Article 10.

Savings Bank Interstate Branches.

§ 54C-199. Title.

This Article shall be known and may be cited as the North Carolina Savings Bank Interstate Branch Act. (1993, c. 191, s. 3.)

§ 54C-200. Definitions.

As used in this Article, unless the context clearly requires otherwise, the following definitions apply:

(1) Repealed by Session Laws 2004-203, s. 35(b), effective August 17, 2004.

(2) "Branch" means a full service office of a savings bank through which it renders a savings bank service other than its principal office. A savings bank may engage in any authorized function or service through an authorized branch office.

(3) "Commission" means the State Banking Commission.

(4) "Home state" means (i) as to a state-chartered savings bank, the state which granted the savings bank its charter, and (ii) as to a federal savings bank, the state in which the savings bank has its principal office.

(5) "Out-of-state" savings bank means a savings bank granted a charter by any state other than this State and whose principal office is not located in this State.

(6) "Savings bank" means a state savings bank or a federal savings bank, unless limited by use of the words "State" or "federal".

(7) "State savings bank" means a depository institution chartered under the laws of this State.

(8) "Supervisor" means the state savings bank supervisor or equivalent state official having primary regulatory authority over an out-of-state savings bank. (1993, c. 191, s. 3; 2001-193, ss. 16, 17; 2004-203, s. 35(b).)

§ 54C-201. Establishment of branches by out-of-state savings banks.

Any out-of-state savings bank that meets the requirements of this Article may establish a branch within North Carolina either by (i) de novo entry; (ii) the purchase of an existing branch; (iii) the purchase of all or substantially all of the assets of a State savings bank located in North Carolina; or (iv) merger or consolidation. (1993, c. 191, s. 3.)

§ 54C-202. Application requirements.

(a) Any out-of-state savings bank desiring to establish a branch office under this Article shall file with the Commissioner of Banks a written application meeting the following requirements:

(1) The out-of-state savings bank shall agree to comply with all the applicable rules and regulations, and informational filing requirements contained in the laws and rules of this State that would apply to a State savings bank engaging in an equivalent form of transaction. Additionally, the Commissioner of Banks shall apply the same standards of approval to the application of the out-of-state savings bank as would apply to an application by a State savings bank for an equivalent form of transaction.

(2) The out-of-state savings bank shall provide the Commissioner of Banks, in the manner prescribed by the Commissioner of Banks, with such additional information as the Commissioner of Banks deems necessary, to fully evaluate the application.

(3) The out-of-state savings bank shall pay an application fee established by the Commissioner of Banks pursuant to G.S. 54C-9.

(4) The out-of-state savings bank shall not commence operations of the branch office until it has received the written approval of the Commissioner of Banks.

(b) The Commissioner of Banks shall act on the application within 90 days of receipt of the completed application. (1993, c. 191, s. 3; 2001-193, s. 16.)

§ 54C-203. Conditions for approval.

No application by an out-of-state savings bank received under this Article may be finally approved by the Commissioner of Banks unless:

(1) The Commissioner of Banks has received in writing approval of the proposed transaction from the supervisor of the out-of-state savings bank;

(2) The supervisor of the out-of-state savings bank agrees in writing to share with the Commissioner of Banks examination reports prepared by the supervisor and any other information deemed necessary by the Commissioner of Banks regarding the out-of-state savings bank;

(3) The out-of-state savings bank agrees in writing to make available to the Commissioner of Banks all information that may be required to effectively examine the savings bank;

(4) The out-of-state savings bank agrees in writing that so long as it maintains a branch in North Carolina, it will meet the conditions set forth in this Article and comply with all applicable North Carolina laws and any rules issued thereunder, as well as any orders or directives issued to the savings bank by the Commissioner of Banks;

(5) The home state of the out-of-state savings bank permits savings banks chartered under the laws of this State to establish branches within its border; and

(6) The out-of-state savings bank designates and files with the Office of the Secretary of State a document appointing an agent in this State to receive service of judicial process. (1993, c. 191, s. 3; 2001-193, s. 16.)

§ 54C-204. Special conditions.

(a) The Commissioner of Banks may require an out-of-state savings bank to designate one of its branches in North Carolina as a "headquarters branch" and may, by rule, require that reports, books, and records required of savings banks doing business under this Article be available at the designated headquarters branch.

(b) Once an out-of-state savings bank has established at least one branch in North Carolina pursuant to this Article, subsequent applications to establish additional branches shall be considered on the same basis as an application of a State savings bank to establish an additional branch pursuant to G.S. 54C-23.

