

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED _____ (Y/N)
ADOPTED AS AMENDED _____ (Y/N)
ADOPTED W/O OBJECTION _____ (Y/N)
FAILED TO ADOPT _____ (Y/N)
WITHDRAWN _____ (Y/N)
OTHER _____

1 Committee/Subcommittee hearing bill: Commerce Committee
2 Representative Raulerson offered the following:

3
4 **Amendment (with title amendment)**

5 Remove everything after the enacting clause and insert:

6 Section 1. Paragraph (i) of subsection (1) of section
7 655.005, Florida Statutes, is amended to read:

8 655.005 Definitions.—

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

11 (i) "Financial institution" means a state or federal
12 savings or thrift association, bank, savings bank, trust
13 company, international bank agency, international banking
14 corporation, international branch, international representative
15 office, international administrative office, international trust
16 entity, international trust company representative office,

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

17 qualified limited service affiliate, credit union, or an
18 agreement corporation operating pursuant to s. 25 of the Federal
19 Reserve Act, 12 U.S.C. ss. 601 et seq. or Edge Act corporation
20 organized pursuant to s. 25(a) of the Federal Reserve Act, 12
21 U.S.C. ss. 611 et seq.

22 Section 2. Subsection (1) and paragraph (b) of subsection
23 (2) of section 655.059, Florida Statutes, are amended to read:

24 655.059 Access to books and records; confidentiality;
25 penalty for disclosure.—

26 (1) The books and records of a financial institution are
27 confidential and shall be made available for inspection and
28 examination only:

29 (a) To the office or its duly authorized representative;

30 (b) To any person duly authorized to act for the financial
31 institution;

32 (c) To any federal or state instrumentality or agency
33 authorized to inspect or examine the books and records of an
34 insured financial institution;

35 (d) With respect to an international banking corporation
36 or international trust entity, to the home-country supervisor of
37 the international banking corporation or international trust
38 entity, provided:

39 1. The home-country supervisor provides advance notice to
40 the office that the home-country supervisor intends to examine
41 the Florida office of the international banking corporation or

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

42 international trust entity. Such examination may be conducted
43 onsite or offsite and may include ongoing reporting by the
44 Florida office of the international banking corporation or
45 international trust entity to the home-country supervisor.

46 2. The home-country supervisor confirms to the office that
47 the purpose of the examination is to ensure the safety and
48 soundness of the international banking corporation or
49 international trust entity.

50 3. The books and records pertaining to customer deposit,
51 investment, ~~and~~ custodial, and trust accounts are not disclosed
52 to the home-country supervisor.

53 4. At any time during the conduct of the examination, the
54 office reserves the right to have an examiner present, ~~or~~ to
55 participate jointly in the examination, or to receive copies of
56 all information provided to the home-country supervisor.

57
58 As used in ~~For purposes of~~ this paragraph, the term "home-
59 country supervisor" means the governmental entity in the
60 international banking corporation's or international trust
61 entity's home country with responsibility for the supervision
62 and regulation of the safety and soundness of the international
63 banking corporation or international trust entity;

64 (e) As compelled by a court of competent jurisdiction,
65 pursuant to a subpoena issued pursuant to the Florida Rules of
66 Civil Procedure, the Florida Rules of Criminal Procedure, or the

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

67 Federal Rules of Civil Procedure, or pursuant to a subpoena
68 issued in accordance with state or federal law. Before ~~Prior to~~
69 the production of the books and records of a financial
70 institution, the party seeking production must reimburse the
71 financial institution for the reasonable costs and fees incurred
72 in compliance with the production. If the parties disagree
73 regarding the amount of reimbursement, the party seeking the
74 records may request the court or agency having jurisdiction to
75 set the amount of reimbursement;

76 (f) As compelled by legislative subpoena as provided by
77 law, in which case the provisions of s. 655.057 apply;

78 (g) Pursuant to a subpoena, to any federal or state law
79 enforcement or prosecutorial instrumentality authorized to
80 investigate suspected criminal activity;

81 (h) As authorized by the board of directors of the
82 financial institution; or

83 (i) As provided in subsection (2).

84 (2)

85 (b) The books and records pertaining to trust accounts and
86 the deposit accounts and loans of depositors, borrowers,
87 members, and stockholders of any financial institution shall be
88 kept confidential by the financial institution and its
89 directors, officers, and employees and may ~~shall~~ not be released
90 except upon express authorization of the account holder as to
91 her or his own accounts, loans, or voting rights. However,

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

92 information relating to any loan made by a financial institution
93 may be released without the borrower's authorization in a manner
94 prescribed by the board of directors for the purpose of meeting
95 the needs of commerce and for fair and accurate credit
96 information. Information may also be released, without the
97 authorization of a member or depositor but in a manner
98 prescribed by the board of directors, to verify or corroborate
99 the existence or amount of a customer's or member's account when
100 such information is reasonably provided to meet the needs of
101 commerce and to ensure accurate credit information. In addition,
102 a financial institution, affiliate, and its subsidiaries, and
103 any holding company of the financial institution or subsidiary
104 of such holding company, may furnish to one another information
105 relating to their customers or members, subject to the
106 requirement that each corporation receiving information that is
107 confidential maintain the confidentiality of such information
108 and not provide or disclose such information to any unaffiliated
109 person or entity. Notwithstanding this paragraph, ~~nothing in~~
110 this subsection does not ~~shall~~ prohibit:

111 1. A financial institution from disclosing financial
112 information as referenced in this subsection as authorized
113 ~~permitted~~ by Pub. L. No. 106-102 (1999), as set forth in 15
114 U.S.C.A. s. 6802, as amended.

115 2. The Florida office of the international banking
116 corporation or international trust entity from sharing books and

Amendment No. 1

117 records under this subsection with the home-country supervisor
118 in accordance with subsection (1).

119 Section 3. Section 663.001, Florida Statutes, is created
120 in part I of chapter 663, Florida Statutes, to read:

121 663.001 Purpose.—The purpose of this part is to establish
122 a legal and regulatory framework for the conduct by
123 international banking corporations of financial services
124 business in this state. This part is intended to:

125 (1) Support the Florida operations of international
126 banking corporations and promote the growth of international
127 financial services to benefit the economy and consumers in this
128 state.

129 (2) Provide for appropriate supervision and regulatory
130 oversight to ensure that financial services activities of
131 international banking corporations in this state are conducted
132 responsibly and in a safe and sound manner.

133 Section 4. Subsections (6) and (9) and paragraph (b) of
134 subsection (11) of section 663.01, Florida Statutes, are amended
135 to read:

136 663.01 Definitions.—As used in this part, the term:

137 (6) "International banking corporation" means a banking
138 corporation organized and licensed under the laws of a foreign
139 country. The term ~~"international banking corporation"~~ includes,
140 without limitation, a foreign commercial bank, foreign merchant
141 bank, or other foreign institution that engages in banking

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

142 activities usual in connection with the business of banking in
143 the country where such foreign institution is organized or
144 operating, including a corporation: the sole shareholders of
145 which are one or more international banking corporations or
146 holding companies which own or control one or more international
147 banking corporations which are authorized to carry on a banking
148 business, or a central bank or government agency of a foreign
149 country and any affiliate or division thereof; which has the
150 power to receive deposits from the general public in the country
151 where it is chartered and organized; and which is under the
152 supervision of the central bank or other bank regulatory
153 authority of such country. The term also includes ~~foreign trust~~
154 ~~companies, or any similar business entities, including, but not~~
155 ~~limited to,~~ foreign banks with fiduciary powers which, that
156 conduct trust business as defined in the financial institutions
157 codes.

158 ~~(9) "International trust company representative office"~~
159 ~~means an office of an international banking corporation or trust~~
160 ~~company organized and licensed under the laws of a foreign~~
161 ~~country which office is established or maintained in this state~~
162 ~~for the purpose of engaging in nonfiduciary activities described~~
163 ~~in s. 663.0625, or any affiliate, subsidiary, or other person~~
164 ~~that engages in such activities on behalf of such international~~
165 ~~banking corporation or trust company from an office located in~~
166 ~~this state.~~

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

167 ~~(10)~~~~(11)~~ "Nonresident" means:

168 (b) A person, other than an individual, whose principal
169 place of business or domicile is outside the United States and
170 includes a person who conducts a majority of its business
171 activities in a foreign country and any foreign government and
172 its subdivision, agencies, and instrumentalities. Any person who
173 conducts business in the United States is considered to have its
174 principal place of business outside the United States if any one
175 of the following requirements is satisfied for its most recent
176 fiscal year:

177 1. Its assets located outside the United States exceed its
178 assets located within the United States;

179 2. Its gross revenues generated outside the United States
180 exceed its gross revenues generated within the United States; or

181 3. Its payroll expenses incurred outside the United States
182 exceed its payroll expenses incurred within the United States.

183 Section 5. Section 663.02, Florida Statutes, is amended to
184 read:

185 663.02 Applicability of the financial institutions codes
186 ~~state banking laws.~~

187 (1) International banking corporations having offices in
188 this state are subject to all the provisions of the financial
189 institutions codes ~~and chapter 655~~ as though such corporations
190 were state banks ~~or trust companies~~, except where it may appear,
191 from the context or otherwise, that such provisions are clearly

Amendment No. 1

192 applicable only to banks ~~or trust companies~~ organized under the
193 laws of this state or the United States. Without limiting the
194 foregoing general provisions, it is the intent of the
195 Legislature that the following provisions are applicable to such
196 banks or trust companies: s. 655.031, relating to administrative
197 enforcement guidelines; s. 655.032, relating to investigations,
198 subpoenas, hearings, and witnesses; s. 655.0321, relating to
199 hearings, proceedings, and related documents and restricted
200 access thereto; s. 655.033, relating to cease and desist orders;
201 s. 655.037, relating to removal by the office of an officer,
202 director, committee member, employee, or other person; s.
203 655.041, relating to administrative fines and enforcement; s.
204 655.50, relating to the control of money laundering and
205 terrorist financing; and any law for which the penalty is
206 increased under s. 775.31 for facilitating or furthering
207 terrorism. International banking corporations do not have the
208 powers conferred on domestic banks by s. 658.60, relating to
209 deposits of public funds. Chapter 687, relating to interest and
210 usury, applies to all bank loans.

211 (2) Neither an international bank agency nor an
212 international branch shall have any greater right under, or by
213 virtue of, this section than is granted to banks organized under
214 the laws of this state. Legal and financial terms used herein
215 shall be deemed to refer to equivalent terms used by the country
216 in which the international banking corporation is organized.

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

217 This chapter and the financial institutions codes may not be
218 construed to authorize any international banking corporation ~~or~~
219 ~~trust company~~ to conduct trust business, as defined in s.
220 658.12, from an office in this state except for those activities
221 specifically authorized by s. 663.061(5) ~~ss. 663.061(5) and~~
222 ~~663.0625~~.

223 Section 6. Subsection (1) of section 663.021, Florida
224 Statutes, is amended to read:

225 663.021 Civil action subpoena enforcement.—

226 (1) Notwithstanding s. 655.059, an international
227 representative office, international bank agency, international
228 branch, ~~international trust company representative office,~~ or
229 international administrative office established under this
230 chapter is not required to produce a book or record pertaining
231 to a deposit account, investment account, or loan of a customer
232 of the international banking corporation's offices that are
233 located outside the United States or its territories in response
234 to a subpoena if the book or record is maintained outside the
235 United States or its territories and is not in the possession,
236 custody, or control of the international banking corporation's
237 office, agency, or branch established in this state.

238 Section 7. Section 663.04, Florida Statutes, is amended to
239 read:

240 663.04 Requirements for carrying on financial institution
241 business.—An international banking corporation ~~or trust company,~~

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

242 or any affiliate, subsidiary, or other person or business entity
243 acting as an agent for, on behalf of, or for the benefit of such
244 international banking corporation ~~or trust company~~ who engages
245 in such activities from an office located in this state, may not
246 transact a banking or trust business, or maintain in this state
247 any office for carrying on such business, or any part thereof,
248 unless such corporation, ~~trust company~~, affiliate, subsidiary,
249 person, or business entity:

250 (1) Has been authorized by its charter to carry on a
251 banking or trust business and has complied with the laws of the
252 jurisdiction in which it is chartered.

253 (2) Has furnished to the office such proof as to the
254 nature and character of its business and as to its financial
255 condition as the commission or office requires.

256 (3) Has filed with the office a certified copy of that
257 information required to be supplied to the Department of State
258 by those provisions of part I of chapter 607 which are
259 applicable to foreign corporations.

