

### General Purpose Statement:

Effective July 1, 2013, the Department of Corporations (DOC) and the Department of Financial Institutions (DFI) merged to form the Department of Business Oversight (DBO), in accordance with the Governor's Reorganization Plan 2 (GRP 2), a reorganization of state departments and agencies to provide services more efficiently and effectively. The Commissioner of the DBO has all the powers, authority, enforcement, jurisdiction, laws and regulations that were under the former DOC and DFI.

### Non-substantive Changes Statement:

All of the "authority" and "reference" citations throughout the proposed regulations have been updated to correspond to the Money Transmission Act, Banking Law, and Credit Union Law. These renumbering changes do not materially alter any requirement, right, responsibility, condition, prescription or other regulatory element of any California Code of Regulations provision.

### SB 664 (Stats. 2011, ch. 243)

This bill conformed California's banking law to Section 613 of the federal Dodd-Frank Wall Street Reform and Consumer Protection Act, by authorizing national banks and foreign (out-of-state) banks to branch into California, as if those banks were organized in California.

Additionally, SB 664 renumbered the sections of the Financial Code administered by the former DFI, to reflect a multi-year Financial Code reorganization initiated by DFI beginning in 2008. The contents of the Financial Code remain unchanged; only the code numbers were revised and the code sections reorganized.

Former section 215 of the Financial Code was repealed by SB 664 and replaced with section 326 of the Financial Code.

### AB 2789 (Stats. 2010, ch. 612)

Effective January 1, 2011, the Legislature repealed the provisions of the California Financial Code relating to money transmitters, issuers of travelers checks, and sellers of payment instruments and enacted the Money Transmission Act (Financial Code section 2000 *et seq.*), which provides for the regulation and licensure by the Commissioner of persons in the business of money transmission, defined to mean the selling or issuing of payment instruments or stored value and the receiving of money for transmission.

This bill consolidated the Transmission of Money Abroad Law, Travelers Checks Act, and the Payment Instruments Law into the Money Transmission Act.

**Title 10. Investment**  
**Chapter 1. Commissioner of Financial Institutions**

The title of Subchapter 1 is being amended to replace “Financial Institutions” with “Business Oversight, Division of Financial Institutions.” The GRP 2, which reorganized specified state departments and agencies to provide services more efficiently and effectively, merged the DOC and the DFI and created a Division of Financial Institutions within the DBO pursuant to Financial Code section 371.

**Subchapter 1. General Provisions**

Article 1. Citation, Construction, and Waiver

**Section 1.1 Scope**

- Deleted former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions; this section was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Added Financial Code section 326, which was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2.
- Deleted Financial Code section 31101 because Financial Code sections 321, 326, and 334 comprehensively address the Commissioner’s power and authority to issue regulations necessary to execute the powers, duties, and responsibilities of the Department; section 31101 gives the Commissioner authority to issue regulations specific to Business and Industrial Development Companies, and therefore, would be unnecessary or redundant to cite as authority.
- Financial Code section 33202 was repealed by AB 2789 (Stats. 2010, ch. 612), section 4.

- Removed references to Divisions 1, 15 and 16 because they are not specific statutes that are being implemented, interpreted or made specific by this regulation.
- Added references to sections 321, 326 and 334 because they provide the Commissioner rulemaking authority by which the Commissioner may foreshadow what rules the Article will include.
- Former Division 16 of the Financial Code (commencing with section 33000) of the Financial Code was repealed by AB 2789 (Stats. 2010, ch. 612), section 4.

### **Section 1.2 Citation.**

- The reference to the Commissioner Financial Institutions has been amended and updated to reflect the Commissioner of Business Oversight. (See General Purpose Statement).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243, sections 1 and 2 to Financial Code section 326.
- Financial Code section 33202 was repealed by AB 2789 (Stats. 2010, ch. 612), section 4.
- Deleted Financial Code section 31101 because Financial Code sections 321, 326, and 334 comprehensively address the Commissioner's power and authority to issue regulations necessary to execute the powers, duties, and responsibilities of the Department. Section 31101 gives the Commissioner authority to issue regulations specific to Business and Industrial Development Companies, and therefore, would be unnecessary or redundant to cite as authority.

- Former Division 1 (commencing with section 99) of the Financial Code was repealed and replaced by SB 664 (Stats. 2011, ch. 243), sections 1 and 2.
- Former Division 16 of the Financial Code (commencing with section 33000) of the Financial Code was repealed by AB 2789 (Stats. 2010, ch. 612), section 4.
- Removed references to Divisions 1, 1.5, 15 and 16 because they are not specific statutes that are being implemented, interpreted or made specific by this regulation.
- Added references to sections 321, 326, 334 and 4831 because they provide the Commissioner rulemaking authority by which the Commissioner may state how the rules should be cited.

## Article 2. Definitions

### **Section 1.1005 Banking Law.**

- Division 1 of the Financial Code was renumbered to Division 1.1 of the Financial Code pursuant to SB 664 (Stats. 2011, ch. 243).
- Removed a paragraph that refers to the former “Banking Law.”
- Removed references to Divisions 1, 1.5, 15 and 16 because they are not specific statutes that are being implemented, interpreted or made specific by this regulation.
- Added references to sections 321, 326, and 334 because they provide the Commissioner rulemaking authority by which the Commissioner may state how the rules should be titled.

### **Section 1.1009.5 Commissioner.**

- The reference to the Commissioner of Financial Institutions has been amended and updated to reflect the Commissioner of Business Oversight. See General Purpose Statement.
- Former Financial Code section 235, relating to the absence of the Commissioner and duties of the Chief Deputy, was renumbered by SB 664 (Stats. 2011, ch. 243), section 1 to Financial Code section 356.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Former Financial Code section 210, relating to the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), section 1 to Financial Code section 320.
- Former Financial Code section 210.5, relating to the abolishment of the Office of Superintendent of Banks, the State Banking Department, the office of Savings and Loan Commissioner, and the Department of Savings and Loan, was renumbered by SB 664 (Stats. 2011, ch. 243), section 1 to Financial Code section 321.
- Former Financial Code section 230, relating to the Chief Deputy and the Deputies for San Francisco and Los Angeles, was renumbered by SB 664 (Stats. 2011, ch. 243), section 1 to Financial Code section 350.
- Section 231 has been replaced with section 352.

**Section 1.1010 Corporate Name Approval Law.**

- Corporate Name Approval Law is now Chapter 9 commencing with Section 730 rather than Chapter 23 commencing with Section 3900.

