

By the Committee on Banking and Insurance; and Senators Mayfield and Steube

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1                   A bill to be entitled  
2       An act relating to international financial  
3       institutions; amending s. 655.005, F.S.; redefining  
4       the term "financial institution" to include  
5       international trust entities and limited service  
6       affiliates; amending s. 655.059, F.S.; specifying  
7       conditions under which confidential books and records  
8       of international trust entities may be disclosed to  
9       their home-country supervisors; revising conditions  
10      for such disclosure for international banking  
11      corporations; redefining the term "home-country  
12      supervisor"; requiring books and records pertaining to  
13      trust accounts to be kept confidential by financial  
14      institutions and their directors, officers, and  
15      employees; providing an exception; providing  
16      construction; creating s. 663.001, F.S.; providing  
17      legislative intent; amending s. 663.01, F.S.;  
18      redefining terms; deleting the definition of the term  
19      "international trust company representative office";  
20      amending s. 663.02, F.S.; revising applicability of  
21      the financial institutions codes as to international  
22      banking corporations; amending s. 663.021, F.S.;  
23      conforming a provision to changes made by the act;  
24      amending s. 663.04, F.S.; deleting international trust  
25      companies from requirements for carrying on financial  
26      institution business; conforming a provision to  
27      changes made by the act; authorizing the Office of  
28      Financial Regulation to permit certain entities that  
29      would otherwise be prohibited from carrying on

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30 financial institution business to remain open and in  
31 operation under certain circumstances; amending s.  
32 663.05, F.S.; providing for an abbreviated application  
33 procedure for certain entities established by an  
34 international banking corporation; specifying that the  
35 Financial Services Commission, rather than the office,  
36 prescribes a certain application form; requiring the  
37 commission to adopt rules for a time limitation for an  
38 application decision after a specified date; revising  
39 conditions for the office to issue an international  
40 banking corporation license; conforming a provision to  
41 changes made by the act; amending s. 663.055, F.S.;  
42 revising capital requirements for international  
43 banking corporations; amending s. 663.06, F.S.; making  
44 technical changes; conforming a provision to changes  
45 made by the act; creating s. 663.0601, F.S.; providing  
46 an after-the-fact licensure process in the event of  
47 the acquisition, merger, or consolidation of  
48 international banking corporations; specifying  
49 conditions for such license; amending s. 663.061,  
50 F.S.; providing additional permissible activities for  
51 international bank agencies; amending s. 663.062,  
52 F.S.; providing additional permissible activities for  
53 certain international representative offices; amending  
54 s. 663.063, F.S.; providing additional permissible  
55 activities for international administrative offices;  
56 amending s. 663.064, F.S.; requiring the commission to  
57 adopt rules relating to permissible deposits of  
58 international branches; providing additional

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59 permissible activities for international branches;  
60 amending s. 663.09, F.S.; revising requirements for  
61 the maintenance of books and records of international  
62 banking corporations; authorizing the office to  
63 require international banking corporations to  
64 translate certain documents into English at the  
65 expense of the international banking corporations;  
66 amending s. 663.11, F.S.; authorizing the office to  
67 permit certain entities that would otherwise be  
68 prohibited from continuing business to remain open and  
69 in operation under certain circumstances; making  
70 technical and conforming changes; amending s. 663.12,  
71 F.S.; conforming a provision to changes made by the  
72 act; amending s. 663.17, F.S.; making technical  
73 changes; providing a directive to the Division of Law  
74 Revision and Information; creating part III of ch.  
75 663, F.S., entitled "International Trust Company  
76 Representative Offices"; creating s. 663.4001, F.S.;  
77 providing legislative intent; creating s. 663.401,  
78 F.S.; defining terms; creating s. 663.402, F.S.;  
79 providing applicability of the financial institutions  
80 codes as to international trust entities; creating s.  
81 663.403, F.S.; providing applicability of the Florida  
82 Business Corporation Act as to international trust  
83 entities; creating s. 663.404, F.S.; specifying  
84 requirements for an international trust entity or  
85 certain related entities to conduct financial  
86 institution business; authorizing the office to permit  
87 an international trust company representative office

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88 that would otherwise be prohibited from continuing  
89 business to remain open and in operation under certain  
90 circumstances; creating s. 663.405, F.S.; providing  
91 that an international trust company representative  
92 office is not required to produce certain books and  
93 records under certain circumstances; providing  
94 applicability; creating s. 663.406, F.S.; providing  
95 requirements for applications for an international  
96 trust entity license; requiring the office to disallow  
97 certain financial resources from capitalization  
98 requirements; requiring the international trust entity  
99 to submit to the office a certain certificate;  
100 providing an abbreviated application process for  
101 certain international trust entities to establish  
102 international trust company representative offices;  
103 specifying parameters and requirements for the office  
104 in determining whether to approve or disapprove an  
105 application; requiring the commission to adopt by rule  
106 general principles regarding the adequacy of  
107 supervision of an international trust entity's foreign  
108 establishments rules; creating s. 663.407, F.S.;  
109 providing capital requirements for an international  
110 trust entity; requiring the commission to adopt rules;  
111 creating s. 663.408, F.S.; providing permissible  
112 activities under and requirements and limitations for  
113 international trust entity licenses; providing  
114 procedures, conditions, and requirements for the  
115 suspension, revocation, or surrender of an  
116 international trust entity license; creating s.

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117 663.4081, F.S.; providing for an after-the-fact  
118 licensure process in the event of the acquisition,  
119 merger, or consolidation of international trust  
120 entities; specifying conditions for such licensure;  
121 transferring, renumbering, and amending s. 663.0625;  
122 adding prohibited activities of representatives and  
123 employees of an international trust company  
124 representative office; conforming provisions to  
125 changes made by the act; creating s. 663.410, F.S.;  
126 requiring international trust entities to certify to  
127 the office the amount of their capital accounts at  
128 specified intervals; providing construction; creating  
129 s. 663.411, F.S.; specifying reporting and  
130 recordkeeping requirements for international trust  
131 entities; providing penalties; authorizing the office  
132 to require an international trust entity to translate  
133 certain documents into English at the international  
134 trust entity's expense; creating s. 663.412, F.S.;  
135 prohibiting an international trust entity from  
136 conducting business under certain circumstances;  
137 authorizing the office to permit the international  
138 trust entity to remain open and in operation under  
139 certain circumstances; requiring an international  
140 trust entity or its surviving officers and directors  
141 to deliver specified documents to the office;  
142 providing construction; creating s. 663.413, F.S.;  
143 specifying application and examination fees for  
144 international trust company representative offices;  
145 creating s. 663.414, F.S.; authorizing the commission

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146 to adopt certain rules; providing an exemption from  
147 statement of estimated regulatory costs requirements;  
148 creating s. 663.415, F.S.; requiring international  
149 trust company representative offices that are under  
150 examination to reimburse domestic or foreign travel  
151 expenses of the office; providing a directive to the  
152 Division of Law Revision and Information; creating  
153 part IV of ch. 663, F.S., entitled "Limited Service  
154 Affiliates of International Trust Entities"; creating  
155 s. 663.530, F.S.; defining terms; creating s. 663.531,  
156 F.S.; specifying permissible and impermissible  
157 activities of a limited service affiliate; requiring  
158 specified notices to be posted on an international  
159 trust entity's or limited service affiliate's website;  
160 authorizing enforcement actions by the office;  
161 providing construction; creating s. 663.532, F.S.;

162 specifying registration notice requirements and a fee  
163 for limited service affiliates; providing requirements  
164 and procedures for additional information requested by  
165 the office; providing summary suspension requirements  
166 and procedures; specifying grounds for denying a  
167 registration; providing that violations, fines, or  
168 penalties of certain entities do not necessarily  
169 disqualify registrants from registration; authorizing  
170 the office to consider certain factors in evaluating  
171 registrations; providing that registrations are not  
172 transferable or assignable; providing for deposit of  
173 fees into a specified trust fund; requiring the  
174 commission to adopt rules; requiring certain persons

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175 or entities to be registered as limited service  
176 affiliates by a specified date; creating s. 663.533,  
177 F.S.; providing applicability of the financial  
178 institutions codes as to limited service affiliates;  
179 providing construction; creating s. 663.534, F.S.;  
180 requiring a registrant to report changes of certain  
181 information to the office within a specified  
182 timeframe; creating s. 663.535, F.S.; requiring a  
183 specified notice to customers in marketing documents,  
184 advertisements, and displays at the limited service  
185 affiliate's location or at certain events; creating s.  
186 663.536, F.S.; specifying recordkeeping requirements  
187 relating to certain events that a registered limited  
188 service affiliate participates in; creating s.  
189 663.537, F.S.; authorizing the office to conduct  
190 examinations or investigations of limited service  
191 affiliates for certain purposes; specifying a minimum  
192 interval of examinations to assess compliance;  
193 authorizing the office to examine a person or entity  
194 submitting a notice of registration for certain  
195 purposes; requiring limited service affiliates to pay  
196 specified costs of examination within a specified  
197 time; defining the terms "costs" and "actual cost";  
198 providing penalties; specifying the trust fund where  
199 examination fees must be deposited; requiring the  
200 commission to adopt rules; creating s. 663.538, F.S.;  
201 providing requirements and procedures relating to the  
202 suspension, revocation, or voluntary surrender of a  
203 limited service affiliate's registration; providing a

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204 penalty; authorizing the office to conduct  
205 examinations under certain circumstances; prohibiting  
206 the office from denying a request to terminate  
207 operations except under certain circumstances;  
208 providing construction; creating s. 663.539, F.S.;  
209 requiring a limited service affiliate to renew its  
210 registration biennially; specifying the renewal fee  
211 and the trust fund where such fee must be deposited;  
212 specifying requirements for the renewal registration;  
213 creating s. 663.5395, F.S.; providing that limited  
214 service affiliates are not required to produce certain  
215 books and records under certain circumstances;  
216 providing applicability; reenacting s. 663.16(4),  
217 F.S., relating to definitions, to incorporate the  
218 amendment made to s. 663.01, F.S., in a reference  
219 thereto; providing an effective date.

220

221 Be It Enacted by the Legislature of the State of Florida:

222

223 Section 1. Paragraph (i) of subsection (1) of section  
224 655.005, Florida Statutes, is amended to read:

225 655.005 Definitions.—

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

228 (i) "Financial institution" means a state or federal  
229 savings or thrift association, bank, savings bank, trust  
230 company, international bank agency, international banking  
231 corporation, international branch, international representative  
232 office, international administrative office, international trust



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233 entity, international trust company representative office,  
234 limited service affiliate, credit union, or an agreement  
235 corporation operating pursuant to s. 25 of the Federal Reserve  
236 Act, 12 U.S.C. ss. 601 et seq. or Edge Act corporation organized  
237 pursuant to s. 25(a) of the Federal Reserve Act, 12 U.S.C. ss.  
238 611 et seq.

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

241 655.059 Access to books and records; confidentiality;  
242 penalty for disclosure.—

243 (1) The books and records of a financial institution are  
244 confidential and shall be made available for inspection and  
245 examination only:

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

247 (b) To any person duly authorized to act for the financial  
248 institution;

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

252 (d) With respect to an international banking corporation or  
253 international trust entity, to the home-country supervisor of  
254 the international banking corporation or international trust  
255 entity, provided:

256 1. The home-country supervisor provides advance notice to  
257 the office that the home-country supervisor intends to examine  
258 the Florida office of the international banking corporation or  
259 international trust entity. Such examination may be conducted  
260 onsite or offsite and may include ongoing reporting by the  
261 Florida office of the international banking corporation or

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262 international trust entity to the home-country supervisor.

263 2. The home-country supervisor confirms to the office that  
264 the purpose of the examination is to ensure the safety and  
265 soundness of the international banking corporation or  
266 international trust entity.