260 (4) Has received a license duly issued to it by the
261 office.

262 (5) Has sufficient capital in accordance with the
263 requirements of ~~capital accounts no less than the minimums~~
264 ~~required per~~ s. 663.055 and the rules adopted thereunder and is
265 not imminently insolvent or insolvent, as those terms are
266 defined in ~~per~~ s. 655.005(1).

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

267 (6) (a) Is not in bankruptcy, conservatorship,
268 receivership, liquidation, or similar status under the laws of
269 any country.

270 (b) Is not operating under the direct control of the
271 government, regulatory, or supervisory authority of the
272 jurisdiction of its incorporation through government
273 intervention or any other extraordinary actions.

274 (c) Has not been in such status or control at any time
275 within the 3 7 years preceding the date of application for a
276 license.

277
278 Notwithstanding paragraphs (a) and (b), the office may permit an
279 international branch, international bank agency, international
280 administrative office, or international representative office to
281 remain open and in operation pursuant to s. 663.11(1)(b).

282 Section 8. Present subsections (4) through (8) of section
283 663.05, Florida Statutes, are redesignated as subsections (5)
284 through (9), respectively, a new subsection (4) is added to that
285 section, and present subsections (4), (5), and (6), paragraph
286 (c) of present subsection (7), and present subsection (8) of
287 that section are amended, to read:

288 663.05 Application for license; approval or disapproval.—

289 (4) Notwithstanding subsection (1), an international
290 banking corporation that has operated an international branch,
291 international bank agency, international administrative office,

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

292 or international representative office in this state for a
293 minimum of 3 years in a safe and sound manner, as defined by
294 commission rule, and that is otherwise eligible to establish an
295 additional office may establish one or more additional
296 international branches, international bank agencies,
297 international administrative offices, or international
298 representative offices by providing an abbreviated application
299 and paying the appropriate license fee pursuant to s. 663.12.
300 This subsection does not permit an international banking
301 corporation to file an abbreviated application for any license
302 type whose permissible activities are broader than those in
303 which the international banking corporation is currently
304 authorized to engage.

305 (5)-(4) An application filed pursuant to this section must
306 shall be made on a form prescribed by the commission ~~office~~ and
307 must ~~shall~~ contain such information as the commission or office
308 requires.

309 (6)-(5) The office may, in its discretion, approve or
310 disapprove the application, but it may ~~shall~~ not approve the
311 application unless, in its opinion, the applicant meets each and
312 every requirement of this part and any other applicable
313 provision of the financial institutions codes. The office shall
314 approve the application only if it has determined that the
315 directors, executive officers, and principal shareholders of the
316 international banking corporation are qualified by reason of

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

317 their financial ability, reputation, and integrity and have
318 sufficient banking and other business experience to indicate
319 that they will manage and direct the affairs of the
320 international banking corporation in a safe, sound, and lawful
321 manner. In the processing of an application filed pursuant to
322 this section applications, the time limitations under the
323 Administrative Procedure Act do shall not apply as to approval
324 or disapproval of the application. For applications filed on or
325 after January 1, 2018, the time limitations for approval or
326 disapproval of an application must be prescribed by rule of the
327 commission.

328 (7)(6) The office may not issue a license to an
329 international banking corporation unless:

330 (a) It is chartered in a jurisdiction in which any
331 financial institution licensed or chartered by any state or any
332 federal bank regulatory agency in the United States bank or
333 trust company having its principal place of business in this
334 state may establish similar facilities or exercise similar
335 powers; or

336 (b) Federal law permits the appropriate federal regulatory
337 authority to issue a comparable license to the international
338 banking corporation.

339 (8)(7) The office may not issue a license to an
340 international banking corporation for the purpose of operating:

341 (c) A trust representative office in this state unless the

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

342 ~~corporation:~~

343 ~~1. Holds an unrestricted license to conduct trust business~~
344 ~~in the foreign country under the laws of which it is organized~~
345 ~~and chartered.~~

346 ~~2. Has been authorized by the foreign country's trust~~
347 ~~business regulatory authority to establish the proposed~~
348 ~~international trust representative office.~~

349 ~~3. Is adequately supervised by the central bank or trust~~
350 ~~regulatory agency in the foreign country in which it is~~
351 ~~organized and chartered.~~

352 ~~4. Meets all requirements under the financial institutions~~
353 ~~codes for the operation of a trust company or trust department~~
354 ~~as if it were a state chartered trust company or bank authorized~~
355 ~~to exercise fiduciary powers.~~

356 ~~(9)(8)~~ The commission shall establish, by rule, the
357 general principles which shall determine the adequacy of
358 supervision of an international banking corporation's foreign
359 establishments. These principles shall be based upon the need
360 for cooperative supervisory efforts and consistent regulatory
361 guidelines and shall address, at a minimum, the capital
362 adequacy, asset quality, management, earnings, liquidity,
363 internal controls, audits, and foreign exchange operations and
364 positions of the international banking corporation. This
365 subsection does ~~shall~~ not require examination by the home-
366 country regulatory authorities of any office of an international

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

367 banking corporation in this state. The commission may also
368 establish, by rule, other standards for approval of an
369 application for a license as considered necessary to ensure the
370 safe and sound operations of the international banking
371 corporation ~~bank or trust representative office~~ in this state.

372 Section 9. Section 663.055, Florida Statutes, is amended
373 to read:

374 663.055 Capital requirements.—

375 (1) To qualify for a license under ~~the provisions of this~~
376 part, the proposed capitalization of the international banking
377 corporation must be in such amount as the office determines is
378 necessary, taking into consideration the risk profile of the
379 international banking corporation and the ability of the
380 international banking corporation to operate a licensed office
381 in a safe and sound manner. In making this determination, the
382 office must consider the financial resources of the
383 international banking corporation, including an international
384 banking corporation must have net capital accounts, calculated
385 according to United States generally accepted accounting
386 principles and practices, of at least:

387 (a) The international banking corporation's current and
388 projected capital position, profitability, level of
389 indebtedness, and business and strategic plans ~~Forty million~~
390 ~~dollars for the establishment of an international bank agency,~~
391 ~~an international branch, or an international administrative~~

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

392 ~~office; or~~

393 (b) The financial condition of any of the international
394 banking corporation's existing offices located in the United
395 States; ~~Twenty million dollars for the establishment of an~~
396 ~~international representative office or international trust~~
397 ~~representative office.~~

398 (c) The minimum capital requirements of the international
399 banking corporation's home-country jurisdiction; and

400 (d) The capital ratio standards used in the United States
401 and in the international banking corporation's home-country
402 jurisdiction.

403 (2) The proposed capitalization of the international
404 banking corporation must be in such amount as the office deems
405 adequate, but in no case may the total capital accounts of the
406 international banking corporation be less than the minimum
407 required under s. 658.21(2) to establish a state bank
408 ~~Notwithstanding the provisions of paragraph (1) (a), the office~~
409 ~~may approve an application for a license to establish an~~
410 ~~international bank agency, an international branch, or an~~
411 ~~international administrative office if:~~

412 ~~(a) The international banking corporation is licensed to~~
413 ~~receive deposits from the general public in the country where it~~
414 ~~is organized and licensed and to engage in such other activities~~
415 ~~as are usual in connection with the business of banking in such~~
416 ~~country;~~

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

417 ~~(b) The office receives a certificate that is issued by~~
418 ~~the banking or supervisory authority of the country in which the~~
419 ~~international banking corporation is organized and licensed and~~
420 ~~states that the international banking corporation is duly~~
421 ~~organized and licensed and lawfully existing in good standing,~~
422 ~~and is empowered to conduct a banking business; and~~

423 ~~(c) The international banking corporation has been in the~~
424 ~~business of banking for at least 10 years and is ranked by the~~
425 ~~banking or supervisory authority of the country in which it is~~
426 ~~organized and licensed as one of the five largest banks in that~~
427 ~~country in terms of domestic deposits, as of the date of its~~
428 ~~most recent statement of financial condition. However, in no~~
429 ~~event shall the office approve an application under this~~
430 ~~subsection for any international banking corporation with~~
431 ~~capital accounts of less than \$20 million.~~

432 (3) The office may specify such other conditions as it
433 determines are appropriate, considering the public interest and
434 the need to maintain a safe, sound, and competitive banking
435 system in this state, ~~and the preservation of an environment~~
436 ~~conducive to the conduct of an international banking business in~~
437 ~~this state. In translating the capital accounts of an~~
438 ~~international banking corporation, the office may consider~~
439 ~~monetary corrections accounts that reflect results consistent~~
440 ~~with the requirements of generally accepted accounting~~
441 ~~principles in the United States.~~

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

442 (4) For the purpose of this part, the capital accounts of
443 and capital ratio standards for an international banking
444 corporation must ~~shall~~ be determined in accordance with rules
445 adopted by the commission. In adopting such rules, the
446 commission shall consider similar rules adopted by bank
447 regulatory agencies in the United States and the need to provide
448 reasonably consistent regulatory requirements for international
449 banking corporations ~~which will maintain the safe and sound~~
450 ~~condition of international banking corporations~~ doing business
451 in this state, as well as capital adequacy standards of an
452 international banking corporation's home-country jurisdiction.

453 Section 10. Subsections (1) and (3) of section 663.06,
454 Florida Statutes, are amended to read:

455 663.06 Licenses; permissible activities.—

456 (1) (a) An international banking corporation licensed to
457 operate an office in this state may engage in the business
458 authorized by this part at the office specified in such license
459 for an indefinite period.

460 (b) An international banking corporation may operate more
461 than one licensed office, each at a different place of business,
462 provided that each office is ~~shall be~~ separately licensed.

463 (c) A ~~No~~ license is not transferable or assignable.
464 However, the location of a licensed office may be changed after
465 notification of the office.

466 (d) Every such license must ~~shall~~ be, at all times,

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

467 conspicuously displayed in the place of business specified
468 therein.

469 (3) The license for any international banking corporation
470 office in this state may be suspended or revoked by the office,
471 with or without examination, upon its determination that the
472 international banking corporation or the licensed office does
473 not meet all requirements for original licensing. Additionally,
474 the office shall revoke the license of any licensed office that
475 the office determines has been inactive for 6 months or longer.
476 The commission may by rule prescribe additional conditions or
477 standards under which the license of an international bank
478 agency, international branch, international representative
479 office, ~~international trust company representative office,~~ or
480 international administrative office may be suspended or revoked.

481 Section 11. Section 663.0601, Florida Statutes, is created
482 to read:

483 663.0601 After-the-fact licensure process in the event of
484 the acquisition, merger, or consolidation of international
485 banking corporations.-If an international banking corporation
486 proposes to acquire, merge, or consolidate with an international
487 banking corporation that presently operates an international
488 branch, international bank agency, international administrative
489 office, or international representative office licensed in this
490 state, the office may authorize the currently licensed
491 international branch, international bank agency, international

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

492 administrative office, or international representative office to
493 remain open and in operation after consummation of the proposed
494 acquisition, merger, or consolidation, if the acquiring
495 international banking corporation files an after-the-fact
496 application and all of the following conditions are met:

497 (1) The international banking corporation or corporations
498 resulting from the acquisition, merger, or consolidation will
499 not directly or indirectly own or control more than 5 percent of
500 any class of the voting securities of, or control, a United
501 States bank.

502 (2) Before consummation of the acquisition, merger, or
503 consolidation, the international banking corporation currently
504 licensed to operate an international branch, international bank
505 agency, international administrative office, or international
506 representative office in this state must provide the office at
507 least 30 days' advance written notice, as prescribed by rules
508 adopted by the commission, of the proposed acquisition, merger,
509 or consolidation.

510 (3) Before consummation of the acquisition, merger, or
511 consolidation, each international banking corporation commits in
512 writing that it will either:

513 (a) Comply with the conditions in subsections (1) and (2)
514 and file an after-the-fact application for a license under s.
515 663.05(1) within 60 days after consummation of the proposed
516 acquisition, merger, or consolidation; and refrain from engaging

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

517 in new lines of business and from otherwise expanding the
518 activities of such establishment in this state until the
519 disposition of the after-the-fact license application, in
520 accordance with chapter 120; or

521 (b) Promptly wind down and close any international branch,
522 international bank agency, international administrative office,
523 or international representative office in this state if the
524 international banking corporations that are party to the
525 acquisition, merger, or consolidation elect not to file an
526 application for a license in accordance with paragraph (a); and,
527 before such wind-down and closure, refrain from engaging in new
528 lines of business or otherwise expanding the activities of such
529 establishment in this state.