**Section 1.1013 Department.**

- Reference to Financial Institutions has been updated.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 200 has been replaced with section 300.
- Section 210.5 has been replaced with section 321.
- Section 221, related to rules and regulations, has been replaced with section 334.

**Section 1.1018 Law Administered by the Commissioner.**

- Deleted reference to Payment Instruments Law and replaced it with the Money Transmission Act.
- Deleted reference to Transmitters Law.
- Deleted reference to Travelers Checks Act.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 200 has been replaced with section 300.
- Former Financial Code section 210.5, relating to the abolishment of the Office of Superintendent of Banks, the State Banking Department, the office of Savings and Loan Commissioner and the Department of Savings and Loan, was

renumbered by SB 664 (Stats. 2011, ch. 243), section 1 to Financial Code section 321.

- Section 221, related to rules and regulations, has been replaced with section 334.

#### **Section 1.1021 Payment Instruments Law.**

- This section has been repealed because the statute was repealed by the Money Transmission Act.

#### **Section 1.1027 Transmitters Law.**

- Amended to reflect Money Transmission Act.
- Section 1800 has been replaced with section 2000.
- Article 3 has been replaced with Chapter 1.
- Former Financial Code section 210.5, relating to the abolishment of the Office of Superintendent of Banks, the State Banking Department, the office of Savings and Loan Commissioner and the Department of Savings and Loan, was renumbered by SB 664 (Stats. 2011, ch. 243), section 1 to Financial Code section 321.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 221, related to rules and regulations, has been replaced with section 334.

#### **Section 1.1028 Travelers Checks Act.**

- Repealed due to the Money Transmission Act.

## **Subchapter 5. Administration**

### Article 1. General Provisions

#### **Section 5.3 Payment of Fees, Assessments, and Penalties.**

- Financial Institutions replaced with Business Oversight.
- Former Financial Code section 210.5, relating to the abolishment of the Office of Superintendent of Banks, the State Banking Department, the office of Savings and Loan Commissioner and the Department of Savings and Loan, was renumbered by SB 664 (Stats. 2011, ch. 243), section 1 to Financial Code section 321.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Financial Code section 33202 was repealed by AB 2789 (Stats. 2010, ch. 612), section 4.
- Section 221, related to rules and regulations, has been replaced with section 334.
- Section 4831 is being deleted because it is currently limited to regulations and orders for the sale, merger, and conversion of depository corporations.
- Section 31101 is being deleted because it is currently limited to regulations and orders for business and industrial development corporations.
- Added references to sections 321, 326, and 334 because they provide the Commissioner rulemaking authority to promulgate or waive such rules and



regulations as may be reasonable or necessary to carry out his or her duties and responsibilities.

#### Article 4. Documents

##### **Section 5.3009 Time of Filing.**

- Repealed subdivision (a) of this section because it was repealed by SB 664, section 1 (Stats. 2011, ch. 243).
- Permit Reform Act of 1981 was repealed by AB 1757 (Stats. 2003, ch. 229).
- Repealed sentence relating to Financial Code section 400 subdivision (a) and section 601 because section 400 subdivision (a) was repealed by SB 664 section 1 (Stats. 2011, ch. 243), and section 601 was repealed by AB 3012 (Stats. 1996, ch. 1063).
- Section 200 has been replaced with section 300.
- Former Financial Code section 210.5, relating to the abolishment of the Office of Superintendent of Banks, the State Banking Department, the office of Savings and Loan Commissioner and the Department of Savings and Loan, was renumbered by SB 664 (Stats/ 2-11. ch. 243), section 1 to Financial Code section 321.
- Section 221, related to rules and regulations, has been replaced with section 334. Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

- Deleted sections 33202 and 33200 because sections 33202 and 33200 were repealed by AB 2789 section 4 (Stats. 2010, ch. 612).
- Deleted section 2072, which related to the filing of an approved merger agreements, and section 2094, which related to the filing of merger agreements and their effective dates, because they were repealed by AB 1482, subsection 92 (Stats. 1995, ch. 480).
- Section 4831 is being deleted because it is currently limited to regulations and orders for the sale, merger, and conversion of depository corporations.
- Section 4887 is being added because it relates to the filing of merger agreements and their effective dates.
- Section 31100 is being deleted because it is no longer appropriate since it is currently limited to the Commissioner's ability to administer provisions for business and industrial development corporations. The section is not applicable to all Division of Financial Institution documents, which are the subject of the Subchapter 5.
- Section 31101 is being deleted because it is no longer appropriate since it is currently limited to regulations and orders for business and industrial development corporations. The section is not applicable to all Division of Financial Institution documents, which are the subject of the Subchapter 5.

**Section 5.3109 Deficiencies.**

- Repealed the reference to the Permit Reform Act of 1981.
- Section 200 has been replaced with section 300.

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch.), sections 1 and 2 to Financial Code section 326.
- Deleted sections 33202 and 33200 because they were repealed by AB 2789 (Stats. 2010, ch. 612), section 4.
- Former Financial Code section 210.5, relating to the abolishment of the Office of Superintendent of Banks, the State Banking Department, the office of Savings and Loan Commissioner and the Department of Savings and Loan, was renumbered by SB 664 (Stats. 2011, ch. 243), section 1 to Financial Code section 321.
- Section 221, related to rules and regulations, has been replaced with section 334.
- Section 4831 is being deleted because it is currently limited to regulations and orders for the sale, merger, and conversion of depository corporations.
- Section 31100 is being deleted because it is currently limited to the Commissioner's ability to administer provisions for business and industrial development corporations.

## Article 6. Hearings

### **Section 5.5000 Scope.**

- Corrects the reference to "hearings" to reflect those hearings pertaining to the newly created Division of Financial Institutions in the Department of Business Oversight. The name needs to be corrected because section 5.500 refers to "all hearings" held under the former Department of Financial Institutions and as a

result of GRP 2, (the merger of DFI and DOC), the section needs to be changed to only "hearings" held under the Division of Financial Institutions within DBO.

This change will keep the scope of the hearings the same. Otherwise, if left unchanged, the scope may be interpreted more broadly to encompass all hearings under DBO.

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Repealed section 33202.
- Former Financial Code section 210.5, relating to the abolishment of the Office of Superintendent of Banks, the State Banking Department, the office of Savings and Loan Commissioner and the Department of Savings and Loan, was renumbered by SB 664 (Stats. 2011, ch. 243), section 1 to Financial Code section 321.
- The GRP 2, which reorganized specified state departments and agencies to provide services more efficiently and effectively merged the DOC and the DFI, created a Division of Financial Institutions within the DBO pursuant to Financial Code section 371.
- Section 4831 is being deleted because it is currently limited to regulations and orders for the sale, merger, and conversion of depository corporations.
- Section 31101 is being deleted because it is currently limited to regulations and orders for business and industrial development corporations.