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

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

274  
275 As used in ~~For purposes of~~ this paragraph, the term "home-  
276 country supervisor" means the governmental entity in the  
277 international banking corporation's or international trust  
278 entity's home country with responsibility for the supervision  
279 and regulation of the safety and soundness of the international  
280 banking corporation or international trust entity;

281 (e) As compelled by a court of competent jurisdiction,  
282 pursuant to a subpoena issued pursuant to the Florida Rules of  
283 Civil Procedure, the Florida Rules of Criminal Procedure, or the  
284 Federal Rules of Civil Procedure, or pursuant to a subpoena  
285 issued in accordance with state or federal law. ~~Before~~ Prior to  
286 the production of the books and records of a financial  
287 institution, the party seeking production must reimburse the  
288 financial institution for the reasonable costs and fees incurred  
289 in compliance with the production. If the parties disagree  
290 regarding the amount of reimbursement, the party seeking the

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291 records may request the court or agency having jurisdiction to  
292 set the amount of reimbursement;

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

295 (g) Pursuant to a subpoena, to any federal or state law  
296 enforcement or prosecutorial instrumentality authorized to  
297 investigate suspected criminal activity;

298 (h) As authorized by the board of directors of the  
299 financial institution; or

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

301 (2)

302 (b) The books and records pertaining to trust accounts and  
303 the deposit accounts and loans of depositors, borrowers,  
304 members, and stockholders of any financial institution shall be  
305 kept confidential by the financial institution and its  
306 directors, officers, and employees and may ~~shall~~ not be released  
307 except upon express authorization of the account holder as to  
308 her or his own accounts, loans, or voting rights. However,  
309 information relating to any loan made by a financial institution  
310 may be released without the borrower's authorization in a manner  
311 prescribed by the board of directors for the purpose of meeting  
312 the needs of commerce and for fair and accurate credit  
313 information. Information may also be released, without the  
314 authorization of a member or depositor but in a manner  
315 prescribed by the board of directors, to verify or corroborate  
316 the existence or amount of a customer's or member's account when  
317 such information is reasonably provided to meet the needs of  
318 commerce and to ensure accurate credit information. In addition,  
319 a financial institution, affiliate, and its subsidiaries, and

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320 any holding company of the financial institution or subsidiary  
321 of such holding company, may furnish to one another information  
322 relating to their customers or members, subject to the  
323 requirement that each corporation receiving information that is  
324 confidential maintain the confidentiality of such information  
325 and not provide or disclose such information to any unaffiliated  
326 person or entity. Notwithstanding this paragraph, ~~nothing in~~  
327 this subsection does not prohibit; ~~shall prohibit~~

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

332 2. The Florida office of the international banking  
333 corporation or international trust entity from sharing books and  
334 records under this subsection with the home-country supervisor  
335 in accordance with subsection (1).

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

338 663.001 Purpose.—The purpose of this part is to establish a  
339 legal and regulatory framework for the conduct by international  
340 banking corporations of financial services business in this  
341 state. This part is intended to:

342 (1) Support the Florida operations of international banking  
343 corporations and promote the growth of international financial  
344 services to benefit the economy and consumers in this state.

345 (2) Provide for appropriate supervision and regulatory  
346 oversight to ensure that financial services activities of  
347 international banking corporations in this state are conducted  
348 responsibly and in a safe and sound manner.

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

352 663.01 Definitions.—As used in this part, the term:

353 (6) "International banking corporation" means a banking  
354 corporation organized and licensed under the laws of a foreign  
355 country. The term ~~"international banking corporation"~~ includes,  
356 without limitation, a foreign commercial bank, foreign merchant  
357 bank, or other foreign institution that engages in banking  
358 activities usual in connection with the business of banking in  
359 the country where such foreign institution is organized or  
360 operating, including a corporation: the sole shareholders of  
361 which are one or more international banking corporations or  
362 holding companies which own or control one or more international  
363 banking corporations which are authorized to carry on a banking  
364 business, or a central bank or government agency of a foreign  
365 country and any affiliate or division thereof; which has the  
366 power to receive deposits from the general public in the country  
367 where it is chartered and organized; and which is under the  
368 supervision of the central bank or other bank regulatory  
369 authority of such country. The term also includes ~~foreign trust~~  
370 ~~companies, or any similar business entities, including, but not~~  
371 ~~limited to,~~ foreign banks with fiduciary powers which, that  
372 conduct trust business as defined in the financial institutions  
373 codes.

374 ~~(9) "International trust company representative office"~~  
375 ~~means an office of an international banking corporation or trust~~  
376 ~~company organized and licensed under the laws of a foreign~~  
377 ~~country which office is established or maintained in this state~~

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378 ~~for the purpose of engaging in nonfiduciary activities described~~  
379 ~~in s. 663.0625, or any affiliate, subsidiary, or other person~~  
380 ~~that engages in such activities on behalf of such international~~  
381 ~~banking corporation or trust company from an office located in~~  
382 ~~this state.~~

383 ~~(10)~~(11) "Nonresident" means:

384 (b) A person, other than an individual, whose principal  
385 place of business or domicile is outside the United States and  
386 includes a person who conducts a majority of its business  
387 activities in a foreign country and any foreign government and  
388 its subdivision, agencies, and instrumentalities. Any person who  
389 conducts business in the United States is considered to have its  
390 principal place of business outside the United States if any one  
391 of the following requirements is satisfied for its most recent  
392 fiscal year:

393 1. Its assets located outside the United States exceed its  
394 assets located within the United States;

395 2. Its gross revenues generated outside the United States  
396 exceed its gross revenues generated within the United States; or

397 3. Its payroll expenses incurred outside the United States  
398 exceed its payroll expenses incurred within the United States.

399 Section 5. Section 663.02, Florida Statutes, is amended to  
400 read:

401 663.02 Applicability of the financial institutions codes  
402 ~~state banking laws.~~

403 (1) International banking corporations having offices in  
404 this state are subject to all the provisions of the financial  
405 institutions codes ~~and chapter 655~~ as though such corporations  
406 were state banks ~~or trust companies,~~ except where it may appear,

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407 from the context or otherwise, that such provisions are clearly  
408 applicable only to banks ~~or trust companies~~ organized under the  
409 laws of this state or the United States. Without limiting the  
410 foregoing general provisions, it is the intent of the  
411 Legislature that the following provisions are applicable to such  
412 banks or trust companies: s. 655.031, relating to administrative  
413 enforcement guidelines; s. 655.032, relating to investigations,  
414 subpoenas, hearings, and witnesses; s. 655.0321, relating to  
415 hearings, proceedings, and related documents and restricted  
416 access thereto; s. 655.033, relating to cease and desist orders;  
417 s. 655.037, relating to removal by the office of an officer,  
418 director, committee member, employee, or other person; s.  
419 655.041, relating to administrative fines and enforcement; s.  
420 655.50, relating to the control of money laundering and  
421 terrorist financing; and any law for which the penalty is  
422 increased under s. 775.31 for facilitating or furthering  
423 terrorism. International banking corporations do not have the  
424 powers conferred on domestic banks by s. 658.60, relating to  
425 deposits of public funds. Chapter 687, relating to interest and  
426 usury, applies to all bank loans.

427 (2) Neither an international bank agency nor an  
428 international branch shall have any greater right under, or by  
429 virtue of, this section than is granted to banks organized under  
430 the laws of this state. Legal and financial terms used herein  
431 shall be deemed to refer to equivalent terms used by the country  
432 in which the international banking corporation is organized.  
433 This chapter and the financial institutions codes may not be  
434 construed to authorize any international banking corporation ~~or~~  
435 ~~trust company~~ to conduct trust business, as defined in s.

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436 658.12, from an office in this state except for those activities  
437 specifically authorized by s. 663.061(5) ~~ss. 663.061(5) and~~  
438 ~~663.0625.~~

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

441 663.021 Civil action subpoena enforcement.—

442 (1) Notwithstanding s. 655.059, an international  
443 representative office, international bank agency, international  
444 branch, ~~international trust company representative office,~~ or  
445 international administrative office established under this  
446 chapter is not required to produce a book or record pertaining  
447 to a deposit account, investment account, or loan of a customer  
448 of the international banking corporation's offices that are  
449 located outside the United States or its territories in response  
450 to a subpoena if the book or record is maintained outside the  
451 United States or its territories and is not in the possession,  
452 custody, or control of the international banking corporation's  
453 office, agency, or branch established in this state.

454 Section 7. Section 663.04, Florida Statutes, is amended to  
455 read:

456 663.04 Requirements for carrying on financial institution  
457 business.—An international banking corporation ~~or trust company,~~  
458 or any affiliate, subsidiary, or other person or business entity  
459 acting as an agent for, on behalf of, or for the benefit of such  
460 international banking corporation ~~or trust company~~ who engages  
461 in such activities from an office located in this state, may not  
462 transact a banking or trust business, or maintain in this state  
463 any office for carrying on such business, or any part thereof,  
464 unless such corporation, ~~trust company,~~ affiliate, subsidiary,



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465 person, or business entity:

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

469 (2) Has furnished to the office such proof as to the nature  
470 and character of its business and as to its financial condition  
471 as the commission or office requires.

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

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

477 (5) Has sufficient capital in accordance with the  
478 requirements of capital accounts no less than the minimums  
479 required per s. 663.055 and the rules adopted thereunder and is  
480 not imminently insolvent or insolvent, as those terms are  
481 defined in per s. 655.005(1).

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

484 (b) Is not operating under the direct control of the  
485 government, regulatory, or supervisory authority of the  
486 jurisdiction of its incorporation through government  
487 intervention or any other extraordinary actions.

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

491

492 Notwithstanding subsection (6), the office may, in its  
493 discretion, permit an international branch, international bank

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494 agency, international administrative office, or international  
495 representative office to remain open and in operation under such  
496 conditions as the office deems appropriate if the office  
497 determines that it is in the public's interest and that it  
498 furtheres international supervisory cooperation to allow the  
499 international branch, international bank agency, international  
500 administrative office, or international representative office to  
501 remain open and in operation.

502 Section 8. Present subsections (4) through (8) of section  
503 663.05, Florida Statutes, are redesignated as subsections (5)  
504 through (9), respectively, a new subsection (4) is added to that  
505 section, and present subsections (4), (5), and (6), paragraph  
506 (c) of present subsection (7), and present subsection (8) are  
507 amended, to read:

508 663.05 Application for license; approval or disapproval.—

509 (4) Notwithstanding subsection (1), an international  
510 banking corporation that has operated an international branch,  
511 international bank agency, international administrative office,  
512 or international representative office in this state for a  
513 minimum of 3 years in a safe and sound manner, as defined by  
514 commission rule, and that is otherwise eligible to establish an  
515 additional office may establish one or more additional  
516 international branches, international bank agencies,  
517 international administrative offices, or international  
518 representative offices by providing an abbreviated application  
519 and paying the appropriate license fee pursuant to s. 663.12.  
520 This subsection does not permit an international banking  
521 corporation to file an abbreviated application for any license  
522 type whose permissible activities are broader than those in

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523 which the international banking corporation is currently  
524 authorized to engage.

525 (5)(4) An application filed pursuant to this section must  
526 shall be made on a form prescribed by the commission office and  
527 must shall contain such information as the commission or office  
528 requires.

529 (6)(5) The office may, in its discretion, approve or  
530 disapprove the application, but it may shall not approve the  
531 application unless, in its opinion, the applicant meets each and  
532 every requirement of this part and any other applicable  
533 provision of the financial institutions codes. The office shall  
534 approve the application only if it has determined that the  
535 directors, executive officers, and principal shareholders of the  
536 international banking corporation are qualified by reason of  
537 their financial ability, reputation, and integrity and have  
538 sufficient banking and other business experience to indicate  
539 that they will manage and direct the affairs of the  
540 international banking corporation in a safe, sound, and lawful  
541 manner. In the processing of an application filed pursuant to  
542 this section applications, the time limitations under the  
543 Administrative Procedure Act do shall not apply as to approval  
544 or disapproval of the application. For applications filed on or  
545 after January 1, 2018, the time limitations for approval or  
546 disapproval of an application must be prescribed by rule of the  
547 commission.

548 (7)(6) The office may not issue a license to an  
549 international banking corporation unless:

550 (a) It is chartered in a jurisdiction in which any  
551 financial institution licensed or chartered by any state or any

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552 federal bank regulatory agency in the United States ~~bank or~~  
553 ~~trust company having its principal place of business in this~~  
554 ~~state may establish similar facilities or exercise similar~~  
555 ~~powers; or~~

556 (b) Federal law permits the appropriate federal regulatory  
557 authority to issue a comparable license to the international  
558 banking corporation.

