

FIRST REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 221
92ND GENERAL ASSEMBLY

Reported from the Committee on Financial and Governmental Organization, Veterans' Affairs and Elections, March 20, 2003, with recommendation that the Senate Committee Substitute do pass.

TERRY L. SPIELER, Secretary.

0997S.03C

AN ACT

To repeal sections 59.163, 173.387, 173.390, 306.410, 361.130, 361.140, 361.160, 361.170, 362.010, 362.105, 362.106, 362.170, 362.295, 362.910, 362.923, 369.159, 400.9-525, 407.433, 408.450, 408.455, 408.460, 408.465, 408.467, 408.470, 408.557, 408.653, and 408.654, RSMo, and to enact in lieu thereof twenty-two new sections relating to banking, with an effective date for a certain section and penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 59.163, 173.387, 173.390, 306.410, 361.130, 361.140, 361.160, 361.170, 362.010, 362.105, 362.106, 362.170, 362.295, 362.910, 362.923, 369.159, 400.9-525, 407.433, 408.450, 408.455, 408.460, 408.465, 408.467, 408.470, 408.557, 408.653, and 408.654, RSMo, are repealed and twenty-two new sections enacted in lieu thereof, to be known as sections 59.163, 59.321, 173.387, 173.390, 306.410, 361.130, 361.140, 361.160, 361.170, 362.010, 362.105, 362.106, 362.111, 362.170, 362.295, 362.910, 362.923, 369.159, 370.171, 400.9-525, 407.433, and 408.455, to read as follows:

59.163. In any county of the first class in which the recorder of deeds is required by law to keep offices both at the county seat and at another place within the county, all deeds, deeds of trust, mortgages, and other instruments affecting real property situated in that range in the county where the office outside of the county seat is located shall be recorded in such office and not at the county seat; and the proper place to file, or to file for record if goods are or are to become fixtures, [all financing statements or other instruments or statements incidental thereto, such as continuation statements,

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

8 termination statements, statements of assignment, statements of release, in order to
9 perfect, continue, terminate, assign, release or affect a security interest in accordance
10 with article 9, part 4, chapter 400, the Uniform Commercial Code,] is as follows:

11 (1) [When the collateral is equipment used in farming operations, or farm
12 products, or accounts, contract rights or general intangibles arising from or relating to
13 the sale of farm products by a farmer, or consumer goods (as such types of collateral are
14 defined in the Uniform Commercial Code) and the debtor's residence is in that range
15 where the office outside the county seat is located, then in such office outside the county
16 seat, or if the debtor is not a resident of this state and the goods are kept in that range
17 where the office outside the county seat is located, then in such office outside the county
18 seat, and in addition, when the collateral is crops, and the land on which the crops are
19 growing or are to be grown is located in that range where the office outside the county
20 seat is located, then in such office outside the county seat;

21 (2)] When the collateral is goods which at the time the security interest attaches
22 are or are to become fixtures, and the land to which the fixtures are or are to be attached
23 is located in that range where the office outside the county seat is located, then in such
24 office outside the county seat, and any such filing shall be for record;

25 [(3) When the collateral is any other kind of property, in the office of the
26 secretary of state and in addition: (a) If the debtor has a place of business only in such
27 county of this state and only in that range where the office outside the county seat is
28 located, also in such office outside the county seat, or (b) If the debtor has places of
29 business only in such county of this state but has a place of business both in that range
30 where the office outside the county seat is located, and also elsewhere in such county,
31 then also in such office outside the county seat and also in such office at the county seat,
32 or (c) If the debtor has no place of business in this state, but resides in that range where
33 the office outside the county seat is located, then also in such office outside the county
34 seat;

35 (4)] (2) In all other cases where the proper place, or one of the proper places, to
36 file or to file for record is in the office of the recorder of deeds of such county, then only
37 in such office at the county seat and not in such office outside the county seat;

38 (3) All financing statements or other instruments or statements
39 incidental thereto, such as continuation statements, termination statements,
40 statements of assignment, in order to perfect, continue, terminate, assign,
41 release, or affect a security interest in accordance with article 9, chapter 400,
42 the Uniform Commercial Code, shall have priority over liens filed under this
43 section for the time period after June 30, 2001, and before August 28, 2003.

59.321. In addition to any other fee, the recorder of deeds in all
2 counties and any city not within a county shall collect one dollar on all
3 documents or instruments that are recorded. The recorder of deeds in all
4 counties, except in counties with a charter form of government and any city
5 not within a county, shall forward the fee to the county employees' retirement
6 system pursuant to section 50.1190, RSMo, provided, however, that the
7 recorder of deeds in any county with a charter form of government and any
8 city not within a county whose employees are not members of the county
9 employees' retirement system shall deposit the fee to the general revenue of
10 that county or city not within a county. The provisions of this section shall
11 become effective September 1, 2003.

173.387. The authority shall not, under any circumstances, be the originator of
2 any federally guaranteed student loan, except for consolidation of existing student loans,
3 **parent loans for undergraduate students (PLUS)**, and upon designation by the
4 commissioner as lender of last resort.

173.390. Bonds of the authority may be issued as serial bonds, as term bonds, or
2 as a combination of both types. All such bonds issued by the authority shall be payable
3 solely from and secured by a pledge of revenues derived from or by reason of the
4 ownership of student loan notes and investment income or as may be designated in a
5 bond resolution authorized by the authority. Such bonds may be executed and delivered
6 by the authority at any time and from time to time, may be in such form and
7 denomination or denominations and of such terms and maturities, may be in fully
8 registered form or in bearer form, registrable either as to principal or interest or both,
9 may bear such conversion privileges, may be payable in such installment or installments
10 and at such time or times not exceeding [thirty] **forty** years from the date of the
11 issuance thereof, may be payable at such place or places whether within or without the
12 state of Missouri, may bear interest at such rate or rates per annum as determined by
13 the authority without regard to section 108.170, RSMo, may be made payable at such
14 time or times and at such place or places, may be evidenced in such manner, may be
15 executed by such officers of the authority, may have attached thereto, in the case of
16 bearer bonds or bonds registrable as to principal only, interest coupons bearing the
17 facsimile signature of the secretary of the authority, and may contain such provisions not
18 inconsistent herewith, all as shall be provided in the bond resolution or resolutions of
19 the authority whereunder the bonds shall be authorized to be issued. If deemed
20 advisable by the authority, there may be retained in the bond resolution under which
21 any bonds of the authority are authorized to be issued an option to call for redemption

22 in advance of maturity all or any part of such bonds as may be specified in the bond
23 resolution, at such price or prices, upon the giving of such notice or notices, and upon
24 such terms and conditions as may be set forth in the bond resolution and as may be
25 recited on the face of the bonds, but nothing in this section shall be construed to confer
26 upon the authority the right or option to call for redemption in advance of maturity any
27 bonds except as may be provided in the bond resolution under which they shall be
28 issued. The bonds of the authority may be sold at public or private sale for such price,
29 in such manner, and from time to time as may be determined by the authority
30 notwithstanding the provisions of section 108.170, RSMo, and the authority may pay all
31 expenses, premiums, and commissions which it may deem necessary or advantageous in
32 connection with the issuance thereof from the proceeds of the bonds. Other forms of
33 indebtedness issued by the authority shall have such terms as may be provided in a bond
34 resolution authorized by the authority. Any such indebtedness may bear interest at such
35 rates and be sold in such manner as may be determined by the authority
36 notwithstanding the provisions of section 108.170, RSMo, and the authority may pay all
37 expenses, premiums and commissions which it may deem necessary or advantageous in
38 connection with the issuance thereof from proceeds therefrom or from other funds of the
39 authority.

306.410. If an owner creates a lien or encumbrance on an outboard motor,
2 motorboat, vessel, or watercraft:

3 (1) The owner shall immediately execute the application, either in the space
4 provided therefor on the certificate of title or on a separate form the director of revenue
5 prescribes, to name the lienholder on the certificate of title, showing the name and
6 address of the lienholder and the date of his or her security agreement, and shall cause
7 the certificate of title, the application and the required fee to be mailed or delivered to
8 the director of revenue. Failure of the owner to do so is a class A misdemeanor;

9 (2) The lienholder or an authorized agent licensed pursuant to sections 301.112
10 to 301.119, RSMo, shall deliver to the director of revenue a notice of lien as prescribed
11 by the director accompanied by all other necessary documentation to perfect a lien
12 pursuant to section 306.400;

13 (3) To perfect a lien for a subordinate lienholder when a transfer of ownership
14 occurs, the subordinate lienholder shall either mail or deliver, or cause to be mailed or
15 delivered, a completed notice of lien to the department of revenue, accompanied by
16 authorization from the first lienholder. The owner shall ensure the subordinate
17 lienholder is recorded on the application for title at the time the application is made to
18 the department of revenue. To perfect a lien for a subordinate lienholder when there is

19 no transfer of ownership, the owner or lienholder in possession of the certificate shall
20 either mail or deliver, or cause to be mailed or delivered, the owner's application for title,
21 certificate, notice of lien, authorization from the first lienholder and title fee to the
22 department of revenue. The delivery of the certificate and executing a notice of
23 authorization to add a subordinate lien does not affect the rights of the first lienholder
24 under the security agreement;

25 (4) Upon receipt of the documents and fee required in subdivision (3) of this
26 section, the director of revenue shall issue a new certificate of title containing the name
27 and address of the new lienholder, and mail the certificate of title to the [first
28 lienholder] **owner** named in it or if a lienholder has elected to have the director of
29 revenue retain possession of an electronic certificate of title, the lienholder shall either
30 mail or deliver to the director a notice of authorization for the director to add a
31 subordinate lienholder to the existing certificate as prescribed in section 306.405. Upon
32 receipt of such authorization and a notice of lien from a subordinate lienholder, the
33 director shall add the subordinate lienholder to the certificate of title being electronically
34 retained by the director and provide confirmation of the addition to both lienholders.