### **Subchapter 10. Banks**

## Article 1. General Provisions

### **Section 10.3 Unsafe and Unsound Acts.**

- Section 1912 has been replaced with section 580.
- Section 1913 has been replaced with section 581.
- Section 3100 has been replaced with section 592.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

### **Section 10.101 Definitions in Banking Law.**

- Section 122 has been replaced with section 99.
- Section 151 has been replaced with section 217.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 200 has been replaced with section 300.

### **Section 10.111 Bank.**

- Section 102 has been replaced with section 103.

### **Section 10.117 Commercial Bank.**

- Section 105 has been replaced with section 107.

### **Section 10.124 Court Trust.**

- Section 1581 has been replaced with section 1601.

### **Section 10.126 Depository Agency.**

- Section 1700, subdivision (e) has been replaced with section 1750, subdivision (e).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Division 1 has been replaced with section 1750.

**Section 10.134 Foreign (Other Nation).**

- Section 1755, subdivision (a)(2) has been replaced with section 1805, subdivision (a)(2).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Division 1 has been replaced with section 1753 and section 1805.

**Section 10.136 Head Office.**

- Section 110 has been replaced with section 121.

**Section 10.140.5 Limited Branch Office.**

- Section 1700, subdivision (n) has been replaced with section 1750, subdivision (j).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Division 1 has been replaced with sections 1750 and 1753.

**Section 10.143 Nondepository Agency.**

- Section 1700, subdivision (o) has been replaced with section 1750, subdivision (k).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Division 1 has been replaced with sections 1750 and 1753.

**Section 10.147 Office.**

- Section 110 has been replaced with section 121.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Division 1 has been replaced with sections 121 and 1750.

**Section 10.153 Person.**

- Section 700, subdivision (d) has been replaced with section 1250, subdivision (d).
- Section 1755, subdivision (a)(2) has been replaced with section 1805, subdivision (a)(2).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Division 1 has been replaced with sections 1250 and 1805.

**Section 10.155.5 Primary Office.**

- Section 1700, subdivision (q) has been replaced with section 1750, subdivision (m).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Division 1 has been replaced with section 1750.

**Section 10.157 Private Trust.**

- Section 1581 has been replaced with section 1601.

**Section 10.161.5 Representative Office.**

- Section 1700, subdivision (r) has been replaced with section 1750, subdivision (n).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Division 1 has been replaced with section 1750.

**Section 10.162.5 Retail Branch Office.**

- Section 1700, subdivision (s) has been replaced with section 1750, subdivision (o).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Division 1 has been replaced with section 1750.

**Section 10.165 Security.**



- Section 690, subdivision (c) has been replaced with section 1200, subdivision (c).

#### **Section 10.177 Trust Business**

- Section 106 has been replaced with section 115.

#### **Section 10.178 Trust Company.**

- Section 107 has been replaced with section 117.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Division 1 has been replaced with section 117.

#### **Section 10.182 Wholesale Branch Office.**

- Section 1700, subdivision (u) has been replaced with section 1750, subdivision (p).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Division 1 has been replaced with sections 1750 and 1753.

#### Article 4. Establishment of California State Banks

#### **Section 10.3000 Scope.**

- Chapter 3 has been replaced with Chapter 1.
- Section 350 has been replaced with Section 1000 of the Banking Law.
- Section 1500.1 has been replaced with 1551.

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Chapter 3 has been replaced with chapter 1.
- Division 1 has been replaced with division 1.1.
- Section 1500.1 has been replaced with section 1551.
- Division 1.5 has been replaced with division 1.6.
- Removed references to Chapter 3, Division 1 and Article 2, Chapter 5, and Division 1.5, because they are not specific statutes that are being implemented, interpreted or made specific by this regulation.
- Changed reference to section 1500.1 to section 1551 because it was repealed and replaced with section 1551.
- Added references to sections 321, 326 and 334 because they provide the Commissioner rulemaking authority by which the Commissioner may foreshadow what rules the Article will include.
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**Section 10.3100 Definition of “Subject Institution” and Scope.**

- Chapter 3 has been replaced with chapter 1.
- Section 350 has been replaced with section 1000.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

- Financial Code section 1001 is being added because it is the only specific Financial Code section within the banking law that relates to “subject institution.” There are no sections in the current Financial Code that specifically use the term “subject institution.” The term “subject institution” is only used in Division 1 when it refers to all Department of Business Organization licensees, which include many non-bank licensees, and in the Credit Union Law when it refers to credit union licensees. It would not be appropriate to reference any of those other Financial Code sections because this rule would only pertain to bank licensees.

**Section 10.3101 Other Definitions.**

- Section 399, subdivision (a) has been replaced with section 1040.
- Section 691 has been replaced with section 1201.
- Section 399, subdivision (b) has been replaced with section 1040.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

**Section 10.3162 Information Regarding Proposed Controlling Persons and Proposed 25 Percent (Including Consociates) Equity Security Owners.**

- Section 701 has been replaced with section 1251.
- Chapter 5 has been changed to Chapter 7 of the Banking Law.
- Article 7 has been changed to Chapter 7 of the Banking Law.
- Section 700 has been replaced with section 1250.

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 360 has been replaced with section 1020.

#### **Section 10.3376 Definitions**

- Section 690, subdivision (a) has been replaced with section 1200, subdivision (a).
- Section 690, subdivision (b) has been replaced with section 1200, subdivision (b).
- Section 690, subdivision (c) has been replaced with section 1200, subdivision (c).

#### **Section 10.3378 Exemptions.**

- Section 691 has been replaced with section 1201.

#### **Section 10.3400 Scope.**

- Section 691 has been replaced with section 1201.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Added references to sections 321, 326 and 334 because they provide the Commissioner rulemaking authority by which the Commissioner may foreshadow the rules the Article will include.

#### **Section 10.3475 Scope.**

- Section 691 has been replaced with section 1201.

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Added references to sections 321, 326 and 334 because they provide the Commissioner rulemaking authority by which the Commissioner may foreshadow the rules the Article will include.

**Section 10.3483 Disposition.**

- Section 404 has been replaced with section 1045.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

**Section 10.3518 Time for Completing Organization.**

- Section 404 has been replaced with section 1045.
- Section 400 has been replaced with section 1041.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 1934 has been replaced with section 455.

