank~~  
29 ~~agency, international branch, international representative~~  
30 ~~office, or international administrative office; that the~~  
31 ~~renewal of the license will not be detrimental to the public~~

1 ~~interest; and that the renewal has been duly authorized by~~  
2 ~~proper corporate action. Each application for renewal of a~~  
3 ~~license shall be accompanied by the fee prescribed in s.~~  
4 ~~663.12.~~

5 ~~(3) Notwithstanding the provisions of subsection (2),~~  
6 ~~the department may, in its discretion, issue a license to an~~  
7 ~~international banking corporation for an indefinite period if~~  
8 ~~it finds that the international banking corporation has~~  
9 ~~satisfied the requirements for renewal of its license and has~~  
10 ~~held a license for the previous 3 years. However, an~~  
11 ~~indefinite license to operate an international bank agency or~~  
12 ~~international branch may not be issued to an international~~  
13 ~~banking corporation unless it has held one or the other of~~  
14 ~~such licenses for at least 3 years. A license issued for an~~  
15 ~~indefinite period shall be valid without renewal unless~~  
16 ~~suspended or revoked pursuant to subsection (5). An~~  
17 ~~international banking corporation that is granted a license~~  
18 ~~for an indefinite period shall file with the department such~~  
19 ~~annual financial statements as the department may require and~~  
20 ~~shall pay an annual fee equal to the annual renewal fee for~~  
21 ~~each license held by the international banking corporation.~~  
22 ~~Such annual fee shall be paid not later than January 31 of~~  
23 ~~each year.~~

24 ~~(2)~~(4) An international banking corporation which  
25 proposes to terminate the operations of its international bank  
26 agency, international branch, international representative  
27 office, or international administrative office shall surrender  
28 its license to the department and comply with such procedures  
29 as the department may prescribe by rule.

30 ~~(3)~~(5) An international bank agency, international  
31 branch, international representative office, or international

1 administrative office license may be suspended or revoked by  
2 the department, with or without examination, upon its  
3 determination that the international banking corporation does  
4 not meet all requirements for original licensing ~~or any of the~~  
5 ~~criteria established by subsection (2) for renewal of a~~  
6 ~~license~~. The department may by rule prescribe additional  
7 conditions or standards under which the license of an  
8 international bank agency, international branch, international  
9 representative office, or international administrative office  
10 may be suspended or revoked.

11 (4)~~(6)~~ In the event any such license is surrendered by  
12 the international banking corporation or is suspended or  
13 revoked by the department, ~~or the renewal thereof is refused~~  
14 ~~by the department~~, all rights and privileges of the  
15 international banking corporation to transact the business  
16 thus licensed shall cease. The department shall, by rule,  
17 prescribe procedures for the surrender of a license and for  
18 the orderly cessation of business by an international banking  
19 corporation in a manner which is not harmful to the interests  
20 of its customers or of the public.

21 (5)~~(7)~~ In addition to the activities in which it is  
22 expressly permitted to engage:

23 (a) An international branch may engage in any  
24 activities permissible for an international bank agency.

25 (b) An international bank agency may engage in any  
26 activities permissible for an international administrative  
27 office.

28 (c) An international administrative office may engage  
29 in any activities permissible for an international  
30 representative office.

31



1           Section 14. Paragraph (e) of subsection (1) and  
2 subsection (2) of section 663.12, Florida Statutes, are  
3 amended to read:

4           663.12 Fees; assessments; fines.--

5           (1) Each application for a license under the  
6 provisions of this part shall be accompanied by a  
7 nonrefundable filing fee payable to the department in the  
8 following amount:

9           (e) Two thousand dollars annually for operating an  
10 international representative office or international  
11 administrative office ~~the annual renewal of an existing~~  
12 ~~license.~~

13           (2) Each international bank agency, international  
14 branch and state-chartered investment company shall pay to the  
15 department a semiannual assessment, payable on or before  
16 January 31 and July 31 of each year, in an amount determined  
17 by rule by the department and calculated in a manner so as to  
18 recover the costs of the department incurred in connection  
19 with the supervision of international banking activities  
20 licensed under this part. These rules shall provide for  
21 uniform rates of assessment for all licenses of the same type,  
22 shall provide for declining rates of assessment in relation to  
23 the total assets of the licensee held in the state, but shall  
24 not, in any event, provide for rates of assessment which  
25 exceed the rate applicable to state banks pursuant to s.  
26 658.73, unless the rate of assessment would result in a  
27 semiannual assessment of less than \$1,000. For the purposes  
28 of this subsection, the total assets of an international bank  
29 agency, international branch, or state-chartered investment  
30 company shall include amounts due the agency or branch or  
31 state investment company from other offices, branches, or

1 subsidiaries of the international banking corporations or  
2 other corporations of which the agency, branch, or  
3 state-chartered investment company is a part or from entities  
4 related to that international banking corporation.