361.130. 1. The director shall require all financial institutions under his **or her**
2 supervision to make regular periodic reports of their condition to him **or her**, and in
3 addition [he] **the director** may require special reports at such times as he **or she** may
4 prescribe. The director shall prescribe the form and contents of all such reports. Such
5 reports shall be verified and the director shall prescribe the form of verification.

6 2. The director, at least two times in each year, shall designate some day as of
7 which every bank or trust company under [his] **the director's** supervision shall report
8 to him **or her**. [He] **The director** shall serve a notice designating such day by
9 delivering a copy thereof to some officer of such corporation at its place of business or
10 by mail, postage prepaid, addressed to such corporation at its principal place of business.

11 **3. In lieu of requiring direct filing of reports of condition, the director**
12 **may obtain the information from data filed with federal regulatory agencies**
13 **but may require verification and the filing of supplemental information as the**
14 **director deems necessary.**

361.140. 1. The director of finance shall prepare the following information to be
2 included in the report of the director of the department of economic development:

3 (1) A summary of the state and condition of every corporation required to report
4 to him **or her** and from which reports have been received **or obtained pursuant to**
5 **subsection 3 of section 361.130** during the preceding two years, at the several dates
6 to which such reports refer, with an abstract of the whole amount of capital reported by

7 them, the whole amount of their debts and liabilities and the total amount of their
8 resources, specifying in the case of banks and trust companies the amount of lawful
9 money held by them at the time of their several reports, and such other information in
10 relation to such corporations as, in his **or her** judgment, may be useful;

11 (2) A statement of all corporations authorized by him **or her** to do business
12 during the previous biennium with their names and locations and the dates on which
13 their respective certificates of incorporation were issued, particularly designating such
14 as have commenced business during the biennium;

15 (3) A statement of the corporations whose business has been closed either
16 voluntarily or involuntarily, during the biennium, with the amount of their resources and
17 of their deposits and other liabilities as last reported by them and the amount of
18 unclaimed and unpaid deposits, dividends and interest held by him **or her** on account
19 of each;

20 (4) A statement of the amount of interest earned upon all unclaimed deposits,
21 dividends and interest held by him **or her** pursuant to the requirements of this chapter;

22 (5) Any amendments to this chapter, which, in his **or her** judgment, may be
23 desirable;

24 (6) The names and compensation of the deputies, clerks, examiners, special
25 agents and other employees employed by him **or her**, and the whole amount of the
26 receipts and expenditures of the division during each of the last two preceding fiscal
27 years.

28 2. All such reports shall be printed at the expense of the state and paid for as
29 other public printing.

361.160. 1. The director of finance at least once each year, either personally or
2 by a deputy or examiner appointed by the director, shall visit and examine every bank
3 and trust company organized and doing business under the laws of this state, and every
4 other corporation which is by law required to report to the director; except, for banks or
5 trust companies receiving a Camel 1 or Camel 2 rating from the division of finance, the
6 director of finance at least once each eighteen calendar months either personally or by
7 a deputy or examiner appointed by the director, shall visit and examine such bank or
8 trust company, and the director of finance, at the director's discretion, may conduct the
9 director's examination, or any part thereof, on the basis of information contained in
10 examination reports of other states, the Federal Deposit Insurance Corporation or the
11 Federal Reserve Board or in audits performed by certified public accountants. **The**
12 **director shall be afforded prompt and free access to any workpapers upon**
13 **which a certified public accountant bases an audit. A certified public**

14 **accountant shall retain workpapers for a minimum of three years after the**
15 **date of issuance of the certified public accountant's report to the bank or**
16 **trust company.** The director or the director's agent may concentrate the examinations
17 on institutions which the director believes have safety or soundness concerns.

18 2. The director, or the deputy or examiners designated by the director for that
19 purpose, shall have power to examine any such corporation whenever, in the director's
20 judgment, it may be deemed necessary or expedient, and shall have power to examine
21 every agency located in this state of any foreign banking corporation and every branch
22 in this state of any out-of-state bank, for the purpose of ascertaining whether it has
23 violated any law of this state, and for such other purposes and as to such other matters
24 as the director may prescribe.

25 3. The director and the director's deputy and examiners shall have power to
26 administer oaths to any person whose testimony may be required in such examination
27 or investigation of any such corporation or agency, and to compel the appearance and
28 attendance of any person for the purpose of any such examination or investigation.

29 4. On every such examination inquiry shall be made as to the condition and
30 resources of such corporation, the mode of conducting and managing its affairs, the
31 actions of its directors or trustees, the investment of its funds, the safety and prudence
32 of its management, the security afforded to its creditors, and whether the requirements
33 of its charter and of law have been complied with in the administration of its affairs, and
34 as to such other matters as the director may prescribe.

35 5. The director may also make such special investigations as the director deems
36 necessary to determine whether any individual or corporation has violated any of the
37 provisions of this law.

38 6. Such examination may be made and such inquiry instituted or continued in
39 the discretion of the director after the director has taken possession of the property and
40 business of any such corporation, until it shall resume business or its affairs shall be
41 finally liquidated in accordance with the provisions of this chapter.

42 7. The result of each examination shall be certified by the director or the
43 examiner upon the records of the corporation examined and the result of all
44 examinations during the biennial period shall be embodied in the report to be made by
45 the director of the department of economic development to the legislature.

46 8. The director may contract with regulators in other states to provide for the
47 examination of Missouri branches of out-of-state banks and branches of banks whose
48 home state is Missouri. The agreements may provide for the payment by the home state
49 of the cost of examinations conducted by the host state at the request of the home state

50 regulators.

361.170. 1. The expense of every regular and every special examination, together
2 with the expense of administering the banking laws, including salaries, travel expenses,
3 supplies and equipment, and including the direct and indirect expenses for rent and
4 other supporting services furnished by the state, shall be paid by the banks and trust
5 companies of the state, and for this purpose the director shall, prior to the beginning of
6 each fiscal year, make an estimate of the expenses to be incurred by the division during
7 such fiscal year. To this, there shall be added an amount equal to fifteen percent of the
8 estimated expenses to pay the costs of rent and other supporting services such as the
9 costs related to the division's services from the state auditor and attorney general and
10 an amount sufficient to cover the cost of fringe benefits furnished by the state. From
11 this total amount the director shall deduct the estimated amount of the anticipated
12 annual income to the fund from all sources other than bank or trust company
13 assessments. The director shall allocate and assess the remainder to the several banks
14 and trust companies in the state on the basis of a weighted formula to be established by
15 the director, which will take into consideration their total assets, as reflected in the last
16 preceding report called for by the director pursuant to the provisions of section 361.130
17 **or from information obtained pursuant to subsection 3 of section 361.130** and,
18 for trust companies which do not take deposits or make loans, the volume of their trust
19 business, and the relative cost, in salaries and expenses, of examining banks and trust
20 companies of various size and this calculation shall result in an assessment for each
21 bank and trust company which reasonably represents the costs of the division of finance
22 incurred with respect to such bank or trust company. A statement of such assessment
23 shall be sent by the director to each bank and trust company on or before July
24 first. One-half of the amount so assessed to each bank or trust company shall be paid
25 by it to the state director of the department of revenue on or before July fifteenth, and
26 the remainder shall be paid on or before January fifteenth of the next year.

27 2. Any expenses incurred or services performed on account of any bank, trust
28 company or other corporation subject to the provisions of this chapter, outside of the
29 normal expense of any annual or special examination, shall be charged to and paid by
30 the corporation for whom they were incurred or performed.

31 3. The state treasurer shall credit such payments to a special fund to be known
32 as the "Division of Finance Fund", which is hereby created and which shall be devoted
33 solely to the payment of expenditures actually incurred by the division and attributable
34 to the regulation of banks, trust companies, and other corporations subject to the
35 jurisdiction of the division. Any amount, other than the fifteen percent for supporting

36 services and the amount of fringe benefits described in subsection 1 of this section,
37 remaining in such fund at the end of any fiscal year up to five percent of the amount
38 assessed to the banks and trust companies pursuant to subsection 1 of this section shall
39 not be transferred and placed to the credit of the general revenue fund as provided in
40 section 33.080, RSMo, but shall be applicable by appropriation of the general assembly
41 to the payment of such expenditures of the division in the succeeding fiscal year and
42 shall be applied by the division to the reduction of the amount to be assessed to banks
43 and trust companies in such succeeding fiscal year; provided the fifteen percent for
44 supporting services and the amount of fringe benefits described in subsection 1 of this
45 section and any amount remaining in the division of finance fund at the end of the fiscal
46 year which exceeds five percent of the amount assessed to the banks and trust companies
47 pursuant to subsection 1 of this section shall be returned to general revenue.