**Section 10.3520 Deposit Insurance**

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

- Added as authority citation Financial Code section 334, relating to the promulgation of waivers and rules, which was added by SB 664 (Stats. 2011, ch. 243), section 2.
- Added as reference Financial Code section 181, relating to insured, which was added by SB 664 (Stats. 2011, ch. 243), section 2.

**Section 10.3525 Winding Up and Dissolution.**

- Section 405 has been replaced with section 1046.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

**Section 10.3700 Definition of “Applicant” and Scope.**

- Section 1500.1 has been replaced with section 1551.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

**Section 10.3752 Information Regarding Proposed Locations.**

- Repealed subdivision (a)(2)(B) which refers to the authorization requirement of under Financial Code section 500, subdivision (b) pursuant to Financial Code section 490.
- Repealed subdivision (b)(2)(C) refers to two repealed statutes; Financial Code section 500, subdivision (b) and section 490. Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was

renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

- Section 1500.1 has been replaced with section 1551.

#### **Section 10.4351 Included Application**

- Article 2 has been replaced with Chapter 4 of the Banking Law.
- Section 500 has been replaced with section 1070 of the Banking Law.
- Deleted the reference to repealed sections 490 and 500

#### **Subpart (f) of Section 10.4360 Information Regarding Affiliates.**

- Section 701 has been replaced with section 1251.
- Article 7 was changed to Chapter 7 of the Banking Law.
- Section 700 has been replaced with section 1250.
- Section 708 has been replaced with section 1260.

#### Article 5. Offices of California State Banks.

#### **Section 10.6000 Definition of “Subject Institution” and Scope.**

- The reference to subarticle 1.5 is repealed because it refers to repealed Financial Code sections 500, 507, 541, and 546. The reference in the text to the exemptions in subarticle 1.5 is no longer needed because Financial Code sections 500 and 507 were repealed by SB 664 (Stats. 2011, ch. 243) and sections 541 and 546 were repealed by AB 1301 (Stats. 2008, ch. 125).
- Changed from “places of business” to “facilities.”
- Section 1070, subdivision (d) was added because it defines “facility” which replaced the term “place of business.”

- Repealed the reference to subarticle 7 containing regulations relating to ATM.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Sections 419, 420, 421, 490, 504, 512, 540, 541, 542, 543, 544, 545, 546, 547 and 559 were repealed by AB 1301 (Stats. 2008, ch. 125).
- Sections 500, 501, 503, 505, 506, 507, 509, 510, 511, 550, and 551, were repealed by SB 664 (Stats. 2011, ch. 243).
- Sections 552, 557 and 558 were repealed by SB 1422 (Stats. 2000, ch. 204).
- Section 419 has been replaced with section 1072.
- Section 420 has been replaced with section 1074.
- Section 421 has been replaced with section 1075.
- Sections 490 and 500 have been replaced with sections 1076 and 1079.
- Sections 501, 503, and 504 have been replaced with sections 1076 and 1079.
- Sections 505, 506, 507 have been replaced with sections 1076 and 1079.
- Sections 509 and 510 have been replaced with section 1078.
- Sections 511, and 512 ~~540~~ have been replaced with sections 1076 and 1079.
- Section 541 has been replaced with section 1071.
- Section 540 has been replaced with section 1070.
- Section 542 has been replaced with section 1076.
- Section 543 has been replaced with section 1079.
- Section 544 has been replaced with sections 1071 and 1076.
- Section 545 and 559 were repealed by AB 1301 (Stats. 2008, ch. 125).



- Section 546 has been replaced with section 1076.
- Section 547 has been replaced with sections 1078 and 1081.
- Removed sections 550, 551, 552 because they were repealed and replaced with provisions that are related to enforcement; so they are not appropriate references for the definition of “subject institution.”
- Removed sections 557 and 558 because they were repealed by SB 1422 (Stats. 2000, ch. 204).

### **Section 10.6001 Other Definitions**

- Repealed (b) reference to ATM and Financial Code section 550, subdivision (b).
- Deleted the reference to Financial Code section 509.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Sections 419, 420, 421, 490, 504, 512, 540, 541, 542, 543, 544, 545, 546, 547 and 559 were repealed by AB 1301 (Stats. 2008, ch. 125).
- Sections 500, 501, 503, 505, 506, 507, 509, 510, 511, 550, and 551, were repealed by SB 664 (Stats. 2011, ch. 243).
- Sections 552, 557 and 558 were repealed by SB 1422 (Stats. 2000, ch. 204).
- Section 419 has been replaced with section 1072.
- Section 420 has been replaced with section 1074.
- Section 421 was replaced with sections 1075 and 1076.
- Sections 490 and 500 have been replaced with sections 1076 and 1079.
- Section 501 was replaced with section 1071.

- Section 503 was replaced with section 1073.
- Section 504 was replaced with section 1074.
- Sections 505, 506, 507 have been replaced with sections 1075, 1076 and 1077.
- Section 509 was replaced with section 1079.
- Section 510 was replaced with section 1080.
- Sections 511 and 512 have been replaced with sections 1076 and 1079.
- Section 541 has been replaced with section 1071.
- Section 540 has been replaced with section 1070.
- Section 542 has been replaced with section 1076.
- Section 543 has been replaced with section 1079.
- Section 544 has been replaced with sections 1071 and 1076.
- Section 545 was repealed by AB 1301 (Stats. 2008, ch. 125).
- Section 546 has been replaced with section 1076.
- Section 547 has been replaced with sections 1078 and 1081.
- Repealed sections 550, 551, 552, 557, and 559.

**Section 10.6050 Scope.**

- Deleted reference to Financial Code sections that have been repealed - sections 500 subdivision (b), 507, 541, and 546.

**Section 10.6051 Definition.**

- Repealed. Authority is section 215, Reference is Chapter 4, Division 1.
- Former Financial Code section 490, which was repealed in 2008 by AB 1301 (Stats. 2008, ch. 125), related to exemptions from Commissioner authorization or approval for the establishment or relocation of an office that the Commissioner

finds not necessary or appropriate to regulate. The exemptions were based on the eligibility ratings of institutions. This change is non-substantive because Commissioner approval is no longer required for the establishment or relocation of an office due to the repeal of section 490, and thus the exemptions are no longer applicable. Under current Financial Code sections 1073, 1074, 1075, 1076 and 1078, institutions only need to provide notice to the Commissioner and not receive any objections from the Commissioner within 60 days of the notice to establish or relocate a branch office, establish or relocate a place of business or close a branch office.