5 Section 15. Sections 667.001, 667.002, 667.003,  
6 667.004, 667.005, 667.006, 667.007, 667.008, 667.009, 667.010,  
7 667.011, 667.012, and 667.013, Florida Statutes, are created  
8 to read:

9 667.001 Short title.--This chapter may be cited as the  
10 "Florida Savings Bank Act."

11 667.002 Definitions.--Except to the extent  
12 specifically qualified by context, when used in this chapter:

13 (1) "Capital stock" means the aggregate of shares of  
14 nonwithdrawable capital issued by a capital stock association,  
15 but does not include nonwithdrawable capital represented by  
16 capital certificates.

17 (2) "Dwelling unit" means a single, unified  
18 combination of rooms which is designed for residential use by  
19 one family in a multiple dwelling unit structure and which is  
20 not "home property."

21 (3) "Earnings" means that part of the sources  
22 available for payment of earnings of a savings bank which is  
23 declared payable on savings accounts from time to time by the  
24 board of directors and is the cost of savings money to the  
25 savings bank. Earnings also may be referred to as "interest."

26 (4) "Home property" means real estate on which is  
27 located, or will be located pursuant to a real estate loan, a  
28 structure designed for residential use by one family or a  
29 single condominium unit, including common elements pertinent  
30 to such unit, designed for residential use by one family in a

31

1 multiple-dwelling-unit structure or complex and including  
2 fixtures, home furnishings, and equipment.

3 (5) "Liquid assets" means:

4 (a) Cash on hand.

5 (b) Cash on deposit in a federal home loan bank or  
6 federal reserve bank, or a state bank which performs similar  
7 reserve functions, and which is withdrawable upon not more  
8 than 30 days' notice and which is not pledged as security for  
9 indebtedness. Any deposits in a financial depository  
10 institution under the control of or in the possession of any  
11 supervisory authority are not liquid assets.

12 (c) Obligations of, or obligations which are fully  
13 guaranteed as to principal and interest by, the United States  
14 or this state.

15 (d) Such other assets as may be approved by the  
16 department which are accepted as liquid assets for federally  
17 insured savings banks by the appropriate federal regulatory  
18 agency.

19 (6) "Net income" means gross revenues for an  
20 accounting period, less all expenses paid or incurred, taxes,  
21 and losses sustained as shall not have been charged to  
22 reserves pursuant to the provisions of this chapter.

23 (7) "Primarily residential property" means real estate  
24 on which there is located, or will be located pursuant to a  
25 real estate loan:

26 (a) Any structure designed or used primarily for  
27 residential rather than nonresidential purposes and consisting  
28 of more than one dwelling unit.

29 (b) Any structure designed or used primarily for  
30 residential rather than nonresidential purposes for students,  
31 residents and persons under care, employees, or members of the

1 staff of an educational, health, or welfare institution or  
2 facility.

3 (c) Any structure which is used in part for  
4 residential purposes for not more than one family and in part  
5 for business purposes, provided the residential use of such  
6 structure must be substantial and permanent, not merely  
7 transitory.

8 (8) "Real estate loan" means any loan or other  
9 obligation secured by a lien on real estate in any state held  
10 in fee or in a leasehold extending or renewable automatically  
11 for a period of at least 15 years beyond the date scheduled  
12 for the final principal payment of such loan or obligation, or  
13 any transaction out of which a lien or claim is created  
14 against such real estate, including, but not limited to, the  
15 purchase of such real estate in fee by a savings bank and the  
16 concurrent or immediate sale of such real estate on  
17 installment contract.

18 (9) "Savings account" means that part of the savings  
19 liability of the savings bank which is credited to the account  
20 of the holder of such account. A savings account also may be  
21 referred to as a "savings deposit."

22 (10) "Savings bank" means a capital stock or mutual  
23 savings bank subject to the provisions of this chapter.

24 (11) "Savings liability" means the aggregate amount of  
25 savings accounts of depositors, including earnings credited to  
26 such accounts, less redemptions and withdrawals.

27 (12) "State savings bank" means any savings bank which  
28 has an existing savings bank charter issued pursuant to the  
29 provisions of the financial institutions codes.

30 (13) "Stockholder" means the holder of one or more  
31 shares of any class of capital stock of a capital stock

1 savings bank organized or operating pursuant to the provisions  
2 of this chapter.

3 667.003 Applicability of chapter 658.--Any state  
4 savings banks is subject to all the provisions, and entitled  
5 to all the privileges, of the financial institutions codes  
6 except where it appears, from the context or otherwise, that  
7 such provisions clearly apply only to banks or trust companies  
8 organized under the laws of this state or the United States.  
9 Without limiting the foregoing general provisions, it is the  
10 intent of the Legislature that the following provisions apply  
11 to a savings bank to the same extent as if the savings bank  
12 were a "bank" operating under such provisions:

13 (1) Section 658.12, relating to definitions.

14 (2) Section 658.16, relating to creation of banking or  
15 trust corporation.