362.010. When used in this chapter, the term:

2 (1) "Aggregate demand deposits" means the deposit against which reserves must
3 be maintained by banks and trust companies and includes total deposits, all amounts
4 due to banks, bankers and trust companies, the amount due on certified and cashier's
5 checks, and for unpaid dividends, less the following items:

6 (a) Total time deposits;

7 (b) The amounts due it on demand from banks, bankers and trust companies,
8 other than its reserve depositaries, including foreign exchange balances credited to it
9 and subject to draft;

10 (c) The excess due it from reserve depositaries over the amount required to
11 maintain its total reserves;

12 (2) "Assessment" shall be construed as synonymous with the word "forfeiture";

13 (3) "Bank" means any corporation soliciting, receiving or accepting money, or its
14 equivalent, on deposit as a business, whether the deposit is made subject to check, or is
15 evidenced by a certificate of deposit, a passbook, a note, a receipt, or other writing, **and**
16 **specifically a commercial bank chartered under this chapter or a national**
17 **bank located in this state;**

18 (4) "Demand deposits" means deposits, payment of which can legally be required
19 [within thirty days] **as provided in federal law and regulation;**

20 (5) "Dividend period" means the period from the date as of which the last
21 dividend of any corporation to which this chapter is applicable was declared to the date
22 selected for the declaration of the next dividend; or the period from the date when its
23 corporate existence began to the date as of which the first dividend is declared;

24 (6) "Net earnings" means the excess of gross earnings of any corporation to which

25 this chapter is applicable over expenses and losses chargeable against the earnings
26 during any dividend period;

27 (7) "Population" means population as determined by the last state or federal
28 enumeration; or when used in connection with the words "unincorporated village" as
29 determined by the finance commissioner from the best available sources of information,
30 **except as otherwise provided in this chapter;**

31 (8) "Reserve depositary" means a bank, trust company or banking corporation
32 approved by the finance director as a depositary for reserves on deposit;

33 (9) "Reserves on deposit" means the reserves against deposits maintained by any
34 corporation pursuant to this chapter in reserve depositaries, or in a federal reserve bank
35 of which the corporation is a member, and not in excess of the amount authorized by this
36 chapter;

37 (10) "Reserves on hand" means the reserves against deposits kept in the vault
38 of any individual or corporation pursuant to the provisions of this chapter;

39 (11) "Stockholder", unless otherwise qualified, means a person who appears by
40 the books of a stock corporation to be the owner and holder of one or more shares of the
41 stock of the corporation;

42 (12) "Surplus" means the excess of assets over liabilities including liability to
43 stockholders;

44 (13) "Surplus fund" means a fund created pursuant to the provisions of this
45 chapter by a bank or trust company from its net earnings or undivided profits, which to
46 the amount specified in this chapter is not available for the payment of dividends and
47 cannot be used for the payment of expenses or losses so long as any corporation has
48 undivided profits;

49 (14) "Time deposits" means all deposits, the payment of which cannot legally be
50 required [within thirty days] **as provided in federal law and regulation;**

51 (15) "Total profits" means the total amount of undistributed net earnings of any
52 corporation to which this chapter is applicable from the date of its organization,
53 including such portions of its surplus fund or guaranty fund as have been derived from
54 net earnings or from undivided profits;

55 (16) "Total reserves" means the aggregate of reserves on hand and reserves on
56 deposit maintained pursuant to the provisions of this chapter;

57 (17) "Undivided profits" means the credit balance of the profit and loss account
58 of any corporation to which this chapter is applicable.

362.105. 1. Every bank and trust company created under the laws of this state
2 may for a fee or other consideration, directly or through a subsidiary company, and upon

3 complying with any applicable licensing statute:

4 (1) Conduct the business of receiving money on deposit and allowing interest
5 thereon not exceeding the legal rate or without allowing interest thereon, and of buying
6 and selling exchange, gold, silver, coin of all kinds, uncurrent money, of loaning money
7 upon real estate or personal property, and upon collateral of personal security at a rate
8 of interest not exceeding that allowed by law, and also of buying, investing in, selling
9 and discounting negotiable and nonnegotiable paper of all kinds, including bonds as well
10 as all kinds of commercial paper; and for all loans and discounts made, the corporation
11 may receive and retain the interest in advance;

12 (2) Accept for payment, at a future date, drafts drawn upon it by its customers
13 and to issue letters of credit authorizing the holders thereof to draw drafts upon it or
14 upon its correspondents at sight or on time not exceeding one year; provided, that no
15 bank or trust company shall incur liabilities under this subdivision to an amount equal
16 at any time in the aggregate to more than its paid-up and unimpaired capital stock and
17 surplus fund, except with the approval of the director under such general regulations as
18 to amount of acceptances as the director may prescribe;

19 (3) Purchase and hold, for the purpose of becoming a member of a Federal
20 Reserve Bank, so much of the capital stock thereof as will qualify it for membership in
21 the reserve bank pursuant to an act of Congress, approved December 23, 1913, entitled
22 "The Federal Reserve Act" and any amendments thereto; to become a member of the
23 Federal Reserve Bank, and to have and exercise all powers, not in conflict with the laws
24 of this state, which are conferred upon any member by the Federal Reserve Act and any
25 amendments thereto. The member bank or trust company and its directors, officers and
26 stockholders shall continue to be subject, however, to all liabilities and duties imposed
27 upon them by any law of this state and to all the provisions of this chapter relating to
28 banks or trust companies;

29 (4) Subscribe for and purchase such stock in the Federal Deposit Insurance
30 Corporation and to make such payments to and to make such deposits with the Federal
31 Deposit Insurance Corporation and to pay such assessments made by such corporation
32 as will enable the bank or trust company to obtain the benefits of the insurance of
33 deposits under the act of Congress known as "The Banking Act of 1933" and any
34 amendments thereto;

35 (5) Invest in a bank service corporation as defined by the act of Congress known
36 as the "Bank Service Corporation Act", Public Law 87-856, as approved October 23, 1962,
37 to the same extent as provided by that act or any amendment thereto;

38 (6) Hold a noncontrolling equity interest in any business entity that conducts

39 only activities that are financial in nature or incidental to financial activity or that is
40 established pursuant to subdivision (16) of this subsection where the majority of the
41 stock or other interest is held by Missouri banks, Missouri trust companies, national
42 banks located in Missouri, or any foreign bank with a branch or branches in Missouri,
43 or any combination of these financial institutions; provided that if the entity is defined
44 pursuant to Missouri law as any type of financial institution subsidiary or other type of
45 entity subject to special conditions or regulations, those conditions and regulations shall
46 remain applicable, and provided that such business entity may be formed as any type
47 of business entity, in which each investor's liability is limited to the investment in and
48 loans to the business entity as otherwise provided by law;

49 (7) Receive upon deposit for safekeeping personal property of every description,
50 and to own or control a safety vault and rent the boxes therein;

51 (8) Purchase and hold the stock of one safe deposit company organized and
52 existing under the laws of the state of Missouri and doing a safe deposit business on
53 premises owned or leased by the bank or trust company at the main banking house and
54 any branch operated by the bank or trust company; provided, that the purchasing and
55 holding of the stock is first duly authorized by resolution of the board of directors of the
56 bank or trust company and by the written approval of the director, and that all of the
57 shares of the safe deposit company shall be purchased and held, and shall not be sold
58 or transferred except as a whole and not be pledged at all, all sales or transfers or
59 pledges in violation hereof to be void;

60 (9) Act as the fiscal or transfer agent of the United States, of any state,
61 municipality, body politic or corporation and in such capacity to receive and disburse
62 money, to transfer, register and countersign certificates of stock, bonds and other
63 evidences of indebtedness;

64 (10) [Purchase, lease, hold] **Acquire** or convey real property for the following
65 purposes:

66 (a) [With the approval of the director, plots whereon there is or may be erected
67 a building or buildings suitable for the convenient conduct of its functions or business
68 or for customer or employee parking even though a revenue may be derived from portions
69 not required for its own use, and as otherwise permitted by law;

70 (b)] Real property conveyed to it in satisfaction or part satisfaction of debts
71 previously contracted in the course of its business; **and**

72 [(c)] **(b)** Real property purchased at sales under judgment, decrees or liens held
73 by it;

74 (11) Purchase, hold and become the owner and lessor of personal property

75 acquired upon the specific request of and for use of a customer; and, in addition, leases
76 that neither anticipate full purchase price repayment on the leased asset, nor require
77 the lease to cover the physical life of the asset, other than those for motor vehicles which
78 will not be used by bank or trust company personnel, and may incur such additional
79 obligations as may be incident to becoming an owner and lessor of the property, subject
80 to the following limitations:

81 (a) Lease transactions do not result in loans for the purpose of section 362.170,
82 but the total amount disbursed under leasing obligations or rentals by any bank to any
83 person, partnership, association, or corporation shall at no time exceed the legal loan
84 limit permitted by statute except upon the written approval of the director of finance;

85 (b) Lease payments are in the nature of rent rather than interest, and the
86 provisions of chapter 408, RSMo, are not applicable;