**Section 10.6052 Exemption –Establishment of Branch Office.**

- Repealed. Authority is Section 215, Reference is to Sections 490 and 500.
- Former Financial Code section 490, which was repealed in 2008 by AB 1301 (Stats. 2008, ch. 125), related to exemptions from Commissioner authorization or approval for the establishment or relocation of an office that the Commissioner finds not necessary or appropriate to regulate. The exemptions were based on the eligibility ratings of institutions. This change is non-substantive because Commissioner approval is no longer required to establish a branch office due to the repeal of section 490 and thus the exemptions are no longer applicable. Under current Financial Code sections 1073, 1075, 1076, institutions only need to provide notice to the Commissioner to establish a branch office.

**Section 10.6053 Exemption –Relocation of Branch Office.**

- Repealed. Authority is Section 215, Reference is to Sections 490 and 507.

- Former Financial Code section 490, which was repealed in 2008 by AB 1301 (Stats. 2008, ch. 125), related to exemptions from Commissioner authorization or approval for the establishment or relocation of an office that the Commissioner finds not necessary or appropriate to regulate. The exemptions were based on the eligibility ratings of institutions. This change is non-substantive because Commissioner approval is no longer required due to the repeal of section 490 and thus the exemptions are no longer applicable. Under current Financial Code sections 1074, 1075, 1076, institutions only need to provide notice to the Commissioner to relocate a branch office.

**Section 10.6054 Exemption –Establishment of Place of Business.**

- Repealed. Authority is Section 215, Reference is sections 490 and 541.
- Former Financial Code section 490, which was repealed in 2008 by AB 1301 (Stats. 2008, ch. 125), related to exemptions from Commissioner authorization or approval for the establishment or relocation of an office that the Commissioner finds not necessary or appropriate to regulate. The exemptions were based on the eligibility ratings of institutions. This change is non-substantive because Commissioner approval is no longer required to establish a place of business due to the repeal of section 490 and thus the exemptions are no longer applicable. Under current Financial Code sections 1073, 1075, and 1076, institutions only need to provide notice to the Commissioner to establish a place of business.

**Section 10.6055 Exemption –Relocation of Place of Business.**

- Repealed. Authority is Section 215, Reference is sections 490 and 546.

- Former Financial Code section 490, which was repealed in 2008 by AB 1301 (Stats. 2008, ch. 125), related to exemptions from Commissioner authorization or approval for the establishment or relocation of an office that the Commissioner finds not necessary or appropriate to regulate. The exemptions were based on the eligibility ratings of institutions. This change is non-substantive because Commissioner approval is no longer required to relocate a place of business due to the repeal of section 490 and thus the exemptions are no longer applicable. Under current Financial Code sections 1074, 1075, and 1076, institutions only need to provide notice to the Commissioner to relocate a place of business.

**Section 10.6602 Change in Popular Name.**

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 509 has been replaced with section 1079. However, section 509 as originally enacted by Statutes 1951, Chapter 364, related to the specific designation of branch banks and the display of such designation. It was repealed by AB 1301 (Stats. 2008, ch. 125) and replaced by SB 664 to relate to orders to not establish, relocate or redesignate offices and changed the section to 1079. Thus, section 509 is no longer an appropriate reference and its new section number and text are not appropriate references. There is no specific statute that uses the term “popular names” in the Financial Code. Section 1076 is the most appropriate statute in current law that may be cited.
- Section 1934 has been replaced with section 455.

### **Section 10.6701 Applicability.**

- Repealed subdivision (2)(b), which refers to repealed section 500, subdivision (b) and section 490.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

### **Section 10.6954 Certificate of Authority: Issuance and Expiration.**

- Deleted subdivisions (b)(1) and (2) pursuant to Financial Code section 505.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 504 has been replaced with sections 1071 and 1076. Former section 504, which related to certificates of authorization, was repealed by AB 1301 (Stats. 2008, ch. 125), which added new text related to the relocation of bank offices. SB 664 (Stats. 2011, ch. 243) subsequently renumbered section 504 to section 1074. However, neither section 504 nor section 1074 are appropriate references for this regulation. The most appropriate references are sections 1071 and 1076, which relates to certificates of authorization and a related fee. Thus, the text regarding the reference to section 504 should be changed to sections 1071 and 1076.
- Removed section 505, which related to a one-year deadline for opening a branch office to avoid invalidating a certificate of authorization, because it was repealed by AB 1301 (Stats. 2008, ch. 125), which added new text related to the re-

designation of bank offices. SB 664 subsequently renumbered section 505 to section 1075. However, neither section 505 nor section 1075 are appropriate references for this regulation. Section 1071 provides for the issuance of a certificate, but is silent on expiration dates, and no other statute provides a deadline for opening a branch office or an expiration dates of certificates. The deletion may be authorized under Government Code section 100, subdivision (a)(2), which allows for the deletion of a regulatory provision for which all statutory authority has been repealed. Thus, the provision should be deleted.

The text regarding the certificate of authority expiring, in subdivisions (b) (1) and (2) and the sentence prior to them, should be deleted because sections 504 and 505, which authorized the expiration of the certificate, were repealed. While the rulemaking proposes to change section 504 to section 1071, section 1071 only relates to the issuance of certificates of authorization and a related fee. And while section 505 related to a one-year deadline for opening a branch office, it was repealed and renumbered as section 1075. However, section 1075 is not an appropriate reference for this regulation because it only deals with a bank board's authority to redesignate a bank office. No current statutes relate to the expiration of a certificate of authority, so the language should be deleted. The deletion may be authorized under Government Code section 100, subdivision (a)(2), which allows for the deletion of a regulatory provision for which all statutory authority has been repealed.

**Section 10.7301 Applicability.**

- Deleted subdivision (b) because it pertained to section 507, which was repealed by AB 1301 (Stats. 2008, ch. 125), and section 490, which was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.9101 Applicability.**

- Repealed in entirety; relies on repealed statutes.

**Section 10.9602 Fee.**

- Repealed. The fee was prescribed by Financial Code section 546, which was repealed by AB 1301 (Stats. 2008, ch. 125).

**Subarticle 7. Automated Teller Machine Branch Offices.**

**Part 1. General Provisions.**

- Deleted because sections 550 and 551 were repealed by SB 664 (Stats. 2011, ch.243).
- Deleted because section 552 was repealed by SB 1422 (Stats. 2000, ch.201).
- Deleted because sections 553 and 554 were repealed by AB 3012 (Stats. 1996, ch. 1063).

**Section 10.11800 Scope.**

- Deleted because sections 550 and 551 were repealed by SB 664 (Stats. 2011, ch.243).
- Deleted because section 552 was repealed by SB 1422 (Stats. 2000, ch.201).
- Deleted because sections 553 and 554 were repealed by AB 3012 (Stats. 1996, ch. 1063).