16 (3) Section 658.19, relating to application for  
17 authority to organize a bank or trust company.

18 (4) Section 658.20, relating to investigation by  
19 department.

20 (5) Section 658.21, relating to approval of  
21 application; findings required.

22 (6) Section 658.22, relating to coordination with  
23 federal agencies.

24 (7) Section 658.23, relating to submission of articles  
25 of incorporation; contents; form; approval; filing;  
26 commencement of corporate existence; bylaws.

27 (8) Section 658.235, relating to subscriptions for  
28 stock; approval of major shareholders.

29 (9) Section 658.24, relating to organizational  
30 procedures.

31 (10) Section 658.25, relating to opening for business.

- 1           (11) Section 658.26, relating to places of transacting  
2 business; branches; facilities.
- 3           (12) Section 658.295, relating to interstate banking.
- 4           (13) Section 658.2953, relating to interstate  
5 branching.
- 6           (14) Section 658.30, relating to application of the  
7 Florida Business Corporation Act.
- 8           (15) Section 658.32, relating to annual meetings.
- 9           (16) Section 658.33, relating to directors, number,  
10 qualifications; officers.
- 11           (17) Section 658.34, relating to shares of capital  
12 stock.
- 13           (18) Section 658.35, relating to share options;  
14 warrants.
- 15           (19) Section 658.36, relating to changes in capital.
- 16           (20) Section 658.37, relating to dividends and  
17 surplus.
- 18           (21) Section 658.38, relating to deposit insurance.
- 19           (22) Section 658.39, relating to stockholders;  
20 examination of records.
- 21           (23) Section 658.40, relating to definitions for  
22 merger and consolidation.
- 23           (24) Section 658.41, relating to merger; resulting  
24 state or national bank.
- 25           (25) Section 658.42, relating to plan of merger and  
26 merger agreement.
- 27           (26) Section 658.43, relating to approval by  
28 department; valuation of assets; emergency action.
- 29           (27) Section 658.44, relating to approval by  
30 stockholders; rights of dissenters; preemptive rights.
- 31

- 1        (28) Section 658.45, relating to certificate of merger  
2 and effective date; effect on charters and powers.
- 3        (29) Section 658.48, relating to loans.
- 4        (30) Section 658.49, relating to loans by banks not  
5 exceeding \$50,000.
- 6        (31) Section 658.491, relating to commercial loans by  
7 financial institutions.
- 8        (32) Section 658.51, relating to banks authorized to  
9 make commodity loans.
- 10       (33) Section 658.53, relating to borrowing; limits of  
11 indebtedness.
- 12       (34) Section 658.60, relating to depositories of  
13 public moneys and pledge of assets.
- 14       (35) Section 658.65, relating to remote financial  
15 service units.
- 16       (36) Section 658.67, relating to investment powers and  
17 limitations.
- 18       (37) Section 658.73, relating to fees and assessments.
- 19       (38) Section 658.79, relating to taking possession of  
20 insolvent state banks or trust companies.
- 21       (39) Section 658.80, relating to appointment of  
22 receiver or liquidator.
- 23       (40) Section 658.81, relating to department action;  
24 notice and court confirmation.
- 25       (41) Section 658.82, relating to receiver; powers and  
26 duties.
- 27       (42) Section 658.83, relating to liquidator; powers  
28 and duties.
- 29       (43) Section 658.84, relating to transfers by banks  
30 and other acts in contemplation of insolvency.
- 31

1       (44) Section 658.90, relating to receivers or  
2 liquidators under supervision of department.

3       (45) Section 658.94, relating to prima facie evidence.

4       (46) Section 658.95, relating to voluntary  
5 liquidation.

6       (47) Section 658.96, relating to procedure in  
7 voluntary liquidation.

8       667.004 Name.--The name of every savings bank shall  
9 include the words "savings bank." The use of the words  
10 "National," "Federal," "United States," "insured," or  
11 "guaranteed," separately or in any combination thereof with  
12 other words or syllables, is prohibited as part of the  
13 corporate name of a savings bank.

14       667.005 Reorganization, merger, or consolidation with  
15 a foreign savings bank.--

16       (1) A savings bank shall have the power to reorganize,  
17 merge, or consolidate with a foreign savings bank, as defined  
18 in s. 667.013, subject to the approval of the department.

19       (2) If the resulting or surviving savings bank is to  
20 be a foreign savings bank, the department shall not approve  
21 the proposed transaction unless:

22       (a) The laws of the state in which the foreign savings  
23 bank has its principal place of business permit savings banks  
24 in that state to reorganize, merge, or consolidate with  
25 Florida savings banks in transactions in which the resulting  
26 or surviving savings bank is a Florida savings bank.

27       (b) The constituent Florida savings bank has been in  
28 existence and continuously operating for more than 2 years.