87 (12) Contract with another bank or trust company, bank service corporation or
88 other partnership, corporation, association or person, within or without the state, to
89 render or receive services such as check and deposit sorting and posting, computation
90 and posting of interest and other credits and charges, preparation and mailing of checks,
91 statements, notices, and similar items, or any other clerical, bookkeeping, accounting,
92 statistical, financial counseling, or similar services, or the storage, transmitting or
93 processing of any information or data; except that, the contract shall provide, to the
94 satisfaction of the director of finance, that the party providing such services to a bank
95 or trust company will be subject to regulation and examination to the same extent as if
96 the services were being performed by the bank or trust company on its own
97 premises. This subdivision shall not be deemed to authorize a bank or trust company
98 to provide any customer services through any system of electronic funds transfer at
99 places other than bank premises;

100 (13) Purchase and hold stock in a corporation whose only purpose is to purchase,
101 lease, hold or convey real property of a character which the bank or trust company
102 holding stock in the corporation could itself purchase, lease, hold or convey pursuant to
103 the provisions of paragraph (a) of subdivision (10) of this subsection; provided, the
104 purchase and holding of the stock is first duly authorized by resolution of the board of
105 directors of the bank or trust company and by the written approval of the director, and
106 that all of the shares of the corporation shall be purchased and held by the bank or trust
107 company and shall not be sold or transferred except as a whole;

108 (14) Purchase and sell investment securities, without recourse, solely upon order
109 and for the account of customers; and establish and maintain one or more mutual funds
110 and offer to the public shares or participations therein. Any bank which engages in such

111 activity shall comply with all provisions of chapter 409, RSMo, regarding the licensing
112 and registration of sales personnel for mutual funds so offered, provided that such banks
113 shall register as a broker-dealer with the office of the commissioner of securities and
114 shall consent to supervision and inspection by that office and shall be subject to the
115 continuing jurisdiction of that office;

116 (15) Make debt or equity investments in corporations or projects, whether for
117 profit or not for profit, designed to promote the development of the community and its
118 welfare, provided that the aggregate investment in all such corporations and in all such
119 projects does not exceed five percent of the unimpaired capital of the bank, and provided
120 that this limitation shall not apply to loans made under the authority of other provisions
121 of law, and other provisions of law shall not limit this subdivision;

122 (16) Offer through one or more subsidiaries any products and services which a
123 national bank may offer through its financial subsidiaries, subject to the limitations that
124 are applicable to national bank financial subsidiaries, and provided such bank or trust
125 company meets the division of finance safety and soundness considerations. This
126 subdivision is enacted to provide in part competitive equality with national banks'
127 powers under the Gramm-Leach-Bliley Act of 1999, Public Law 106-102.

128 2. In addition to the power and authorities granted in subsection 1 of this
129 section, and notwithstanding any limitations therein, a bank or trust company may:

130 (1) [Invest up to its legal loan limit in a building or buildings suitable for the
131 convenient conduct of its business, including, but not limited to, a building or buildings
132 suitable for the convenient conduct of its functions, parking for bank, trust company and
133 leasehold employees and customers and real property for landscaping. Revenue may be
134 derived from renting or leasing a portion of the building or buildings and the contiguous
135 real estate; provided that, such bank or trust company has assets of at least two hundred
136 million dollars] **Purchase or lease, in an amount not exceeding its legal loan
137 limit, real property and improvements thereto suitable for the convenient
138 conduct of its functions. The bank may derive income from renting or leasing
139 such real property or improvements or both. If the purchase or lease of such
140 real property or improvements exceeds the legal loan limit or is from an
141 officer, director, employee, affiliate, principal shareholder or a related
142 interest of such person, prior approval shall be obtained from the director of
143 finance; and**

144 (2) Loan money on real estate and handle escrows, settlements and closings on
145 real estate for the benefit of the bank's customers, as a core part of the banking business,
146 notwithstanding any other provision of law to the contrary.

147 3. In addition to the powers and authorities granted in subsection 1 of this
148 section, every trust company created under the laws of this state shall be authorized and
149 empowered to:

150 (1) Receive money in trust and to accumulate the same at such rate of interest
151 as may be obtained or agreed upon, or to allow such interest thereon as may be
152 prescribed or agreed;

153 (2) Accept and execute all such trusts and perform such duties of every
154 description as may be committed to it by any person or persons whatsoever, or any
155 corporation, and act as assignee, receiver, trustee and depository, and to accept and
156 execute all such trusts and perform such duties of every description as may be committed
157 or transferred to it by order, judgment or decree of any courts of record of this state or
158 other states, or of the United States;

159 (3) Take, accept and hold, by the order, judgment or decree of any court of this
160 state, or of any other state, or of the United States, or by gift, grant, assignment,
161 transfer, devise or bequest of any person or corporation, any real or personal property
162 in trust, and to execute and perform any and all the legal and lawful trusts in regard to
163 the same upon the terms, conditions, limitations and restrictions which may be declared,
164 imposed, established or agreed upon in and by the order, judgment, decree, gift, grant,
165 assignment, transfer, devise or bequest;

166 (4) Buy, invest in and sell all kinds of stocks or other investment securities;

167 (5) Execute, as principal or surety, any bond or bonds required by law to be given
168 in any proceeding, in law or equity, in any of the courts of this state or other states, or
169 of the United States;

170 (6) Act as trustee, personal representative, or conservator or in any other like
171 fiduciary capacity;

172 (7) Act as attorney-in-fact or agent of any person or corporation, foreign or
173 domestic, in the management and control of real or personal property, the sale or
174 conveyance of same, the investment of money, and for any other lawful purpose.

175 4. (1) In addition to the powers and authorities granted in this section, the
176 director of finance may, from time to time, with the approval of the state banking board,
177 issue orders granting such other powers and authorities as have been granted to
178 financial institutions subject to the supervision of the federal government to:

179 (a) State-chartered banks and trust companies which are necessary to enable
180 such banks and trust companies to compete;

181 (b) State-chartered banks and trust companies to establish branches to the same
182 extent that federal law permits national banks to establish branches;

183 (c) Subsidiaries of state-chartered banks and trust companies to the same extent
184 powers are granted to national bank subsidiaries to enable such banks and trust
185 companies to compete;

186 (d) State-chartered banks and trust companies to establish trust representative
187 offices to the same extent national banks are permitted such offices.

188 (2) The orders shall be promulgated as provided in section 361.105, RSMo, and
189 shall not be inconsistent with the constitution and the laws of this state.

190 5. As used in this section, the term "subsidiary" shall include one or more
191 business entities of which the bank or trust company is the owner, provided the owner's
192 liability is limited by the investment in and loans to the subsidiary as otherwise
193 provided for by law.

194 6. A bank or trust company to which authority is granted by regulation in
195 subsection 4 of this section, based on the population of the political subdivision, may
196 continue to exercise such authority for up to five years after the appropriate decennial
197 census indicates that the population of the town in which such bank or trust company
198 is located has exceeded the limits provided for by regulation pursuant to subsection 4 of
199 this section.

362.106. In addition to the powers authorized by section 362.105:

2 (1) A bank or trust company may exercise all powers necessary, proper or
3 convenient to effect any of the purposes for which the bank or trust company has been
4 formed and any powers incidental to the business of banking;

5 (2) A bank or trust company may offer any direct and indirect benefits to a bank
6 customer for the purpose of attracting deposits or making loans, provided said benefit
7 is not otherwise prohibited by law, and the income or expense of such activity is nominal;

8 (3) Notwithstanding any other law to the contrary, every bank or trust company
9 created under the laws of this state may, for a fee or other consideration, directly or
10 through a subsidiary company, and upon complying with any applicable licensing
11 statute, acquire and hold the voting stock of one or more corporations the activities of
12 which are managing or owning agricultural property, owning and leasing governmental
13 structures except as limited by other law, subdividing and developing real property and
14 building residential housing or commercial improvements on such property, and owning,
15 renting, leasing, managing, operating for income and selling such property; provided
16 that, the total of all investments, loans and guarantees made pursuant to the authority
17 of this subdivision shall not exceed five percent of the total assets of the bank or trust
18 company as shown on the next preceding published report of such bank or trust company
19 to the director of finance, **or obtained by the director pursuant to subsection 3**

20 **of section 361.130, RSMo**, unless the director of the division of finance approves a
21 higher percentage by regulation, but in no event shall such percentage exceed that
22 allowed national banks by the appropriate regulatory authority, and, in addition to the
23 investments permitted by this subdivision, a bank or trust company may extend credit,
24 not to exceed the lending limits of section 362.170, to each of the corporations in which
25 it has invested. No provision of this section authorizes a bank, **nondepository trust**
26 **company**, or trust company to own or operate, directly or through a subsidiary
27 company, a real estate brokerage company;

28 (4) Notwithstanding any other law to the contrary except for bank regulatory
29 powers in chapter 361, RSMo, powers incidental to the business of banking shall include
30 the authority of every Missouri bank, for a fee or other consideration, and upon
31 complying with any applicable licensing and registration law, to conduct any activity
32 that national banks are expressly authorized by federal law to conduct, if such Missouri
33 bank meets the prescribed standards, provided that powers conferred by this subdivision:

34 (a) Shall always be subject to the same limitations applicable to a national bank
35 for conducting the activity;

36 (b) Shall be subject to applicable Missouri insurance law;

37 (c) Shall be subject to applicable Missouri licensing and registration law for the
38 activity;

39 (d) Shall be subject to the same treatment prescribed by federal law; and any
40 enabling federal law declared invalid by a court of competent jurisdiction or by the
41 responsible federal chartering agency shall be invalid for the purposes of this
42 subdivision; and