**Section 10.11825 Scope.**

- Deleted title because section 551 was repealed by SB 664 (Stats. 2011, ch.243).



**Section 10.11826 Notice.**

- Deleted title because section 551 was repealed by SB 664 (Stats. 2011, ch.243).

**Section 10.11850 Scope.**

- Deleted title because section 557 was repealed by SB 1422 (Stats. 2000, ch.201).

**Section 10.11851 Notice.**

- Deleted title because section 557 was repealed by SB 1422 (Stats. 2000, ch.201).

**Section 10.11875 Scope.**

- Deleted title because section 552 was repealed by SB 1422 (Stats. 2000, ch.201).

**Section 10.11876 Notice.**

- Deleted title because section 552 was repealed by SB 1422 (Stats. 2000, ch.201).

**Article 6. California State Offices of Foreign (Other Nation) Banks.**

**Section 10.13001 Definitions**

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 1700 has been replaced with section 1750, subdivision (f).
- Section 1713 has been replaced with section 1756.
- Section 1700 has been replaced with section 1750.
- Section 1713 has been replaced with section 1765.

- Section 1726 has been replaced with section 1781.
- Section 1753 has been replaced with section 1803.
- Section 1761 has been replaced with section 1811.

**Section 10.13003 Identification of Office.**

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 1701 has been replaced with section 1753.
- Section 1703 has been replaced with section 1756.
- Section 1705 has been replaced with section 1758.

**Section 10.13200 Definition of “Applicant” and Scope.**

- Section 1726 has been replaced with section 1781.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

Reference to section 1726 has been replaced with section 1781

**Section 10.13226 Included Application.**

- Section 1727 has been replaced with section 1782.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 1703 has been replaced with section 1756.
- Section 1726 has been replaced with section 1781.

- Section 1727 has been replaced with section 1782.

**Section 10.13278 Appointment of Commissioner as Attorney for Service of Process.**

- Commissioner of Financial Institutions has been replaced with Commissioner of Business Oversight pursuant to Financial Code section 321.
- Section 1710 has been replaced with section 1762.
- Section 1726 has been replaced with section 1781.

**Section 10.14100 Definitions of “Applicant” and “Subject Office” and Scope.**

- Section 1753 has been replaced with section 1803.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Reference to section 1753 has been replaced with section 1803.

**Section 10.14126 Included Application.**

- Section 1754 has been replaced with section 1804.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 1703 has been replaced with section 1756.
- Section 1753 has been replaced with section 1803.
- Reference to section 1754 has been replaced with section 1804.

**Section 10.14180 Appointment of Commissioner of Financial Institutions.**

- Commissioner of Financial Institutions has been replaced with Commissioner of Business Oversight pursuant to Financial Code section 125.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 1710 has been replaced with section 1762.
- Section 1753 has been replaced with section 1803.

**Section 10.14183 Agreement.**

- Section 1780 has been replaced with section 1830.
- Chapter 13.5 has been replaced with 20.
- Division 1 has been replaced with 1.1.
- Section 1912 has been replaced with section 580.
- Deleted Section 1913 because it was repealed.
- Section 215 has been replaced with section 326.
- Section 1705 has been replaced with section 1758.
- Section 1753 has been replaced with section 1803.
- Section 1780 has been replaced with section 1830.
- Section 1781 has been replaced with section 1831.
- Section 1782 has been replaced with section 1832.
- Section 1785 has been replaced with section 1835.
- Section 1900 has been replaced with section 500.
- Section 1912 has been replaced with section 580.
- Section 1913 has been repealed by AB 1268 (Stats. 2010, ch. 532).

### **Section 10.14185 Deposit of Eligible Assets.**

- Section 1761 has been replaced with section 1811.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 1753 has been replaced with section 1803.
- Section 1761 has been replaced with section 1811.

### **Section 10.14730 Place for Books, Accounts and Other Records –Blanker**

#### **Approval.**

- Section 1706 has been replaced with section 1759.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

### **Section 10.14775 Definitions of “Subject Institutions” and “Subject Office” and**

#### **Scope.**

- Section 1758 has been replaced with section 1808.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

### **Section 10.14779 Deposit Documents.**

- Deposit amount changed from \$100,000 to \$250,000. This change was instituted by 12 CFR Section 330.1(o), which provides that the "standard maximum deposit insurance amount, referred to as the "SMDIA" hereafter, means \$250,000

adjusted pursuant to subparagraph (F) of section 11(a)(1) of the FDI Act (12 U.S.C. 1821(a)(1)(F))."

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats, 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 1758 has been replaced with section 1808.

**Section 10.14800 Definitions of “Subject Institution and “Subject Office” and Scope.**

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 1759 has been replaced with section 1809.

**Section 10.14802 Compliance with Federal Regulations.**

- Section Repealed. Regulation Q was repealed by the Dodd Frank Act.

**Section 10.15225 Scope.**

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Deleted Financial Code section 1755 from the text and the references and added section 1805, because section 1755 was replaced with section 1805.

**Section 10.15226 Residence, Domicile, and Principal Place of Business.**

- Section 1755 was repealed by SB 664 (Stats. 2011, ch. 243).

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 1755, subdivision (a)(2), which defined “person,” was replaced with section 1805, subdivision (a)(2).
- The reference to section 1755 has been replaced with section 1805.

**Section 10.15227 Branch of Division**

- Section 1755 has been replaced with section 1805, subdivision (a)(2).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 1755 has been replaced with section 1805.

**Section 10.15626 Deposits of \$100,000 or More.**

- Amended the title to change deposit amount to \$250,000. This change was instituted by 12 CFR Section 330.1(o), which provides that the "standard maximum deposit insurance amount, referred to as the "SMDIA" hereafter, means \$250,000 adjusted pursuant to subparagraph (F) of section 11(a)(1) of the FDI Act (12 U.S.C. 1821(a)(1)(F))."
- Section 1755 has been replaced with section 1805, subdivision (a)(4)(B).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 1755 has been replaced with section 1805.

### **Section 10.15627 Non-Retail Deposits.**

- Section 1755 has been replaced with section 1805, subdivision (a)(4)(C).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 1755 has been replaced with section 1805.

### **Section 10.16000 Definition of “Subject Institution” and Scope.**

- Section 1761 has been replaced with section 1811, subdivisions (a)(1) - (a)(4).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 1761 has been replaced with section 1811.

### **Section 10.16001 Other Definitions.**

- Section 1761 has been replaced with section 1811.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

### **Section 10.16051 Valuation.**

- Section 1761 has been replaced with section 1811, subdivision (b)(2).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 1761 has been replaced with section 1811.