29       (3) A proposed transaction in which the resulting or  
30 surviving savings bank is to be a foreign savings bank shall  
31 be subject to any conditions, restrictions, and requirements



1 that would apply in the state where the foreign savings bank  
2 has its principal place of business if the resulting or  
3 surviving savings bank were to be a Florida savings bank,  
4 which conditions, restrictions, and requirements would not  
5 apply to a reorganization, merger, or consolidation of savings  
6 banks all of which are located in that state.

7 (4) A foreign savings bank which is the resulting or  
8 surviving savings bank in a reorganization, merger, or  
9 consolidation with a Florida savings bank shall not be  
10 considered a Florida savings bank.

11 (5) Each application for reorganization, merger, or  
12 consolidation with a foreign savings bank shall be accompanied  
13 by a nonrefundable filing fee as provided in s. 658.73(2)(g).

14 667.006 Conversion of state or federal mutual savings  
15 bank or state or federal mutual association to capital stock  
16 savings bank.--

17 (1) CONVERSION INTO CAPITAL STOCK SAVINGS BANK.--Any  
18 state or federal mutual savings bank or state or federal  
19 mutual association may apply to the department for permission  
20 to convert itself into a capital stock savings bank operated  
21 under the provisions of this chapter in accordance with the  
22 following procedures:

23 (a) The board of directors shall approve a plan of  
24 conversion by resolution adopted by a majority vote of all the  
25 directors. The plan shall include, but not be limited to:

26 1. Financial statements of the savings bank as of the  
27 last day of the month preceding adoption of the plan.

28 2. Such financial data as may be required to determine  
29 compliance with applicable regulatory requirements respecting  
30 financial condition.

31

1           3. A provision that each savings account holder of the  
2 mutual savings bank will receive a withdrawable account in the  
3 capital stock savings bank equal in amount to his withdrawable  
4 account in the mutual savings bank.

5           4. A provision that each member of record will be  
6 entitled to receive rights to purchase voting common stock.

7           5. Pro forma financial statements of the savings bank  
8 as a capital stock savings bank, which shall include data  
9 required to determine compliance with applicable regulatory  
10 requirements respecting financial condition.

11           6. With particularity, the business purpose to be  
12 accomplished by the conversion.

13           7. Such other information as the department may  
14 require by rule.

15           (b) The plan of conversion shall be executed by a  
16 majority of the board of directors and submitted to the  
17 department for approval prior to any vote on conversion by the  
18 members.

19           (c) The department may approve or disapprove the plan  
20 in its discretion, but it shall not approve the plan unless it  
21 finds that the savings bank will comply sufficiently with the  
22 requirements of the financial institutions codes after  
23 conversion to entitle it to become a savings bank operating  
24 under the financial institutions codes and the rules of the  
25 department. The department may deny any application from any  
26 federal savings bank that is subject to any cease and desist  
27 order or other supervisory restriction or order imposed by any  
28 state or the federal supervisory authority, or insurer, or  
29 guarantor or that has been convicted of, or pled guilty or  
30 nolo contendere to, a violation of s. 655.50, relating to the  
31 Florida Control of Money Laundering in Financial Institutions

1 Act; chapter 896, relating to offenses related to financial  
2 transactions; or any similar state or federal law.

3 (d) If the department approves the plan of conversion,  
4 the question of such conversion may be submitted to the  
5 members at a meeting of voting members called to consider such  
6 action. A vote of 51 percent or more of the total number of  
7 votes eligible to be cast shall be required for approval,  
8 unless federal law permits a lesser percentage of votes for a  
9 federal mutual savings bank to convert, in which case that  
10 percentage shall control. Notice of the meeting, giving the  
11 time, place, and purpose thereof, together with a proxy  
12 statement and proxy form covering all matters to be brought  
13 before the meeting, shall be mailed at least 30 days prior to  
14 the meeting to the department for review and to each voting  
15 member at his or her last address as shown on the books of the  
16 savings bank.

17 (2) MINUTES OF MEETING.--Copies of the minutes of the  
18 meeting of members, verified by the affidavit of the secretary  
19 or assistant secretary of the savings bank, shall be filed  
20 with the department and with the appropriate federal  
21 regulatory agency, within a reasonable time after the meeting.  
22 When so filed, the verified copies of the minutes are  
23 presumptive evidence of the holding of the meeting and of the  
24 action taken.

25 (3) FILING OF ARTICLES OF INCORPORATION AND COMMITMENT  
26 FOR INSURANCE OF ACCOUNTS.--The directors of the savings bank  
27 shall have executed and filed with the department proposed  
28 articles of incorporation as provided in s. 658.23, together  
29 with the application for conversion and a firm commitment for,  
30 or evidence of, insurance of deposits and other accounts of a  
31 withdrawable type. The articles shall contain a statement that

1 the savings bank resulted from the conversion of a state or  
2 federal mutual savings bank to a capital stock savings bank.  
3 Approval by the department shall be affixed to the articles of  
4 incorporation. A copy of the articles of incorporation shall  
5 be filed with the Department of State and one copy of the  
6 articles of incorporation and the certificate of incorporation  
7 shall be returned to the savings bank. The savings bank shall  
8 cease to be a mutual savings bank at the time and on the date  
9 specified in the approved articles of incorporation.

