

## CHAPTER 97-30

### Committee Substitute for House Bill No. 541

An act relating to the management and regulation of financial institutions; amending s. 280.02, F.S.; revising a definition; amending s. 280.03, F.S.; allowing for the deposit of state and local government funds in qualified public depositories; amending s. 655.005, F.S.; revising definitions; amending s. 655.0322, F.S.; applying prohibited acts and practices provisions to state or federal savings banks; providing penalties; amending s. 655.045, F.S.; deleting a report requirement; amending s. 655.41, F.S.; revising a definition; amending s. 655.414, F.S.; requiring approval by the Department of Banking and Finance for a financial entity to acquire certain financial entities; providing for a nonrefundable filing fee; deleting a requirement to file a separate application for each branch office; amending s. 658.21, F.S.; revising criteria for approval of applications; amending s. 658.23, F.S.; clarifying information required in articles of incorporation; amending s. 658.26, F.S.; providing for approval of a branch application under certain circumstances; revising provisions providing for relocation of certain offices in this state; providing a definition; amending s. 658.295, F.S.; revising certain acquisition criteria; deleting an obsolete provision; amending s. 658.2953, F.S.; correcting a threshold date reference; deleting certain requirements for notice of establishment and maintenance of a branch in this state by an out-of-state bank; revising certain filing requirements and trust powers; amending s. 658.73, F.S.; revising application fee provisions; providing for partial refund under certain circumstances; amending s. 663.06, F.S.; providing for indefinite operation of an international banking corporation; deleting temporary operation provisions; amending s. 663.12, F.S.; clarifying certain filing fee provisions; creating ss. 667.001-667.013, F.S.; providing a short title; providing definitions; providing applicability; providing for a name; providing for reorganization, merger, or consolidation; providing for conversion of certain banks or associations to capital stock savings banks; providing requirements; imposing a fee; providing powers and duties of the department under certain circumstances; providing for acquisition of assets or control of savings banks; providing criteria and requirements; specifying powers of savings banks; providing for loans and loan expenses; providing for dealing with successors in interest; providing for foreign savings banks; amending s. 737.101, F.S.; clarifying application of principal place of administration provisions to certain trusts; exempting certain financial institutions resulting from an interstate merger transaction from certain prohibitions; providing for future repeal; repealing s. 658.295(6)(e), F.S., relating to certain notice of acquisitions; providing effective dates.

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

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

280.02 Definitions.—As used in this chapter, the term:

(16) “Qualified public depository” means any bank, savings bank, or savings association that:

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

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

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

(d) Meets all the requirements of this chapter.

~~(e) Has been designated by the Treasurer as a qualified public depository organized and existing under the laws of this state and any bank or savings association organized under the laws of the United States that has its principal place of business in this state or has a branch office which is authorized under the laws of this state or of the United States to receive deposits in this state, that meets all of the requirements of this chapter, and that has been designated by the Treasurer as a qualified public depository.~~

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

655.005 Definitions.—

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

(g) “Federal financial institution” means a federally or nationally chartered or organized association, bank, savings bank, or credit union.

(h) “Financial institution” means a state or federal association, bank, savings bank, trust company, international bank agency, representative office or international administrative office, or credit union.

(j) “Financial institutions codes” means:

1. Chapter 655, relating to financial institutions generally;
2. Chapter 657, relating to credit unions;
3. Chapter 658, relating to banks and trust companies;
4. Chapter 660, relating to trust business;
5. Chapter 663, relating to international banking corporations; ~~and~~

6. Chapter 665, relating to associations; and-

7. Chapter 667, relating to savings banks.

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

655.0322 Prohibited acts and practices; criminal penalties.—

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

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

655.045 Examinations, reports, and internal audits; penalty.—

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

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

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

(1) “Financial entity” means an association, bank, credit union, savings bank, Edge Act or agreement corporation, or trust company organized under the laws of this state or organized under the laws of the United States and having its principal place of business in this state.