**Section 10.16102 Increased or Decrease in Applicable Minimum.**

- Section 1761 has been replaced with section 1811, subdivision (c).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 1761 has been replaced with section 1811.

**Section 10.16128 Documentation.**

- Section 1761 has been replaced with section 1811, subdivision (h).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 1761 has been replaced with section 1811.

**Section 10.16131 Deficiencies –Subject Institution.**

- Section 1761 has been replaced with section 1811.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 1705 has been replaced with section 1758.
- The reference to section 1761 has been replaced with section 1811.

**Section 10.16177 Blanket Approval.**

- Section 1761, subdivision (d) has been replaced with section 1811, subdivision (a).

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 1761 has been replaced with section 1811.

**Section 10.16202 Conditions of Specific Approval.**

- Section 1761, subdivision (d) has been replaced with section 1811, subdivision (d).
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 1761 has been replaced with section 1811.

**Article 7. Acquiring and Holding Equity Securities of Corporations**

- Replaced the word of with and for the title of Article 7.

**Subarticle 2. Investing in Corporations under Financial Code Section 772**

- Added “Regulated” before “Corporations” and deleted the reference to Financial Code section 772.

**Section 10.19050 Definition of “Subject Institution” and Scope.**

- Section 772 has been replaced with section 1472.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 772 has been changed to section 1472.

**Section 10.19051 Other Definitions**

- Repealed the subdivisions for “eligible,” “gross capital,” and “interim” because they are no longer necessary in this Part. These subdivisions provided definitions to help implement section 772. However, due to the repeal of section 772, these definitions are no longer justified in the regulations.
- Repealed subdivision (6), which defines “pre-1983” investments, because it is no longer applicable to the investments referenced in this Part. This subsection was intended to make the “transition provisions” in Part 4 apply to the investments by banks pursuant to section 772. The “transition provisions” ensured that pre-1983 investments were not rendered invalid by section 772. The subsection was intended to ensure that institutions could still retain investments made prior to 1983. Since section 772 has been repealed, it is no longer necessary to reference “pre-1983” investments and the “transition provisions.” The section has been rendered meaningless by the repeal of section 772.
- Section 772, which provided that notwithstanding the provisions of section 1335 (regarding a director's participation in an illegal loan being considered a misdemeanor), and subject to such regulations and rules as the superintendent may prescribe, a bank may invest in the capital stock, obligations, or other securities of one or more corporations, was repealed by AB 1301 (Stats. 2008, c. 125), and replaced with section 1472.
- Repealed subsection (8), which defined “transition date,” because it is no longer necessary. This subsection was added to differentiate between investments prior to and after the amendment to section 772, which allowed banks to invest in

equity securities. The subsection was intended to ensure that institutions with investments prior to the amendment would still be valid. Since section 772 was repealed, it is no longer necessary to have a transition date to distinguish between the investments that occurred before or after it.

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Changed the reference to section 772 to section 1472.

**Section 10.19052 Capital of Total Amount Invested.**

- Section 772 has been replaced with section 1472.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Changed the reference to section 772 to section 1472.

**Section 10.19053 Not Applicable to Specified Cases.**

- Deleted because the Permit Reform Act was repealed.

**Section 10.19054 Relationships to Other Provisions of the Law.**

- Deleted because the Permit Reform Act was repealed.

**Section 10.19056 Permit Reform Act of 1981.**

- Deleted because the Permit Reform Act was repealed.

**Section 10.19060 Scope.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19061 Requirement for Authorization.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19070 Scope.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19071 Eligibility.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19072 General Authorization.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19073 General Authorization Not Applicable to Specific Transactions.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19080 Scope.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19081 Specific Authorization.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19082 Application.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19083 Automatic Approval.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19084 Administrative Standard.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19085 Expiration.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19090 Scope.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19091 Exemptions.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Section 10.19092 Valuation.**

- Deleted because Financial Code section 772 was repealed by AB 1301 (Stats. 2008, ch. 125).

**Subpart 2 Regulated Corporations.**

- Renumbered to reflect Part 2.

**Section 10.19100 Scope.**

- Subpart has been replaced with Part.

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 772 has been replaced with section 1472.

**Section 10.19102 Agreement.**

- Section 772 has been replaced with section 1472.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 772 has been replaced with section 1472.

**Section 10.19103 Appointment of Commissioner as Agent for Service of Process.**

- Section 772 has been replaced with section 1472.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 772 has been changed to section 1472.

**Section 10.19104 Examination.**

- Sections 1901 and 1907-1909 have been replaced with sections 450, 501, 504.
- Section 1901 has been replaced with section 501.
- Section 1907 has been replaced with section 504.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.

- The reference to section 772 has been replaced with section 1472.

### **Section 10.19107 Applicable Provisions of Banking Law.**

- Deleted subdivision (a)(1) because Financial Code section 761, which it references, was repealed by SB 664 (Stats. 2011, ch. 243).
- Section 1221 has been replaced with section 1481.
- Section 1225 has been replaced with section 1484.
- Section 1229 has been replaced with section 1490.
- Deleted section 1230 because it was repealed by AB 1482, (Stats. 1995, ch. 243).
- Deleted section 1232 because it was repealed by AB 1301 (Stats. 2008, ch. 125).
- Section 1336 has been replaced with section 1510. Former Financial Code section 1336, which was related to limitations on investments, was repealed by AB 1301 (Stats. 2008, ch. 125). (Section 1336 provided "Unless otherwise approved by the Commissioner, a commercial bank shall not invest an amount exceeding 15 percent of its shareholders' equity in the securities of any one obligor or maker, with specified exceptions. SB 664 (Stats. 2011, ch. 243) subsequently replaced the text for section 1336 to relate to deposits of bank funds on condition of loan or advance to be a felony, which rendered it no longer an appropriate statute to include in the regulation. Thus, current section 1336 should be deleted. The most appropriate reference is section 1510 because its initial paragraph and provisions (a)-(d) are extremely similar to former section



1336. Notably, section 1510 includes provisions (e)-(g), which were not part of former section 1336.

- Section 1951 has been replaced with section 461.
- Deleted section 1952 because it was repealed by AB 1268 (Stats. 2010, ch. 532).
- Section 3350 has been replaced with section 1320.
- Section 3370 has been replaced with section 1360.
- Section 1221 has been replaced with section 1481.
- Chapter 18 has been replaced with Chapter 10 of the Banking Law. Chapter 18 is being changed to Chapter 10 because section 3370, which related to legislative intent for loans to insiders, was repealed and renumbered to section 780, by AB 1301 (Stats. 2008, ch. 125), and subsequently repealed by SB 664 (Stats. 2011, ch. 243). So, sections 3370 and 780 would not be appropriate. However, section 1360, which similarly provides legislative intent for loans to insiders, as enacted by SB 664 (Stats. 2011, ch. 243), would be an appropriate statute.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 772 has been replaced with section 1472.

