

**9-1127b. Same; services which may be provided by corporations; restrictions.** (a) A bank service corporation may provide to any person any service authorized by this section, except that a bank service corporation shall not take deposits.

(b) Except with the prior approval of the state bank commissioner, a bank service corporation shall not perform the services authorized by this section in any state other than this state and all shareholders of a bank service corporation shall be located in this state.

(c) A bank service corporation in which a state bank is a shareholder shall perform only those services that such state bank shareholder is authorized to perform under the law of this state and shall perform such services only at locations in this state in which such bank shareholder could be authorized to perform such services.

(d) A bank service corporation in which a national bank is a shareholder shall perform only those services that such national bank shareholder is authorized to perform under federal law and shall perform such services only at locations in this state at which such national bank shareholder could be authorized to perform such services.

(e) A bank service corporation that has both national bank and state bank shareholders shall perform only those services that may lawfully be performed by both its national bank shareholder or shareholders under federal law and its state bank shareholder or shareholders under the law of this state and shall perform such services only at locations in this state at which both its state bank and national bank shareholders could be authorized to perform such services.

(f) Notwithstanding the other provisions of this section or any other provision of law, other than the provisions of federal branching law and the branching law of this state regulating the geographic location of banks to the extent that those laws are applicable to an activity authorized by this subsection, a bank service corporation may perform at any geographic location any service, other than deposit taking, that the board of governors of the federal reserve system has determined, by regulation, to be permissible for a bank holding company under section 4(c)(8) of the federal bank holding company act.

**History:** L. 1984, ch. 48, § 7; L. 2001, ch. 87, § 9; July 1.