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

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

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

- (a) The names and types of financial entities involved.
- (b) A statement setting forth the material terms of the proposed acquisition, assumption, or sale, including the plan for disposition of all assets and liabilities not subject to the plan.
- (c) A provision for liquidation of the transferring financial entity upon execution of the plan.
- (d) A statement that the entire transaction is subject to written approval of the department and approval of the members or stockholders of the transferring financial entity.
- (e) If a stock financial institution is the transferring financial entity and the proposed sale is not to be for cash, a clear and concise statement that dissenting stockholders of such financial entity are entitled to the rights set forth in s. 658.44(4) and (5).
- (f) The proposed effective date of such acquisition, assumption, or sale and such other information and provisions as may be necessary to execute the transaction or as may be required by the department.

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

- (a) The resulting financial entity would have an adequate capital structure in relation to its activities and its deposit liabilities;
- (b) The plan is fair to all parties; and
- (c) The plan is not contrary to the public interest.

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

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

## (4) ADOPTED PLAN; CERTIFICATE; ABANDONMENT.—

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

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

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

(5) FEDERALLY CHARTERED INSTITUTION AS A PARTICIPANT.—If one of the participants in a transaction under this section is a federally chartered financial entity, all participants must also comply with such requirements as may be imposed by federal law for such an acquisition, assumption, or sale and provide evidence of such compliance to the department as a condition precedent to the issuance of a certificate authorizing the transaction; however, if the purchasing or assuming financial entity is a federally chartered financial entity, approval of the department is not required.

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

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

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

658.21 Approval of application; findings required.—The department shall approve the application if it finds that:

(1) ~~Public convenience and advantage will be promoted by the establishment of the proposed state bank or trust company. Additionally, Local conditions indicate reasonable promise of successful operation for the proposed state bank or trust company and those financial institutions already established in the primary service area.~~ In determining whether an applicant

meets the requirements of this subsection, the department shall consider all materially relevant factors, including:

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

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

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

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

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

658.23 Submission of articles of incorporation; contents; form; approval; filing; commencement of corporate existence; bylaws.—

(2) The articles of incorporation shall contain:

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

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

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

**658.26** Places of transacting business; branches; facilities.—

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

(2)(a) In addition, with the approval of the department and upon such conditions as the department prescribes, any bank or trust company may establish branches within or outside the state. With the approval of the department upon a determination that the resulting bank or trust company will be of sound financial condition, any bank or trust company incorporated pursuant to this chapter may establish branches by merger with any other bank or trust company.

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

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

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

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

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

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

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

~~(3)(a) An office in this state which has been in operation for at least 18 months may be relocated within this state upon 30 days' prior written~~

~~notification to the department. An office in this state which has been open for less than 18 months may be relocated within this state with prior written approval of the department, if the relocation will not create an unsafe and unsound condition. An application for relocation shall be in writing in such form as the department prescribes and shall be supported by such information, data, and records as the department may require to make findings necessary for approval. Additional investments in land, buildings, leases, and leasehold improvements resulting from such relocation shall comply with the limitations imposed by s. 658.67(7)(a). The location of an office may not be moved beyond the limits of the county or counties in which the bank or trust company maintains authorized bank or trust company offices and may not be moved outside this state unless expressly authorized by the financial institutions codes or by federal law.~~

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

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

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

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

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

(4) With prior written notification to the department, any bank may operate facilities which are not physically connected to the main or branch office of the bank, provided that the facilities are situated on the property of the main or branch office or property contiguous thereto. Property which



is separated from the main or branch office of a bank by only a street, and one or more walkways and alleyways are determined to be, for purposes of this subsection, contiguous to the property of the main or branch office.

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

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

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

(c) As used in this section, “receive deposits” means the taking of deposits to be credited to an existing account and does not include the opening or origination of new deposit accounts at an affiliated institution by the agent institution.

