

Kansas Administrative Regulations

Office of the State Bank Commissioner

Article 19.—Bank Subsidiaries Engaged in Securities Activities

17-19-1. Organization; application approval.

(a) Prior to its organization to engage in securities activities in this state, each bank subsidiary shall make application to and obtain approval from the state bank commissioner and the state banking board. Each application shall contain all required information as prescribed by the commissioner and the state banking board.

(b) Upon filing an application to form a bank subsidiary to engage in securities activities, the following criteria shall be considered by the commissioner and the state banking board prior to granting authority:

(1) the financial standing, general business experience and character of the organizers and incorporators;

(2) the character, qualifications and experience of the officers of the proposed bank subsidiary;

(3) the public need for the proposed bank subsidiary;

(4) the prospects for success of the proposed bank subsidiary; and

(5) any other factors the commissioner or the state banking board deems relevant to the applicant.

(c) Each expense incurred in making any examination and investigation of an application to form a bank subsidiary to engage in securities activities shall be paid by the applicant, who shall pay \$1,000 to the commissioner to defray such expense. The commissioner may require an additional payment not to exceed \$4,000 at any time deemed necessary. Any unused portion of such payment shall be refunded.

(d) Any application may be denied or authority revoked for any bank to own, hold or otherwise operate a bank subsidiary engaged in securities activities upon finding any violation of the state banking department regulations.

(e) Each bank subject to revocation of authority to own, hold or otherwise operate a bank subsidiary engaged in securities activities shall be afforded the right to a hearing pursuant to the Kansas administrative procedure act.

(Authorized by and implementing K.S.A. 1988 Supp. 9-1101, effective Nov. 20, 1989.)

***** Authenticated Kansas Administrative Regulation *****