559 (8)~~(7)~~ The office may not issue a license to an  
560 international banking corporation for the purpose of operating:

561 ~~(c) A trust representative office in this state unless the~~  
562 ~~corporation:~~

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

566 2. ~~Has been authorized by the foreign country's trust~~  
567 ~~business regulatory authority to establish the proposed~~  
568 ~~international trust representative office.~~

569 3. ~~Is adequately supervised by the central bank or trust~~  
570 ~~regulatory agency in the foreign country in which it is~~  
571 ~~organized and chartered.~~

572 4. ~~Meets all requirements under the financial institutions~~  
573 ~~codes for the operation of a trust company or trust department~~  
574 ~~as if it were a state chartered trust company or bank authorized~~  
575 ~~to exercise fiduciary powers.~~

576 (9)~~(8)~~ The commission shall establish, by rule, the general  
577 principles which shall determine the adequacy of supervision of  
578 an international banking corporation's foreign establishments.  
579 These principles shall be based upon the need for cooperative  
580 supervisory efforts and consistent regulatory guidelines and

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581 shall address, at a minimum, the capital adequacy, asset  
582 quality, management, earnings, liquidity, internal controls,  
583 audits, and foreign exchange operations and positions of the  
584 international banking corporation. This subsection does ~~shall~~  
585 not require examination by the home-country regulatory  
586 authorities of any office of an international banking  
587 corporation in this state. The commission may also establish, by  
588 rule, other standards for approval of an application for a  
589 license as considered necessary to ensure the safe and sound  
590 operations of the international banking corporation ~~bank or~~  
591 ~~trust representative office~~ in this state.

592 Section 9. Section 663.055, Florida Statutes, is amended to  
593 read:

594 663.055 Capital requirements.—

595 (1) To qualify for a license under ~~the provisions of this~~  
596 part, the proposed capitalization of the international banking  
597 corporation must be in such amount as the office determines is  
598 necessary, taking into consideration the risk profile of the  
599 international banking corporation and the ability of the  
600 international banking corporation to operate a licensed office  
601 in a safe and sound manner. In making this determination, the  
602 office must consider the financial resources of the  
603 international banking corporation, including an international  
604 ~~banking corporation must have net capital accounts, calculated~~  
605 ~~according to United States generally accepted accounting~~  
606 ~~principles and practices, of at least:~~

607 (a) The international banking corporation's current and  
608 projected capital position, profitability, level of  
609 indebtedness, and business and strategic plans ~~Forty million~~

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610 ~~dollars for the establishment of an international bank agency,~~  
611 ~~an international branch, or an international administrative~~  
612 ~~office; or~~

613 (b) The financial condition of any of the international  
614 banking corporation's existing offices located in the United  
615 States; ~~Twenty million dollars for the establishment of an~~  
616 ~~international representative office or international trust~~  
617 ~~representative office.~~

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

620 (d) The capital ratio standards used in the United States  
621 and in the international banking corporation's home-country  
622 jurisdiction.

623 (2) The proposed capitalization of the international  
624 banking corporation must be in such amount as the office deems  
625 adequate, but in no case may the total capital accounts of the  
626 international banking corporation be less than the minimum  
627 required under s. 658.21(2) to establish a state bank  
628 ~~Notwithstanding the provisions of paragraph (1)(a), the office~~  
629 ~~may approve an application for a license to establish an~~  
630 ~~international bank agency, an international branch, or an~~  
631 ~~international administrative office if:~~

632 ~~(a) The international banking corporation is licensed to~~  
633 ~~receive deposits from the general public in the country where it~~  
634 ~~is organized and licensed and to engage in such other activities~~  
635 ~~as are usual in connection with the business of banking in such~~  
636 ~~country;~~

637 ~~(b) The office receives a certificate that is issued by the~~  
638 ~~banking or supervisory authority of the country in which the~~

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639 ~~international banking corporation is organized and licensed and~~  
640 ~~states that the international banking corporation is duly~~  
641 ~~organized and licensed and lawfully existing in good standing,~~  
642 ~~and is empowered to conduct a banking business; and~~

643 ~~(c) The international banking corporation has been in the~~  
644 ~~business of banking for at least 10 years and is ranked by the~~  
645 ~~banking or supervisory authority of the country in which it is~~  
646 ~~organized and licensed as one of the five largest banks in that~~  
647 ~~country in terms of domestic deposits, as of the date of its~~  
648 ~~most recent statement of financial condition. However, in no~~  
649 ~~event shall the office approve an application under this~~  
650 ~~subsection for any international banking corporation with~~  
651 ~~capital accounts of less than \$20 million.~~

652 (3) The office may specify such other conditions as it  
653 determines are appropriate, considering the public interest and  
654 the need to maintain a safe, sound, and competitive banking  
655 system in this state, ~~and the preservation of an environment~~  
656 ~~conducive to the conduct of an international banking business in~~  
657 ~~this state. In translating the capital accounts of an~~  
658 ~~international banking corporation, the office may consider~~  
659 ~~monetary corrections accounts that reflect results consistent~~  
660 ~~with the requirements of generally accepted accounting~~  
661 ~~principles in the United States.~~

662 (4) For the purpose of this part, the capital accounts of  
663 and capital ratio standards for an international banking  
664 corporation must ~~shall~~ be determined in accordance with rules  
665 adopted by the commission. In adopting such rules, the  
666 commission shall consider similar rules adopted by bank  
667 regulatory agencies in the United States and the need to provide

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668 reasonably consistent regulatory requirements for international  
669 banking corporations ~~which will maintain the safe and sound~~  
670 ~~condition of international banking corporations~~ doing business  
671 in this state, as well as capital adequacy standards of an  
672 international banking corporation's home-country jurisdiction.

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

675 663.06 Licenses; permissible activities.—

676 (1) (a) An international banking corporation licensed to  
677 operate an office in this state may engage in the business  
678 authorized by this part at the office specified in such license  
679 for an indefinite period.

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

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

686 (d) Every such license must ~~shall~~ be, at all times,  
687 conspicuously displayed in the place of business specified  
688 therein.

689 (3) The license for any international banking corporation  
690 office in this state may be suspended or revoked by the office,  
691 with or without examination, upon its determination that the  
692 international banking corporation or the licensed office does  
693 not meet all requirements for original licensing. Additionally,  
694 the office shall revoke the license of any licensed office that  
695 the office determines has been inactive for 6 months or longer.  
696 The commission may by rule prescribe additional conditions or



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697 standards under which the license of an international bank  
698 agency, international branch, international representative  
699 office, ~~international trust company representative office,~~ or  
700 international administrative office may be suspended or revoked.

701 Section 11. Section 663.0601, Florida Statutes, is created  
702 to read:

703 663.0601 After-the-fact licensure process in the event of  
704 the acquisition, merger, or consolidation of international  
705 banking corporations.-If an international banking corporation  
706 proposes to acquire, merge, or consolidate with an international  
707 banking corporation that presently operates an international  
708 branch, international bank agency, international administrative  
709 office, or international representative office licensed in this  
710 state, the office may authorize the currently licensed  
711 international branch, international bank agency, international  
712 administrative office, or international representative office to  
713 remain open and in operation after consummation of the proposed  
714 acquisition, merger, or consolidation, if the acquiring  
715 international banking corporation files an after-the-fact  
716 application and all of the following conditions are met:

717 (1) The international banking corporation or corporations  
718 resulting from the acquisition, merger, or consolidation will  
719 not directly or indirectly own or control more than 5 percent of  
720 any class of the voting securities of, or control, a United  
721 States bank.

722 (2) Before consummation of the acquisition, merger, or  
723 consolidation, the international banking corporation currently  
724 licensed to operate an international branch, international bank  
725 agency, international administrative office, or international

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726 representative office in this state must provide the office at  
727 least 30 days' advance written notice, as prescribed by rules  
728 adopted by the commission, of the proposed acquisition, merger,  
729 or consolidation.

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

733 (a) Comply with the conditions in subsections (1) and (2)  
734 and file an after-the-fact application for a license under s.  
735 663.05(1) within 60 days after consummation of the proposed  
736 acquisition, merger, or consolidation; and refrain from engaging  
737 in new lines of business and from otherwise expanding the  
738 activities of such establishment in this state until the  
739 disposition of the after-the-fact license application, in  
740 accordance with chapter 120; or

741 (b) Promptly wind down and close any international branch,  
742 international bank agency, international administrative office,  
743 or international representative office in this state if the  
744 international banking corporations that are party to the  
745 acquisition, merger, or consolidation elect not to file an  
746 application for a license in accordance with paragraph (a); and,  
747 before such wind-down and closure, refrain from engaging in new  
748 lines of business or otherwise expanding the activities of such  
749 establishment in this state.

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

752 663.061 International bank agencies; permissible  
753 activities.-

754 (1) An international bank agency licensed under this part

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755 may make any loan, extension of credit, or investment which it  
756 could make if incorporated and operating as a bank organized  
757 under the laws of this state. An international bank agency may  
758 act as custodian and may furnish investment management, and  
759 investment advisory services authorized under rules adopted by  
760 the commission, to nonresident entities or persons whose  
761 principal places of business or domicile are outside the United  
762 States and to resident entities or persons with respect to  
763 international, ~~or~~ foreign, or domestic investments. An  
764 international banking corporation that ~~which~~ has an  
765 international bank agency licensed under the terms of this part  
766 is shall be exempt from the registration requirements of s.  
767 517.12. An international bank agency licensed by the office may  
768 engage in any activity permissible for an international  
769 administrative office or international representative office.

770 Section 13. Section 663.062, Florida Statutes, is amended  
771 to read:

772 663.062 International representative offices; permissible  
773 activities.—An international representative office may promote  
774 or assist the deposit-taking, lending, or other financial or  
775 banking activities of an international banking corporation. An  
776 international representative office may serve as a liaison in  
777 Florida between an international banking corporation and its  
778 existing and potential customers. Representatives and employees  
779 based at such office may solicit business for the international  
780 banking corporation and its subsidiaries and affiliates, provide  
781 information to customers concerning their accounts, answer  
782 questions, receive applications for extensions of credit and  
783 other banking services, transmit documents on behalf of

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784 customers, and make arrangements for customers to transact  
785 business on their accounts, but a representative office may not  
786 conduct any banking or trust business in this state. An  
787 international representative office of an international banking  
788 corporation that has fiduciary powers may engage in the  
789 international trust representative office activities enumerated  
790 in s. 663.409.

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

793 663.063 International administrative offices.—

794 (2) An office established pursuant to ~~the provisions of~~  
795 this section may ~~not~~ engage only in ~~any activity except~~ those  
796 activities set forth in subsection (1) and the activities  
797 permissible for an international representative office pursuant  
798 to s. 663.062.

799 Section 15. Section 663.064, Florida Statutes, is amended  
800 to read:

801 663.064 International branches; permissible activities;  
802 requirements.—

803 (1) An international banking corporation that meets the  
804 requirements of ss. 658.26, 663.04, and 663.05 may, with the  
805 approval of the office, establish one or more branches in this  
806 state. ~~An international branch shall have the same rights and~~  
807 ~~privileges as a federally licensed international branch.~~ The  
808 operations of an international branch shall be conducted  
809 pursuant to requirements determined by the office as necessary  
810 to ensure compliance with the provisions of the financial  
811 institutions codes, including requirements for the maintenance  
812 of accounts and records separate from those of the international

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813 banking corporation of which it is a branch.

814 (2) An international branch has the same rights and  
815 privileges as a federally licensed international branch. The  
816 permissible deposits of an international branch must be  
817 determined in accordance with rules adopted by the commission.  
818 In adopting such rules, the commission shall consider the  
819 similar deposit-taking authority of a federally licensed  
820 international branch and the need to provide reasonably  
821 consistent regulatory requirements for international banking  
822 corporations doing business in this state.

823 (3) An international branch licensed by the office may  
824 engage in any activity permissible for an international bank  
825 agency, international administrative office, or international  
826 representative office.