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

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

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

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

658.295 Interstate banking.—

(3) STATEMENT OF LEGISLATIVE INTENT.—In general, states have a strong interest in the activities and operations of depository institutions doing business within their jurisdictions, regardless of the type of charter an institution holds. In particular, states have a legitimate interest in protecting the rights of consumers, businesses, and communities. Further, Con-

gress did not intend that the Interstate Banking and Branching Efficiency Act of 1994 alter this balance and thereby weaken states' authority to protect the interests of consumers, businesses, or communities.

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

(8) STANDARDS FOR APPROVAL.—Except as otherwise provided in this section:

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

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

658.2953 Interstate branching.—

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

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

(8) NOTICE AND FILING REQUIREMENTS.—Any out-of-state bank that will be the resulting bank pursuant to an interstate merger transaction involving a Florida bank shall notify the department of the proposed merger within 15 days after the date on which it files an application for an interstate merger transaction with the appropriate federal regulatory agency. ~~A copy of the application shall be submitted to the department accompanied by the required filing fee, pursuant to s. 658.73. Any out-of-state bank that shall~~

be the resulting bank in such an interstate merger transaction shall comply with applicable requirements of ss. 607.1501-607.1532.

(14) ADDITIONAL BRANCHES; POWERS.—

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

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

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

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

658.73 Fees and assessments.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

663.06 Licenses; permissible activities.—

(1) An international banking corporation licensed to operate an office in this state may engage in the business authorized by this part at the office specified in such license for an indefinite ~~such period as is provided in subsection (2) or subsection (3).~~ An international banking corporation may

operate more than one international bank agency, international branch, or international representative office, each at a different place of business, provided that each office shall be separately licensed. No license to operate an international bank office is transferable or assignable. However, the location of an international bank office may be changed after notification of the department. Every such license shall be, at all times, conspicuously displayed in the place of business specified therein.

~~(2) Except as provided in subsection (3), a license to operate an international bank agency, international branch, international representative office, or international administrative office shall be valid for a period of 1 year, unless such license is suspended or revoked sooner pursuant to subsection (5). The license may be renewed annually upon application to the department, upon forms available for that purpose, within 30 days prior to the expiration of the license. The license may be renewed by the department, in its discretion, upon its determination, with or without examination, that the international banking corporation is in a safe and sound condition and has complied with all requirements of law with respect to the international bank agency, international branch, international representative office, or international administrative office; that the renewal of the license will not be detrimental to the public interest; and that the renewal has been duly authorized by proper corporate action. Each application for renewal of a license shall be accompanied by the fee prescribed in s. 663.12.~~

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

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

~~(3)(5) An international bank agency, international branch, international representative office, or international administrative office license may be suspended or revoked by the department, with or without examination, upon its determination that the international banking corporation does not meet all requirements for original licensing or any of the criteria established by subsection (2) for renewal of a license. The department may by rule~~

prescribe additional conditions or standards under which the license of an international bank agency, international branch, international representative office, or international administrative office may be suspended or revoked.

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

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

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

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

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

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

663.12 Fees; assessments; fines.—

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

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

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

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

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

667.001 Short title.—This chapter may be cited as the “Florida Savings Bank Act.”

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

(1) “Capital stock” means the aggregate of shares of nonwithdrawable capital issued by a capital stock association, but does not include nonwithdrawable capital represented by capital certificates.

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

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

(4) “Home property” means real estate on which is located, or will be located pursuant to a real estate loan, a structure designed for residential use by one family or a single condominium unit, including common elements pertinent to such unit, designed for residential use by one family in a multiple-dwelling-unit structure or complex and including fixtures, home furnishings, and equipment.

(5) “Liquid assets” means:

(a) Cash on hand.

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

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

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

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

(7) “Primarily residential property” means real estate on which there is located, or will be located pursuant to a real estate loan:

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

(b) Any structure designed or used primarily for residential rather than nonresidential purposes for students, residents and persons under care, employees, or members of the staff of an educational, health, or welfare institution or facility.