43 (e) May be exercised by a Missouri bank after that institution has notified the
44 director of its intention to exercise such specific power at the close of the notice period
45 and the director, in response, has made a determination that the proposed activity is not
46 an unsafe or unsound practice and such institution meets the prescribed standards
47 required for the activity permitted national banks in the interpretive letter. The director
48 may either take no action or issue an interpretive letter to the institution more
49 specifically describing the activity permitted, and any limitations on such activity. The
50 notice provided by the institution requesting such activity shall include copies of the
51 specific law authorizing the power for national banks, and documentation indicating that
52 such institution meets the prescribed standards. The notice period shall be thirty days
53 but the director may extend it for an additional sixty days. After a determination has
54 been made authorizing any activity pursuant to this subdivision, any Missouri bank may
55 exercise such power as provided in subdivision (5) of this section without giving notice;

56 (5) When a determination is made pursuant to paragraph (e) of subdivision (4)
57 of this section, the director shall issue a public interpretative letter or statement of no
58 action regarding the specific power authorized pursuant to subdivision (4) of this section;
59 such interpretative letters and statements of no action shall be made with the name of
60 the specific institution and related identifying facts deleted. Such interpretative letters
61 and statements of no action shall be published on the division of finance public Internet
62 web site, and filed with the office of the secretary of state for ten days prior to
63 effectiveness. Any other Missouri bank may exercise any power approved by
64 interpretative letter or statement of no action of the director pursuant to this
65 subdivision; provided, the institution meets the requirements of the interpretative letter
66 or statement of no action and the prescribed standards required for the activity
67 permitted national banks in the interpretive letter. Such Missouri bank shall not be
68 required to give the notice pursuant to paragraph (e) of subdivision (4) of this
69 section. For the purposes of this subdivision and subdivision (4) of this section, "activity"
70 shall mean the offering of any product or service or the conducting of any other activity;
71 "federal law" shall mean any federal statute or regulation or an interpretive letter issued
72 by the Office of the Comptroller of the Currency; "Missouri bank" shall mean any bank
73 or trust company created pursuant to the laws of this state.

**362.111. A bank or trust company may impose fees or service charges
2 on deposit accounts; however, such fees or service charges are subject to such
3 conditions or requirements that may be fixed by regulations pursuant to
4 section 361.105, RSMo, by the director of the division of finance and the state
5 banking board. Notwithstanding any law to the contrary, no such condition
6 or requirement shall be more restrictive than the fees or service charges on
7 deposit accounts or similar accounts permitted any federally chartered
8 depository institution.**

362.170. 1. As used in this section, the term "unimpaired capital" includes
2 common and preferred stock, capital notes, the surplus fund, undivided profits and any
3 reserves, not subject to known charges as shown on the next preceding published report
4 of the bank or trust company to the director of finance **or obtained by the director
5 pursuant to subsection 3 of section 361.130, RSMo. For purposes of lending
6 limitations, goodwill may comprise no more than ten percent of unimpaired
7 capital.**

8 2. No bank or trust company subject to the provisions of this chapter shall:

9 (1) Directly or indirectly, lend to any individual, partnership, corporation, limited
10 liability company or body politic, either by means of letters of credit, by acceptance of

11 drafts, or by discount or purchase of notes, bills of exchange, or other obligations of the
12 individual, partnership, corporation, limited liability company or body politic an amount
13 or amounts in the aggregate which will exceed the greater of: (i) twenty-five percent of
14 the unimpaired capital of the bank or trust company, provided such bank or trust
15 company has a composite rating of 1 or 2 under the Capital, Assets, Management,
16 Earnings, Liquidity and Sensitivity (CAMELS) rating system of the Federal Financial
17 Institute Examination Counsel (FFIEC); (ii) fifteen percent of the unimpaired capital of
18 the bank or trust company if located in a city having a population of one hundred
19 thousand or over; twenty percent of the unimpaired capital of the bank or trust company
20 if located in a city having a population of less than one hundred thousand and over seven
21 thousand; and twenty-five percent of the unimpaired capital of the bank or trust
22 company if located elsewhere in the state, with the following exceptions:

23 (a) The restrictions in this subdivision shall not apply to:

24 a. Bonds or other evidences of debt of the government of the United States or its
25 territorial and insular possessions, or of the state of Missouri, or of any city, county,
26 town, village, or political subdivision of this state;

27 b. Bonds or other evidences of debt, the issuance of which is authorized under the
28 laws of the United States, and as to which the government of the United States has
29 guaranteed or contracted to provide funds to pay both principal and interest;

30 c. Bonds or other evidences of debt of any state of the United States other than
31 the state of Missouri, or of any county, city or school district of the foreign state, which
32 county, city, or school district shall have a population of fifty thousand or more
33 inhabitants, and which shall not have defaulted for more than one hundred twenty days
34 in the payment of any of its general obligation bonds or other evidences of debt, either
35 principal or interest, for a period of ten years prior to the time of purchase of the
36 investment and provided that the bonds or other evidences of debt shall be a direct
37 general obligation of the county, city, or school district;

38 d. Loans to the extent that they are insured or covered by guaranties or by
39 commitments or agreements to take over or purchase made by any department, bureau,
40 board, commission, or establishment of the United States or of the state of Missouri,
41 including any corporation, wholly owned, directly or indirectly, by the United States or
42 of the state of Missouri, pursuant to the authority of any act of Congress or the Missouri
43 general assembly heretofore or hereafter adopted or amended or pursuant to the
44 authority of any executive order of the President of the United States or the governor of
45 Missouri heretofore or hereafter made or amended under the authority of any act of
46 Congress heretofore or hereafter adopted or amended, and the part of the loan not so

47 agreed to be purchased or discounted is within the restrictive provisions of this section;

48 e. Obligations to any bank or trust company in the form of notes of any person,

49 copartnership, association, corporation or limited liability company, secured by not less

50 than a like amount of direct obligations of the United States which will mature in not

51 exceeding five years from the date the obligations to the bank are entered into;

52 f. Loans to the extent they are secured by a segregated deposit account in the

53 lending bank if the lending bank has obtained a perfected security interest in such

54 account;

55 g. Evidences of debt which are direct obligations of, or which are guaranteed by,

56 the Government National Mortgage Association, the Federal National Mortgage

57 Association, the Student Loan Marketing Association, the Federal Home Loan Banks,

58 the Federal Farm Credit Bank or the Federal Home Loan Mortgage Corporation, or

59 evidences of debt which are fully collateralized by direct obligations of, and which are

60 issued by, the Government National Mortgage Association, the Federal National

61 Mortgage Association, the Student Loan Marketing Association, a Federal Home Loan

62 Bank, the Federal Farm Credit Bank or the Federal Home Loan Mortgage Corporation;

63 (b) The total liabilities to the bank or trust company of any individual,

64 partnership, corporation or limited liability company may equal but not exceed thirty-five

65 percent of the unimpaired capital of the bank or trust company; provided, that all of the

66 total liabilities in excess of the legal loan limit of the bank or trust company as defined

67 in this subdivision are upon paper based upon the collateral security of warehouse

68 receipts covering agricultural products or the manufactured or processed derivatives of

69 agricultural products in public elevators and public warehouses subject to state

70 supervision and regulation in this state or in any other state of the United States, under

71 the following conditions: first, that the actual market value of the property held in store

72 and covered by the receipt shall at all times exceed by at least fifteen percent the

73 amount loaned upon it; and second, that the property covered by the receipts shall be

74 insured to the full market value thereof against loss by fire and lightning, the insurance

75 policies to be issued by corporations or individuals licensed to do business by the state

76 in which the property is located, and when the insurance has been used to the limit that

77 it can be secured, then in corporations or with individuals licensed to do an insurance

78 business by the state or country of their incorporation or residence; and all policies

79 covering property on which the loan is made shall have endorsed thereon, "loss, if any,

80 payable to the holder of the warehouse receipts"; and provided further, that in arriving

81 at the amount that may be loaned by any bank or trust company to any individual,

82 partnership, corporation or limited liability company on elevator or warehouse receipts

83 there shall be deducted from the thirty-five percent of its unimpaired capital the total
84 of all other liabilities of the individual, partnership, corporation or limited liability
85 company to the bank or trust company;

86 (c) In computing the total liabilities of any individual to a bank or trust company
87 there shall be included all liabilities to the bank or trust company of any partnership of
88 which the individual is a member, and any loans made for the individual's benefit or for
89 the benefit of the partnership; of any partnership to a bank or trust company there shall
90 be included all liabilities of and all loans made for the benefit of the partnership; of any
91 corporation to a bank or trust company there shall be included all loans made for the
92 benefit of the corporation and of any limited liability company to a bank or trust
93 company there shall be included all loans made for the benefit of the limited liability
94 company;

95 (d) The purchase or discount of drafts, or bills of exchange drawn in good faith
96 against actually existing values, shall not be considered as money borrowed within the
97 meaning of this section; and the purchase or discount of negotiable or nonnegotiable
98 paper which carries the full recourse endorsements or guaranty or agreement to
99 repurchase of the person, copartnership, association, corporation or limited liability
100 company negotiating the same, shall not be considered as money borrowed by the
101 endorser or guarantor or the repurchaser within the meaning of this section, provided
102 that the files of the bank or trust company acquiring the paper contain the written
103 certification by an officer designated for this purpose by its board of directors that the
104 responsibility of the makers has been evaluated and the acquiring bank or trust company
105 is relying primarily upon the makers thereof for the payment of the paper;