530 Section 12. Subsection (1) of section 663.061, Florida
531 Statutes, is amended to read:

532 663.061 International bank agencies; permissible
533 activities.—

534 (1) An international bank agency licensed under this part
535 may make any loan, extension of credit, or investment which it
536 could make if incorporated and operating as a bank organized
537 under the laws of this state. An international bank agency may
538 act as custodian and may furnish investment management, and
539 investment advisory services authorized under rules adopted by
540 the commission, to nonresident entities or persons whose
541 principal places of business or domicile are outside the United

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

542 States and to resident entities or persons with respect to
543 international, ~~or~~ foreign, or domestic investments. An
544 international banking corporation that ~~which~~ has an
545 international bank agency licensed under the terms of this part
546 is shall be exempt from the registration requirements of s.
547 517.12. An international bank agency licensed by the office may
548 engage in any activity permissible for an international
549 administrative office or international representative office.

550 Section 13. Section 663.062, Florida Statutes, is amended
551 to read:

552 663.062 International representative offices; permissible
553 activities.—An international representative office may promote
554 or assist the deposit-taking, lending, or other financial or
555 banking activities of an international banking corporation. An
556 international representative office may serve as a liaison in
557 Florida between an international banking corporation and its
558 existing and potential customers. Representatives and employees
559 based at such office may solicit business for the international
560 banking corporation and its subsidiaries and affiliates, provide
561 information to customers concerning their accounts, answer
562 questions, receive applications for extensions of credit and
563 other banking services, transmit documents on behalf of
564 customers, and make arrangements for customers to transact
565 business on their accounts, but a representative office may not
566 conduct any banking or trust business in this state. An

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

567 international representative office of an international banking
568 corporation that has fiduciary powers may engage in the
569 international trust representative office activities enumerated
570 in s. 663.409.

571 Section 14. Subsection (2) of section 663.063, Florida
572 Statutes, is amended to read:

573 663.063 International administrative offices.—

574 (2) An office established pursuant to ~~the provisions of~~
575 this section may ~~not~~ engage only in ~~any activity except~~ those
576 activities set forth in subsection (1) and the activities
577 permissible for an international representative office pursuant
578 to s. 663.062.

579 Section 15. Section 663.064, Florida Statutes, is amended
580 to read:

581 663.064 International branches; permissible activities;
582 requirements.—

583 (1) An international banking corporation that meets the
584 requirements of ss. 658.26, 663.04, and 663.05 may, with the
585 approval of the office, establish one or more branches in this
586 state. ~~An international branch shall have the same rights and~~
587 ~~privileges as a federally licensed international branch.~~ The
588 operations of an international branch shall be conducted
589 pursuant to requirements determined by the office as necessary
590 to ensure compliance with the provisions of the financial
591 institutions codes, including requirements for the maintenance

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

592 of accounts and records separate from those of the international
593 banking corporation of which it is a branch.

594 (2) An international branch has the same rights and
595 privileges as a federally licensed international branch. The
596 permissible deposits of an international branch must be
597 determined in accordance with rules adopted by the commission.
598 In adopting such rules, the commission shall consider the
599 similar deposit-taking authority of a federally licensed
600 international branch and the need to provide reasonably
601 consistent regulatory requirements for international banking
602 corporations doing business in this state.

603 (3) An international branch licensed by the office may
604 engage in any activity permissible for an international bank
605 agency, international administrative office, or international
606 representative office.

607 Section 16. Subsection (3) of section 663.09, Florida
608 Statutes, is amended, and subsection (5) is added to that
609 section, to read:

610 663.09 Reports; records.—

611 (3) Each international banking corporation that ~~which~~
612 operates an office licensed under this part shall cause to be
613 kept, at a location accepted by the office:

614 (a) Correct and complete books and records of account of
615 the business operations transacted by such office. All policies
616 and procedures relating specifically to ~~governing~~ the operations

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

617 of such office, as well as any existing general ledger or
618 subsidiary accounts, must ~~shall~~ be maintained in the English
619 language. Any policies and procedures of the international
620 banking corporation which are not specific to the operations of
621 such office may be maintained in a language other than English
622 ~~The office may require that any other document not written in~~
623 ~~the English language which the office deems necessary for the~~
624 ~~purposes of its regulatory and supervisory functions be~~
625 ~~translated into English at the expense of the international~~
626 ~~banking corporation.~~

627 (b) Current copies of the charter and bylaws of the
628 international banking corporation, relative to the operations of
629 the office, and minutes of the proceedings of its directors,
630 officers, or committees relative to the business of the office.
631 Such records may be maintained in a language other than English
632 and must ~~shall~~ be kept pursuant to s. 655.91 and ~~shall be~~ made
633 available to the office, upon request, at any time during
634 regular business hours of the office. Any failure to keep such
635 records as aforesaid or any refusal to produce such records upon
636 request by the office is ~~shall be~~ grounds for suspension or
637 revocation of any license issued under this part.

638 (5) The office may require at any time that any document
639 not written in the English language which the office deems
640 necessary for the purposes of its regulatory and supervisory
641 functions be translated into English at the expense of the

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

642 international banking corporation.

643 Section 17. Section 663.11, Florida Statutes, is amended
644 to read:

645 663.11 Termination of international banking corporation's
646 charter or authority.—

647 (1) (a) An international banking corporation that is
648 licensed to maintain an office in this state may not continue to
649 conduct its licensed business in this state if the international
650 banking corporation:

651 1. Is dissolved, or its authority or existence is
652 otherwise terminated or canceled in the jurisdiction of its
653 incorporation;~~;~~

654 2. Is in bankruptcy, conservatorship, receivership,
655 liquidation, or similar status under the laws of any country;~~;~~
656 or

657 3. Is operating under the direct control of the government
658 or the regulatory or supervisory authority of the jurisdiction
659 of its incorporation through government intervention or any
660 other extraordinary actions.

661 (b)1. Notwithstanding subparagraphs (a)2. and 3., the
662 office may permit an international branch, international bank
663 agency, international administrative office, or international
664 representative office to remain open and in operation under the
665 following conditions:

666 a. Within 30 days after the occurrence of an event

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

667 described in subparagraph (a)2. or subparagraph (a)3., the
668 international branch, international bank agency, international
669 administrative office, or international representative office
670 provides the office with a plan to wind down its affairs and
671 business within the subsequent 90 days or provides an interim
672 operational plan outlining parameters for its continued
673 operation. If the office finds that such interim operational
674 plan does not allow for the conduct of business in a safe and
675 sound manner, the office shall revoke the license.

676 b. The international banking corporation is authorized by
677 the foreign country in which it is organized and licensed to
678 address the affairs of any international branch, international
679 bank agency, international administrative office, or
680 international representative office in this state.

681 c. The international branch, international bank agency,
682 international administrative office, or international
683 representative office does not engage in any new lines of
684 business or otherwise expand its activities in this state.

685 d. The office determines that allowing the international
686 branch, international bank agency, international administrative
687 office, or international representative office to remain open
688 further domestic and foreign supervisory cooperation.

689 e. The office determines that allowing the international
690 branch, international bank agency, international administrative
691 office, or international representative office to remain open is

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

692 in the public's interest and does not present an immediate or
693 serious danger to the public health, safety, or welfare.

694 2. The commission may establish, by rule, additional
695 standards and conditions for approval of an interim operational
696 plan and for ongoing compliance with the plan. Such standards
697 and conditions shall be based upon the need for cooperative
698 supervisory efforts, consistent regulatory oversight, and the
699 orderly administration of the international banking
700 corporation's affairs.

701 3. After the resolution of all applicable events described
702 in subparagraphs (a)2. and 3., if an international banking
703 corporation is no longer authorized by the foreign country in
704 which it is organized and licensed to conduct banking business,
705 the international branch, international bank agency,
706 international administrative office, or international
707 representative office shall surrender its license in accordance
708 with s. 663.06.

709 ~~(2) A certificate of the official who is responsible for~~
710 ~~records of banking corporations of the jurisdiction of~~
711 ~~incorporation of such international banking corporation,~~
712 ~~attesting to the occurrence of any such event, or a certified~~
713 ~~copy of an order or decree of a court of such jurisdiction,~~
714 ~~directing the dissolution of such international banking~~
715 ~~corporation, the termination of its existence, or the~~
716 ~~cancellation of its authority, or declaring its status in~~

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

717 ~~bankruptcy, conservatorship, receivership, liquidation, or~~
718 ~~similar proceedings, or other reliable documentation that the~~
719 ~~international banking corporation is operating under the direct~~
720 ~~control of its government or a regulatory or supervisory~~
721 ~~authority, shall be delivered by~~ The international banking
722 corporation or its surviving officers and directors shall
723 deliver to the office:-

724 (a) A certificate of the official who is responsible for
725 records of banking corporations of the jurisdiction of
726 incorporation of such international banking corporation,
727 attesting to the occurrence of any event described in paragraph
728 (1) (a);

729 (b) A certified copy of an order or decree of a court of
730 such jurisdiction, directing the dissolution of such
731 international banking corporation, the termination of its
732 existence, or the cancellation of its authority or declaring its
733 status in bankruptcy, conservatorship, receivership,
734 liquidation, or similar proceedings; or

735 (c) Other reliable documentation evidencing that the
736 international banking corporation is operating under the direct
737 control of its government or a regulatory or supervisory
738 authority.

739 (3) The filing of the certificate, order, documentation,
740 or decree ~~has shall have~~ the same effect as the revocation of
741 the license of such international banking corporation as

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

742 provided in s. 663.06, unless the office has permitted the
743 international branch, international bank agency, international
744 administrative office, or international representative office to
745 remain open and in operation pursuant to paragraph (1)(b).

746 Section 18. Subsection (1) of section 663.12, Florida
747 Statutes, is amended to read:

748 663.12 Fees; assessments; fines.—

749 (1) Each application for a license under ~~the provisions of~~
750 this part must ~~shall~~ be accompanied by a nonrefundable filing
751 fee payable to the office in the following amount:

752 (a) Ten thousand dollars for establishing a state-
753 chartered investment company.

754 (b) Ten thousand dollars for establishing an international
755 bank agency or branch.

756 (c) Five thousand dollars for establishing an
757 international administrative office.

758 (d) Five thousand dollars for establishing an
759 international representative office.

760 ~~(e) Five thousand dollars for establishing an~~
761 ~~international trust company representative office.~~

762 (e)-(f) An amount equal to the initial filing fee for an
763 application to convert from one type of license to another. The
764 commission may increase the filing fee for any type of license
765 to an amount established by rule and calculated in a manner so
766 as to cover the direct and indirect cost of processing such

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

767 applications.

768 Section 19. Subsection (11) of section 663.17, Florida
769 Statutes, is amended to read:

770 663.17 Liquidation; possession of business and property;
771 inventory of assets; wages; depositing collected assets;
772 appointing agents; appointment of judges.—

773 (11) The compensation of agents and any other employees
774 appointed by the office to assist in the liquidation of an
775 international banking corporation, or any of the corporation's
776 licensed offices located in this state, the distribution of its
777 assets, or the expenses of supervision, must ~~shall~~ be paid out
778 of the assets of the corporation in the possession ~~hands~~ of the
779 office. Expenses of liquidation and approved claims for fees and
780 assessments due the office must ~~shall~~ be given first priority
781 among unsecured creditors.

782 Section 20. The Division of Law Revision and Information
783 is directed to create part III of chapter 663, Florida Statutes,
784 consisting of ss. 663.4001-663.416, Florida Statutes, to be
785 entitled "International Trust Company Representative Offices."

786 Section 21. Section 663.4001, Florida Statutes, is created
787 to read:

788 663.4001 Purpose.—The purpose of this part is to establish
789 a legal and regulatory framework for the conduct by
790 international trust entities of financial services business in
791 this state. This part is intended to:

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

792 (1) Support the Florida operations of international trust
793 entities and promote the growth of international financial
794 services to benefit the economy and consumers in this state.

795 (2) Provide for appropriate supervision and regulatory
796 oversight to ensure that financial services activities of
797 international trust entities in this state are conducted
798 responsibly and in a safe and sound manner.

799 Section 22. Section 663.401, Florida Statutes, is created
800 to read:

801 663.401 Definitions.-

802 (1) "Affiliate" means a person or business or a group of
803 persons or businesses acting in concert which controls, is
804 controlled by, or is under common control of an international
805 trust entity.