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

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

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

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

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

(12) “State savings bank” means any savings bank which has an existing savings bank charter issued pursuant to the provisions of the financial institutions codes.

(13) “Stockholder” means the holder of one or more shares of any class of capital stock of a capital stock savings bank organized or operating pursuant to the provisions of this chapter.

667.003 Applicability of chapter 658.—Any state savings banks is subject to all the provisions, and entitled to all the privileges, of the financial institutions codes except where it appears, from the context or otherwise, that such provisions clearly apply only to banks or trust companies organized under the laws of this state or the United States. Without limiting the foregoing



general provisions, it is the intent of the Legislature that the following provisions apply to a savings bank to the same extent as if the savings bank were a “bank” operating under such provisions:

- (1) Section 658.12, relating to definitions.
- (2) Section 658.16, relating to creation of banking or trust corporation.
- (3) Section 658.19, relating to application for authority to organize a bank or trust company.
- (4) Section 658.20, relating to investigation by department.
- (5) Section 658.21, relating to approval of application; findings required.
- (6) Section 658.22, relating to coordination with federal agencies.
- (7) Section 658.23, relating to submission of articles of incorporation; contents; form; approval; filing; commencement of corporate existence; by-laws.
- (8) Section 658.235, relating to subscriptions for stock; approval of major shareholders.
- (9) Section 658.24, relating to organizational procedures.
- (10) Section 658.25, relating to opening for business.
- (11) Section 658.26, relating to places of transacting business; branches; facilities.
- (12) Section 658.295, relating to interstate banking.
- (13) Section 658.2953, relating to interstate branching.
- (14) Section 658.30, relating to application of the Florida Business Corporation Act.
- (15) Section 658.32, relating to annual meetings.
- (16) Section 658.33, relating to directors, number, qualifications; officers.
- (17) Section 658.34, relating to shares of capital stock.
- (18) Section 658.35, relating to share options; warrants.
- (19) Section 658.36, relating to changes in capital.
- (20) Section 658.37, relating to dividends and surplus.
- (21) Section 658.38, relating to deposit insurance.
- (22) Section 658.39, relating to stockholders; examination of records.
- (23) Section 658.40, relating to definitions for merger and consolidation.

- (24) Section 658.41, relating to merger; resulting state or national bank.
- (25) Section 658.42, relating to plan of merger and merger agreement.
- (26) Section 658.43, relating to approval by department; valuation of assets; emergency action.
- (27) Section 658.44, relating to approval by stockholders; rights of dissenters; preemptive rights.
- (28) Section 658.45, relating to certificate of merger and effective date; effect on charters and powers.
- (29) Section 658.48, relating to loans.
- (30) Section 658.49, relating to loans by banks not exceeding \$50,000.
- (31) Section 658.491, relating to commercial loans by financial institutions.
- (32) Section 658.51, relating to banks authorized to make commodity loans.
- (33) Section 658.53, relating to borrowing; limits of indebtedness.
- (34) Section 658.60, relating to depositories of public moneys and pledge of assets.
- (35) Section 658.65, relating to remote financial service units.
- (36) Section 658.67, relating to investment powers and limitations.
- (37) Section 658.73, relating to fees and assessments.
- (38) Section 658.79, relating to taking possession of insolvent state banks or trust companies.
- (39) Section 658.80, relating to appointment of receiver or liquidator.
- (40) Section 658.81, relating to department action; notice and court confirmation.
- (41) Section 658.82, relating to receiver; powers and duties.
- (42) Section 658.83, relating to liquidator; powers and duties.
- (43) Section 658.84, relating to transfers by banks and other acts in contemplation of insolvency.
- (44) Section 658.90, relating to receivers or liquidators under supervision of department.
- (45) Section 658.94, relating to prima facie evidence.
- (46) Section 658.95, relating to voluntary liquidation.

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

667.004 Name.—The name of every savings bank shall include the words “savings bank.” The use of the words “National,” “Federal,” “United States,” “insured,” or “guaranteed,” separately or in any combination thereof with other words or syllables, is prohibited as part of the corporate name of a savings bank.