827 Section 16. Subsection (3) of section 663.09, Florida  
828 Statutes, is amended, and subsection (5) is added to that  
829 section, to read:

830 663.09 Reports; records.—

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

834 (a) Correct and complete books and records of account of  
835 the business operations transacted by such office. All policies  
836 and procedures relating specifically to ~~governing~~ the operations  
837 of such office, as well as any existing general ledger or  
838 subsidiary accounts, must ~~shall~~ be maintained in the English  
839 language. Any policies and procedures of the international  
840 banking corporation which are not specific to the operations of  
841 such office may be maintained in a language other than English

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842 ~~The office may require that any other document not written in~~  
843 ~~the English language which the office deems necessary for the~~  
844 ~~purposes of its regulatory and supervisory functions be~~  
845 ~~translated into English at the expense of the international~~  
846 ~~banking corporation.~~

847 (b) Current copies of the charter and bylaws of the  
848 international banking corporation, relative to the operations of  
849 the office, and minutes of the proceedings of its directors,  
850 officers, or committees relative to the business of the office.  
851 Such records may be maintained in a language other than English  
852 and must ~~shall~~ be kept pursuant to s. 655.91 and ~~shall be~~ made  
853 available to the office, upon request, at any time during  
854 regular business hours of the office. Any failure to keep such  
855 records as aforesaid or any refusal to produce such records upon  
856 request by the office is ~~shall be~~ grounds for suspension or  
857 revocation of any license issued under this part.

858 (5) The office may require at any time that any document  
859 not written in the English language which the office deems  
860 necessary for the purposes of its regulatory and supervisory  
861 functions be translated into English at the expense of the  
862 international banking corporation.

863 Section 17. Section 663.11, Florida Statutes, is amended to  
864 read:

865 663.11 Termination of international banking corporation's  
866 charter or authority.—

867 (1) (a) An international banking corporation that is  
868 licensed to maintain an office in this state may not continue to  
869 conduct its licensed business in this state if the international  
870 banking corporation:

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871       1. Is dissolved, or its authority or existence is otherwise  
872 terminated or canceled in the jurisdiction of its  
873 incorporation;~~;~~

874       2. Is in bankruptcy, conservatorship, receivership,  
875 liquidation, or similar status under the laws of any country;~~;~~  
876 or

877       3. Is operating under the direct control of the government  
878 or the regulatory or supervisory authority of the jurisdiction  
879 of its incorporation through government intervention or any  
880 other extraordinary actions.

881       (b) Notwithstanding subparagraphs (a)2. and 3., the office  
882 may, in its discretion, permit an international branch,  
883 international bank agency, international administrative office,  
884 or international representative office to remain open and in  
885 operation under such conditions as the office deems appropriate,  
886 if the office determines that it is in the public's interest and  
887 that it furthers international supervisory cooperation to allow  
888 the international branch, international bank agency,  
889 international administrative office, or international  
890 representative office to remain open and in operation.

891       ~~(2) A certificate of the official who is responsible for~~  
892 ~~records of banking corporations of the jurisdiction of~~  
893 ~~incorporation of such international banking corporation,~~  
894 ~~attesting to the occurrence of any such event, or a certified~~  
895 ~~copy of an order or decree of a court of such jurisdiction,~~  
896 ~~directing the dissolution of such international banking~~  
897 ~~corporation, the termination of its existence, or the~~  
898 ~~cancellation of its authority, or declaring its status in~~  
899 ~~bankruptcy, conservatorship, receivership, liquidation, or~~

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900 ~~similar proceedings, or other reliable documentation that the~~  
901 ~~international banking corporation is operating under the direct~~  
902 ~~control of its government or a regulatory or supervisory~~  
903 ~~authority, shall be delivered by~~ The international banking  
904 corporation or its surviving officers and directors shall  
905 deliver to the office:-

906 (a) A certificate of the official who is responsible for  
907 records of banking corporations of the jurisdiction of  
908 incorporation of such international banking corporation,  
909 attesting to the occurrence of any event described in paragraph  
910 (1) (a);

911 (b) A certified copy of an order or decree of a court of  
912 such jurisdiction, directing the dissolution of such  
913 international banking corporation, the termination of its  
914 existence, or the cancellation of its authority or declaring its  
915 status in bankruptcy, conservatorship, receivership,  
916 liquidation, or similar proceedings; or

917 (c) Other reliable documentation evidencing that the  
918 international banking corporation is operating under the direct  
919 control of its government or a regulatory or supervisory  
920 authority.

921 (3) The filing of the certificate, order, documentation, or  
922 decree has ~~shall have~~ the same effect as the revocation of the  
923 license of such international banking corporation as provided in  
924 s. 663.06, unless the office has permitted the international  
925 branch, international bank agency, international administrative  
926 office, or international representative office to remain open  
927 and in operation pursuant to paragraph (1) (b).

928 Section 18. Subsection (1) of section 663.12, Florida



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929 Statutes, is amended to read:

930 663.12 Fees; assessments; fines.—

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

934 (a) Ten thousand dollars for establishing a state-chartered  
935 investment company.

936 (b) Ten thousand dollars for establishing an international  
937 bank agency or branch.

938 (c) Five thousand dollars for establishing an international  
939 administrative office.

940 (d) Five thousand dollars for establishing an international  
941 representative office.

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

944 (e) ~~(f)~~ An amount equal to the initial filing fee for an  
945 application to convert from one type of license to another. The  
946 commission may increase the filing fee for any type of license  
947 to an amount established by rule and calculated in a manner so  
948 as to cover the direct and indirect cost of processing such  
949 applications.

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

952 663.17 Liquidation; possession of business and property;  
953 inventory of assets; wages; depositing collected assets;  
954 appointing agents; appointment of judges.—

955 (11) The compensation of agents and any other employees  
956 appointed by the office to assist in the liquidation of an  
957 international banking corporation, or any of the corporation's

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958 licensed offices located in this state, the distribution of its  
959 assets, or the expenses of supervision, must ~~shall~~ be paid out  
960 of the assets of the corporation in the possession hands of the  
961 office. Expenses of liquidation and approved claims for fees and  
962 assessments due the office must ~~shall~~ be given first priority  
963 among unsecured creditors.

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

968 Section 21. Section 663.4001, Florida Statutes, is created  
969 to read:

970 663.4001 Purpose.—The purpose of this part is to establish  
971 a legal and regulatory framework for the conduct by  
972 international trust entities of financial services business in  
973 this state. This part is intended to:

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

977 (2) Provide for appropriate supervision and regulatory  
978 oversight to ensure that financial services activities of  
979 international trust entities in this state are conducted  
980 responsibly and in a safe and sound manner.

981 Section 22. Section 663.401, Florida Statutes, is created  
982 to read:

983 663.401 Definitions.—

984 (1) "Affiliate" means a person or business or a group of  
985 persons or businesses acting in concert which controls, is  
986 controlled by, or is under common control of an international

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987 trust entity.

988 (2) "International trust company representative office"  
989 means an office of an international trust entity which is  
990 established or maintained in this state for the purpose of  
991 engaging in nonfiduciary activities described in s. 663.409, or  
992 any affiliate, subsidiary, or other person that engages in such  
993 activities on behalf of such international trust entity from an  
994 office located in this state.

995 (3) "International trust entity" means an international  
996 trust company or organization, or any similar business entity;  
997 or an affiliated or subsidiary entity that is licensed,  
998 chartered, or similarly permitted to conduct trust business in a  
999 foreign country or countries under the laws where such entity is  
1000 organized and supervised.

1001 Section 23. Section 663.402, Florida Statutes, is created  
1002 to read:

1003 663.402 Applicability of the financial institutions codes.-

1004 (1) An international trust entity that operates an office  
1005 licensed under this part is subject to all the financial  
1006 institutions codes as though such international trust entity  
1007 were a state trust company, except when it appears, from the  
1008 context or otherwise, that such provisions are clearly  
1009 applicable only to trust companies organized under the laws of  
1010 this state or the United States. Without limiting the foregoing  
1011 general provisions, it is the intent of the Legislature that the  
1012 following provisions are applicable to such international trust  
1013 entities having offices in this state: s. 655.031, relating to  
1014 administrative enforcement guidelines; s. 655.032, relating to  
1015 investigations, subpoenas, hearings, and witnesses; s. 655.0321,

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1016 relating to restricted access hearings, proceedings, and related  
1017 documents; s. 655.033, relating to cease and desist orders; s.  
1018 655.037, relating to removal of a financial institution-related  
1019 party by the office; s. 655.041, relating to administrative  
1020 finances and enforcement; s. 655.50, the Florida Control of Money  
1021 Laundering and Terrorist Financing in Financial Institutions  
1022 Act; and any law for which the penalty is increased under s.  
1023 775.31 for facilitating or furthering terrorism.

1024 (2) An international trust entity does not have any greater  
1025 right under, or by virtue of, this section than is granted to  
1026 trust companies organized under the laws of this state. Legal  
1027 and financial terms used in this chapter are deemed to refer to  
1028 equivalent terms used by the country in which the international  
1029 trust entity is organized. This chapter and the financial  
1030 institutions codes may not be construed to authorize any  
1031 international trust entity to conduct trust business, as defined  
1032 in s. 658.12, from an office in this state.

1033 Section 24. Section 663.403, Florida Statutes, is created  
1034 to read:

1035 663.403 Applicability of the Florida Business Corporation  
1036 Act.—Notwithstanding s. 607.01401(12), the provisions of part I  
1037 of chapter 607 which are not in conflict with the financial  
1038 institutions codes and which relate to foreign corporations  
1039 apply to all international trust entities and their offices  
1040 doing business in this state.

1041 Section 25. Section 663.404, Florida Statutes, is created  
1042 to read:

1043 663.404 Requirements for conducting financial institution  
1044 business.—An international trust entity, or any affiliated,

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1045 subsidiary, or other person or business entity acting as an  
1046 agent for, on behalf of, or for the benefit of such  
1047 international trust entity, who engages in such activities from  
1048 an office located in this state, may not transact a trust  
1049 business, or maintain in this state any office for carrying on  
1050 such business, or any part thereof, unless such international  
1051 trust entity, affiliate, subsidiary, person, or business entity:

1052 (1) Has been authorized by charter, license, or similar  
1053 authorization by operation of law to carry on trust business and  
1054 has complied with the laws of each jurisdiction in which it is  
1055 chartered, licensed, or otherwise authorized and created under  
1056 operation of law.

1057 (2) Has furnished to the office such proof as to the nature  
1058 and character of its business and as to its financial condition  
1059 as the commission or office requires.

1060 (3) Has filed with the office a certified copy of that  
1061 information required to be supplied to the Department of State  
1062 by those provisions of part I of chapter 607 which are  
1063 applicable to foreign corporations.

1064 (4) Has received a license duly issued to it by the office.

1065 (5) Has sufficient capital in accordance with the  
1066 requirements of s. 663.407 and the rules adopted thereunder and  
1067 is not imminently insolvent or insolvent, as those terms are  
1068 defined under s. 655.005(1).

1069 (6) (a) Is not in bankruptcy, conservatorship, receivership,  
1070 liquidation, or similar status under the laws of any country.

1071 (b) Is not operating under the direct control of the  
1072 government or the regulatory or supervisory authority of the  
1073 home jurisdiction in which it has been chartered, licensed, or

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1074 otherwise authorized and created under operation of law, through  
1075 government intervention or any other extraordinary actions.

1076 (c) Has not been in such status or control at any time  
1077 within the 3 years preceding the date of application for a  
1078 license.

1079  
1080 Notwithstanding subsection (6), the office may, in its  
1081 discretion, permit an international trust company representative  
1082 office to remain open and in operation under such conditions as  
1083 the office deems appropriate if the office determines that it is  
1084 in the public's interest and that it furthers international  
1085 supervisory cooperation to allow the international trust company  
1086 representative office to remain open and in operation.