806 (2) "International trust company representative office"
807 means an office of an international trust entity which is
808 established or maintained in this state for the purpose of
809 engaging in nonfiduciary activities described in s. 663.409, or
810 any affiliate, subsidiary, or other person that engages in such
811 activities on behalf of such international trust entity from an
812 office located in this state.

813 (3) "International trust entity" means an international
814 trust company or organization, or any similar business entity,
815 or an affiliated or subsidiary entity that is licensed,
816 chartered, or similarly permitted to conduct trust business in a

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

817 foreign country or countries under the laws where such entity is
818 organized and supervised.

819 Section 23. Section 663.402, Florida Statutes, is created
820 to read:

821 663.402 Applicability of the financial institutions
822 codes.—

823 (1) An international trust entity that operates an office
824 licensed under this part is subject to all the financial
825 institutions codes as though such international trust entity
826 were a state trust company, except when it appears, from the
827 context or otherwise, that such provisions are clearly
828 applicable only to trust companies organized under the laws of
829 this state or the United States. Without limiting the foregoing
830 general provisions, it is the intent of the Legislature that the
831 following provisions are applicable to such international trust
832 entities having offices in this state: s. 655.031, relating to
833 administrative enforcement guidelines; s. 655.032, relating to
834 investigations, subpoenas, hearings, and witnesses; s. 655.0321,
835 relating to restricted access hearings, proceedings, and related
836 documents; s. 655.033, relating to cease and desist orders; s.
837 655.037, relating to removal of a financial institution-related
838 party by the office; s. 655.041, relating to administrative
839 finances and enforcement; s. 655.50, the Florida Control of Money
840 Laundering and Terrorist Financing in Financial Institutions
841 Act; and any law for which the penalty is increased under s.

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

842 775.31 for facilitating or furthering terrorism.

843 (2) An international trust entity does not have any
844 greater right under, or by virtue of, this section than is
845 granted to trust companies organized under the laws of this
846 state. Legal and financial terms used in this chapter are deemed
847 to refer to equivalent terms used by the country in which the
848 international trust entity is organized. This chapter and the
849 financial institutions codes may not be construed to authorize
850 any international trust entity to conduct trust business, as
851 defined in s. 658.12, from an office in this state.

852 Section 24. Section 663.403, Florida Statutes, is created
853 to read:

854 663.403 Applicability of the Florida Business Corporation
855 Act.—Notwithstanding s. 607.01401(12), the provisions of part I
856 of chapter 607 which are not in conflict with the financial
857 institutions codes and which relate to foreign corporations
858 apply to all international trust entities and their offices
859 doing business in this state.

860 Section 25. Section 663.404, Florida Statutes, is created
861 to read:

862 663.404 Requirements for conducting financial institution
863 business.—An international trust entity, or any affiliated,
864 subsidiary, or other person or business entity acting as an
865 agent for, on behalf of, or for the benefit of such
866 international trust entity, who engages in such activities from

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

867 an office located in this state, may not transact a trust
868 business, or maintain in this state any office for carrying on
869 such business, or any part thereof, unless such international
870 trust entity, affiliate, subsidiary, person, or business entity:

871 (1) Has been authorized by charter, license, or similar
872 authorization by operation of law to carry on trust business and
873 has complied with the laws of each jurisdiction in which it is
874 chartered, licensed, or otherwise authorized and created under
875 operation of law.

876 (2) Has furnished to the office such proof as to the
877 nature and character of its business and as to its financial
878 condition as the commission or office requires.

879 (3) Has filed with the office a certified copy of that
880 information required to be supplied to the Department of State
881 by those provisions of part I of chapter 607 which are
882 applicable to foreign corporations.

883 (4) Has received a license duly issued to it by the
884 office.

885 (5) Has sufficient capital in accordance with the
886 requirements of s. 663.407 and the rules adopted thereunder and
887 is not imminently insolvent or insolvent, as those terms are
888 defined under s. 655.005(1).

889 (6) (a) Is not in bankruptcy, conservatorship,
890 receivership, liquidation, or similar status under the laws of
891 any country.

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

892 (b) Is not operating under the direct control of the
893 government or the regulatory or supervisory authority of the
894 home jurisdiction in which it has been chartered, licensed, or
895 otherwise authorized and created under operation of law, through
896 government intervention or any other extraordinary actions.

897 (c) Has not been in such status or control at any time
898 within the 3 years preceding the date of application for a
899 license.

900

901 Notwithstanding paragraphs (a) and (b), the office may permit an
902 international trust company representative office to remain open
903 and in operation pursuant to s. 663.412(1)(b).

904 Section 26. Section 663.405, Florida Statutes, is created
905 to read:

906 663.405 Civil action subpoena enforcement.-

907 (1) Notwithstanding s. 655.059, an international trust
908 company representative office established under this chapter is
909 not required to produce a book or record pertaining to a deposit
910 account, investment account, trust account, or loan of a
911 customer of the international trust entity's offices that are
912 located outside the United States or its territories in response
913 to a subpoena, if the book or record is maintained outside the
914 United States or its territories and is not in the possession,
915 custody, or control of the international trust entity's
916 representative office established in this state.

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

917 (2) This section applies only to a subpoena issued
918 pursuant to the Florida Rules of Civil Procedure, the Federal
919 Rules of Civil Procedure, or other similar law or rule of civil
920 procedure in another state. This section does not apply to a
921 subpoena issued by or on behalf of a federal, state, or local
922 government law enforcement agency, administrative or regulatory
923 agency, legislative body, or grand jury and does not limit the
924 power of the office to access all books and records in the
925 exercise of the office's regulatory and supervisory powers under
926 the financial institutions codes.

927 Section 27. Section 663.406, Florida Statutes, is created
928 to read:

929 663.406 Application for license; approval or disapproval.-

930 (1) An international trust entity, before being licensed
931 by the office to maintain any office in this state, must
932 subscribe and acknowledge, and submit to the office, an
933 application that contains all of the following:

934 (a) The name of the international trust entity.

935 (b) The proposed location, by street and post office
936 address and county, where its business is to be transacted in
937 this state, and the name of the person who will be in charge of
938 the business and affairs of the office.

939 (c) The location where its initial registered office will
940 be located in this state.

941 (d) The total amount of the capital accounts of the

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

942 international trust entity.

943 (e) A complete and detailed statement of its financial
944 condition as of a date within 180 days before the date of such
945 application, except that the office in its discretion may, when
946 necessary or expedient, accept such statement of financial
947 condition as of a date within 240 days before the date of such
948 application. The office in its discretion may, when necessary or
949 expedient, require an independent opinion audit or the
950 equivalent satisfactory to the office.

951 (f) A listing of any occasion within the 10-year period
952 before the application on which either the international trust
953 entity or any of its directors, executive officers, or principal
954 shareholders have been arrested for, charged with, convicted of,
955 or pled guilty or nolo contendere to, regardless of
956 adjudication, any offense with respect to which the penalties
957 include the possibility of imprisonment for 1 year or more, or
958 to any offense involving money laundering, currency transaction
959 reporting, facilitating or furthering terrorism, or fraud, or
960 otherwise related to the operation of a financial institution.

961 (2) The office shall disallow any illegally obtained
962 currency, monetary instruments, funds, or other financial
963 resources from the capitalization requirements of this section,
964 and the existence of such illegally obtained resources is
965 grounds for denial of the application for license.

966 (3) An international trust entity that submits an

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

967 application to the office shall concurrently submit a
968 certificate issued by the supervisory authority of the country
969 in which the international trust entity is chartered or
970 organized which states that the international trust entity is
971 duly organized and licensed, or otherwise authorized by
972 operation of law to transact business as a trust entity, and
973 lawfully existing in good standing.

974 (4) An international trust entity that has operated an
975 international trust company representative office in this state
976 for at least 3 years in a safe and sound manner, as defined by
977 commission rule, and that is otherwise eligible to establish an
978 additional office may establish one or more international trust
979 company representative offices by providing an abbreviated
980 application, and paying the appropriate license fee pursuant to
981 s. 663.413.

982 (5) An application filed pursuant to this section must be
983 made on a form prescribed by the commission and must contain
984 such information as the commission or office requires.

985 (6) The office may, in its discretion, approve or
986 disapprove the application, but it may not approve the
987 application unless, in its opinion, the applicant meets each and
988 every requirement of this part and any other applicable
989 provision of the financial institutions codes. The office may
990 approve the application only if it has determined that the
991 directors, executive officers, and principal shareholders of the

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

992 international trust entity are qualified by reason of their
993 financial ability, reputation, and integrity and have sufficient
994 trust company and other business experience to indicate that
995 they will manage and direct the affairs of the international
996 trust entity in a safe, sound, and lawful manner. In the
997 processing of any application filed pursuant to this section,
998 the time limitations under the Administrative Procedure Act do
999 not apply as to approval or disapproval of the application. For
1000 applications filed on or after January 1, 2018, the time
1001 limitations for approval or disapproval of an application must
1002 be prescribed by rule of the commission.

1003 (7) The office may not issue a license to an international
1004 trust entity unless it is chartered, licensed, or similarly
1005 authorized by operation of law in a jurisdiction in which any
1006 financial institution licensed or chartered by any state or
1007 federal regulatory agency in the United States may establish
1008 similar facilities or exercise similar powers.

1009 (8) The office may not issue a license to an international
1010 trust entity for the purpose of operating an international trust
1011 company representative office in this state unless the trust
1012 entity:

1013 (a) Holds an unrestricted license to conduct trust
1014 business in the foreign country under whose laws it is organized
1015 and chartered;

1016 (b) Has been authorized by the foreign country's

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1017 appropriate regulatory authority to establish the proposed
1018 international trust company representative office; and

1019 (c) Is adequately supervised by the appropriate regulatory
1020 agency in the foreign country in which it is organized and
1021 chartered.

1022 (9) The commission shall establish, by rule, the general
1023 principles that determine the adequacy of supervision of an
1024 international trust entity's foreign establishments. These
1025 principles must be based upon the need for cooperative
1026 supervisory efforts and consistent regulatory guidelines and
1027 must address, at a minimum, the capital adequacy, asset quality,
1028 management, earnings, liquidity, internal controls, audits, and
1029 foreign exchange operations and positions of the international
1030 trust entity. This subsection does not require examination by
1031 the home-country regulatory authorities of any office of an
1032 international trust entity in this state. The commission may
1033 also establish, by rule, other standards for approval of an
1034 application for a license as considered necessary to ensure the
1035 safe and sound operations of the international trust entity in
1036 this state.

1037 Section 28. Section 663.407, Florida Statutes, is created
1038 to read:

1039 663.407 Capital requirements.—

1040 (1) For an international trust entity to qualify for a
1041 license under this part, the proposed capitalization of the

Amendment No. 1

1042 international trust entity must be in such amount as the office
1043 determines is necessary, taking into consideration the risk
1044 profile of the international trust entity and the ability of the
1045 international trust entity to operate a licensed office in a
1046 safe and sound manner. In making this determination, the office
1047 shall consider the financial resources of the international
1048 trust entity, including:

1049 (a) The international trust entity's current and projected
1050 capital position, profitability, level of indebtedness, business
1051 and strategic plans, and off-balance sheet asset management and
1052 administration activities;

1053 (b) The financial condition of any of the international
1054 trust entity's existing offices located in the United States;

1055 (c) The minimum capital requirements of the international
1056 trust entity's home-country jurisdiction; and

1057 (d) The capital ratio standards used in the United States
1058 and in the international trust entity's home-country
1059 jurisdiction.

1060 (2) The proposed capitalization of the international trust
1061 entity must be in such amount as the office deems adequate, but
1062 in no case may the total capital accounts of the international
1063 trust entity be less than \$1 million.

1064 (3) The office may specify such other conditions as it
1065 determines are appropriate, considering the public interest and
1066 the need to maintain a safe, sound, and competitive financial

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1067 marketplace in this state.

1068 (4) For purposes of this part, the capital accounts of and
1069 capital ratio standards for an international trust entity must
1070 be determined in accordance with rules adopted by the
1071 commission. In adopting such rules, the commission shall
1072 consider similar rules adopted by regulatory agencies in the
1073 United States and the need to provide reasonably consistent
1074 regulatory requirements for international trust entities doing
1075 business in this state, as well as capital adequacy standards of
1076 an international trust entity's home-country jurisdiction.