667.005 Reorganization, merger, or consolidation with a foreign savings bank.—

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

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

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

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

(3) A proposed transaction in which the resulting or surviving savings bank is to be a foreign savings bank shall be subject to any conditions, restrictions, and requirements that would apply in the state where the foreign savings bank has its principal place of business if the resulting or surviving savings bank were to be a Florida savings bank, which conditions, restrictions, and requirements would not apply to a reorganization, merger, or consolidation of savings banks all of which are located in that state.

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

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

667.006 Conversion of state or federal mutual savings bank or state or federal mutual association to capital stock savings bank.—

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

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

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

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

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

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

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

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

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

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

(c) The department may approve or disapprove the plan in its discretion, but it shall not approve the plan unless it finds that the savings bank will comply sufficiently with the requirements of the financial institutions codes after conversion to entitle it to become a savings bank operating under the financial institutions codes and the rules of the department. The department may deny any application from any federal savings bank that is subject to any cease and desist order or other supervisory restriction or order imposed by any state or the federal supervisory authority, or insurer, or guarantor or that has been convicted of, or pled guilty or nolo contendere to, a violation of s. 655.50, relating to the Florida Control of Money Laundering in Financial Institutions Act; chapter 896, relating to offenses related to financial transactions; or any similar state or federal law.

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

(2) MINUTES OF MEETING.—Copies of the minutes of the meeting of members, verified by the affidavit of the secretary or assistant secretary of

the savings bank, shall be filed with the department and with the appropriate federal regulatory agency, within a reasonable time after the meeting. When so filed, the verified copies of the minutes are presumptive evidence of the holding of the meeting and of the action taken.

(3) FILING OF ARTICLES OF INCORPORATION AND COMMITMENT FOR INSURANCE OF ACCOUNTS.—The directors of the savings bank shall have executed and filed with the department proposed articles of incorporation as provided in s. 658.23, together with the application for conversion and a firm commitment for, or evidence of, insurance of deposits and other accounts of a withdrawable type. The articles shall contain a statement that the savings bank resulted from the conversion of a state or federal mutual savings bank to a capital stock savings bank. Approval by the department shall be affixed to the articles of incorporation. A copy of the articles of incorporation shall be filed with the Department of State and one copy of the articles of incorporation and the certificate of incorporation shall be returned to the savings bank. The savings bank shall cease to be a mutual savings bank at the time and on the date specified in the approved articles of incorporation.

(4) SUCCESSION.—Upon conversion of a mutual savings bank, the legal existence of the savings bank shall not terminate, but the capital stock savings bank shall be a continuation of the entity of the mutual savings bank, and all property of the mutual savings bank, including its rights, titles, and interests in and to all property of whatever kind, whether real, personal, or mixed, things in action, and every right, privilege, interest, and asset of every conceivable value or benefit then existing or pertaining to it, or which would inure to it, immediately, by act of law and without any conveyance or transfer and without any further act or deed, shall vest and remain in the capital stock savings bank into which the mutual savings bank has converted. The capital stock savings bank shall have, hold, and enjoy the same in its own right as fully and to the same extent as the same was possessed, held, and enjoyed by the mutual savings bank. The capital stock savings bank, upon the taking effect of the conversion, shall continue to have and succeed to all the rights, obligations, and relations of the mutual savings bank. All pending actions and other judicial proceedings to which the mutual savings bank is a party shall not be abated or discontinued by reason of the conversion but may be prosecuted to final judgment, order, or decree in the same manner as if the conversion had not been made, and the capital stock savings bank resulting from the conversion may continue the actions in its corporate name as a mutual savings bank. Any judgment, order, or decree may be rendered for or against it which might have been rendered for or against the mutual savings bank theretofore involved in the proceedings.

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

667.007 Supervisory case; emergency conversion, reorganization, merger; consolidation; acquisition of assets.—

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

- (a) The savings bank is insolvent; or
- (b) The savings bank is imminently insolvent.

