
Rules of
Department of Economic
Development
Division 140—Division of Finance
Chapter 10—Bank Holding Companies

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**Title 4—DEPARTMENT OF
ECONOMIC DEVELOPMENT
Division 140—Division of Finance
Chapter 10—Bank Holding Companies**

**4 CSR 140-10.010 Regional Interstate
Banking**

PURPOSE: Senate Bill 442, approved by the governor and effective August 13, 1986, authorized the acquisition of Missouri Banks and trust companies by bank holding companies located in adjoining states. In anticipation of such legislation, House Bill 1195, approved by the governor and effective May 15, 1986, authorized the commissioner to enter into arrangements with other regulators for the examination of banks and bank holding companies located in other states if such organizations engage in the banking business in Missouri. The purpose of this rule is to establish and clarify the procedures and conditions under which foreign bank holding companies may acquire and operate banks and trust companies in Missouri.

(1) Definitions. For the purposes of this rule, the terms used shall have the meanings attributed to them by section 362.925, RSMo.

(2) Applications. An adjoining state bank holding company, with the approval of the commissioner of finance (director of the Division of Finance), may acquire control of one (1) or more Missouri banks or bank holding companies. The adjoining state bank holding company, with respect to each such acquisition, shall file an application with the commissioner requesting approval of the acquisition. The application shall be approved or denied by the commissioner within sixty (60) days of receipt of a completed application.

(3) Contents. An application filed under this rule shall include:

(A) A copy of the application filed by the adjoining state bank holding company by which it sought approval for the acquisition from the board of governors of the Federal Reserve System;

(B) Information tending to show that the state in which the adjoining state bank holding company is located permits Missouri bank holding companies to acquire control of banks in such state under conditions which are substantially the same as those imposed by Missouri on acquisitions by adjoining state bank holding companies;

(C) Information tending to show that the acquisition will not cause the adjoining state bank holding company to exceed the limits

imposed by section 362.915, RSMo respecting the concentration of banking in the state of Missouri; and

(D) Information tending to show that the acquisition will not impair the safety and soundness of the bank or banks acquired.

(4) When Complete. An application filed under this rule shall be complete when the materials described in section (3) have been fled with the commissioner and the board of governors of the Federal Reserve System or the appropriate Federal Reserve Bank acting on delegated authority has required to complete its application and this fact has been made known to the commissioner.

(5) Safety and Soundness. In order to satisfy the requirements of section (3) respecting the safety and soundness of the bank or banks acquired, applicant shall provide the commissioner the following:

(A) If the applicant or any of its banking affiliates is operating or, within the eighteen (18) months preceding the application, has operated under a Cease and Desist Order, Memorandum of Understanding or other formal or informal action and any amendments;

(B) If any bank or trust company affiliate of applicant at its most recent examination received a Capital Assets Management Earnings Liquidity (CAMEL) rating of "3", "4" or "5", a copy of the report of such examination; and

(C) A copy of the most recent report of examination of the bank holding company prepared by the Federal Reserve Bank or the applicant's state regulator. If the commissioner is not satisfied that the information provided gives adequate assurance that the bank or banks acquired will be operated safely and soundly, s/he may conduct an examination of the applicant for the purpose of augmenting such information.

(6) Concurrent Jurisdiction. The commissioner, pursuant to agreements with applicant's state and federal regulators, may conduct periodic examinations of applicant and its affiliates. The commissioner may base such examinations on information contained in reports of examination conducted by state and federal regulators and may provide such regulators with copies of reports of examinations and other information compiled by the commissioner's office.

AUTHORITY: sections 361.105, 362.925 and 362.910, RSMo (1986). Original rule filed June 3, 1986, effective Aug. 15, 1986.

4 CSR 140-10.020 Branch Deposits

PURPOSE: Section 362.915, RSMo, prohibits a bank holding company from obtaining control of a depository financial institution if the combined deposits of the holding company and the financial institution exceed a certain percentage of the total deposits in all depository financial institutions in the state. The advent of interstate branching makes it necessary to determine which deposits are located in Missouri. This rule describes the process by which that determination is made.

(1) The total deposits of a bank or depository financial institution in Missouri, and the total deposits of all depository financial institutions in Missouri controlled by a bank holding company which is seeking to acquire a bank or institution under section 362.920, RSMo, shall not, for purposes of section 362.915, RSMo, include deposits of offices located outside of Missouri.

(2) The total deposits in all depository financial institutions in Missouri shall not, for purposes of section 362.915, RSMo, include deposits of offices located outside of Missouri.

(3) A bank holding company seeking to acquire a bank or depository financial institution under section 362.920, RSMo, shall be attributed all deposits at Missouri offices of depository financial institutions controlled by the bank holding company.

(4) The commissioner of finance shall use the most timely reports available, whether published at year-end, mid-year, or any other date within the previous twelve (12) months, in order to determine the location of deposits attributed to offices in this state and outside this state.

AUTHORITY: sections 361.105 and 362.915, RSMo Supp. 1997. Original rule filed Jan. 23, 1998, effective July 30, 1998.*

**Original authority: 361.105, RSMo 1939, amended 1949, 1977, 1995, 1996 and 362.915, RSMo 1974, amended 1988, 1997.*