1087 Section 26. Section 663.405, Florida Statutes, is created  
1088 to read:

1089 663.405 Civil action subpoena enforcement.-

1090 (1) Notwithstanding s. 655.059, an international trust  
1091 company representative office established under this chapter is  
1092 not required to produce a book or record pertaining to a deposit  
1093 account, investment account, trust account, or loan of a  
1094 customer of the international trust entity's offices that are  
1095 located outside the United States or its territories in response  
1096 to a subpoena, if the book or record is maintained outside the  
1097 United States or its territories and is not in the possession,  
1098 custody, or control of the international trust entity's  
1099 representative office established in this state.

1100 (2) This section applies only to a subpoena issued pursuant  
1101 to the Florida Rules of Civil Procedure, the Federal Rules of  
1102 Civil Procedure, or other similar law or rule of civil procedure

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1103 in another state. This section does not apply to a subpoena  
1104 issued by or on behalf of a federal, state, or local government  
1105 law enforcement agency, administrative or regulatory agency,  
1106 legislative body, or grand jury and does not limit the power of  
1107 the office to access all books and records in the exercise of  
1108 the office's regulatory and supervisory powers under the  
1109 financial institutions codes.

1110 Section 27. Section 663.406, Florida Statutes, is created  
1111 to read:

1112 663.406 Application for license; approval or disapproval.-

1113 (1) An international trust entity, before being licensed by  
1114 the office to maintain any office in this state, must subscribe  
1115 and acknowledge, and submit to the office, an application that  
1116 contains all of the following:

1117 (a) The name of the international trust entity.

1118 (b) The proposed location, by street and post office  
1119 address and county, where its business is to be transacted in  
1120 this state and the name of the person who will be in charge of  
1121 the business and affairs of the office.

1122 (c) The location where its initial registered office will  
1123 be located in this state.

1124 (d) The total amount of the capital accounts of the  
1125 international trust entity.

1126 (e) A complete and detailed statement of its financial  
1127 condition as of a date within 180 days before the date of such  
1128 application, except that the office in its discretion may, when  
1129 necessary or expedient, accept such statement of financial  
1130 condition as of a date within 240 days before the date of such  
1131 application. The office in its discretion may, when necessary or

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1132 expedient, require an independent opinion audit or the  
1133 equivalent satisfactory to the office.

1134 (f) A listing of any occasion within the 10 year period  
1135 before the application on which either the international trust  
1136 entity or any of its directors, executive officers, or principal  
1137 shareholders have been arrested for, charged with, convicted of,  
1138 or pled guilty or nolo contendere to, regardless of  
1139 adjudication, any offense with respect to which the penalties  
1140 include the possibility of imprisonment for 1 year or more, or  
1141 to any offense involving money laundering, currency transaction  
1142 reporting, facilitating or furthering terrorism, or fraud, or  
1143 otherwise related to the operation of a financial institution.

1144 (2) The office shall disallow any illegally obtained  
1145 currency, monetary instruments, funds, or other financial  
1146 resources from the capitalization requirements of this section,  
1147 and the existence of such illegally obtained resources is  
1148 grounds for denial of the application for license.

1149 (3) An international trust entity that submits an  
1150 application to the office shall concurrently submit a  
1151 certificate issued by the supervisory authority of the country  
1152 in which the international trust entity is chartered or  
1153 organized which states that the international trust entity is  
1154 duly organized and licensed, or otherwise authorized by  
1155 operation of law to transact business as a trust entity, and  
1156 lawfully existing in good standing.

1157 (4) An international trust entity that has operated an  
1158 international trust company representative office in this state  
1159 for at least 3 years in a safe and sound manner, as defined by  
1160 commission rule, and that is otherwise eligible to establish an



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1161 additional office may establish one or more international trust  
1162 company representative offices by providing an abbreviated  
1163 application, and paying the appropriate license fee pursuant to  
1164 s. 663.413.

1165 (5) An application filed pursuant to this section must be  
1166 made on a form prescribed by the commission and must contain  
1167 such information as the commission or office requires.

1168 (6) The office may, in its discretion, approve or  
1169 disapprove the application, but it may not approve the  
1170 application unless, in its opinion, the applicant meets each and  
1171 every requirement of this part and any other applicable  
1172 provision of the financial institutions codes. The office may  
1173 approve the application only if it has determined that the  
1174 directors, executive officers, and principal shareholders of the  
1175 international trust entity are qualified by reason of their  
1176 financial ability, reputation, and integrity and have sufficient  
1177 trust company and other business experience to indicate that  
1178 they will manage and direct the affairs of the international  
1179 trust entity in a safe, sound, and lawful manner. In the  
1180 processing of any application filed pursuant to this section,  
1181 the time limitations under the Administrative Procedure Act do  
1182 not apply as to approval or disapproval of the application. For  
1183 applications filed on or after January 1, 2018, the time  
1184 limitations for approval or disapproval of an application must  
1185 be prescribed by rule of the commission.

1186 (7) The office may not issue a license to an international  
1187 trust entity unless it is chartered, licensed, or similarly  
1188 authorized by operation of law in a jurisdiction in which any  
1189 financial institution licensed or chartered by any state or

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1190 federal regulatory agency in the United States may establish  
1191 similar facilities or exercise similar powers.

1192 (8) The office may not issue a license to an international  
1193 trust entity for the purpose of operating an international trust  
1194 company representative office in this state unless the trust  
1195 entity:

1196 (a) Holds an unrestricted license to conduct trust business  
1197 in the foreign country under whose laws it is organized and  
1198 chartered;

1199 (b) Has been authorized by the foreign country's  
1200 appropriate regulatory authority to establish the proposed  
1201 international trust company representative office; and

1202 (c) Is adequately supervised by the appropriate regulatory  
1203 agency in the foreign country in which it is organized and  
1204 chartered.

1205 (9) The commission shall establish, by rule, the general  
1206 principles that determine the adequacy of supervision of an  
1207 international trust entity's foreign establishments. These  
1208 principles must be based upon the need for cooperative  
1209 supervisory efforts and consistent regulatory guidelines and  
1210 must address, at a minimum, the capital adequacy, asset quality,  
1211 management, earnings, liquidity, internal controls, audits, and  
1212 foreign exchange operations and positions of the international  
1213 trust entity. This subsection does not require examination by  
1214 the home-country regulatory authorities of any office of an  
1215 international trust entity in this state. The commission may  
1216 also establish, by rule, other standards for approval of an  
1217 application for a license as considered necessary to ensure the  
1218 safe and sound operations of the international trust entity in

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1219 this state.

1220 Section 28. Section 663.407, Florida Statutes, is created  
1221 to read:

1222 663.407 Capital requirements.—

1223 (1) For an international trust entity to qualify for a  
1224 license under this part, the proposed capitalization of the  
1225 international trust entity must be in such amount as the office  
1226 determines is necessary, taking into consideration the risk  
1227 profile of the international trust entity and the ability of the  
1228 international trust entity to operate a licensed office in a  
1229 safe and sound manner. In making this determination, the office  
1230 shall consider the financial resources of the international  
1231 trust entity, including:

1232 (a) The international trust entity's current and projected  
1233 capital position, profitability, level of indebtedness, business  
1234 and strategic plans, and off-balance sheet asset management and  
1235 administration activities;

1236 (b) The financial condition of any of the international  
1237 trust entity's existing offices located in the United States;

1238 (c) The minimum capital requirements of the international  
1239 trust entity's home-country jurisdiction; and

1240 (d) The capital ratio standards used in the United States  
1241 and in the international trust entity's home-country  
1242 jurisdiction.

1243 (2) The proposed capitalization of the international trust  
1244 entity must be in such amount as the office deems adequate, but  
1245 in no case may the total capital accounts of the international  
1246 trust entity be less than \$1 million.

1247 (3) The office may specify such other conditions as it

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1248 determines are appropriate, considering the public interest and  
1249 the need to maintain a safe, sound, and competitive financial  
1250 marketplace in this state.

1251 (4) For purposes of this part, the capital accounts of and  
1252 capital ratio standards for an international trust entity must  
1253 be determined in accordance with rules adopted by the  
1254 commission. In adopting such rules, the commission shall  
1255 consider similar rules adopted by regulatory agencies in the  
1256 United States and the need to provide reasonably consistent  
1257 regulatory requirements for international trust entities doing  
1258 business in this state, as well as capital adequacy standards of  
1259 an international trust entity's home-country jurisdiction.

1260 Section 29. Section 663.408, Florida Statutes, is created  
1261 to read:

1262 663.408 Licenses; permissible activities of licensees.-

1263 (1) (a) An international trust entity licensed to operate an  
1264 office in this state may engage in the business authorized by  
1265 this part at the office specified in such license for an  
1266 indefinite period.

1267 (b) An international trust entity may operate more than one  
1268 licensed office, each at a different place of business, provided  
1269 that each office is separately licensed.

1270 (c) A license is not transferable or assignable. However,  
1271 the location of a licensed office may be changed after  
1272 notification to the office.

1273 (d) A license must at all times be conspicuously displayed  
1274 in the place of business specified therein.

1275 (2) An international trust entity that proposes to  
1276 terminate the operations of a licensed office in this state must

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1277 surrender its license to the office and comply with such  
1278 procedures as the commission may prescribe by rule.

1279 (3) The license for an international trust company  
1280 representative office in this state may be suspended or revoked  
1281 by the office, with or without examination, upon its  
1282 determination that the international trust entity or the  
1283 licensed office does not meet all requirements for original  
1284 licensing. Additionally, the office shall revoke the license of  
1285 any licensed office that the office determines has been inactive  
1286 for 6 months or longer. The commission may by rule prescribe  
1287 additional conditions or standards under which the license of an  
1288 international trust company representative office may be  
1289 suspended or revoked.

1290 (4) If any such license is surrendered by the international  
1291 trust entity or is suspended or revoked by the office, all  
1292 rights and privileges of the international trust entity to  
1293 transact the business under the license cease. The commission  
1294 shall prescribe by rule procedures for the surrender of a  
1295 license and for the orderly cessation of business by an  
1296 international trust entity in a manner that is not harmful to  
1297 the interests of its customers or of the public.

1298 Section 30. Section 663.4081, Florida Statutes, is created  
1299 to read:

1300 663.4081 After-the-fact licensure process in the event of  
1301 the acquisition, merger, or consolidation of international trust  
1302 entities.—If an international trust entity proposes to acquire,  
1303 merge, or consolidate with an international trust entity that  
1304 presently operates an international trust company representative  
1305 office licensed in this state, the office may allow the

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1306 currently licensed international trust company representative  
1307 office to remain open and in operation after consummation of the  
1308 proposed acquisition, merger, or consolidation, subject to the  
1309 filing with the office of an after-the-fact license application  
1310 in accordance with all of the following conditions:

1311 (1) The international trust entity or entities resulting  
1312 from the acquisition, merger, or consolidation will not directly  
1313 or indirectly own or control more than 5 percent of any class of  
1314 the voting securities of, or control, a United States bank.

1315 (2) Before consummation of the acquisition, merger, or  
1316 consolidation, the international trust entity currently licensed  
1317 to operate an international trust company representative office  
1318 in this state must provide the office at least 30 days' advance  
1319 written notice, as prescribed by rules adopted by the  
1320 commission, of the proposed acquisition, merger, or  
1321 consolidation.

1322 (3) Before consummation of the acquisition, merger, or  
1323 consolidation, each international trust entity commits in  
1324 writing that it will:

1325 (a) Comply with the conditions in subsections (1) and (2)  
1326 and file an after-the-fact application for a license under s.  
1327 663.406(1) within 60 days after consummation of the proposed  
1328 acquisition, merger, or consolidation and refrain from engaging  
1329 in new lines of business and from otherwise expanding the  
1330 activities of such establishment in this state until the  
1331 disposition of the after-the-fact license application, in  
1332 accordance with chapter 120; or

1333 (b) Promptly wind down and close any international trust  
1334 company representative office in this state if the international

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1335 trust entities that are party to the acquisition, merger, or  
1336 consolidation elect not to file an application for a license in  
1337 accordance with paragraph (a) and, before such wind-down and  
1338 closure, refrain from engaging in new lines of business or  
1339 otherwise expanding the activities of such establishment in this  
1340 state.