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

(2) Notwithstanding any other provision of this chapter or chapter 120, if the department finds that immediate action is necessary to protect the interests of depositors and reduce the potential for claims against the insurance fund, or in order to prevent the probable failure of a state or federal savings bank which is a supervisory case, the department shall have the power, with the concurrence of the appropriate federal regulatory agency in the case of any savings bank the deposits of which are federally insured, to issue an emergency order authorizing:

- (a) The conversion of such savings bank from a state to a federal charter, or vice versa, without change of business form;
- (b) The reorganization, merger, or consolidation of such state or federal savings bank with another state or federal savings bank;
- (c) The conversion of such state or federal savings bank into a state or federal capital stock savings bank; or
- (d) Any state or federal savings bank to acquire the assets of, and assume the liabilities of, such failing savings bank.

667.008 Acquisition of assets of or control over a savings bank.—

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

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

(c) The application for control shall be accompanied by a nonrefundable filing fee of \$7,500; however, if more than one savings bank is being acquired in any such application, the fee shall be increased by \$3,000 for each additional savings bank.

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

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

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

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

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

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

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

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

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

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

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

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

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

(d) Owns, controls, or has power to vote 10 percent or more of any class of voting securities of the savings bank, if no other person or group of persons owns, controls, or has power to vote a greater proportion of that class of voting securities. In any case in which a proposed purchase or acquisition of voting securities of a savings bank would give rise to the presumption created under this paragraph, the person or group of persons who proposes to purchase or acquire the voting securities shall first give written notice of

the proposal to the department. Such notice may present information that the proposed purchase or acquisition will not result in control. The department shall afford the person seeking to rebut the presumption an opportunity to present views in writing or orally before its designated representatives at an informal conference.

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

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

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

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

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

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

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

(2) SUBORDINATED DEBT.—To issue and sell, directly or through underwriters, subordinated debt which shall represent nonwithdrawable capital contributions and shall constitute part of the equity capital of the savings bank. Such debt shall have no voting rights; shall be subordinate to all savings accounts, debt obligations, and claims of creditors of the savings bank; and shall constitute a claim in liquidation against any other equity capital account remaining after the payment in full of all savings accounts, debt obligations, and claims of creditors. Such subordinated debt shall be entitled to the payment of earnings prior to the allocation of any income to surplus or other equity capital accounts of the savings bank and may be issued with a fixed rate of earnings or with a prior claim to distribution of



a specified percentage of any net income remaining after required allocations to reserves, or a combination thereof. Losses shall be charged against subordinated debt only after other equity capital accounts have been exhausted.

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

(4) SERVICING.—To service loans and investments for others.

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

(6) LIMITED TRUSTEESHIP.—To act, and receive compensation therefor, as trustee of any trust created or organized in the United States and forming a part of a stock bonus, pension, or profit-sharing plan which qualifies or is qualified for specific tax treatment under s. 401 of the Internal Revenue Code of 1954, as amended, and to act as trustee or custodian of an individual retirement account within the meaning of s. 408 of such code if the funds of such trust or account are invested only in savings accounts of such savings bank or in obligations or securities issued by such savings bank. All funds held in a fiduciary capacity by any such savings bank under the authority of this subsection may be commingled and consolidated for appropriate purposes of investment, provided that records reflecting each separate beneficial interest are maintained by the fiduciary unless such responsibility is lawfully assumed by another appropriate party.

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

(8) PAYROLL SAVINGS.—To contract with any employer with respect to the solicitation, collection, and receipt of savings by payroll deduction to be credited to a designated account or accounts of his or her or its employee or employees who voluntarily may participate or with respect to the direct deposit of wages or salary paid by such employer to the account of the employee in a financial depository institution by electronic or other medium upon authorization in writing by the employee and his or her designation of the savings bank or other financial depository institution as the recipient of such deposits.

