

This rule was filed as 12 NMAC 16.4.9.

TITLE 12 TRADE, COMMERCE AND BANKING
CHAPTER 16 BANKING
PART 69 BANK SERVICE CORPORATIONS

12.16.69.1 ISSUING AGENCY: Financial Institutions Division of the Regulation and Licensing Department, Post Office Box 25101, Santa Fe, New Mexico 87504.
[11/15/96; Recompiled 10/15/01]

12.16.69.2 SCOPE: All banks chartered by the state of New Mexico.
[11/15/96; Recompiled 10/15/01]

12.16.69.3 STATUTORY AUTHORITY: Sections 58-1-51 and 58-1-54 NMSA 1978.
[11/15/96; Recompiled 10/15/01]

12.16.69.4 DURATION: Permanent.
[11/15/96; Recompiled 10/15/01]

12.16.69.5 EFFECTIVE DATE: October 31, 1996, unless a later date is cited at the end of a section or paragraph.
[11/15/96; Recompiled 10/15/01]
[Compiler's note: The words *or paragraph*, above, are no longer applicable. Later dates are now cited only at the end of sections, in the history notes appearing in brackets.]

12.16.69.6 OBJECTIVE: The objective of this regulation is to provide administrative procedures for state banks to establish bank service corporations under the Bank Service Corporation Act (12 U.S.C. Sections 1861 through 1867).
[11/15/96; Recompiled 10/15/01]

12.16.69.7 DEFINITIONS: Definitions are the same as in the Bank Service Corporation Act.
[11/15/96; Recompiled 10/15/01]

12.16.69.8 BANK SERVICE CORPORATIONS:

A. New Mexico state banks may invest and participate in bank service corporations under the Bank Service Corporation Act and subject to its provisions.

B. Requests for approval:

(1) No regulatory approval is required for a New Mexico state bank to invest in a bank service corporation that will perform only the services described in 12 U.S.C. Section 1863.

(2) New Mexico state banks shall apply for the approval of the director of the financial institutions division prior to investing in a bank service corporation that will perform services other than those described in 12 U.S.C. Section 1863. The application shall include a business plan for the proposed organization, with form and content acceptable to the director.

C. Each bank service corporation in which a New Mexico state bank is the principal bank investor shall be subject to examination and supervision by the director of the financial institutions division to the same extent as the investing bank, and shall be assessed a fee determined by the director to cover the costs of examination.

[11/15/96; Recompiled 10/15/01]

HISTORY OF 12.16.69 NMAC: [RESERVED]