10 (4) SUCCESSION.--Upon conversion of a mutual savings  
11 bank, the legal existence of the savings bank shall not  
12 terminate, but the capital stock savings bank shall be a  
13 continuation of the entity of the mutual savings bank, and all  
14 property of the mutual savings bank, including its rights,  
15 titles, and interests in and to all property of whatever kind,  
16 whether real, personal, or mixed, things in action, and every  
17 right, privilege, interest, and asset of every conceivable  
18 value or benefit then existing or pertaining to it, or which  
19 would inure to it, immediately, by act of law and without any  
20 conveyance or transfer and without any further act or deed,  
21 shall vest and remain in the capital stock savings bank into  
22 which the mutual savings bank has converted. The capital stock  
23 savings bank shall have, hold, and enjoy the same in its own  
24 right as fully and to the same extent as the same was  
25 possessed, held, and enjoyed by the mutual savings bank. The  
26 capital stock savings bank, upon the taking effect of the  
27 conversion, shall continue to have and succeed to all the  
28 rights, obligations, and relations of the mutual savings bank.  
29 All pending actions and other judicial proceedings to which  
30 the mutual savings bank is a party shall not be abated or  
31 discontinued by reason of the conversion but may be prosecuted

1 to final judgment, order, or decree in the same manner as if  
2 the conversion had not been made, and the capital stock  
3 savings bank resulting from the conversion may continue the  
4 actions in its corporate name as a mutual savings bank. Any  
5 judgment, order, or decree may be rendered for or against it  
6 which might have been rendered for or against the mutual  
7 savings bank theretofore involved in the proceedings.

8 (5) FEE.--The application for conversion from a state  
9 or federal mutual to a state capital stock savings bank shall  
10 be accompanied by a nonrefundable filing fee of \$7,500.  
11 Additionally, the department is authorized to assess any  
12 savings bank applying to convert pursuant to this section a  
13 nonrefundable examination fee to cover the actual costs of any  
14 examination required as part of the application process.

15 667.007 Supervisory case; emergency conversion,  
16 reorganization, merger; consolidation; acquisition of  
17 assets.--

18 (1) The department may determine that a state or  
19 federal savings bank is a supervisory case if it finds that:

20 (a) The savings bank is insolvent; or

21 (b) The savings bank is imminently insolvent.

22  
23 Any such finding by the department shall be based upon reports  
24 furnished to it by a state or federal regulatory agency or  
25 upon other evidence from which it is reasonable to conclude  
26 that the savings bank is a supervisory case.

27 (2) Notwithstanding any other provision of this  
28 chapter or chapter 120, if the department finds that immediate  
29 action is necessary to protect the interests of depositors and  
30 reduce the potential for claims against the insurance fund, or  
31 in order to prevent the probable failure of a state or federal

1 savings bank which is a supervisory case, the department shall  
2 have the power, with the concurrence of the appropriate  
3 federal regulatory agency in the case of any savings bank the  
4 deposits of which are federally insured, to issue an emergency  
5 order authorizing:

6 (a) The conversion of such savings bank from a state  
7 to a federal charter, or vice versa, without change of  
8 business form;

9 (b) The reorganization, merger, or consolidation of  
10 such state or federal savings bank with another state or  
11 federal savings bank;

12 (c) The conversion of such state or federal savings  
13 bank into a state or federal capital stock savings bank; or

14 (d) Any state or federal savings bank to acquire the  
15 assets of, and assume the liabilities of, such failing savings  
16 bank.

17 667.008 Acquisition of assets of or control over a  
18 savings bank.--

19 (1)(a) In any case in which a person or group of  
20 persons proposes to purchase or acquire voting common stock of  
21 any capital stock savings bank, which purchase or acquisition  
22 would cause such person or group of persons to have control,  
23 as defined herein, of that savings bank, such person or group  
24 of persons must first make application to the department for a  
25 certificate of approval of such purchase or acquisition.

26 (b) An application for control shall be in such form  
27 and request such information as the department may require by  
28 rule.

29 (c) The application for control shall be accompanied  
30 by a nonrefundable filing fee of \$7,500; however, if more than  
31 one savings bank is being acquired in any such application,

1 the fee shall be increased by \$3,000 for each additional  
2 savings bank.

3 (2) The department shall issue the certificate of  
4 approval only after it has made an investigation and  
5 determined that:

6 (a) The proposed new owner or owners of voting capital  
7 stock are qualified by character, experience, and financial  
8 responsibility to control the savings bank in a legal and  
9 proper manner and none of the proposed new owners have been  
10 convicted of, or pled guilty or nolo contendere to, a  
11 violation of s. 655.50, relating to the Florida Control of  
12 Money Laundering in Financial Institutions Act; chapter 896,  
13 relating to offenses related to financial transactions; or any  
14 similar state or federal law.