1077 Section 29. Section 663.408, Florida Statutes, is created
1078 to read:

1079 663.408 Licenses; permissible activities of licensees.-

1080 (1) (a) An international trust entity licensed to operate
1081 an office in this state may engage in the business authorized by
1082 this part at the office specified in such license for an
1083 indefinite period.

1084 (b) An international trust entity may operate more than
1085 one licensed office, each at a different place of business,
1086 provided that each office is separately licensed.

1087 (c) A license is not transferable or assignable. However,
1088 the location of a licensed office may be changed after
1089 notification to the office.

1090 (d) A license must at all times be conspicuously displayed
1091 in the place of business specified therein.

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1092 (2) An international trust entity that proposes to
1093 terminate the operations of a licensed office in this state must
1094 surrender its license to the office and comply with such
1095 procedures as the commission may prescribe by rule.

1096 (3) The license for an international trust company
1097 representative office in this state may be suspended or revoked
1098 by the office, with or without examination, upon its
1099 determination that the international trust entity or the
1100 licensed office does not meet all requirements for original
1101 licensing. Additionally, the office shall revoke the license of
1102 any licensed office that the office determines has been inactive
1103 for 6 months or longer. The commission may by rule prescribe
1104 additional conditions or standards under which the license of an
1105 international trust company representative office may be
1106 suspended or revoked.

1107 (4) If any such license is surrendered by the
1108 international trust entity or is suspended or revoked by the
1109 office, all rights and privileges of the international trust
1110 entity to transact the business under the license cease. The
1111 commission shall prescribe by rule procedures for the surrender
1112 of a license and for the orderly cessation of business by an
1113 international trust entity in a manner that is not harmful to
1114 the interests of its customers or of the public.

1115 Section 30. Section 663.4081, Florida Statutes, is created
1116 to read:

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1117 663.4081 After-the-fact licensure process in the event of
1118 the acquisition, merger, or consolidation of international trust
1119 entities.-If an international trust entity proposes to acquire,
1120 merge, or consolidate with an international trust entity that
1121 presently operates an international trust company representative
1122 office licensed in this state, the office may allow the
1123 currently licensed international trust company representative
1124 office to remain open and in operation after consummation of the
1125 proposed acquisition, merger, or consolidation, subject to the
1126 filing with the office of an after-the-fact license application
1127 in accordance with all of the following conditions:

1128 (1) The international trust entity or entities resulting
1129 from the acquisition, merger, or consolidation will not directly
1130 or indirectly own or control more than 5 percent of any class of
1131 the voting securities of, or control, a United States bank.

1132 (2) Before consummation of the acquisition, merger, or
1133 consolidation, the international trust entity currently licensed
1134 to operate an international trust company representative office
1135 in this state must provide the office at least 30 days' advance
1136 written notice, as prescribed by rules adopted by the
1137 commission, of the proposed acquisition, merger, or
1138 consolidation.

1139 (3) Before consummation of the acquisition, merger, or
1140 consolidation, each international trust entity commits in
1141 writing that it will:

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1142 (a) Comply with the conditions in subsections (1) and (2)
1143 and file an after-the-fact application for a license under s.
1144 663.406(1) within 60 days after consummation of the proposed
1145 acquisition, merger, or consolidation; and refrain from engaging
1146 in new lines of business and from otherwise expanding the
1147 activities of such establishment in this state until the
1148 disposition of the after-the-fact license application, in
1149 accordance with chapter 120; or

1150 (b) Promptly wind down and close any international trust
1151 company representative office in this state if the international
1152 trust entities that are party to the acquisition, merger, or
1153 consolidation elect not to file an application for a license in
1154 accordance with paragraph (a); and, before such wind-down and
1155 closure, refrain from engaging in new lines of business or
1156 otherwise expanding the activities of such establishment in this
1157 state.

1158 Section 31. Section 663.0625, Florida Statutes, is
1159 transferred, renumbered as section 663.409, Florida Statutes,
1160 and amended to read:

1161 663.409 ~~663.0625~~ International trust company
1162 representative offices; permissible activities; requirements.-

1163 (1) An international trust company representative office
1164 may conduct any nonfiduciary activities that are ancillary to
1165 the fiduciary business of its international trust entity ~~banking~~
1166 ~~corporation or trust company~~, but may not act as a fiduciary.

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1167 Permissible activities include advertising, marketing, and
1168 soliciting for fiduciary business on behalf of an international
1169 trust entity ~~banking corporation or trust company~~; contacting
1170 existing or potential customers, answering questions, and
1171 providing information about matters related to their accounts;
1172 serving as a liaison in this state between the international
1173 trust entity ~~banking corporation or trust company~~ and its
1174 existing or potential customers; and engaging in any other
1175 activities approved by the office or under rules of the
1176 commission.

1177 (2) Representatives and employees at such office may not
1178 act as a fiduciary, including, but not limited to, accepting the
1179 fiduciary appointment, executing the fiduciary documents that
1180 create the fiduciary relationship, ~~or~~ making discretionary
1181 decisions regarding the investment or distribution of fiduciary
1182 accounts, or accepting custody of any trust property or any
1183 other good, asset, or thing of value on behalf of the affiliated
1184 international trust entity, its subsidiaries or affiliates, or
1185 subsidiaries and affiliates of the international trust company
1186 representative office.

1187 (3) An international trust company representative office
1188 licensed by the office may engage in any activities permissible
1189 for a qualified limited service affiliate under part IV of this
1190 chapter.

1191 Section 32. Section 663.410, Florida Statutes, is created

Amendment No. 1

1192 to read:

1193 663.410 Certification of capital accounts.—Before opening
1194 an office in this state, and annually thereafter so long as an
1195 international trust company representative office is maintained
1196 in this state, an international trust entity licensed pursuant
1197 to this part must certify to the office the amount of its
1198 capital accounts, expressed in the currency of the home
1199 jurisdiction where it has been authorized by charter, license,
1200 or similar authorization by operation of law to carry on trust
1201 business. The dollar equivalent of these amounts, as determined
1202 by the office, is deemed to be the amount of its capital
1203 accounts. The annual certification of capital accounts must be
1204 received by the office on or before June 30 of each year.

1205 Section 33. Section 663.411, Florida Statutes, is created
1206 to read:

1207 663.411 Reports; records.—

1208 (1) An international trust entity that operates an office
1209 licensed under this part shall, at such times and in such form
1210 as the commission prescribes, make written reports in the
1211 English language to the office, under the oath of one of its
1212 officers, managers, or agents transacting business in this
1213 state, showing the amount of its assets and liabilities and
1214 containing such other matters as the commission or office
1215 requires. An international trust entity that maintains two or
1216 more representative offices may consolidate such information in

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1217 one report unless the office requires otherwise for purposes of
1218 its supervision of the condition and operations of each such
1219 office. The late filing of such reports is subject to an
1220 administrative fine as prescribed under s. 655.045(2). If the
1221 international trust entity fails to make such report as directed
1222 by the office or if such report contains a false statement
1223 knowingly made, the same are grounds for revocation of the
1224 license of the international trust entity.

1225 (2) An international trust entity that operates an office
1226 licensed under this part shall cause to be kept, at a location
1227 accepted by the office:

1228 (a) Correct and complete books and records of account of
1229 the business operations transacted by such office. All policies
1230 and procedures relating specifically to the operations of such
1231 office, as well as any existing general ledger or subsidiary
1232 accounts, must be maintained in the English language; however,
1233 any policies and procedures of the international trust entity
1234 which are not specific to the operations of such office may be
1235 maintained in a language other than English.

1236 (b) Current copies of the charter or statement of
1237 operation and bylaws of the international trust entity, relative
1238 to the operations of the international trust company
1239 representative office, and minutes of the proceedings of its
1240 directors, officers, or committees relative to the business of
1241 the international trust company representative office. Such

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1242 records may be maintained in a language other than English and
1243 must be kept pursuant to s. 655.91 and be made available to the
1244 office, upon request, at any time during regular business hours
1245 of the international trust company representative office.

1246 (3) Any failure to keep such records as required in
1247 subsection (2) or any refusal to produce such records upon
1248 request by the office is grounds for suspension or revocation of
1249 any license issued under this part.

1250 (4) The office may require at any time that any document
1251 not written in the English language which the office deems
1252 necessary for the purposes of its regulatory and supervisory
1253 functions be translated into English at the expense of the
1254 international trust entity.

1255 Section 34. Section 663.412, Florida Statutes, is created
1256 to read:

1257 663.412 Termination of international trust entity's
1258 charter or authority.-

1259 (1) (a) An international trust entity that is licensed to
1260 maintain an office in this state may not continue to conduct its
1261 licensed business in this state if the international trust
1262 entity:

1263 1. Is dissolved, or its authority or existence is
1264 otherwise terminated or canceled in the home jurisdiction where
1265 it has been authorized by charter, license, or similar
1266 authorization by operation of law to carry on trust business;

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1267 2. Is in bankruptcy, conservatorship, receivership,
1268 liquidation, or similar status under the laws of any country; or

1269 3. Is operating under the direct control of the government
1270 or the regulatory or supervisory authority of the jurisdiction
1271 where it has been authorized by charter, license, or similar
1272 authorization by operation of law to carry on trust business
1273 through government intervention or any other extraordinary
1274 actions.

1275 (b)1. Notwithstanding subparagraphs (a)2. and 3., the
1276 office may permit an international trust company representative
1277 office to remain open and in operation under the following
1278 conditions:

1279 a. Within 30 days after the occurrence of an event
1280 described in subparagraph (a)2. or subparagraph (a)3., the
1281 international trust company representative office provides the
1282 office with a plan to wind down its affairs and business within
1283 the subsequent 90 days or provides an interim operational plan
1284 outlining parameters for its continued operation. If the office
1285 finds that such interim operational plan does not allow for the
1286 conduct of business in a safe and sound manner, the office shall
1287 revoke the license.

1288 b. The international trust entity is authorized by the
1289 foreign country in which it is organized and licensed to address
1290 the affairs of any international trust company representative
1291 office in this state.

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1292 c. The international trust company representative office
1293 does not engage in any new lines of business or otherwise expand
1294 its activities in this state.

1295 d. The office determines that allowing the international
1296 trust company representative office to remain open furthers
1297 domestic and foreign supervisory cooperation.

1298 e. The office determines that allowing the international
1299 trust company representative office to remain open is in the
1300 public's interest and does not present an immediate or serious
1301 danger to the public health, safety, or welfare.

1302 2. The commission may establish, by rule, additional
1303 standards and conditions for approval of an interim operational
1304 plan and for ongoing compliance with the plan. Such standards
1305 and conditions shall be based upon the need for cooperative
1306 supervisory efforts, consistent regulatory oversight, and the
1307 orderly administration of the international trust entity's
1308 affairs.

1309 3. After the resolution of all applicable events described
1310 in subparagraphs (a)2. and 3., if an international trust entity
1311 is no longer authorized by the foreign country in which it is
1312 organized and supervised to conduct trust business, the
1313 international trust company representative office shall
1314 surrender its license in accordance with s. 663.408.

1315 (2) The international trust entity or its surviving
1316 officers and directors shall deliver to the office:

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1317 (a) A certificate of the official who is responsible for
1318 records of trust entities in the jurisdiction where the
1319 international trust entity has been authorized by charter,
1320 license, or similar authorization by operation of law to carry
1321 on trust business of the international trust entity, attesting
1322 to the occurrence of any event described in paragraph (1) (a);

1323 (b) A certified copy of an order or decree of a court of
1324 such jurisdiction, directing the dissolution of such
1325 international trust entity, the termination of its existence, or
1326 the cancellation of its authority, or declaring its status in
1327 bankruptcy, conservatorship, receivership, liquidation, or
1328 similar proceedings; or

1329 (c) Other reliable documentation evidencing that the
1330 international trust entity is operating under the direct control
1331 of its government or a regulatory or supervisory authority.

1332 (3) The filing of the certificate, order, documentation,
1333 or decree has the same effect as the revocation of the license
1334 of such international trust entity as provided in s. 663.408,
1335 unless the office has permitted the international trust company
1336 representative office to remain open and in operation pursuant
1337 to paragraph (1) (b).

1338 Section 35. Section 663.413, Florida Statutes, is created
1339 to read:

1340 663.413 Application and examination fees.-

1341 (1) An application for a license to establish an

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1342 international trust company representative office under this
1343 part must be accompanied by a nonrefundable \$5,000 filing fee,
1344 payable to the office.