1341 Section 31. Section 663.0625, Florida Statutes, is  
1342 transferred, renumbered as section 663.409, Florida Statutes,  
1343 and amended to read:

1344 663.409 ~~663.0625~~ International trust company representative  
1345 offices; permissible activities; requirements.-

1346 (1) An international trust company representative office  
1347 may conduct any nonfiduciary activities that are ancillary to  
1348 the fiduciary business of its international trust entity ~~banking~~  
1349 ~~corporation or trust company~~, but may not act as a fiduciary.  
1350 Permissible activities include advertising, marketing, and  
1351 soliciting for fiduciary business on behalf of an international  
1352 trust entity ~~banking corporation or trust company~~; contacting  
1353 existing or potential customers, answering questions, and  
1354 providing information about matters related to their accounts;  
1355 serving as a liaison in this state between the international  
1356 trust entity ~~banking corporation or trust company~~ and its  
1357 existing or potential customers; and engaging in any other  
1358 activities approved by the office or under rules of the  
1359 commission.

1360 (2) Representatives and employees at such office may not  
1361 act as a fiduciary, including, but not limited to, accepting the  
1362 fiduciary appointment, executing the fiduciary documents that  
1363 create the fiduciary relationship, ~~or~~ making discretionary

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1364 decisions regarding the investment or distribution of fiduciary  
1365 accounts, or accepting custody of any trust property or any  
1366 other good, asset, or thing of value on behalf of the affiliated  
1367 international trust entity, its subsidiaries or affiliates, or  
1368 subsidiaries and affiliates of the international trust company  
1369 representative office.

1370 (3) An international trust company representative office  
1371 licensed by the office may engage in any activities permissible  
1372 for a limited service affiliate under part IV of this chapter.

1373 Section 32. Section 663.410, Florida Statutes, is created  
1374 to read:

1375 663.410 Certification of capital accounts.—Before opening  
1376 an office in this state, and annually thereafter so long as an  
1377 international trust company representative office is maintained  
1378 in this state, an international trust entity licensed pursuant  
1379 to this part must certify to the office the amount of its  
1380 capital accounts, expressed in the currency of the home  
1381 jurisdiction where it has been authorized by charter, license,  
1382 or similar authorization by operation of law to carry on trust  
1383 business. The dollar equivalent of these amounts, as determined  
1384 by the office, is deemed to be the amount of its capital  
1385 accounts. The annual certification of capital accounts must be  
1386 received by the office on or before June 30 of each year.

1387 Section 33. Section 663.411, Florida Statutes, is created  
1388 to read:

1389 663.411 Reports; records.—

1390 (1) An international trust entity that operates an office  
1391 licensed under this part shall, at such times and in such form  
1392 as the commission prescribes, make written reports in the



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1393 English language to the office, under the oath of one of its  
1394 officers, managers, or agents transacting business in this  
1395 state, showing the amount of its assets and liabilities and  
1396 containing such other matters as the commission or office  
1397 requires. An international trust entity that maintains two or  
1398 more representative offices may consolidate such information in  
1399 one report unless the office requires otherwise for purposes of  
1400 its supervision of the condition and operations of each such  
1401 office. The late filing of such reports is subject to an  
1402 administrative fine as prescribed under s. 655.045(2). If the  
1403 international trust entity fails to make such report as directed  
1404 by the office or if such report contains a false statement  
1405 knowingly made, the same are grounds for revocation of the  
1406 license of the international trust entity.

1407 (2) An international trust entity that operates an office  
1408 licensed under this part shall cause to be kept, at a location  
1409 accepted by the office:

1410 (a) Correct and complete books and records of account of  
1411 the business operations transacted by such office. All policies  
1412 and procedures relating specifically to the operations of such  
1413 office, as well as any existing general ledger or subsidiary  
1414 accounts, must be maintained in the English language; however,  
1415 any policies and procedures of the international trust entity  
1416 which are not specific to the operations of such office may be  
1417 maintained in a language other than English.

1418 (b) Current copies of the charter or statement of operation  
1419 and bylaws of the international trust entity, relative to the  
1420 operations of the international trust company representative  
1421 office, and minutes of the proceedings of its directors,

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1422 officers, or committees relative to the business of the  
1423 international trust company representative office. Such records  
1424 may be maintained in a language other than English and must be  
1425 kept pursuant to s. 655.91 and be made available to the office,  
1426 upon request, at any time during regular business hours of the  
1427 international trust company representative office.

1428 (3) Any failure to keep such records as required in  
1429 subsection (2) or any refusal to produce such records upon  
1430 request by the office is grounds for suspension or revocation of  
1431 any license issued under this part.

1432 (4) The office may require at any time that any document  
1433 not written in the English language which the office deems  
1434 necessary for the purposes of its regulatory and supervisory  
1435 functions be translated into English at the expense of the  
1436 international trust entity.

1437 Section 34. Section 663.412, Florida Statutes, is created  
1438 to read:

1439 663.412 Termination of international trust entity's charter  
1440 or authority.-

1441 (1) (a) An international trust entity that is licensed to  
1442 maintain an office in this state may not continue to conduct its  
1443 licensed business in this state if the international trust  
1444 entity:

1445 1. Is dissolved, or its authority or existence is otherwise  
1446 terminated or canceled in the home jurisdiction where it has  
1447 been authorized by charter, license, or similar authorization by  
1448 operation of law to carry on trust business;

1449 2. Is in bankruptcy, conservatorship, receivership,  
1450 liquidation, or similar status under the laws of any country; or

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1451 3. Is operating under the direct control of the government  
1452 or the regulatory or supervisory authority of the jurisdiction  
1453 where it has been authorized by charter, license, or similar  
1454 authorization by operation of law to carry on trust business  
1455 through government intervention or any other extraordinary  
1456 actions.

1457 (b) Notwithstanding subparagraphs (a)2. and 3., the office  
1458 may, in its discretion, permit an international trust company  
1459 representative office to remain open and in operation under such  
1460 conditions as the office deems appropriate, if the office  
1461 determines that it is in the public's interest and that it  
1462 furtheres international supervisory cooperation to allow the  
1463 international trust company representative office to remain open  
1464 and in operation.

1465 (2) The international trust entity or its surviving  
1466 officers and directors shall deliver to the office:

1467 (a) A certificate of the official who is responsible for  
1468 records of trust companies in the jurisdiction where the  
1469 international trust entity has been authorized by charter,  
1470 license, or similar authorization by operation of law to carry  
1471 on trust business of the international trust entity, attesting  
1472 to the occurrence of any event described in paragraph (1) (a);

1473 (b) A certified copy of an order or decree of a court of  
1474 such jurisdiction, directing the dissolution of such  
1475 international trust entity, the termination of its existence, or  
1476 the cancellation of its authority, or declaring its status in  
1477 bankruptcy, conservatorship, receivership, liquidation, or  
1478 similar proceedings; or

1479 (c) Other reliable documentation evidencing that the

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1480 international trust entity is operating under the direct control  
1481 of its government or a regulatory or supervisory authority.

1482 (3) The filing of the certificate, order, documentation, or  
1483 decree has the same effect as the revocation of the license of  
1484 such international trust entity as provided in s. 663.408,  
1485 unless the office has permitted the international trust company  
1486 representative office to remain open and in operation pursuant  
1487 to paragraph (1) (b).

1488 Section 35. Section 663.413, Florida Statutes, is created  
1489 to read:

1490 663.413 Application and examination fees.—

1491 (1) An application for a license to establish an  
1492 international trust company representative office under this  
1493 part must be accompanied by a nonrefundable \$5,000 filing fee,  
1494 payable to the office.

1495 (2) An international trust entity that maintains an office  
1496 licensed under this part must pay to the office examination fees  
1497 that are determined by the commission by rule and that are  
1498 calculated in a manner so as to be equal to the actual cost of  
1499 each examiner's participation in the examination, as measured by  
1500 the examiner's pay scale, plus any other expenses directly  
1501 incurred in the examination. However, the examination fees may  
1502 not be less than \$200 per day for each examiner participating in  
1503 the examination.

1504 Section 36. Section 663.414, Florida Statutes, is created  
1505 to read:

1506 663.414 Rules; exemption from statement of estimated  
1507 regulatory costs requirements.—In addition to any other  
1508 rulemaking authority it has under the financial institutions

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1509 codes, the commission may adopt reasonable rules that it deems  
1510 advisable for the administration of international trust  
1511 companies under this part in the interest of protecting  
1512 depositors, creditors, borrowers, or the public interest and in  
1513 the interest of maintaining a sound banking and trust system in  
1514 this state. Because of the difficulty in obtaining economic data  
1515 with regard to such trusts, ss. 120.54(3)(b) and 120.541 do not  
1516 apply to the adoption of rules pursuant to this section.

1517 Section 37. Section 663.415, Florida Statutes, is created  
1518 to read:

1519 663.415 Travel expenses.—If domestic or foreign travel is  
1520 deemed necessary by the office to effectuate the purposes of  
1521 this part, the office must be reimbursed for actual, reasonable,  
1522 and necessary expenses incurred in such domestic or foreign  
1523 travel by the international trust company representative office  
1524 under examination.

1525 Section 38. The Division of Law Revision and Information is  
1526 directed to create part IV of chapter 663, Florida Statutes,  
1527 consisting of ss. 663.530-663.540, Florida Statutes, to be  
1528 entitled "Limited Service Affiliates of International Trust  
1529 Entities."

1530 Section 39. Section 663.530, Florida Statutes, is created  
1531 to read:

1532 663.530 Definitions.—

1533 (1) As used in ss. 663.531-663.539, the term:

1534 (a) "Foreign country" means a country other than the United  
1535 States and includes any colony, dependency, or possession of  
1536 such country notwithstanding any definitions in chapter 658, and  
1537 any territory of the United States, including Guam, American

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1538 Samoa, the Virgin Islands, and the Commonwealth of Puerto Rico.

1539 (b) "Home-country regulator" means the supervisory  
1540 authority or equivalent or other similarly sanctioned body,  
1541 organization, governmental entity, or recognized authority,  
1542 which has similar responsibilities in a foreign country in which  
1543 and by whom an international trust entity is licensed,  
1544 chartered, or has similar authorization to organize and operate.

1545 (c) "International trust entity" means an international  
1546 trust company or any international business, international  
1547 business organization, or an affiliated or subsidiary entity  
1548 that is licensed, chartered, or similarly permitted to conduct  
1549 trust business in a foreign country or countries under the laws  
1550 of which it is organized and supervised.

1551 (d) "Limited service affiliate" means a marketing and  
1552 liaison office that engages in the permissible activities  
1553 enumerated in s. 663.531 for the benefit of an international  
1554 trust entity.

1555 (e) "Nonresident" has the same meaning as in s. 663.01.

1556 (f) "Professional" means an accountant, attorney, or other  
1557 financial services and wealth planning professional who is  
1558 licensed by a governing body or affiliated with a licensed,  
1559 chartered, or similarly authorized entity.

1560 (g) "Registrant" means a person or entity that is  
1561 registered to perform the permissible activities outlined in s.  
1562 663.531 related to or for the benefit of an affiliated  
1563 international trust entity.

1564 (2) As used in ss. 663.531-663.539, the terms "affiliate,"  
1565 "commission," "executive officer," "financial institution,"  
1566 "financial institution-affiliated party," "financial

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1567 institutions codes," "office," "officer," "state," and  
1568 "subsidiary" have the same meaning as provided in s. 655.005.

1569 Section 40. Section 663.531, Florida Statutes, is created  
1570 to read:

1571 663.531 Permissible activities; prohibited activities.—

1572 (1) Registration as a limited service affiliate under this  
1573 part does not provide any exemption from licensure,  
1574 registration, application, and requirements to conduct licensed  
1575 business activities in this state. A limited service affiliate  
1576 may engage in any of the following permissible activities, which  
1577 are not meant to be restrictive unless an activity is prohibited  
1578 under subsection (2):

1579 (a) Marketing and liaison services related to or for the  
1580 benefit of the affiliated international trust entities, directed  
1581 exclusively at professionals and current or prospective  
1582 nonresident clients of an affiliated international trust entity;

1583 (b) Advertising and marketing at trade, industry, or  
1584 professional events;

1585 (c) Transmission of documents between the international  
1586 trust entity and its current or prospective clients or a  
1587 designee of such clients; and

1588 (d) Transmission of information about the trust or trust  
1589 holdings of current clients between current clients or their  
1590 designees and the international trust entity.