15 (b) The interests of the public generally will not be  
16 jeopardized by the proposed purchase or acquisition of voting  
17 capital stock.

18 (3) This section does not apply to the acquisition of:

19 (a) Directors' voting proxies acquired in the normal  
20 course of business as a result of proxy solicitation in  
21 conjunction with a stockholders' meeting;

22 (b) Stock in a fiduciary capacity unless the acquiring  
23 person has sole discretionary authority to exercise voting  
24 rights with respect thereto;

25 (c) Stock acquired in securing or collecting a debt  
26 contracted in good faith until 2 years after the date of  
27 acquisition;

28 (d) Stock acquired by an underwriter in good faith and  
29 without any intent to evade the purpose of this section if the  
30 shares are held only for such reasonable period of time as  
31 will permit the sale thereof; or

1       (e) Control of a savings bank by a unitary savings  
2 bank holding company if the person or persons who control the  
3 holding company are the same person or persons who control the  
4 savings bank.

5       (4) For purposes of this section, a person or group of  
6 persons shall be deemed to have control of a savings bank if  
7 such person or group of persons:

8       (a) Directly or indirectly, or acting in concert with  
9 one or more persons or through one or more subsidiaries, owns,  
10 controls, holds the power to vote, or holds proxies  
11 representing more than 25 percent of the voting common stock  
12 of such savings bank.

13       (b) Controls in any manner the election of a majority  
14 of the directors of such savings bank.

15       (c) Exercises a controlling influence over the  
16 management or policies of such savings bank.

17       (d) Owns, controls, or has power to vote 10 percent or  
18 more of any class of voting securities of the savings bank, if  
19 no other person or group of persons owns, controls, or has  
20 power to vote a greater proportion of that class of voting  
21 securities. In any case in which a proposed purchase or  
22 acquisition of voting securities of a savings bank would give  
23 rise to the presumption created under this paragraph, the  
24 person or group of persons who proposes to purchase or acquire  
25 the voting securities shall first give written notice of the  
26 proposal to the department. Such notice may present  
27 information that the proposed purchase or acquisition will not  
28 result in control. The department shall afford the person  
29 seeking to rebut the presumption an opportunity to present  
30 views in writing or orally before its designated  
31 representatives at an informal conference.



1           (5)(a) A foreign savings bank, as defined in s.  
2 667.013, whether controlled directly or indirectly by another  
3 business organization, may acquire a Florida savings bank,  
4 subject to approval by the department. The department shall  
5 not approve the proposed acquisition unless:

6           1. The laws of the state in which the foreign savings  
7 bank has its principal place of business permit savings banks  
8 in that state to be acquired by Florida savings banks.

9           2. The Florida savings bank which is to be acquired  
10 has been in existence and continuously operating for more than  
11 2 years.

12           (b) The proposed acquisition shall be subject to any  
13 conditions, restrictions, and requirements that would apply in  
14 the state where the foreign savings bank has its principal  
15 place of business if the foreign savings bank were to be  
16 acquired by a Florida savings bank, which conditions,  
17 restrictions, and requirements would not apply to the  
18 acquisition by such foreign savings bank of another savings  
19 bank in that state.

20           (c) This subsection does not apply to any merger by a  
21 savings bank subject to s. 123 of Pub. L. No. 97-320.

22           667.009 Powers of savings bank generally.--Every  
23 savings bank incorporated pursuant to or operating under the  
24 provisions of the financial institutions codes shall have all  
25 the powers enumerated, authorized, and permitted by this  
26 chapter and such other rights, privileges, and powers as may  
27 be incidental to or reasonably necessary or appropriate for  
28 the accomplishment of the objectives and purposes of the  
29 savings bank. Except as otherwise limited by the provisions of  
30 the financial institutions codes, every savings bank shall  
31 have the following powers:

1           (1) PROPERTY TRANSFERS.--To acquire, hold, sell,  
2 dispose of, and convey real and personal estate consistent  
3 with its objects and powers; to mortgage, pledge, or lease any  
4 real or personal estate; and to take property by gifts,  
5 devise, or bequest.

6           (2) SUBORDINATED DEBT.--To issue and sell, directly or  
7 through underwriters, subordinated debt which shall represent  
8 nonwithdrawable capital contributions and shall constitute  
9 part of the equity capital of the savings bank. Such debt  
10 shall have no voting rights; shall be subordinate to all  
11 savings accounts, debt obligations, and claims of creditors of  
12 the savings bank; and shall constitute a claim in liquidation  
13 against any other equity capital account remaining after the  
14 payment in full of all savings accounts, debt obligations, and  
15 claims of creditors. Such subordinated debt shall be entitled  
16 to the payment of earnings prior to the allocation of any  
17 income to surplus or other equity capital accounts of the  
18 savings bank and may be issued with a fixed rate of earnings  
19 or with a prior claim to distribution of a specified  
20 percentage of any net income remaining after required  
21 allocations to reserves, or a combination thereof. Losses  
22 shall be charged against subordinated debt only after other  
23 equity capital accounts have been exhausted.