1345 (2) An international trust entity that maintains an office
1346 licensed under this part must pay to the office examination fees
1347 that are determined by the commission by rule and that are
1348 calculated in a manner so as to be equal to the actual cost of
1349 each examiner's participation in the examination, as measured by
1350 the examiner's pay scale, plus any other expenses directly
1351 incurred in the examination. However, the examination fees may
1352 not be less than \$200 per day for each examiner participating in
1353 the examination.

1354 Section 36. Section 663.414, Florida Statutes, is created
1355 to read:

1356 663.414 Rules; exemption from statement of estimated
1357 regulatory costs requirements.—In addition to any other
1358 rulemaking authority it has under the financial institutions
1359 codes, the commission may adopt reasonable rules that it deems
1360 advisable for the administration of international trust entities
1361 under this part in the interest of protecting depositors,
1362 creditors, borrowers, or the public interest and in the interest
1363 of maintaining a sound banking and trust system in this state.
1364 Because of the difficulty in obtaining economic data with regard
1365 to such trusts, ss. 120.54(3)(b) and 120.541 do not apply to the
1366 adoption of rules pursuant to this section.

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1367 Section 37. Section 663.415, Florida Statutes, is created
1368 to read:

1369 663.415 Travel expenses.—If domestic or foreign travel is
1370 deemed necessary by the office to effectuate the purposes of
1371 this part, the office must be reimbursed for actual, reasonable,
1372 and necessary expenses incurred in such domestic or foreign
1373 travel by the international trust company representative office
1374 under examination.

1375 Section 38. The Division of Law Revision and Information
1376 is directed to create part IV of chapter 663, Florida Statutes,
1377 consisting of ss. 663.530-663.540, Florida Statutes, to be
1378 entitled "Qualified Limited Service Affiliates of International
1379 Trust Entities."

1380 Section 39. Section 663.530, Florida Statutes, is created
1381 to read:

1382 663.530 Definitions.—

1383 (1) As used in ss. 663.531-663.539, the term:

1384 (a) "Foreign country" means a country other than the
1385 United States and includes any colony, dependency, or possession
1386 of such country notwithstanding any definitions in chapter 658,
1387 and any territory of the United States, including Guam, American
1388 Samoa, the Virgin Islands, and the Commonwealth of Puerto Rico.

1389 (b) "Home-country regulator" means the supervisory
1390 authority or equivalent or other similarly sanctioned body,
1391 organization, governmental entity, or recognized authority,

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1392 which has similar responsibilities in a foreign country in which
1393 and by whom an international trust entity is licensed,
1394 chartered, or has similar authorization to organize and operate.

1395 (c) "International trust entity" means an international
1396 trust company or organization, or any similar business entity,
1397 or an affiliated or subsidiary entity that is licensed,
1398 chartered, or similarly permitted to conduct trust business in a
1399 foreign country or countries under the laws where such entity is
1400 organized and supervised.

1401 (d) "Limited service affiliate" means a marketing and
1402 liaison office that engages in the permissible activities
1403 enumerated in s. 663.531 for the benefit of an international
1404 trust entity.

1405 (e) "Nonresident" has the same meaning as in s. 663.01.

1406 (f) "Professional" means an accountant, attorney, or other
1407 financial services and wealth planning professional who is
1408 licensed by a governing body or affiliated with a licensed,
1409 chartered, or similarly authorized entity.

1410 (g) "Qualified limited service affiliate" means a person
1411 or entity that is qualified under this part to perform the
1412 permissible activities outlined in s. 663.531 related to or for
1413 the benefit of an affiliated international trust entity.

1414 (2) As used in ss. 663.531-663.539, the terms "affiliate,"
1415 "commission," "executive officer," "financial institution,"
1416 "financial institution-affiliated party," "financial

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1417 institutions codes," "office," "officer," "state," and
1418 "subsidiary" have the same meaning as provided in s. 655.005.

1419 Section 40. Section 663.531, Florida Statutes, is created
1420 to read:

1421 663.531 Permissible activities; prohibited activities.—

1422 (1) Qualification as a qualified limited service affiliate
1423 under this part does not provide any exemption from licensure,
1424 registration, application, and requirements to conduct licensed
1425 business activities in this state. A qualified limited service
1426 affiliate may engage in any of the following permissible
1427 activities, which are not meant to be restrictive unless an
1428 activity is prohibited under subsection (2):

1429 (a) Marketing and liaison services related to or for the
1430 benefit of the affiliated international trust entities, directed
1431 exclusively at professionals and current or prospective
1432 nonresident clients of an affiliated international trust entity;

1433 (b) Advertising and marketing at trade, industry, or
1434 professional events;

1435 (c) Transmission of documents between the international
1436 trust entity and its current or prospective clients or a
1437 designee of such clients; and

1438 (d) Transmission of information about the trust or trust
1439 holdings of current clients between current clients or their
1440 designees and the international trust entity.

1441 (2) A qualified limited service affiliate may not engage

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1442 in any of the following activities:

1443 (a) Advertising and marketing related to or for the
1444 benefit of the international trust entity which are directed to
1445 the general public;

1446 (b) Acting as a fiduciary, including, but not limited to,
1447 accepting the fiduciary appointment, executing the fiduciary
1448 documents that create the fiduciary relationship, or making
1449 discretionary decisions regarding the investment or distribution
1450 of fiduciary accounts;

1451 (c) Accepting custody of any trust property or any other
1452 good, asset, or thing of value on behalf of the affiliated
1453 international trust entity, its subsidiaries or affiliates, or
1454 subsidiaries and affiliates of the qualified limited service
1455 affiliate;

1456 (d) Soliciting business within this state from the general
1457 public related to or for the benefit of an affiliated
1458 international trust entity;

1459 (e) Adding a director, an executive officer, a principal
1460 shareholder, a manager, a managing member, or an equivalent
1461 position to the qualified limited service affiliate without
1462 prior written notification to the office;

1463 (f) Commencing services for an international trust entity
1464 without complying with the requirements of s. 663.532;

1465 (g) Providing services for any international trust entity
1466 that is in bankruptcy, conservatorship, receivership,

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1467 liquidation, or a similar status under the laws of any country;
1468 or

1469 (h) Otherwise conducting banking or trust business.

1470 (3) The provisions of subsection (2) are not deemed to
1471 prevent the qualified limited service affiliate's use of an
1472 international trust entity's website, or its own website, if the
1473 posted information or communication includes the following:

1474 (a) The following statement: "Certain described services
1475 are not offered to the general public in Florida, but are
1476 marketed by ... (insert name of qualified limited service
1477 affiliate)... exclusively to professionals and current or
1478 prospective non-U.S. resident clients of the affiliated
1479 international trust entity or entities."

1480 (b) The notice required by s. 663.535.

1481 (4) In addition to any other power conferred upon it to
1482 enforce and administer this chapter and the financial
1483 institutions codes, the office may impose any remedy or penalty
1484 pursuant to s. 655.033, relating to cease and desist orders; s.
1485 655.034, relating to injunctions; s. 655.037, relating to
1486 removal of a financial institution-affiliated party by the
1487 office; or s. 655.041, relating to administrative fines and
1488 enforcement, if a qualified limited service affiliate engages in
1489 any of the impermissible activities in subsection (2).

1490 Section 41. Effective upon this act becoming a law,
1491 section 663.532, Florida Statutes, is created to read:

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1492 663.532 Qualification.—No later than March 31, 2018, a
1493 person or entity that previously qualified under the moratorium
1494 in s. 663.041 must seek qualification as a qualified limited
1495 service affiliate or cease doing business in this state.
1496 Notwithstanding the expiration of the moratorium under s.
1497 663.041, a person or entity that previously qualified under such
1498 moratorium may remain open and in operation but shall refrain
1499 from engaging in new lines of business in this state until
1500 qualified as a qualified limited service affiliate under this
1501 part.

1502 Section 42. Section 663.532, Florida Statutes, as created
1503 by this act, is amended to read:

1504 663.532 Qualification.—

1505 (1) To qualify as a qualified limited service affiliate
1506 under this part, a limited service affiliate must file a written
1507 notice with the office, in the manner and on a form prescribed
1508 by the commission. Such written notice must include:

1509 (a) The name under which the proposed qualified limited
1510 service affiliate will conduct business in this state.

1511 (b) A copy of the articles of incorporation or articles of
1512 organization, or the equivalent, of the proposed qualified
1513 limited service affiliate.

1514 (c) The physical address where the proposed qualified
1515 limited service affiliate will conduct business.

1516 (d) The mailing address of the proposed qualified limited

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1517 service affiliate.

1518 (e) The name and biographical information of each
1519 director, executive officer, manager, managing member, or
1520 equivalent position of the proposed qualified limited service
1521 affiliate, to be submitted on a form prescribed by the
1522 commission.

1523 (f) The number of officers and employees of the proposed
1524 qualified limited service affiliate.

1525 (g) A detailed list and description of the activities to
1526 be conducted by the proposed qualified limited service
1527 affiliate. The detailed list and description must include:

1528 1. The services and activities of the proposed qualified
1529 limited service affiliate;

1530 2. An explanation of how the services and activities of
1531 the proposed qualified limited service affiliate serve the
1532 business purpose of each international trust entity; and

1533 3. An explanation of how the services and activities of
1534 the proposed qualified limited service affiliate are
1535 distinguishable from those of the permissible activities of an
1536 international trust company representative office described
1537 under s. 663.409.

1538 (h) Disclosure of any instance occurring within the prior
1539 10 years when the proposed qualified limited service affiliate's
1540 director, executive officer, principal shareholder, manager,
1541 managing member, or equivalent position was:

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1542 1. Arrested for, charged with, or convicted of, or who
1543 pled guilty or nolo contendere to, regardless of adjudication,
1544 any offense that is punishable by imprisonment for a term
1545 exceeding 1 year, or to any offense that involves money
1546 laundering, currency transaction reporting, tax evasion,
1547 facilitating or furthering terrorism, fraud, theft, larceny,
1548 embezzlement, fraudulent conversion, misappropriation of
1549 property, dishonesty, breach of trust, breach of fiduciary duty,
1550 or moral turpitude, or that is otherwise related to the
1551 operation of a financial institution;

1552 2. Fined or sanctioned as a result of a complaint to the
1553 office or any other state or federal regulatory agency; or

1554 3. Ordered to pay a fine or penalty in a proceeding
1555 initiated by a federal, state, foreign, or local law enforcement
1556 agency or an international agency related to money laundering,
1557 currency transaction reporting, tax evasion, facilitating or
1558 furthering terrorism, fraud, theft, larceny, embezzlement,
1559 fraudulent conversion, misappropriation of property, dishonesty,
1560 breach of trust, breach of fiduciary duty, or moral turpitude,
1561 or that is otherwise related to the operation of a financial
1562 institution.

1563 (i) A declaration under penalty of perjury signed by the
1564 executive officer, manager, or managing member of the proposed
1565 qualified limited service affiliate that, to the best of his or
1566 her knowledge:

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1567 1. No employee, representative, or agent provides, or will
1568 provide, banking services; promotes or sells, or will promote or
1569 sell, investments; or accepts, or will accept, custody of
1570 assets.

1571 2. No employee, representative, or agent acts, or will
1572 act, as a fiduciary in this state, which includes, but is not
1573 limited to, accepting the fiduciary appointment, executing the
1574 fiduciary documents that create the fiduciary relationship, or
1575 making discretionary decisions regarding the investment or
1576 distribution of fiduciary accounts.

1577 3. The jurisdiction of the international trust entity or
1578 its offices, subsidiaries, or any affiliates that are directly
1579 involved in or facilitate the financial services functions,
1580 banking, or fiduciary activities of the international trust
1581 entity is not listed on the Financial Action Task Force Public
1582 Statement or on its list of jurisdictions with deficiencies in
1583 anti-money laundering or counterterrorism.