1591 (2) A limited service affiliate may not engage in any of  
1592 the following activities:

1593 (a) Advertising and marketing related to or for the benefit  
1594 of the international trust entity which are directed to the  
1595 general public;

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1596 (b) Acting as a fiduciary, including, but not limited to,  
1597 accepting the fiduciary appointment, executing the fiduciary  
1598 documents that create the fiduciary relationship, or making  
1599 discretionary decisions regarding the investment or distribution  
1600 of fiduciary accounts;

1601 (c) Accepting custody of any trust property or any other  
1602 good, asset, or thing of value on behalf of the affiliated  
1603 international trust entity, its subsidiaries or affiliates, or  
1604 subsidiaries and affiliates of the international trust company  
1605 representative office;

1606 (d) Soliciting business within this state from the general  
1607 public related to or for the benefit of an affiliated  
1608 international trust entity;

1609 (e) Adding a financial institution-affiliated party to the  
1610 limited service affiliate without prior written notification to  
1611 the office;

1612 (f) Commencing services for an international trust entity  
1613 without complying with the requirements of s. 663.532;

1614 (g) Providing services for any international trust entity  
1615 that is in bankruptcy, conservatorship, receivership,  
1616 liquidation, or a similar status under the laws of any country;  
1617 or

1618 (h) Otherwise conducting banking or trust business.

1619 (3) The provisions of subsection (2) are not deemed to  
1620 prevent the limited service affiliate's use of an international  
1621 trust entity's website, or its own website, if the posted  
1622 information or communication includes the following:

1623 (a) The following statement: "Certain described services  
1624 are not offered to the general public in Florida, but are



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1625 marketed by ... (insert name of limited service affiliate)...  
1626 exclusively to professionals and current or prospective non-U.S.  
1627 resident clients of the affiliated international trust entity or  
1628 entities."

1629 (b) The notice required by s. 663.535.

1630 (4) In addition to any other power conferred upon it to  
1631 enforce and administer this chapter and the financial  
1632 institutions codes, the office may impose any remedy or penalty  
1633 pursuant to s. 655.033, relating to cease and desist orders; s.  
1634 655.034, relating to injunctions; s. 655.037, relating to  
1635 removal of a financial institution-affiliated party by the  
1636 office; or s. 655.041, relating to administrative fines and  
1637 enforcement, if a limited service affiliate engages in any of  
1638 the impermissible activities in subsection (2).

1639 Section 41. Section 663.532, Florida Statutes, is created  
1640 to read:

1641 663.532 Registration.-

1642 (1) To register as a limited service affiliate, a proposed  
1643 registrant must file a written notice with the office, in the  
1644 manner and on a form prescribed by the commission, together with  
1645 a nonrefundable \$2,500 registration fee. Such written notice  
1646 must include:

1647 (a) The name under which the proposed registrant will  
1648 conduct business in this state;

1649 (b) A copy of the articles of incorporation or articles of  
1650 organization, or the equivalent, of the proposed registrant;

1651 (c) The physical address where the proposed registrant will  
1652 conduct business;

1653 (d) The mailing address of the proposed registrant;

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1654 (e) The name and biographical information of the executive  
1655 officer or managing member of the proposed registrant, to be  
1656 submitted on a form prescribed by the commission;

1657 (f) The number of officers and employees of the proposed  
1658 registrant;

1659 (g) A detailed list and description of the activities to be  
1660 conducted by the proposed registrant. The detailed list and  
1661 description must include:

1662 1. The services and activities of the proposed registrant;

1663 2. An explanation of how the services and activities of the  
1664 proposed registrant serve the business purpose of each  
1665 international trust entity; and

1666 3. An explanation of how the services and activities of the  
1667 proposed registrant are distinguishable from those of the  
1668 permissible activities of an international trust company  
1669 representative office described under s. 663.409;

1670 (h) Disclosure of any instance occurring within the prior  
1671 10 years of a director, executive officer, principal  
1672 shareholder, manager, or the equivalent who was arrested for,  
1673 charged with, or convicted of, or who pled guilty or nolo  
1674 contendere to, regardless of adjudication, any offense that is  
1675 punishable by imprisonment for a term exceeding 1 year, or to  
1676 any offense that involves money laundering, currency transaction  
1677 reporting, tax evasion, facilitating or furthering terrorism,  
1678 fraud, theft, larceny, embezzlement, fraudulent conversion,  
1679 misappropriation of property, dishonesty, breach of trust,  
1680 breach of fiduciary duty, or moral turpitude, or that is  
1681 otherwise related to the operation of a financial institution  
1682 and caused or is likely to cause more than a minimal financial

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1683 loss to, or a significant adverse effect on, the financial  
1684 institution;

1685 (i) A declaration under penalty of perjury, signed by the  
1686 executive officer or managing member of the proposed registrant,  
1687 that, to the best of his or her knowledge:

1688 1. No financial institution-affiliated party of the  
1689 proposed registrant or financial institution-affiliated party of  
1690 any affiliated international trust entity:

1691 a. Has been fined or sanctioned as a result of a complaint  
1692 to the office or any other state or federal regulatory agency;

1693 b. Has been convicted of a felony; or

1694 c. Has been ordered to pay a fine or penalty within the  
1695 prior 10 years in a proceeding initiated by a federal, state,  
1696 foreign, or local law enforcement agency or an international  
1697 agency which is related to money laundering, currency  
1698 transaction reporting, tax evasion, facilitating or furthering  
1699 terrorism, fraud, theft, larceny, embezzlement, fraudulent  
1700 conversion, misappropriation of property, dishonesty, breach of  
1701 trust, breach of fiduciary duty, moral turpitude, or which is  
1702 otherwise related to the operation of a financial institution  
1703 and is related to any offense that caused or is likely to cause  
1704 more than a minimal financial loss to, or a significant adverse  
1705 effect on, the financial institution.

1706 2. No financial institution-affiliated party of the  
1707 proposed registrant:

1708 a. Provides, or will provide, banking services; promotes or  
1709 sells, or will promote or sell, investments; or accepts, or will  
1710 accept, custody of assets; and

1711 b. Acts, or will act, as a fiduciary in this state, which

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1712 includes, but is not limited to, accepting the fiduciary  
1713 appointment, executing the fiduciary documents that create the  
1714 fiduciary relationship, or making discretionary decisions  
1715 regarding the investment or distribution of fiduciary accounts.

1716 3. The jurisdiction of the international trust entity or  
1717 its offices, subsidiaries, or any affiliates that are directly  
1718 involved in or facilitate the financial services functions,  
1719 banking, or fiduciary activities of the international trust  
1720 entity is not listed on the Financial Action Task Force Public  
1721 Statement or on its list of jurisdictions with deficiencies in  
1722 anti-money laundering or counterterrorism;

1723 (j) For each international trust entity that the proposed  
1724 registrant will provide services for in this state, the  
1725 following:

1726 1. The name of the international trust entity;

1727 2. A list of the current officers and directors of the  
1728 international trust entity;

1729 3. Any country where the international trust entity is  
1730 organized or authorized to do business;

1731 4. The name of the home-country regulator;

1732 5. Proof that the international trust entity has been  
1733 authorized by charter, license, or similar authorization by its  
1734 home-country regulator to engage in trust business;

1735 6. Proof that the international trust entity lawfully  
1736 exists and is in good standing under the laws of the  
1737 jurisdiction where it is chartered, licensed, or organized;

1738 7. A statement that the international trust entity is not  
1739 in bankruptcy, conservatorship, receivership, liquidation, or a  
1740 similar status under the laws of any country;

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1741 8. Proof that the international trust entity is not  
1742 operating under the direct control of the government or the  
1743 regulatory or supervisory authority of the jurisdiction of its  
1744 incorporation, through government intervention or any other  
1745 extraordinary actions, and confirmation that it has not been in  
1746 such a status or under such control at any time within the prior  
1747 3 years;

1748 9. Proof and confirmation that the proposed registrant is  
1749 affiliated with the international trust entities provided in the  
1750 notice; and

1751 10. Proof that the jurisdictions where the international  
1752 trust entity or its offices, subsidiaries, or any affiliates  
1753 that are directly involved in or that facilitate the financial  
1754 services functions, banking, or fiduciary activities of the  
1755 international trust entity are not listed on the Financial  
1756 Action Task Force Public Statement or on its list of  
1757 jurisdictions with deficiencies in anti-money laundering or  
1758 counterterrorism; and

1759 (k) A declaration under penalty of perjury, signed by an  
1760 executive officer or managing member of each affiliated  
1761 international trust entity, declaring that the information  
1762 provided to the office is true and correct to the best of his or  
1763 her knowledge.

1764  
1765 The proposed registrant may provide additional information in  
1766 the form of exhibits when attempting to satisfy any of the  
1767 registration requirements. All information that the proposed  
1768 registrant desires to present to support the written notice must  
1769 be submitted with the notice.

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1770       (2) The office may request additional information as the  
1771 office reasonably requires. Any request for additional  
1772 information must be made by the office within 30 days after  
1773 initial receipt of the written notice and the full amount of the  
1774 fee specified in subsection (1). Additional information must be  
1775 submitted within 60 days after a request has been made by the  
1776 office. Failure to respond to such request within 60 days after  
1777 the date of the request is a ground for denial of the  
1778 registration. A notice is not deemed complete until all  
1779 requested information has been submitted to the office. Upon  
1780 deeming the notice complete, the office has 120 days to register  
1781 the limited service affiliate or issue a denial. An order  
1782 denying a registration must contain notice of opportunity for a  
1783 hearing pursuant to ss. 120.569 and 120.57.

1784       (3) A registration under this part must be summarily  
1785 suspended by the office if the limited service affiliate made a  
1786 material false statement in the written notice. The summary  
1787 suspension must remain in effect until a final order is entered  
1788 by the office. For purposes of s. 120.60(6), a material false  
1789 statement made in the limited service affiliate's written notice  
1790 constitutes an immediate and serious danger to the public  
1791 health, safety, and welfare. If a limited service affiliate made  
1792 a material false statement in the written notice, the office  
1793 must enter a final order revoking the registration and may  
1794 impose a fine as prescribed by s. 655.041 or issue an order of  
1795 suspension, removal, or prohibition under s. 655.037 to a  
1796 financial institution-affiliated party of the limited service  
1797 affiliate.

1798       (4) Any instance in which a director, executive officer,

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1799 principal shareholder, manager, or the equivalent has ever been  
1800 arrested for, charged with, convicted of, or pled guilty or nolo  
1801 contendere to, regardless of adjudication, any offense that  
1802 involves money laundering, currency transaction reporting, tax  
1803 evasion, facilitating or furthering terrorism, fraud, theft,  
1804 larceny, embezzlement, fraudulent conversion, misappropriation  
1805 of property, dishonesty, breach of trust, breach of fiduciary  
1806 duty, or moral turpitude, or that is otherwise related to the  
1807 operation of a financial institution and caused or is likely to  
1808 cause more than a minimal financial loss to, or a significant  
1809 adverse effect on, the financial institution, is a ground for  
1810 denial of the registration.

1811 (5) The existence of any previous violation, fine, or  
1812 penalty of a financial institution-affiliated party of a limited  
1813 service affiliate or the affiliated international trust entity  
1814 does not necessarily disqualify a registrant under this part.  
1815 When evaluating a registration, the office may consider factors  
1816 reasonably related to the violation, fine, or penalty, such as  
1817 mitigating factors, a history of multiple violations, the  
1818 severity of the offense, and a showing of rehabilitation.

1819 (6) A registration is not transferable or assignable.

1820 (7) Fees collected under this section must be submitted in  
1821 the manner prescribed by the commission and must be deposited  
1822 into the Financial Institutions' Regulatory Trust Fund pursuant  
1823 to s. 655.049 for the purpose of administering this part.

1824 (8) A person or entity in operation as of January 1, 2018,  
1825 which meets the definition of a limited service affiliate under  
1826 s. 663.530 must, on or before March 31, 2018, apply for  
1827 registration as a limited service affiliate or cease doing

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1828 business in this state.