106 (e) For the purpose of this section, a loan guaranteed by an individual who does
107 not receive the proceeds of the loan shall not be considered a loan to the guarantor;

108 (f) Investments in mortgage-related securities, as described in the Secondary
109 Mortgage Market Enhancement Act of 1984, P.L. 98-440, excluding those described in
110 subparagraph g. of paragraph (a) of subdivision (1) of this subsection, shall be subject
111 to the restrictions of this section, provided that a bank or trust company may invest up
112 to two times its legal loan limit in any such securities that are rated in one of the two
113 highest rating categories by at least one nationally recognized statistical rating
114 organization;

115 (2) Nor shall any of its directors, officers, agents, or employees, directly or
116 indirectly purchase or be interested in the purchase of any certificate of deposit, pass
117 book, promissory note, or other evidence of debt issued by it, for less than the principal
118 amount of the debt, without interest, for which it was issued. Every bank or trust

119 company or person violating the provisions of this subdivision shall forfeit to the state
120 the face value of the note or other evidence of debt so purchased;

121 (3) Make any loan or discount on the security of the shares of its own capital
122 stock, or be the purchaser or holder of these shares, unless the security or purchase shall
123 be necessary to prevent loss upon a debt previously contracted in good faith, and stock
124 so purchased or acquired shall be sold at public or private sale, or otherwise disposed of,
125 within six months from the time of its purchase or acquisition unless the time is
126 extended by the finance director. Any bank or trust company violating any of the
127 provisions of this subdivision shall forfeit to the state the amount of the loan or
128 purchase;

129 (4) Knowingly lend, directly or indirectly, any money or property for the purpose
130 of enabling any person to pay for or hold shares of its stock, unless the loan is made
131 upon security having an ascertained or market value of at least fifteen percent more
132 than the amount of the loan. Any bank or trust company violating the provision of this
133 subdivision shall forfeit to the state the amount of the loan;

134 (5) No salaried officer of any bank or trust company shall use or borrow for
135 himself or herself, directly or indirectly, any money or other property belonging to any
136 bank or trust company of which the person is an officer, in excess of ten percent of the
137 unimpaired capital of the bank or trust company, nor shall the total amount loaned to
138 all salaried officers of any bank or trust company exceed twenty-five percent of the
139 unimpaired capital of the bank or trust company. Where loans and a line of credit are
140 made to salaried officers, the loans and line of credit shall first be approved by a
141 majority of the board of directors or of the executive or discount committee, the approval
142 to be in writing and the officer to whom the loans are made, not voting. The form of the
143 approval shall be as follows:

144 We, the undersigned, constituting a majority of the of the
145 (bank or trust company), do hereby approve a loan of \$..... or a
146 line of credit of \$....., or both, to, it appearing that the
147 loan or line of credit, or both, is not more than 10 percent of the unimpaired capital of
148 (bank or trust company); it further appearing that the loan (money
149 actually advanced) will not make the aggregate of loans to salaried officers more than
150 25 percent of the unimpaired capital of the bank or trust company.

151

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153

154

155 Dated this day of, 20.....

156 Provided, if the officer owns or controls a majority of the stock of any other corporation,
157 a loan to that corporation shall be considered for the purpose of this subdivision as a
158 loan to the officer. Every bank or trust company or officer thereof knowingly violating
159 the provisions of this subdivision shall, for each offense, forfeit to the state the amount
160 lent;

161 (6) Invest or keep invested in the stock of any private corporation, provided
162 however, a bank or trust company may invest in equity stock in the Federal Home Loan
163 Bank up to twice the limit described in subdivision (1) of this subsection and except as
164 otherwise provided in this chapter.

165 3. Provided, that the provisions in this section shall not be so construed as in any
166 way to interfere with the rules and regulations of any clearinghouse association in this
167 state in reference to the daily balances; and provided, that this section shall not apply
168 to balances due from any correspondent subject to draft.

169 4. Provided, that a trust company which does not accept demand deposits shall
170 be permitted to make loans secured by a first mortgage or deed of trust on real estate
171 to any individual, partnership, corporation or limited liability company, and to deal and
172 invest in the interest-bearing obligations of any state, or any city, county, town, village,
173 or political subdivision thereof, in an amount not to exceed its unimpaired capital, the
174 loans on real estate not to exceed sixty-six and two-thirds percent of the appraised value
175 of the real estate.

176 5. Any officer, director, agent, clerk, or employee of any bank or trust company
177 who willfully and knowingly makes or concurs in making any loan, either directly or
178 indirectly, to any individual, partnership, corporation or limited liability company or by
179 means of letters of credit, by acceptance of drafts, or by discount or purchase of notes,
180 bills of exchange or other obligation of any person, partnership, corporation or limited
181 liability company, in excess of the amounts set out in this section, shall be deemed guilty
182 of a class C felony.

183 6. A trust company in existence on October 15, 1967, or a trust company
184 incorporated thereafter which does not accept demand deposits, may invest in but shall
185 not invest or keep invested in the stock of any private corporation an amount in excess
186 of fifteen percent of the capital and surplus fund of the trust company; provided,
187 however, that this limitation shall not apply to the ownership of the capital stock of a
188 safe deposit company as provided in section 362.105; nor to the ownership by a trust
189 company in existence on October 15, 1967, or its stockholders of a part or all of the
190 capital stock of one bank organized under the laws of the United States or of this state,

191 nor to the ownership of a part or all of the capital of one corporation organized under the
192 laws of this state for the principal purpose of receiving savings deposits or issuing
193 debentures or loaning money on real estate or dealing in or guaranteeing the payment
194 of real estate securities, or investing in other securities in which trust companies may
195 invest under this chapter; nor to the continued ownership of stocks lawfully acquired
196 prior to January 1, 1915, and the prohibition for investments in this subsection shall not
197 apply to investments otherwise provided by law other than subdivision (4) of subsection
198 3 of section 362.105.

199 7. Any bank or trust company to which the provisions of subsection 2 of this
200 section apply may continue to make loans pursuant to the provisions of subsection 2 of
201 this section for up to five years after the appropriate decennial census indicates that the
202 population of the city in which such bank or trust company is located has exceeded the
203 limits provided in subsection 2 of this section.

362.295. 1. Within ten days after service upon it of the notice provided for by
2 section 361.130, RSMo, every bank and trust company shall make a written report to the
3 director, which report shall be in the form and shall contain the matters prescribed by
4 the director and shall specifically state the items of capital, deposits, specie and cash
5 items, public securities and private securities, real estate and real estate securities, and
6 such other items as may be necessary to inform the public as to the financial condition
7 and solvency of the bank or trust company, or which the director may deem proper to
8 include therein. **In lieu of requiring direct filing of reports of condition, the**
9 **director may accept reports of condition or their equivalent as filed with**
10 **federal regulatory agencies and may require verification and the filing of**
11 **supplemental information as the director deems necessary.**

12 2. Every report shall be verified by the oaths of the president or vice president
13 and cashier or secretary or assistant cashier or assistant secretary, and the verification
14 shall state that the report is true and correct in all respects to the best of the knowledge
15 and belief of the persons verifying it, and the report shall be attested by three directors,
16 and shall be a report of the actual condition of the bank or trust company at the close
17 of business on the day designated and which day shall be prior to the call. **If the**
18 **director of finance obtains the data pursuant to subsection 3 of section**
19 **361.130, RSMo, the director may rely on the verification provided to the**
20 **federal regulatory agency.**

21 3. Every report, exclusive of the verification, shall, within thirty days after it
22 shall have been filed with the director, be published by the bank or trust company in one
23 newspaper of the place where its place of business is located, or if no newspaper is

24 published there, in a newspaper of general circulation in the town and community in
25 which the bank or trust company is located; the newspaper to be designated by the board
26 of directors and a copy of the publication, with the affidavit of the publisher thereto,
27 shall be attached to the report; provided, if the bank or trust company is located in a
28 town or city having a population exceeding ten thousand inhabitants, then the
29 publication must be in a daily newspaper, if published in that city; but if the bank or
30 trust company is located in a town or city having a population of ten thousand
31 inhabitants or less, then the publication may be in either a daily or weekly newspaper
32 published in the town or city as aforesaid; and in all cases a copy of the statement shall
33 be posted in the banking house accessible to all.

34 4. The bank and trust company shall also make such other special reports to the
35 director as he may from time to time require, in such form and at such date as may be
36 prescribed by him, and the report shall, if required by him, be verified in such manner
37 as he may prescribe.

38 5. If the bank or trust company shall fail to make any report required by this
39 section on or before the day designated for the making thereof, or shall fail to include
40 therein any matter required by the director, the bank or trust company shall forfeit to
41 the state the sum of one hundred dollars for every day that the report shall be delayed
42 or withheld, and for every day that it shall fail to report any omitted matter, unless the
43 time therefor shall have been extended by the director. Should any president, cashier
44 or secretary of the bank or trust company or any director thereof fail to make the
45 statement so required of him or them, or willfully and corruptly make a false statement,
46 he or they, and each of them, shall be deemed guilty of a misdemeanor, and, upon
47 conviction thereof, upon information, punished by a fine for each offense not exceeding
48 five hundred dollars and not less than one hundred dollars, or by imprisonment not less
49 than one or more than twelve months in the city or county jail, or by both such fine and
50 imprisonment.