24           (3) SALE OF LOANS.--To sell with or without recourse  
25 any loan, including any participating interests therein.

26           (4) SERVICING.--To service loans and investments for  
27 others.

28           (5) AGENT.--To act as agent or escrowee for others in  
29 any transaction incidental to the operation of its business.

30           (6) LIMITED TRUSTEESHIP.--To act, and receive  
31 compensation therefor, as trustee of any trust created or

1 organized in the United States and forming a part of a stock  
2 bonus, pension, or profit-sharing plan which qualifies or is  
3 qualified for specific tax treatment under s. 401 of the  
4 Internal Revenue Code of 1954, as amended, and to act as  
5 trustee or custodian of an individual retirement account  
6 within the meaning of s. 408 of such code if the funds of such  
7 trust or account are invested only in savings accounts of such  
8 savings bank or in obligations or securities issued by such  
9 savings bank. All funds held in a fiduciary capacity by any  
10 such savings bank under the authority of this subsection may  
11 be commingled and consolidated for appropriate purposes of  
12 investment, provided that records reflecting each separate  
13 beneficial interest are maintained by the fiduciary unless  
14 such responsibility is lawfully assumed by another appropriate  
15 party.

16 (7) SCHOOL SAVINGS.--To contract with the proper  
17 authorities of any public or nonpublic elementary or secondary  
18 school or institution of higher learning, or any public or  
19 charitable institution caring for minors, for the  
20 participation and implementation by the savings bank in any  
21 school or institutional thrift or savings plan, and to accept  
22 savings accounts at such a school or institution, either by  
23 its own collector or by any representative of the school or  
24 institution which becomes the agent of the savings bank for  
25 such purpose.

26 (8) PAYROLL SAVINGS.--To contract with any employer  
27 with respect to the solicitation, collection, and receipt of  
28 savings by payroll deduction to be credited to a designated  
29 account or accounts of his or her or its employee or employees  
30 who voluntarily may participate or with respect to the direct  
31 deposit of wages or salary paid by such employer to the

1 account of the employee in a financial depository institution  
2 by electronic or other medium upon authorization in writing by  
3 the employee and his or her designation of the savings bank or  
4 other financial depository institution as the recipient of  
5 such deposits.

6 (9) DRAFTS.--To issue drafts and similar instruments  
7 drawn on the savings bank to aid in effecting withdrawals and  
8 for other purposes of the savings bank.

9 667.010 Loans.--On an annual average, based on monthly  
10 computations, a savings bank shall have invested at least 50  
11 percent of assets, other than liquid assets of a savings bank  
12 invested in either real estate loans or interests therein on  
13 home property or primarily residential property and not more  
14 than 30 percent invested in loans for agricultural, business,  
15 corporate, or commercial purposes.

16 667.011 Loan expenses.--Every savings bank may require  
17 borrowers to pay all reasonable expenses incurred in  
18 connection with the making, closing, disbursing, extending,  
19 readjusting, or renewing of real estate loans. Without  
20 limiting the generality of the foregoing, such expenses may  
21 include appraisal, attorney, abstract, recording, and  
22 registration fees; title examination; title insurance;  
23 mortgage loan insurance; credit report; survey; drawing of  
24 papers; escrow services; loan closing costs; and taxes or  
25 charges imposed upon or in connection with the making and  
26 recording of any loan. Every savings bank also may require  
27 borrowers to pay the cost of all other necessary and  
28 incidental services rendered by the savings bank or by others  
29 in connection with real estate and other loans in such  
30 reasonable amounts as may be fixed by the board of directors.  
31 Without limiting the generality of the foregoing, such costs

1 may include the costs of services of inspectors, engineers,  
2 and architects. Such initial charges may be collected by the  
3 savings bank from the borrower and paid to any person,  
4 including any director, officer, or employee of the savings  
5 bank rendering such services, or paid directly by the  
6 borrower. In lieu of such initial charges to cover such  
7 expenses and costs, a savings bank may make a reasonable  
8 charge, part or all of which may be retained by the savings  
9 bank which renders such service or part or all of which may be  
10 paid to others who render such services. The fees and charges  
11 authorized by this chapter shall be in addition to interest  
12 authorized by law and shall not be deemed to be a part of the  
13 interest collected or agreed to be paid on such loans within  
14 the meaning of any law of this state which limits the rate of  
15 interest which may be exacted in any transaction. No director,  
16 officer, or employee of a savings bank shall receive any fee  
17 or other compensation of any kind in connection with procuring  
18 any loan for a savings bank, except for services actually  
19 rendered as provided in this section.