1584 (j) For each international trust entity that the proposed
1585 qualified limited service affiliate will provide services for in
1586 this state, the following:

1587 1. The name of the international trust entity;

1588 2. A list of the current officers and directors of the
1589 international trust entity;

1590 3. Any country where the international trust entity is
1591 organized or authorized to do business;

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

- 1592 4. The name of the home-country regulator;
- 1593 5. Proof that the international trust entity has been
1594 authorized by charter, license, or similar authorization by its
1595 home-country regulator to engage in trust business;
- 1596 6. Proof that the international trust entity lawfully
1597 exists and is in good standing under the laws of the
1598 jurisdiction where it is chartered, licensed, or organized;
- 1599 7. A statement that the international trust entity is not
1600 in bankruptcy, conservatorship, receivership, liquidation, or in
1601 a similar status under the laws of any country;
- 1602 8. Proof that the international trust entity is not
1603 operating under the direct control of the government or the
1604 regulatory or supervisory authority of the jurisdiction of its
1605 incorporation, through government intervention or any other
1606 extraordinary actions, and confirmation that it has not been in
1607 such a status or under such control at any time within the prior
1608 3 years;
- 1609 9. Proof and confirmation that the proposed qualified
1610 limited service affiliate is affiliated with the international
1611 trust entities provided in the notice; and
- 1612 10. Proof that the jurisdictions where the international
1613 trust entity or its offices, subsidiaries, or any affiliates
1614 that are directly involved in or that facilitate the financial
1615 services functions, banking, or fiduciary activities of the
1616 international trust entity are not listed on the Financial

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1617 Action Task Force Public Statement or on its list of
1618 jurisdictions with deficiencies in anti-money laundering or
1619 counterterrorism.

1620 (k) A declaration under penalty of perjury, signed by an
1621 executive officer, manager, or managing member of each
1622 affiliated international trust entity, declaring that the
1623 information provided to the office is true and correct to the
1624 best of his or her knowledge.

1625
1626 The proposed qualified limited service affiliate may provide
1627 additional information in the form of exhibits when attempting
1628 to satisfy any of the qualification requirements. All
1629 information that the proposed qualified limited service
1630 affiliate desires to present to support the written notice must
1631 be submitted with the notice.

1632 (2) The office may request additional information as the
1633 office reasonably requires. Any request for additional
1634 information must be made by the office within 30 days after
1635 initial receipt of the written notice. Additional information
1636 must be submitted within 60 days after a request has been made
1637 by the office. Failure to respond to such request within 60 days
1638 after the date of the request is a ground for denial of the
1639 qualification. A notice is not deemed complete until all
1640 requested information has been submitted to the office. Upon
1641 deeming the notice complete, the office has 120 days to qualify

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1642 the limited service affiliate or issue a denial. An order
1643 denying a qualification must contain notice of opportunity for a
1644 hearing pursuant to ss. 120.569 and 120.57.

1645 (3) A qualification under this part must be summarily
1646 suspended by the office if the qualified limited service
1647 affiliate made a material false statement in the written notice.
1648 The summary suspension must remain in effect until a final order
1649 is entered by the office. For purposes of s. 120.60(6), a
1650 material false statement made in the qualified limited service
1651 affiliate's written notice constitutes an immediate and serious
1652 danger to the public health, safety, and welfare. If a qualified
1653 limited service affiliate made a material false statement in the
1654 written notice, the office must enter a final order revoking the
1655 qualification and may issue a fine as prescribed by s. 655.041
1656 or issue an order of suspension, removal, or prohibition under
1657 s. 655.037 to a financial institution-affiliated party of the
1658 qualified limited service affiliate.

1659 (4) Upon the filing of a completed qualification notice
1660 under this section, the office shall make an investigation of
1661 the character, reputation, business experience, and business
1662 qualifications of the proposed qualified limited service
1663 affiliate's proposed directors, executive officers, principal
1664 shareholder, managers, managing members, or equivalent
1665 positions. The office shall approve the qualification only if it
1666 has determined that such persons are qualified by reason of

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1667 their ability, reputation, and integrity and have sufficient
1668 experience to manage and direct the affairs of the qualified
1669 limited service affiliate in a lawful manner and in accordance
1670 with the requirements for obtaining and maintaining a
1671 qualification under this part. When evaluating a qualification
1672 notice, the office may consider factors reasonably related to an
1673 offense or related to a violation, fine, or penalty, such as
1674 mitigating factors, history of multiple violations, severity of
1675 the offense, and showings of rehabilitation.

1676 (5) A qualification is not transferable or assignable.

1677 (6) A person or entity in operation as of January 1, 2018,
1678 which meets the definition of a limited service affiliate under
1679 s. 663.530 must, on or before March 31, 2018, file the written
1680 notice pursuant to this section seeking qualification as a
1681 qualified limited service affiliate or cease doing business in
1682 this state.

1683 (7) No later than March 31, 2018, a person or entity that
1684 previously qualified under the moratorium in s. 663.041 must
1685 seek qualification as a qualified limited service affiliate or
1686 cease doing business in this state. Notwithstanding the
1687 expiration of the moratorium under s. 663.041, a person or
1688 entity that previously qualified under such moratorium may
1689 remain open and in operation but shall refrain from engaging in
1690 new lines of business in this state until qualified as a
1691 qualified limited service affiliate under this part.

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1692 Section 43. Section 663.5325, Florida Statutes, is created
1693 to read:

1694 663.5325 Civil action subpoena enforcement.-

1695 (1) Notwithstanding s. 655.059, a qualified limited
1696 service affiliate established under this chapter is not required
1697 to produce a book or record pertaining to a customer of an
1698 affiliated international trust entity that is located outside
1699 the United States or its territories in response to a subpoena
1700 if the book or record is maintained outside the United States or
1701 its territories and is not in the possession, custody, or
1702 control of the qualified limited service affiliate.

1703 (2) This section applies only to a subpoena issued
1704 pursuant to the Florida Rules of Civil Procedure, the Federal
1705 Rules of Civil Procedure, or other similar law or rule of civil
1706 procedure in another state or territory of the United States.
1707 This section does not apply to a subpoena issued by or on behalf
1708 of a federal, state, or local government law enforcement agency,
1709 administrative or regulatory agency, legislative body, or grand
1710 jury and does not limit the power of the office to access all
1711 books and records in the exercise of the office's regulatory and
1712 supervisory powers under the financial institutions codes.

1713 Section 44. Section 663.533, Florida Statutes, is created
1714 to read:

1715 663.533 Applicability of the financial institutions
1716 codes.-A qualified limited service affiliate is subject to the

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1717 financial institutions codes. Without limiting the foregoing,
1718 the following provisions are applicable to a qualified limited
1719 service affiliate:

1720 (1) Section 655.012, relating to general supervisory
1721 powers of the office.

1722 (2) Section 655.031, relating to administrative
1723 enforcement guidelines.

1724 (3) Section 655.032, relating to investigations,
1725 subpoenas, hearings, and witnesses.

1726 (4) Section 655.0321, relating to restricted access to
1727 certain hearings, proceedings, and related documents.

1728 (5) Section 655.033, relating to cease and desist orders.

1729 (6) Section 655.034, relating to injunctions.

1730 (7) Section 655.037, relating to removal of a financial
1731 institution-affiliated party by the office.

1732 (8) Section 655.041, relating to administrative fines and
1733 enforcement.

1734 (9) Section 655.057, relating to restrictions on access to
1735 public records.

1736 (10) Section 655.059, relating to access to books and
1737 records.

1738 (11) Section 655.0591, relating to trade secret documents.

1739 (12) Section 655.91, relating to records of institutions
1740 and copies thereof; retention and destruction.

1741 (13) Section 655.968, relating to financial institutions;

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1742 transactions relating to Iran or terrorism.

1743

1744 This section does not prohibit the office from investigating or
1745 examining an entity to ensure that it is not in violation of
1746 this chapter or applicable provisions of the financial
1747 institutions codes.

1748 Section 45. Section 663.534, Florida Statutes, is created
1749 to read:

1750 663.534 Events that require notice to be provided to the
1751 office.—A qualified limited service affiliate must report to the
1752 office, within 15 days of its knowledge of the occurrence, any
1753 changes to the information previously relied upon by the office
1754 when qualifying or renewing a qualification under this part.

1755 Section 46. Section 663.535, Florida Statutes, is created
1756 to read:

1757 663.535 Notice to customers.—All marketing documents and
1758 advertisements and any display at the location of the qualified
1759 limited service affiliate or at any trade or marketing event
1760 must contain the following statement in a contrasting color in
1761 at least 10-point type: "The Florida Office of Financial
1762 Regulation DOES NOT provide safety and soundness oversight of
1763 this company, does not provide any opinion as to any affiliated
1764 companies or products, and does not provide the oversight of
1765 this company's affiliated international trust entities or the
1766 jurisdictions within which they operate. This company may not

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1767 act as a fiduciary and may not accept the fiduciary appointment,
1768 execute or transmit fiduciary documents, take possession of any
1769 assets, create a fiduciary relationship, make discretionary
1770 decisions regarding the investment or distribution of fiduciary
1771 accounts, provide banking services, or promote or sell
1772 investments."

1773 Section 47. Section 663.536, Florida Statutes, is created
1774 to read:

1775 663.536 Recordkeeping requirements for trade, industry, or
1776 professional events.—A qualified limited service affiliate who
1777 participates in a trade, industry, or professional event
1778 pursuant to s. 663.531 must keep a record of its participation
1779 in the event. The record must be maintained for at least 2 years
1780 following the event and must contain the following information:

1781 (1) The date, time, and location of the event;

1782 (2) To the extent known or available, a list of
1783 participants in the event, including other vendors, presenters,
1784 attendees, and targeted attendees;

1785 (3) The nature and purpose of the event;

1786 (4) The qualified limited service affiliate's purpose for
1787 participating in the event; and

1788 (5) Samples of materials or, when samples are unavailable,
1789 descriptions of materials provided by the qualified limited
1790 service affiliate to attendees and other participants.

1791 Section 48. Section 663.537, Florida Statutes, is created

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1792 to read:

1793 663.537 Examination or investigation of a qualified
1794 limited service affiliate.—The office may conduct an examination
1795 or investigation of a qualified limited service affiliate at any
1796 time that it deems necessary to determine whether the qualified
1797 limited service affiliate or financial institution-affiliated
1798 party thereof has violated, or is about to violate, any
1799 provision of this chapter, any applicable provision of the
1800 financial institutions codes, or any rule adopted by the
1801 commission pursuant to this chapter or the financial
1802 institutions codes. The office shall conduct an examination of
1803 each qualified limited service affiliate at least once every 18
1804 months to assess compliance with this part and the financial
1805 institutions codes. The office may conduct an examination,
1806 before or after qualification, of any person or entity that
1807 submits the written notice for qualification pursuant to s.
1808 663.532 to confirm information provided in the written notice
1809 and to confirm the activities of the person or entity seeking
1810 qualification.

1811 Section 49. Section 663.538, Florida Statutes, is created
1812 to read:

1813 663.538 Suspension, revocation, or voluntary surrender of
1814 qualification.—

1815 (1) A qualified limited service affiliate that proposes to
1816 terminate operations in this state shall surrender its

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1817 qualification to the office and comply with such procedures as
1818 required by rule of the commission.

1819 (2) A qualified limited service affiliate that fails to
1820 renew its qualification may be subject to a fine and penalty;
1821 however, such qualified limited service affiliate may renew its
1822 qualification within 30 days after expiration or may surrender
1823 the qualification in accordance with procedures prescribed by
1824 commission rule.

1825 (3) The qualification of a qualified limited service
1826 affiliate in this state may be suspended or revoked by the
1827 office, with or without examination, upon the office's
1828 determination that the qualified limited service affiliate does
1829 not meet all requirements for original or renewal qualification.

1830 (4) If a qualified limited service affiliate surrenders
1831 its qualification or its qualification is suspended or revoked
1832 by the office, all rights and privileges afforded by this part
1833 to the qualified limited service affiliate cease.

1834 (5) At least 60 days before a proposed date of voluntary
1835 termination of a qualification, a qualified limited service
1836 affiliate must provide to the office written notice by letter of
1837 its intention to surrender its qualification and terminate
1838 operations. The notice must include the proposed date of
1839 termination and the name of the officer in charge of the
1840 termination procedures.

1841 (6) The office may conduct an examination of the books and

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1842 records of a qualified limited service affiliate at any time
1843 after receipt of the notice of surrender of qualification to
1844 confirm the winding down of operations.

1845 (7) Operations of a qualified limited service affiliate
1846 are deemed terminated effective upon the later of the expiration
1847 of 60 days from the date of the filing of the notice of
1848 voluntary surrender or upon the date provided in the notice of
1849 voluntary surrender, unless the office provides written notice
1850 specifying the grounds for denial of such proposed termination.
1851 The office may not deny a request to terminate unless it learns
1852 of the existence of any outstanding claim or claims against the
1853 qualified limited service affiliate, it finds that the
1854 requirements to terminate operations have not been satisfied, or
1855 there is an immediate and serious danger to the public health,
1856 safety, and welfare if the termination occurred.