51 6. A bank or trust company may provide each written report required to be
52 published free of charge to the public; and when each bank or trust company notifies
53 their customers that such information is available; and when one copy of such
54 information is available to each person that requests it, the newspaper publication
55 provisions of this section shall not be enforced against such bank or trust company.

362.910. As used in sections 362.910 to 362.940, [except for section 362.925,]
2 unless the context clearly indicates otherwise, the following terms mean:

3 (1) "Bank", any bank, trust company or national banking association which
4 accepts demand deposits and makes loans, and which has its principal banking house

5 in Missouri and a branch of any bank, trust company or national banking association
6 which accepts demand deposits and which has a physical presence in Missouri, other
7 than a branch located outside of Missouri;

8 (2) "Bank holding company", any company which has control over any bank or
9 over any company that is a bank holding company;

10 (3) "Company", any corporation, partnership, business trust, association, or
11 similar organization, or any other trust unless by its terms it must terminate within
12 twenty-five years or not later than twenty-one years and ten months after the death of
13 individuals living on the effective date of the trust, but shall not include any corporation
14 the majority of the shares of which are owned by the United States or by any state;

15 (4) "Control", a company has control over a bank, **trust company**, or company
16 if:

17 (a) The company directly or indirectly or acting through one or more other
18 persons owns, controls, or has power to vote twenty-five percent or more of any class of
19 voting securities of the bank or company;

20 (b) The company controls in any manner the election of a majority of the directors
21 or trustees of the bank or company; or

22 (c) The company directly or indirectly exercises a controlling influence over the
23 management or policies of the bank or company;

24 (d) Provided, however, no company shall be deemed to have control over a bank
25 or a company by virtue of its ownership or control of shares acquired by it in connection
26 with its underwriting of securities and which are held only for such period of time as will
27 permit the sale thereof upon a reasonable basis, or which is formed for the sole purpose
28 of participating in a proxy solicitation, or which acquires ownership or control of shares
29 in securing or collecting a debt previously contracted in good faith, until two years after
30 the date of acquisition, or which acquires ownership or control of shares in a fiduciary
31 capacity. For the purpose of sections 362.910 to 362.940, bank shares shall not be
32 deemed to have been acquired in a fiduciary capacity if the acquiring bank or company
33 in its capacity as trustee of a trust has sole discretionary authority to exercise voting
34 rights with reference thereto; except that this limitation is applicable in the case of a
35 bank or company which acquired such shares prior to December 31, 1970, only if the
36 bank or company had the right consistent with its obligations under the instrument,
37 agreement, or other arrangement establishing the trust relationship to divest itself of
38 such voting rights and failed to exercise that right to divest prior to December 31, 1971;

39 (5) "Director" or "director of finance", the director of the division of finance of the
40 department of economic development;

41 **(6) "Trust holding company", any company which has control over any**
42 **trust company or over any company that is a trust holding company.**

362.923. 1. The director of the division of finance may enter into cooperative and
2 reciprocal agreements with the federal reserve banks for periodic examination of bank
3 holding companies on a joint or alternating basis, but, except in extraordinary situations,
4 no such agreements may be concluded which would result in a bank holding company
5 being examined more frequently than once every twelve months. The director may
6 accept reports of examination and other exchanges of information from such agencies in
7 lieu of conducting his own examinations and compiling his own reports, and may provide
8 reports of examination and other information to such agencies.

9 **2. A trust holding company or a company formed to be a trust holding**
10 **company, as hereinafter described, is a new business entity under Missouri**
11 **law and is not subject to federal reserve examination. The director of the**
12 **division of finance shall contract with the parties that charter such entity to**
13 **obtain safety and soundness authority as a condition for such entity's**
14 **acquisition of a trust company. To simplify such process:**

15 **(1) A trust holding company or a company formed to be a trust holding**
16 **company which seeks to acquire control of any nondepository trust company**
17 **shall file an application with the division of finance;**

18 **(2) The director shall determine if the proposed acquisition of a**
19 **nondepository trust company by a trust holding company is consistent with**
20 **the interests of promoting and maintaining sound trust companies;**

21 **(3) The director may issue an order approving or disapproving the**
22 **proposed acquisition of a nondepository trust company by a trust holding**
23 **company and may present, enforce, advocate, or defend the order in any**
24 **judicial or administrative proceeding; and**

25 **(4) The director may examine and investigate any trust holding**
26 **company as appropriate or necessary to carry out the director's duties. The**
27 **director may enter into cooperative and reciprocal agreements with federal**
28 **and state regulatory authorities appropriate to such functions and may share**
29 **reports and information or pursue joint actions or concurrent jurisdiction**
30 **with federal and state regulatory authorities.**

369.159. [An association may make a service charge on accounts subject to such
2 conditions or requirements as may be fixed by regulations of the director of the division
3 of finance. No limitation shall be placed upon service charges on NOW accounts.] **An**
4 **association may impose fees or service charges on accounts; however, such**
5 **fees or service charges are subject to such conditions or requirements that**

6 **may be fixed by regulations pursuant to section 369.301 by the director of the**
7 **division of finance and the state savings and loan**
8 **commission. Notwithstanding any law to the contrary, no such condition or**
9 **requirement shall be more restrictive than the fees or service charges on**
10 **deposit accounts or similar accounts permitted any federally chartered**
11 **depository institution.**

370.171. A credit union may impose fees or service charges on deposit
2 **accounts or similar accounts; however, such fees or service charges are**
3 **subject to such conditions or requirements that may be fixed by regulations**
4 **pursuant to this chapter by the director of credit union supervision and the**
5 **credit union commission. Notwithstanding any law to the contrary, no such**
6 **condition or requirement shall be more restrictive than the fees or service**
7 **charges on deposit accounts or similar accounts permitted any federally**
8 **chartered depository institution.**

400.9-525. (a) Except as otherwise provided in subsection (e), the fee for filing
2 and indexing a record under this part, other than an initial financing statement of the
3 kind described in section 400.9-502(c), is:

4 (1) If the filing office is the secretary of state's office, then twelve dollars for the
5 first page and one dollar for each subsequent page if the record is communicated in
6 writing, or **five dollars** by [another] **an electronic** medium authorized by filing-office
7 rule[, of which fee seven dollars is received and collected by the secretary of state on
8 behalf of the counties of this state for deposit in the uniform commercial code transition
9 fee trust fund]; or

10 (2) If the filing office is other than the secretary of state's office, then the fee
11 otherwise allowed by law.

12 (b) Except as otherwise provided in subsection (e), the fee for filing and indexing
13 an initial financing statement of the kind described in section 400.9-502(c) is:

14 (1) If the filing office is the secretary of state's office, then twelve dollars for the
15 first page and one dollar for each subsequent page if the record is communicated in
16 writing, or **five dollars** by [another] **an electronic** medium authorized by filing-office
17 rule[, of which fee seven dollars is received and collected by the secretary of state on
18 behalf of the counties of this state for deposit in the uniform commercial code transition
19 fee trust fund]; or

20 (2) If the filing office is other than the secretary of state's office, then the fee
21 otherwise allowed by law.

22 (c) The number of names required to be indexed does not affect the amount of the

23 fee in subsections (a) and (b).

24 (d) The fee for responding to a request for information from the filing office,
25 including for communicating whether there is on file any financing statement naming
26 a particular debtor, is:

27 (1) If the filing office is the secretary of state's office, then twenty-two dollars for
28 the first page and one dollar for each subsequent page if the record is communicated in
29 writing or by another medium authorized by filing-office rule[, of which fee seven dollars
30 is received and collected by the secretary of state on behalf of the counties of this state
31 for deposit in the uniform commercial code transition fee trust fund]; or

32 (2) If the filing office is other than the secretary of state's office, then the fee
33 otherwise allowed by law.

34 (e) This section does not require a fee with respect to a record of a mortgage
35 which is effective as a financing statement filed as a fixture filing or as a financing
36 statement covering as-extracted collateral or timber to be cut under section
37 400.9-502(c). However, the recording and satisfaction fees that otherwise would be
38 applicable to the record of the mortgage apply.

39 (f) [The department of revenue shall administer a special trust fund, which is
40 hereby established, to be known as the "Uniform Commercial Code Transition Fee Trust
41 Fund", and which shall be funded by seven dollars of each of the fees received and
42 collected pursuant to subdivisions (a), (b) and (d) of this section on behalf of the counties
43 of this state for deposit in the uniform commercial code transition fee trust fund.

44 (1) The secretary of state shall keep and provide to the department of revenue
45 and the county employees' retirement fund an accurate record of the moneys to be
46 deposited in the uniform commercial code transition fee trust fund allocated to each
47 county and city not within a county on the basis of where such record, financing
48 statement or other document would have been filed prior to July 1, 2001, and the
49 department of revenue shall distribute the moneys pursuant to subdivision (2) of this
50 subsection on that basis.

51 (2) The moneys in the uniform commercial code transition fee trust fund shall be
52 distributed to the county employees' retirement fund established pursuant to section
53 50.1010, RSMo, or the general revenue fund of any charter county or city not within a
54 county whose employees are not members of the county employees' retirement fund.