(c) If an out-of-state savings bank establishes a branch or branches by merger with or purchase from a savings bank located in this State, and the out-of-state savings bank and the savings bank located in this State are both owned by the same holding company, any conditions,

limitations, or restrictions placed on the holding company, pursuant to Article 9 of this Chapter, shall continue to apply to both the acquiring out-of-state savings bank and its holding company. (1993, c. 191, s. 3; 2001-193, s. 16.)

§ 54C-205. Powers.

An out-of-state savings bank that establishes a branch in North Carolina may engage in all the activities authorized by North Carolina law for a State savings bank except to the extent that such activities have been expressly prohibited by the state supervisor of the out-of-state savings bank or the laws of the out-of-state savings bank's home state. (1993, c. 191, s. 3.)

§ 54C-206. Establishment of out-of-state branches by State savings banks.

With the prior consent of the Commissioner of Banks, any savings bank chartered under the laws of North Carolina may establish a branch in any other state in accordance with the laws of such other state. (1993, c. 191, s. 3; 2001-193, s. 16.)

§ 54C-207. Regulatory and supervisory oversight.

(a) The Commissioner of Banks may enter into such agreements as necessary regarding the scope, timing, coordination, and frequency of examinations and other supervisory matters, including the sharing of information gathered in such examinations, with other supervisors and federal savings bank regulators. This authority applies to both out-of-state savings banks and their holding companies.

(b) The Commissioner of Banks may require periodic reports on the financial condition of any out-of-state savings bank or its holding company that maintains a branch within North Carolina and may from time to time require from any such out-of-state savings banks other reports under oath in such scope and detail as the Commissioner of Banks may reasonably determine to be necessary for the purpose of assuring continuing compliance with the provisions of this Article.

(c) The Commissioner of Banks may, if necessary, conduct full-scope, on-site examinations of any branch established pursuant to this Article.

(d) Out-of-state savings banks shall be assessed and required to pay supervisory and examination fees in accordance with G.S. 54C-55 and the rules issued thereunder. (1993, c. 191, s. 3; 2001-193, s. 16.)

§ 54C-208. Enforcement.

(a) Any enforcement authority available to the Commissioner of Banks for use against a State savings bank may, subject to the provisions of Chapter 150B of the General Statutes, be used against a branch established under this Article and against the out-of-state savings bank or its parent holding company establishing such branch.

(b) The Commissioner of Banks may suspend or revoke the authority of an out-of-state savings bank to establish or maintain a branch in North Carolina upon a finding of fact or condition or circumstance that is grounds for denial of an application to establish and maintain a branch under this Article.

(c) The Commissioner of Banks may enforce the provisions of this Article through an action in any court of North Carolina or any other state or any court of the United States as provided in G.S. 54C-76, 54C-77, 54C-78, and 54C-79 for the purpose of obtaining an appropriate remedy for violation of any provisions of this Article.

(d) The Commissioner of Banks may enter into joint actions with other supervisors or federal savings banking regulators, or both, having concurrent jurisdiction over any out-of-state savings bank that has a branch in North Carolina or over any State savings bank that has a branch in another state, or may take such action independently to carry out the Commissioner of Banks' responsibilities under this Article and assure compliance with the provisions of this Article and the applicable savings banking laws of this State. (1993, c. 191, s. 3; 2001-193, s. 16.)

§ 54C-209. Branch closings.

An out-of-state savings bank that is subject to an order or written agreement revoking its authority to establish or maintain a branch in North Carolina and any State savings bank that is subject to an order or written agreement revoking its authority to establish or maintain a branch in another state shall wind up the business of that branch in an orderly manner that protects the depositors, customers, and creditors of the branch, and that complies with all North Carolina laws and all other applicable laws regarding the closing of the branch. (1993, c. 191, s. 3.)

§ 54C-210. Rules.

The Commission may adopt rules as necessary to carry out the provisions of this Article. (1993, c. 191, s. 3.)

§ 54C-211. Appeal of Commissioner of Banks' decision.

Any aggrieved party in a proceeding under this Article may, within 30 days after final decision of the Commissioner of Banks, appeal such decision to the Commission. The Commission, within 30 days of receipt of the notice of appeal, shall approve, disapprove, or modify the Commissioner of Banks' decision. Failure of the Commission to act within 30 days of receipt of notice of appeal shall constitute a final decision of the Commission approving the decision of the Commissioner of Banks. Notwithstanding any other provision of law, any aggrieved party to a decision of the Commission shall be entitled to an appeal pursuant to G.S. 54C-16. (1993, c. 191, s. 3; 2001-193, s. 16.)

§ 54C-212. Severability.

If any provision of this Article or the application of such provision to any persons or circumstances is found invalid, the remainder of this Article and its application to persons or circumstances other than those as to which it is held invalid, shall not be affected. (1993, c. 191, s. 3.)