1857 Section 50. Section 663.539, Florida Statutes, is created
1858 to read:

1859 663.539 Biennial qualification renewal.—A qualification
1860 must be renewed every 2 years. A qualification must be renewed
1861 by furnishing such information as the commission requires. A
1862 complete biennial renewal of qualification must include a
1863 declaration under penalty of perjury, signed by the executive
1864 officer or managing member of the qualified limited service
1865 affiliate seeking renewal, declaring that the information
1866 submitted for the purposes of renewal is true and correct to the

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1867 best of his or her knowledge, and confirming or providing all of
1868 the following:

1869 (1) That the qualified limited service affiliate is in
1870 compliance with this part.

1871 (2) The physical location of the principal place of
1872 business of the qualified limited service affiliate.

1873 (3) The telephone number of the qualified limited service
1874 affiliate.

1875 (4) A list of the qualified limited service affiliate's
1876 current directors, executive officers, principal shareholder,
1877 managers, managing members, or equivalent positions.

1878 (5) Any updates or changes in information which were not
1879 previously provided either in the initial qualification or in
1880 subsequent qualification renewals or which were not previously
1881 disclosed to the office.

1882 Section 51. For the purpose of incorporating the amendment
1883 made by this act to section 663.01, Florida Statutes, in a
1884 reference thereto, subsection (4) of section 663.16, Florida
1885 Statutes, is reenacted to read:

1886 663.16 Definitions; ss. 663.17-663.181.—As used in ss.
1887 663.17-663.181, the term:

1888 (4) Except where the context otherwise requires,
1889 "international banking corporation" or "corporation" has the
1890 same meaning as that provided in s. 663.01 and includes any
1891 licensed office of an international banking corporation

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1892 | operating in this state.

1893 | Section 52. Except as otherwise expressly provided in this
1894 | act and except for this section, which shall take effect upon
1895 | this act becoming a law, this act shall take effect January 1,
1896 | 2018.

1897 |
1898 | -----

1899 | **T I T L E A M E N D M E N T**

1900 | Remove everything before the enacting clause and insert:

1901 |
1902 | A bill to be entitled
1903 | An act relating to international financial
1904 | institutions; amending s. 655.005, F.S.; redefining
1905 | the term "financial institution" to include
1906 | international trust entities and qualified limited
1907 | service affiliates; amending s. 655.059, F.S.;
1908 | specifying conditions under which confidential books
1909 | and records of international trust entities may be
1910 | disclosed to their home-country supervisors; revising
1911 | conditions for such disclosure for international
1912 | banking corporations; redefining the term "home-
1913 | country supervisor"; requiring books and records
1914 | pertaining to trust accounts to be kept confidential
1915 | by financial institutions and their directors,
1916 | officers, and employees; providing an exception;

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1917 providing construction; creating s. 663.001, F.S.;

1918 providing legislative intent; amending s. 663.01,

1919 F.S.; redefining terms; deleting the definition of the

1920 term "international trust company representative

1921 office"; amending s. 663.02, F.S.; revising

1922 applicability of the financial institutions codes as

1923 to international banking corporations; amending s.

1924 663.021, F.S.; conforming a provision to changes made

1925 by the act; amending s. 663.04, F.S.; deleting

1926 international trust companies from requirements for

1927 carrying on financial institution business; conforming

1928 a provision to changes made by the act; authorizing

1929 the Office of Financial Regulation to permit certain

1930 entities that would otherwise be prohibited from

1931 carrying on financial institution business to remain

1932 open and in operation under certain circumstances;

1933 amending s. 663.05, F.S.; providing for an abbreviated

1934 application procedure for certain entities established

1935 by an international banking corporation; specifying

1936 that the Financial Services Commission, rather than

1937 the office, prescribes a certain application form;

1938 requiring the commission to adopt rules for a time

1939 limitation for an application decision after a

1940 specified date; revising conditions for the office to

1941 issue an international banking corporation license;

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1942 conforming a provision to changes made by the act;
1943 amending s. 663.055, F.S.; revising capital
1944 requirements for international banking corporations;
1945 amending s. 663.06, F.S.; making technical changes;
1946 conforming a provision to changes made by the act;
1947 creating s. 663.0601, F.S.; providing an after-the-
1948 fact licensure process in the event of the
1949 acquisition, merger, or consolidation of international
1950 banking corporations; specifying conditions for such
1951 license; amending s. 663.061, F.S.; providing
1952 permissible activities for international bank
1953 agencies; amending s. 663.062, F.S.; providing
1954 permissible activities for certain international
1955 representative offices; amending s. 663.063, F.S.;
1956 providing permissible activities for international
1957 administrative offices; amending s. 663.064, F.S.;
1958 requiring the commission to adopt rules relating to
1959 permissible deposits of international branches;
1960 providing permissible activities for international
1961 branches; amending s. 663.09, F.S.; revising
1962 requirements for the maintenance of books and records
1963 of international banking corporations; authorizing the
1964 office to require international banking corporations
1965 to translate certain documents into English at the
1966 expense of the international banking corporations;

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1967 amending s. 663.11, F.S.; authorizing the office to
1968 permit certain entities that would otherwise be
1969 prohibited from continuing business to remain open and
1970 in operation under certain circumstances; authorizing
1971 the commission to adopt certain rules; requiring an
1972 entity to surrender its license under certain
1973 circumstances; making technical and conforming
1974 changes; amending s. 663.12, F.S.; conforming a
1975 provision to changes made by the act; amending s.
1976 663.17, F.S.; making technical changes; providing a
1977 directive to the Division of Law Revision and
1978 Information to create part III of ch. 663, F.S.,
1979 entitled "International Trust Company Representative
1980 Offices"; creating s. 663.4001, F.S.; providing
1981 legislative intent; creating s. 663.401, F.S.;
1982 defining terms; creating s. 663.402, F.S.; providing
1983 applicability of the financial institutions codes as
1984 to international trust entities; creating s. 663.403,
1985 F.S.; providing applicability of the Florida Business
1986 Corporation Act as to international trust entities;
1987 creating s. 663.404, F.S.; specifying requirements for
1988 an international trust entity or certain related
1989 entities to conduct financial institution business;
1990 authorizing the office to permit an international
1991 trust company representative office that would

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

1992 otherwise be prohibited from continuing business to
1993 remain open and in operation under certain
1994 circumstances; creating s. 663.405, F.S.; providing
1995 that an international trust company representative
1996 office is not required to produce certain books and
1997 records under certain circumstances; providing
1998 applicability; creating s. 663.406, F.S.; providing
1999 requirements for applications for an international
2000 trust entity license; requiring the office to disallow
2001 certain financial resources from capitalization
2002 requirements; requiring the international trust entity
2003 to submit to the office a certain certificate;
2004 providing an abbreviated application process for
2005 certain international trust entities to establish
2006 international trust company representative offices;
2007 specifying parameters and requirements for the office
2008 in determining whether to approve or disapprove an
2009 application; requiring the commission to adopt by rule
2010 general principles regarding the adequacy of
2011 supervision of an international trust entity's foreign
2012 establishments rules; creating s. 663.407, F.S.;
2013 providing capital requirements for an international
2014 trust entity; requiring the commission to adopt rules;
2015 creating s. 663.408, F.S.; providing permissible
2016 activities under and requirements and limitations for

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

2017 international trust entity licenses; providing
2018 procedures, conditions, and requirements for the
2019 suspension, revocation, or surrender of an
2020 international trust entity license; creating s.
2021 663.4081, F.S.; providing for an after-the-fact
2022 licensure process in the event of the acquisition,
2023 merger, or consolidation of international trust
2024 entities; specifying conditions for such licensure;
2025 transferring, renumbering, and amending s. 663.0625,
2026 F.S.; adding prohibited activities of representatives
2027 and employees of an international trust company
2028 representative office; providing permissible
2029 activities of such offices; conforming provisions to
2030 changes made by the act; creating s. 663.410, F.S.;
2031 requiring international trust entities to certify to
2032 the office the amount of their capital accounts at
2033 specified intervals; providing construction; creating
2034 s. 663.411, F.S.; specifying reporting and
2035 recordkeeping requirements for international trust
2036 entities; providing penalties; authorizing the office
2037 to require an international trust entity to translate
2038 certain documents into English at the international
2039 trust entity's expense; creating s. 663.412, F.S.;
2040 prohibiting an international trust entity from
2041 continuing to conduct business in this state under

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

2042 certain circumstances; authorizing the office to
2043 permit an international trust company representative
2044 office to remain open and in operation under certain
2045 circumstances; authorizing the commission to adopt
2046 certain rules; requiring an entity to surrender its
2047 license under certain circumstances; requiring an
2048 international trust entity or its surviving officers
2049 and directors to deliver specified documents to the
2050 office; providing construction; creating s. 663.413,
2051 F.S.; specifying application and examination fees for
2052 international trust company representative offices;
2053 creating s. 663.414, F.S.; authorizing the commission
2054 to adopt certain rules; providing an exemption from
2055 statement of estimated regulatory costs requirements;
2056 creating s. 663.415, F.S.; requiring international
2057 trust company representative offices that are under
2058 examination to reimburse domestic or foreign travel
2059 expenses of the office; providing a directive to the
2060 Division of Law Revision and Information to create
2061 part IV of ch. 663, F.S., entitled "Qualified Limited
2062 Service Affiliates of International Trust Entities";
2063 creating s. 663.530, F.S.; defining terms; creating s.
2064 663.531, F.S.; specifying permissible and prohibited
2065 activities of a qualified limited service affiliate;
2066 requiring specified notices to be posted on an

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

2067 international trust entity's or qualified limited
2068 service affiliate's website; authorizing enforcement
2069 actions by the office; providing construction;
2070 creating s. 663.532, F.S.; requiring certain persons
2071 or entities to qualify as qualified limited service
2072 affiliates by a specified date or cease doing business
2073 in this state; permitting certain persons or entities
2074 to remain open and in operation under certain
2075 circumstances; amending s. 663.532, F.S., as created
2076 by this act; specifying qualification notice
2077 requirements; providing requirements and procedures
2078 for additional information requested by the office;
2079 providing summary suspension requirements and
2080 procedures; requiring the office to make investigation
2081 of specified persons upon the filing of a completed
2082 qualification notice; requiring the office to approve
2083 a qualification only if certain conditions are met;
2084 providing factors for the office to consider when
2085 evaluating a previous offense or violation committed
2086 by, or a previous fine or penalty imposed on,
2087 specified persons; providing that qualifications are
2088 not transferable or assignable; requiring certain
2089 persons or entities to file notices seeking
2090 qualification by a specified date or cease doing
2091 business in this state; creating s. 663.5325, F.S.;

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

2092 providing that a qualified limited service affiliate
2093 is not required to produce certain books and records
2094 under certain circumstances; providing applicability;
2095 creating s. 663.533, F.S.; providing applicability of
2096 the financial institutions codes as to qualified
2097 limited service affiliates; providing construction;
2098 creating s. 663.534, F.S.; requiring qualified limited
2099 service affiliates to report changes of certain
2100 information to the office within a specified
2101 timeframe; creating s. 663.535, F.S.; requiring a
2102 specified notice to customers in marketing documents,
2103 advertisements, and displays at the qualified limited
2104 service affiliate's location or at certain events;
2105 creating s. 663.536, F.S.; specifying recordkeeping
2106 requirements relating to certain events that a
2107 qualified limited service affiliate participates in;
2108 creating s. 663.537, F.S.; authorizing the office to
2109 conduct examinations or investigations of qualified
2110 limited service affiliates for certain purposes;
2111 specifying a minimum interval of examinations to
2112 assess compliance; authorizing the office to examine a
2113 person or entity submitting a notice of qualification
2114 for certain purposes; creating s. 663.538, F.S.;

2115 providing requirements and procedures relating to the
2116 suspension, revocation, or voluntary surrender of a

586827 - h0435-strike.docx

Published On: 4/18/2017 8:34:50 PM

Amendment No. 1

2117 qualified limited service affiliate's qualification;
2118 providing a penalty; authorizing the office to conduct
2119 examinations under certain circumstances; prohibiting
2120 the office from denying a request to terminate
2121 operations except under certain circumstances;
2122 providing construction; creating s. 663.539, F.S.;
2123 requiring a qualified limited service affiliate to
2124 renew its qualification biennially; specifying
2125 requirements for the renewal qualification; reenacting
2126 s. 663.16, F.S., relating to definitions, to
2127 incorporate the amendment made to s. 663.01, F.S., in
2128 a reference thereto; providing effective dates.