20 667.012 Dealing with successors in interest.--In the  
21 case of any investment made by a savings bank in a real estate  
22 loan, in the event the ownership of the real estate security  
23 or any part thereof becomes vested in a person other than the  
24 party or parties originally executing the security  
25 instruments, and provided there is not an agreement in writing  
26 to the contrary, a savings bank may, without notice to such  
27 party or parties, deal with such successor or successors in  
28 interest with reference to said mortgage and the debt thereby  
29 secured in the same manner as with such party or parties, and  
30 may forbear to sue or may extend time for payment of or  
31 otherwise modify the terms of the debt secured thereby,

1 without discharging or in any way affecting the original  
2 liability of such party or parties thereunder or upon the debt  
3 thereby secured.

4 667.013 Foreign savings banks.--

5 (1) DEFINED.--For the purposes of this section, the  
6 term "foreign savings bank" includes any domestic joint  
7 venture, business trust, syndicate, firm, company, savings  
8 bank, fiduciary, partnership, or corporation, and all other  
9 groups or combinations, by whatever name called, actually  
10 engaged in the business of a savings bank, the principal  
11 business office of which is located outside the territorial  
12 limits of this state.

13 (2) ACTION BY DEPARTMENT.--The department is  
14 authorized, empowered, and directed to obtain an injunction or  
15 to take any other action necessary to prevent any foreign  
16 savings bank from unlawfully doing any business of a savings  
17 bank in this state.

18 (3) ACTIVITIES NOT CONSIDERED "DOING BUSINESS."--For  
19 the purposes of this section and any other law of this state  
20 prohibiting, limiting, or regulating the doing of business in  
21 this state by foreign savings banks or foreign corporations of  
22 any type, any federal savings bank, the principal office of  
23 which is located outside this state, and any foreign savings  
24 bank which is subject to state or federal supervision, or  
25 both, which by law are subject to periodic examination by such  
26 supervisory authority and to a requirement of periodic audit,  
27 shall not be considered to be doing business in this state by  
28 reason of engaging in any of the following activities:

29 (a) The purchase, acquisition, holding, sale,  
30 assignment, transfer, collecting, and enforcement of  
31 obligations or any interest therein secured by real estate

1 mortgages or other instruments in the nature of a mortgage,  
2 covering real property located in this state, or the  
3 foreclosure of such instruments, or the acquisition of title  
4 to such property by foreclosure, or otherwise, as a result of  
5 default under such instruments, or the holding, protection,  
6 rental, maintenance, and operation of the property so  
7 acquired, or the disposition thereof, provided such savings  
8 banks shall not hold, own, or operate such property for a  
9 period exceeding 5 years without securing the approval of the  
10 department.

11 (b) The advertising or solicitation of savings  
12 accounts or the making of any representation with respect  
13 thereto in this state through the medium of mail, radio,  
14 television, magazines, or newspapers or any other medium which  
15 is published or circulated within this state, provided that  
16 such advertising, solicitation, or the making of such  
17 representations is accurately descriptive of the facts.

18 Section 16. Effective July 1, 1997, subsection (3) is  
19 added to section 737.101, Florida Statutes, to read:

20 737.101 Principal place of administration of trust;  
21 duty to register trust.--

22 (3) Unless otherwise designated in the trust agreement  
23 and notwithstanding any other provision of this section, the  
24 principal place of administration of a trust, for which a  
25 bank, association, or trust company organized under the laws  
26 of this state or bank or savings association organized under  
27 the laws of the United States with its main office in this  
28 state has been appointed trustee, shall not be moved or  
29 otherwise affected solely because the trustee engaged in an  
30 interstate merger transaction with an out-of-state bank  
31

1 pursuant to s. 658.2953 in which the out-of-state bank is the  
2 resulting bank.

3 Section 17. Subsection (1) of section 280.03, Florida  
4 Statutes, 1996 Supplement, is amended to read:

5 280.03 Public deposits to be secured; exceptions.--

6 (1)(a) All public deposits shall be secured as  
7 provided in this chapter. Notwithstanding the provisions of  
8 any other law, a public deposit as defined in s. 280.02(13)  
9 may be deposited in a qualified public depository as defined  
10 in s. 280.02(16).

11 (b) Public funds shall not be deposited directly or  
12 indirectly in negotiable certificates of deposit. Except as  
13 otherwise provided by law, no public deposit may be made  
14 except in a qualified public depository.

15 Section 18. Effective July 1, 1997, banks or  
16 associations and trust companies resulting from an interstate  
17 merger transaction with a Florida bank pursuant to s.  
18 658.2953, Florida Statutes, and having trust powers are not  
19 prohibited from exercising any of the powers or duties and  
20 from acting in any of the capacities, within this state, as  
21 provided in s. 660.41, Florida Statutes. This section is  
22 repealed September 1, 1999.

23 Section 19. Paragraph (e) of subsection (6) of section  
24 658.295, Florida Statutes, as created by section 7 of chapter  
25 96-168, Laws of Florida, is hereby repealed.

26 Section 20. Except as otherwise provided herein, this  
27 act shall take effect October 1, 1997.

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31