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

667.010 Loans.—On an annual average, based on monthly computations, a savings bank shall have invested at least 50 percent of assets, other than

liquid assets of a savings bank invested in either real estate loans or interests therein on home property or primarily residential property and not more than 30 percent invested in loans for agricultural, business, corporate, or commercial purposes.

667.011 Loan expenses.—Every savings bank may require borrowers to pay all reasonable expenses incurred in connection with the making, closing, disbursing, extending, readjusting, or renewing of real estate loans. Without limiting the generality of the foregoing, such expenses may include appraisal, attorney, abstract, recording, and registration fees; title examination; title insurance; mortgage loan insurance; credit report; survey; drawing of papers; escrow services; loan closing costs; and taxes or charges imposed upon or in connection with the making and recording of any loan. Every savings bank also may require borrowers to pay the cost of all other necessary and incidental services rendered by the savings bank or by others in connection with real estate and other loans in such reasonable amounts as may be fixed by the board of directors. Without limiting the generality of the foregoing, such costs may include the costs of services of inspectors, engineers, and architects. Such initial charges may be collected by the savings bank from the borrower and paid to any person, including any director, officer, or employee of the savings bank rendering such services, or paid directly by the borrower. In lieu of such initial charges to cover such expenses and costs, a savings bank may make a reasonable charge, part or all of which may be retained by the savings bank which renders such service or part or all of which may be paid to others who render such services. The fees and charges authorized by this chapter shall be in addition to interest authorized by law and shall not be deemed to be a part of the interest collected or agreed to be paid on such loans within the meaning of any law of this state which limits the rate of interest which may be exacted in any transaction. No director, officer, or employee of a savings bank shall receive any fee or other compensation of any kind in connection with procuring any loan for a savings bank, except for services actually rendered as provided in this section.

667.012 Dealing with successors in interest.—In the case of any investment made by a savings bank in a real estate loan, in the event the ownership of the real estate security or any part thereof becomes vested in a person other than the party or parties originally executing the security instruments, and provided there is not an agreement in writing to the contrary, a savings bank may, without notice to such party or parties, deal with such successor or successors in interest with reference to said mortgage and the debt thereby secured in the same manner as with such party or parties, and may forbear to sue or may extend time for payment of or otherwise modify the terms of the debt secured thereby, without discharging or in any way affecting the original liability of such party or parties thereunder or upon the debt thereby secured.

667.013 Foreign savings banks.—

(1) DEFINED.—For the purposes of this section, the term “foreign savings bank” includes any domestic joint venture, business trust, syndicate, firm, company, savings bank, fiduciary, partnership, or corporation, and all

other groups or combinations, by whatever name called, actually engaged in the business of a savings bank, the principal business office of which is located outside the territorial limits of this state.

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

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

(a) The purchase, acquisition, holding, sale, assignment, transfer, collecting, and enforcement of obligations or any interest therein secured by real estate mortgages or other instruments in the nature of a mortgage, covering real property located in this state, or the foreclosure of such instruments, or the acquisition of title to such property by foreclosure, or otherwise, as a result of default under such instruments, or the holding, protection, rental, maintenance, and operation of the property so acquired, or the disposition thereof, provided such savings banks shall not hold, own, or operate such property for a period exceeding 5 years without securing the approval of the department.

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

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

737.101 Principal place of administration of trust; duty to register trust.—

(3) Unless otherwise designated in the trust agreement and notwithstanding any other provision of this section, the principal place of administration of a trust, for which a bank, association, or trust company organized under the laws of this state or bank or savings association organized under the laws of the United States with its main office in this state has been appointed trustee, shall not be moved or otherwise affected solely because the trustee engaged in an interstate merger transaction with an out-of-state bank pursuant to s. 658.2953 in which the out-of-state bank is the resulting bank.

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

**280.03 Public deposits to be secured; exceptions.—**

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

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

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

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

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

Approved by the Governor April 29, 1997.

Filed in Office Secretary of State April 29, 1997.