1829 (9) No later than March 31, 2018, a person or entity that  
1830 previously qualified under the moratorium in s. 663.041 must  
1831 register under this part or cease doing business in this state.

1832 A person or entity that previously qualified under the  
1833 moratorium in s. 663.041 may remain open and in operation until  
1834 March 31, 2018, without registering under this part, but shall  
1835 refrain from engaging in new lines of business in this state  
1836 until the disposition of registration under this part.

1837 Section 42. Section 663.533, Florida Statutes, is created  
1838 to read:

1839 663.533 Applicability of the financial institutions codes.—

1840 A limited service affiliate is subject to the financial  
1841 institutions codes. Without limiting the foregoing, the  
1842 following provisions are applicable to a limited service  
1843 affiliate:

1844 (1) Section 655.012, relating to general supervisory powers  
1845 of the office.

1846 (2) Section 655.031, relating to administrative enforcement  
1847 guidelines.

1848 (3) Section 655.032, relating to investigations, subpoenas,  
1849 hearings, and witnesses.

1850 (4) Section 655.0321, relating to restricted access to  
1851 certain hearings, proceedings, and related documents.

1852 (5) Section 655.033, relating to cease and desist orders.

1853 (6) Section 655.034, relating to injunctions.

1854 (7) Section 655.037, relating to removal of a financial  
1855 institution-affiliated party by the office.

1856 (8) Section 655.041, relating to administrative fines and



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1857 enforcement.1858 (9) Section 655.057, relating to restrictions on access to  
1859 public records.1860 (10) Section 655.059, relating to access to books and  
1861 records.1862 (11) Section 655.0591, relating to trade secret documents.1863 (12) Section 655.91, relating to records of institutions  
1864 and copies thereof; retention and destruction.1865 (13) Section 655.968, relating to financial institutions;  
1866 transactions relating to Iran or terrorism.1867  
1868 This section does not prohibit the office from investigating or  
1869 examining an entity to ensure that it is not in violation of  
1870 this chapter or applicable provisions of the financial  
1871 institutions codes.1872 Section 43. Section 663.534, Florida Statutes, is created  
1873 to read:1874 663.534 Events that require notice to be provided to the  
1875 office.—A registrant must report to the office, within 15 days  
1876 of its knowledge of the occurrence, any changes to the  
1877 information previously relied upon by the office when  
1878 registering or renewing a registration under this part.1879 Section 44. Section 663.535, Florida Statutes, is created  
1880 to read:1881 663.535 Notice to customers.—All marketing documents and  
1882 advertisements and any display at the location of the limited  
1883 service affiliate or at any trade or marketing event must  
1884 contain the following statement in a contrasting color in at  
1885 least 10-point type: "The Florida Office of Financial Regulation

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1886 DOES NOT provide safety and soundness oversight of this company,  
1887 does not provide any opinion as to any affiliated companies or  
1888 products, and does not provide the oversight of this company's  
1889 affiliated international trust entities or the jurisdictions  
1890 within which they operate. This company may not act as a  
1891 fiduciary and may not accept the fiduciary appointment, execute  
1892 or transmit fiduciary documents, take possession of any assets,  
1893 create a fiduciary relationship, make discretionary decisions  
1894 regarding the investment or distribution of fiduciary accounts,  
1895 provide banking services, or promote or sell investments."

1896 Section 45. Section 663.536, Florida Statutes, is created  
1897 to read:

1898 663.536 Recordkeeping requirements for trade, industry, or  
1899 professional events.—A registrant registered only under this  
1900 part who participates in a trade, industry, or professional  
1901 event pursuant to s. 663.531 must keep a record of its  
1902 participation in the event. The record must be maintained for at  
1903 least 2 years following the event and must contain the following  
1904 information:

1905 (1) The date, time, and location of the event;

1906 (2) To the extent known or available, a list of  
1907 participants in the event, including other vendors, presenters,  
1908 attendees, and targeted attendees;

1909 (3) The nature and purpose of the event;

1910 (4) The registrant's purpose for participating in the  
1911 event; and

1912 (5) Samples of materials or, when samples are unavailable,  
1913 descriptions of materials provided by the registrant to  
1914 attendees and other participants.

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1915 Section 46. Section 663.537, Florida Statutes, is created  
1916 to read:

1917 663.537 Examination or investigation of a limited service  
1918 affiliate.—

1919 (1) The office may conduct an examination or investigation  
1920 of a limited service affiliate at any time that it deems  
1921 necessary to determine whether the limited service affiliate or  
1922 financial institution-affiliated party thereof has violated, or  
1923 is about to violate, any provision of this chapter, any  
1924 applicable provision of the financial institutions codes, or any  
1925 rule adopted by the commission pursuant to this chapter or the  
1926 financial institutions codes. The office shall conduct an  
1927 examination of each limited service affiliate at least once  
1928 every 18 months to assess compliance with this part and the  
1929 financial institutions codes. The office may conduct an  
1930 examination, before or after registration, of any person or  
1931 entity that submits a notice for registration to confirm  
1932 information provided in the registration filing and to confirm  
1933 the activities of the person or entity seeking registration.

1934 (2) For each examination of a limited service affiliate  
1935 authorized under this part, the limited service affiliate shall  
1936 pay a fee for the costs of the examination by the office. As  
1937 used in this section, the term "costs" means the salary and  
1938 travel expenses of field staff which are directly attributable  
1939 to the examination of the registrant and the travel expenses of  
1940 any supervisory and support staff required as a result of  
1941 examination findings. The costs of examination must be  
1942 determined as follows:

1943 (a) The office shall charge each limited service affiliate

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1944 in this state an examination fee equal to the actual cost of  
1945 each examiner's participation during each examination of such  
1946 limited service affiliate. The examination fee must equal the  
1947 actual cost of the examination, but such fees, inclusive of  
1948 travel expenses and other incidental expenses, may not be less  
1949 than \$200 per day for each examiner participating in the  
1950 examination.

1951 (b) As used in this section, the term "actual cost" means  
1952 the direct salary, excluding employee benefits; travel expenses;  
1953 and other incidental expenses required as a result of the  
1954 examination staff's onsite and offsite examination of the  
1955 limited service affiliate. In addition, the term includes the  
1956 travel expenses of any supervisory staff required as a result of  
1957 examination findings.

1958 (3) All examination fee payments must be received within 30  
1959 days after receipt of an invoice from the office and must be  
1960 submitted in a manner prescribed by the commission. The office  
1961 may levy a late fee of up to \$100 per day that a payment is  
1962 overdue, unless waived by the office for good cause. However, if  
1963 the late payment of costs is intentional, the office may levy an  
1964 administrative fine of up to \$1,000 per day for each day the  
1965 payment is overdue.

1966 (4) All fees collected under this section must be submitted  
1967 in the manner prescribed by the commission and must be deposited  
1968 into the Financial Institutions' Regulatory Trust Fund pursuant  
1969 to s. 655.049 for the purpose of administering this part.

1970 Section 47. Section 663.538, Florida Statutes, is created  
1971 to read:

1972 663.538 Suspension, revocation, or voluntary surrender of

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1973 registration.

1974 (1) A registrant that proposes to terminate operations in  
1975 this state shall surrender its registration to the office and  
1976 comply with such procedures as required by rule of the  
1977 commission.

1978 (2) A registrant that fails to renew its registration may  
1979 be subject to a fine and penalty; however, such registrant may  
1980 renew its registration within 30 days after expiration or may  
1981 surrender the registration in accordance with procedures  
1982 prescribed by commission rule.

1983 (3) The registration of a limited service affiliate in this  
1984 state may be suspended or revoked by the office, with or without  
1985 examination, upon the office's determination that the registrant  
1986 does not meet all requirements for original or renewal  
1987 registration.

1988 (4) If a registrant surrenders its registration or its  
1989 registration is suspended or revoked by the office, all rights  
1990 and privileges afforded by this part to the registered limited  
1991 service affiliate cease.

1992 (5) At least 60 days before a proposed date of voluntary  
1993 termination of a registration, a registrant must provide to the  
1994 office written notice by letter of its intention to surrender  
1995 its registration and terminate operations. The notice must  
1996 include the proposed date of termination and the name of the  
1997 officer in charge of the termination procedures.

1998 (6) The office may conduct an examination of the books and  
1999 records of a limited service affiliate at any time after receipt  
2000 of the notice of surrender of registration to confirm the  
2001 winding down of operations.

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2002       (7) Operations of a registrant are deemed terminated  
2003 effective upon the later of the expiration of 60 days from the  
2004 date of the filing of the notice of voluntary surrender or upon  
2005 the date provided in the notice of voluntary surrender, unless  
2006 the office provides written notice specifying the grounds for  
2007 denial of such proposed termination. The office may not deny a  
2008 request to terminate unless it learns of the existence of any  
2009 outstanding claim or claims against the registrant, it finds  
2010 that the requirements to terminate operations have not been  
2011 satisfied, or there is an immediate and serious danger to the  
2012 public health, safety, and welfare if the termination occurred.

2013       Section 48. Section 663.539, Florida Statutes, is created  
2014 to read:

2015       663.539 Biennial registration renewal.—A registration must  
2016 be renewed every 2 years. A registration must be renewed by  
2017 furnishing such information as the commission requires, together  
2018 with payment of a \$500 nonrefundable renewal fee. All fees  
2019 received by the office pursuant to this section must be  
2020 submitted in the manner prescribed by the commission and must be  
2021 deposited into the Financial Institutions' Regulatory Trust Fund  
2022 pursuant to s. 655.049 for the purpose of administering this  
2023 part. A complete biennial renewal of registration must include a  
2024 declaration under penalty of perjury, signed by the executive  
2025 officer or managing member of the registrant, declaring that the  
2026 information submitted for the purposes of renewal is true and  
2027 correct to the best of his or her knowledge, and confirming or  
2028 providing all of the following:

2029       (1) That the registrant is in compliance with this part.

2030       (2) The physical location of the principal place of

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2031 business of the registrant.

2032 (3) The telephone number of the registrant.

2033 (4) A list of current financial institution-affiliated  
2034 parties operating under the registration to be renewed.

2035 (5) Any updates or changes in information which were not  
2036 previously provided either in the initial registration or in  
2037 subsequent registration renewals or which were not previously  
2038 disclosed to the office.

2039 Section 49. Section 663.5395, Florida Statutes, is created  
2040 to read:

2041 663.5395 Civil action subpoena enforcement.—

2042 (1) Notwithstanding s. 655.059, a limited service affiliate  
2043 established under this chapter is not required to produce a book  
2044 or record pertaining to a customer of an affiliated  
2045 international trust entity that is located outside the United  
2046 States or its territories in response to a subpoena if the book  
2047 or record is maintained outside the United States or its  
2048 territories and is not in the possession, custody, or control of  
2049 the affiliated limited service affiliate established in this  
2050 state.

2051 (2) This section applies only to a subpoena issued pursuant  
2052 to the Florida Rules of Civil Procedure, the Federal Rules of  
2053 Civil Procedure, or other similar law or rule of civil procedure  
2054 in another state or territory of the United States. This section  
2055 does not apply to a subpoena issued by or on behalf of a  
2056 federal, state, or local government law enforcement agency,  
2057 administrative or regulatory agency, legislative body, or grand  
2058 jury and does not limit the power of the office to access all  
2059 books and records in the exercise of the office's regulatory and

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2060 supervisory powers under the financial institutions codes.

2061 Section 50. For the purpose of incorporating the amendment  
2062 made by this act to section 663.01, Florida Statutes, in a  
2063 reference thereto, subsection (4) of section 663.16, Florida  
2064 Statutes, is reenacted to read:

2065 663.16 Definitions; ss. 663.17-663.181.—As used in ss.  
2066 663.17-663.181, the term:

2067 (4) Except where the context otherwise requires,  
2068 "international banking corporation" or "corporation" has the  
2069 same meaning as that provided in s. 663.01 and includes any  
2070 licensed office of an international banking corporation  
2071 operating in this state.

2072 Section 51. This act shall take effect January 1, 2018.