55 (3) The moneys in the uniform commercial code transition fee trust fund shall be
56 deemed to be nonstate funds, as defined in section 15 of article IV of the Missouri
57 Constitution, to be administered by the department of revenue, provided, however that
58 interest, if any, earned by the money in the trust fund shall be deposited into the general

59 revenue fund in the state treasury.] **The provisions of this section shall become**
60 **effective on September 1, 2003.**

407.433. 1. No person, other than the cardholder, shall:

2 (1) Disclose more than the last five digits of a credit card or debit card account
3 number on any sales receipt **provided to the cardholder** for merchandise sold in this
4 state;

5 (2) Use a scanning device to access, read, obtain, memorize, or store, temporarily
6 or permanently, information encoded on the magnetic strip or stripe of a credit or debit
7 card without the permission of the cardholder and with the intent to defraud any person,
8 the issuer, or a merchant; or

9 (3) Use a reencoder to place information encoded on the magnetic strip or stripe
10 of a credit or debit card onto the magnetic strip or stripe of a different card without the
11 permission of the cardholder from which the information is being reencoded and with the
12 intent to defraud any person, the issuer, or a merchant.

13 2. Any person who knowingly violates this section is guilty of an infraction and
14 any second or subsequent violation of this section is a class A misdemeanor.

15 3. It shall not be a violation of subdivision (1) of subsection 1 of this section if:

16 (1) The sole means of recording the credit card number or debit card number is
17 by handwriting or, prior to January 1, 2005, by an imprint of the credit card or debit
18 card; and

19 (2) For handwritten or imprinted copies of credit card or debit card receipts, only
20 the merchant's copy of the receipt lists more than the last five digits of the account
21 number.

22 4. This section shall become effective on January 1, 2003, and applies to any cash
23 register or other machine or device that prints or imprints receipts of credit card or debit
24 card transactions and which is placed into service on or after January 1, 2003. Any cash
25 register or other machine or device that prints or imprints receipts on credit card or
26 debit card transactions and which is placed in service prior to January 1, 2003, shall be
27 subject to the provisions of this section on or after January 1, 2005.

408.455. All contracts or agreements **originally** subject to [section] **sections**
2 **408.450 to 408.470, existing on August 28, 2003,** shall [also be] **remain** subject to
3 the provisions of sections 408.140, 408.150, 408.160 and 408.550 to 408.562, **even if the**
4 **contract or agreement is converted into another form of credit.**

[408.450. 1. Notwithstanding the provisions of any other law, the
2 parties to any written contract may agree to and stipulate for any rate per
3 annum of interest time charge or time price differential not in excess of

4 twenty-four percent per annum that does not exceed for any calendar
5 period, as set forth in subsections 2 and 3 of this section, the average
6 auction rate quoted on a nominal discount basis by the Federal Reserve
7 Board for twenty-six-week treasury bills for the preceding auction,
8 multiplied by two; however, if the preceding auction shall fall on the last
9 day of the preceding month, then the rate shall be determined by the next
10 preceding auction.

11 2. All open-end accounts shall fluctuate no more often than
12 monthly and no less often than quarterly.

13 3. All closed-end accounts shall fluctuate no more often than
14 quarterly and no less than annually; and only one formula and one index
15 shall be used to determine the rate or time price differential for any one
16 closed-end account.

17 4. This section shall not apply to open-end credit under which a
18 credit card has been issued or any extension of credit made pursuant to
19 sections 408.250 to 408.370.

20 5. Interest or time price differential on contracts subject to sections
21 408.450 to 408.467 shall be computed on a simple interest basis.

22 6. There shall be no prepayment penalty on any contract subject
23 to sections 408.450 to 408.467.

24 7. No creditor shall refuse credit to a person solely because of his
25 refusal to accept the provisions of sections 408.450 to 408.467.

26 8. The amount of regular, periodic payments on closed-end
27 accounts shall not be changed, but the total number of payments due may
28 be increased or decreased as a result of changes in the rate.]

[408.460. 1. If an open-end contract provides for or is amended to
2 provide for, pursuant to section 408.450, a variable rate or amount
3 according to any index, formula or provision of law disclosed to the obligor,
4 the applicable rate ceiling is the ceiling as disclosed to the obligor. The
5 monthly or quarterly ceiling shall be adjusted in accordance with and
6 limited by section 408.450.

7 2. In any open-end account, the creditor may provide in the
8 agreement covering the open-end account, or may amend the agreement
9 to provide that the terms, including the formula used to determine the
10 rate on the open-end account, will be subject to revision as to current and
11 future balances, from time to time, by notice from the creditor to the

12 obligor. Any creditor revising an open-end account pursuant to sections
13 408.450 to 408.467 shall disclose in the notice:

- 14 (1) The new formula to be used in computing the rate;
15 (2) The date on which the new rate formula will become effective;
16 (3) Whether the rate shall change monthly or quarterly and
17 whether or not it will affect current as well as future balances;
18 (4) The obligor's rights under this section and the procedures for
19 the obligor to exercise those rights;
20 (5) The address to which the obligor may send notification of the
21 obligor's election not to continue the open-end account. If the amendment
22 increases the rate, the notice shall contain the following printed in not less
23 than 10-point bold-face type or equivalent: "YOU MAY TERMINATE
24 THIS ACCOUNT IF YOU DO NOT WISH TO PAY THE NEW RATE."

25 3. With a notice required by subsection 2 of this section, the
26 creditor shall include a form which may be returned at the expense of the
27 creditor and on which the obligor may indicate his decision to terminate
28 the account by checking or marking an appropriate box, or similar
29 arrangement. The form may be included on a portion of the account
30 statement to be returned to the creditor or on a separate sheet. Any
31 obligor who is mailed a notice required by subsection 2 of this section,
32 addressed to the obligor's last known address as shown by the creditor's
33 records, is considered to have agreed to the revision if the obligor, or a
34 person authorized by the obligor, after the expiration of five days after the
35 notice is mailed, accepts or uses any extensions of credit or if the obligor
36 elects to retain the privilege of using the open-end account. Such an
37 election is considered to have occurred unless the obligor notifies the
38 creditor in writing before the twenty-first day after the date on which the
39 notice is sent that the obligor does not wish to continue the open-end
40 account. The parties may also amend the contract by any other means
41 permitted by any applicable law. Any obligor who rejects a rate change
42 in accordance with this section has the right to pay off the then existing
43 balance on the open-end account at the rate, and over the time period, in
44 effect prior to the change, and at the same minimum payment terms
45 previously agreed to, unless the obligor agrees to the new rates in
46 accordance with this section. Rejection of the new rates may constitute
47 termination of the account at the lender's option; however, the lender may

48 not, in absence of an existing delinquency, accelerate the balance due.]

2 [408.465. 1. If the furnishing of any of the information required
3 to compute the ceiling is discontinued so that it is no longer available to
4 the lender from the Federal Reserve Board on a timely basis, the lender
5 shall obtain that information from reliable sources satisfactory to the
6 commissioner of finance.

7 2. If the information required to compute a ceiling is not available,
8 then that ceiling remains at the level at which it was when the
9 information became available until the information again becomes
available.]

2 [408.467. The maximum rate on any contract to renew or extend
3 the terms of payment of any indebtedness made pursuant to sections
4 408.450 to 408.465 is the applicable ceiling allowed by sections 408.450 to
5 408.465 for a contract entered at the time the renewal or extension is
made or agreed to.]

2 [408.470. Sections 408.450 to 408.467 shall not apply to any loans
3 or time price sales on which the rate of interest or time price differential
4 charged is lawful without regard to the rates permitted in section
5 408.450.]

2 [408.557. When a lender sells or otherwise disposes of collateral
3 in a transaction in which an action for a deficiency may be commenced
4 against the borrower, prior to bringing any such action or upon written
5 request of the borrower, the lender shall give the borrower the notice
6 provided in section 400.9-614, RSMo, for consumer goods transactions or
7 section 400.9- 613, RSMo, for all other transactions that are not consumer
goods transactions.]

2 [408.653. 1. A depository institution including any state or
3 federally chartered bank, credit union, savings and loan association or any
4 similar institution may charge no more than fifteen dollars as an overdraft
5 charge or as a charge for a check, draft or similar sight order returned for
6 insufficient or uncollected funds.

7 2. Any person to whom a check, draft, order or like instrument is
8 tendered may, if such instrument is dishonored or returned unpaid for any
9 reason, charge and collect from the maker or drawer, or the person for
10 whose benefit such instrument was given, the amount of twenty dollars
plus an amount equal to the actual charge by the depository institution for

11 the return of each unpaid or dishonored instrument. No such charge will
12 be considered interest, finance charge, time price differential or anything
13 of a similar nature for purposes of any statute in this state.]

[408.654. Notwithstanding any other provisions of law to the
2 contrary, a depository institution, including any state or federally
3 chartered bank, credit union, savings and loan association or similar
4 institution, may charge up to twenty dollars as an overdraft charge when
5 the check, draft or similar sight order is presented for the first time to the
6 depository institution and the depository institution pays such check, draft
7 or similar sight order upon presentation or up to fifteen dollars as a
8 charge for a check, draft or similar sight order returned because the
9 customer has insufficient or uncollected funds in the customer's depository
10 institution account.]

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