

PROPOSED CHANGES UNDER THE
CALIFORNIA FINANCE LENDERS LAW
CALIFORNIA RESIDENTIAL MORTGAGE LENDING ACT
(Additions shown by underline and deletions shown by strikethrough)

1. Adopt Section 1422.3 to read:

§ 1422.3. Operating Subsidiaries, Affiliates, and Agents.

- (a) For purposes of subdivision (a) of Section 22050 of the Code, a nondepository subsidiary, affiliate, or agent of a commercial bank, savings and loan association, savings bank or credit union is not exempt from licensure unless it is a subsidiary, affiliate, or agent that is chartered as a national bank or federal savings association.
- (b) Notwithstanding subsection (a), a nondepository operating subsidiary of a federally-chartered commercial bank, savings and loan association, savings bank, or credit union is exempt from licensure under subsection (a) of Section 22050 of the Code if the nondepository operating subsidiary does not engage in the business of making consumer loans in this state

Note: Authority cited: Sections 22100 and 22150, Financial Code. Reference: Section 22050, Financial Code.

2. Adopt Section 1950.122.4.2 to read:

§ 1950.122.4.2. Operating Subsidiaries, Affiliates, and Agents.

For purposes of subdivision (c) of Section 50002 of the Code, a nondepository subsidiary, affiliate, or agent of a commercial bank, savings and loan association, savings bank or credit union is not exempt from licensure pursuant to Section 50002 of the Code unless it is a subsidiary, affiliate, or agent that is chartered as a national bank or federal savings association.

Note: Authority cited: Section 50304, Financial Code. Reference: Section 50002, Financial Code.