**Section 10.19120 Scope.**

- Deleted because Financial Code section 772 was repealed.

**Section 10.19130 Scope.**

- Deleted because Financial Code section 772 was repealed.

**Section 10.19131 General Authorization to Retain.**

- Deleted because Financial Code section 772 was repealed.

**Section 10.19132 Options.**

- Deleted because Financial Code section 772 was repealed.

**Section 10.19133 Election of Update Option.**

- Deleted because Financial Code section 772 was repealed.

**Section 10.19134 Election of Grandfather Option.**

- Deleted because Financial Code section 772 was repealed.

**Section 10.19135 Status Pending Election.**

- Deleted because Financial Code section 772 was repealed.

**Section 10.19140 Scope.**

- Deleted because Financial Code section 772 was repealed.

**Section 10.19141 General Authorization to Retain.**

- Deleted because Financial Code section 772 was repealed.

**Section 10.19142 Specific Authorization to Retain.**

- Deleted because Financial Code section 772 was repealed.

**Section 10.19143 Divestiture.**

- Deleted because Financial Code section 772 was repealed.

**Article 9. Audit Reports**

**Section 10.19401 Exemptions.**

- Section 1902 has been replaced with section 502.

- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 1902 has been replaced with section 502.

**Section 10.19402 Contents.**

- Section 1902 has been replaced with section 502.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- The reference to section 1902 has been replaced with section 502.

**Article 11. Securities**

**Section 10.19901 Approval of Application for Acquisition of Own Securities by Bank or Trust Company.**

- Section 642 has been replaced with section 1132.
- Section 643 has been replaced with section 1133.
- Section 644 has been replaced with section 1134.
- Section 215 has been replaced with section 326.
- Section 3359 has been replaced with section 1331.

**Subchapter 40. Industrial Loans**

**Subsection (c) of Section 40.503 Form and Amount of Fidelity Bond.**

- Financial Institutions has been replaced with Business Oversight pursuant to section 321.

**Subsection (b) of Section 40.600 Statement of Loan or Documents Used to Comply with Financial Code: Form: Contents.**

- Financial Institutions has been replaced with Business Oversight pursuant to section 321.

**Subsection (b) of Section 40.1300 Preparation of Independent Audit Report.**

- Financial Institutions has been replaced with Business Oversight pursuant to section 321.

**Subsection (e) of Section 40.1703 Premium Finance Agreement Copy or Document Used to Comply with Financial Code: Form: Contents.**

- Financial Institutions has been replaced with Business Oversight pursuant to section 321.

**Subchapter 50. Business and Industrial**

**Section 50.3306 Appointment of Commissioner as Agent for Service of Process.**

- Commissioner of Financial Institutions has been replaced with Commissioner of Business Oversight pursuant to Financial Code section 321.

**Section 50.9002 Appointment of Commissioner as Agent for Service of Process.**

- Commissioner of Financial Institutions has been replaced with Commissioner of Business Oversight pursuant to Financial Code section 321.

**Subchapter 95. Forms**

**Section 95.10 Application for Authority to Organize Bank.**

- Commissioner of Financial Institutions has been replaced with Commissioner of Business Oversight pursuant to Financial Code section 321.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Section 360 has been replaced with section 1020.

**Section 95.25 Uniform California Application/Notice Form.**

- Commissioner of Financial Institutions has been replaced with Commissioner of Business Oversight and Department of Financial Institutions has been replaced with Department of Business Oversight, pursuant to Financial Code section 321.
- Former Financial Code section 215, relating to duties and powers of the Commissioner of Financial Institutions, was renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 2 to Financial Code section 326.
- Deleted reference to former Financial Code section 490, relating to authorization to impose conditions and exemptions to branch offices, other places of business, and automated teller machines, because it was repealed by AB 1301 (Stats. 2008, ch. 125), section 9.
- Deleted reference to former Financial Code section 501, relating to extra examination and attention, because it was repealed by AB 1301 (Stats. 2008, ch. 125), section 9.
- Deleted former Financial Code section 507, relating to the change of location of a branch, because it was repealed by AB 1301 (Stats. 2008, ch. 125), section 9.
- Former Financial Code section 510, relating to violation of Chapter 4 regarding bank offices and penalties, was renumbered by AB 1301 (Stats. 2008, ch. 125), section 9 and 10 to Financial Code section 508 and then renumbered by SB 664 (Stats. 2011, ch. 243), sections 1 and 3 to Financial Code section 1078.
- Deleted former Financial Code section 511, relating to the collection of savings from school children, because it was repealed by AB 1301 (Stats. 2008, ch. 125), section 9.

- Deleted former Financial Code section 542, relating to the application for authority to establish and maintain place of business and fees, because it was repealed by AB 1301 (Stats. 2008, ch. 125), section 9.
- Deleted former Financial Code section 546, relating to the change of location of a place of business from one location to another in the same vicinity, because it was repealed by AB 1301 (Stats. 2008, ch. 125), section 9.
- Deleted former Financial Code section 547, relating to the closing or discontinuing operation of a place of business, because it was repealed by AB 1301 (Stats. 2008, ch. 125), section 9.
- Deleted former Financial Code section 552, relating to establishment of automated teller machine branch office, because it was repealed by SB 1422 (Stats. 2000, ch. 204), section 4.
- Deleted former Financial Code section 557, relating to changing the location of an automated teller machine branch office from one location to another in the same vicinity, because it was repealed by SB 1422 (Stats. 2000, ch. 204), section 5.
- Deleted former Financial Code section 558, relating to discontinuing the operation of an automated teller machine branch office, because it was repealed by SB 1422 (Stats. 2000, ch. 204), section 6.
- Added as reference Financial Code section 1071, relating to issuance of certificate authorizing a bank to establish and maintain office, which was added by SB 664 (Stats. 2011, ch. 243), section 3.

- Added as reference Financial Code section 1077, relating to list of offices, which was added by SB 664 (Stats. 2011, ch. 243), section 3.
- Added as reference Financial Code section 1081, relating to discontinuance of a facility office, which was added by SB 664 (Stats. 2011, ch. 243), section 3.

#### **Section 95.1010**

- Commissioner of Financial Institutions has been replaced with Commissioner of Business Oversight and Department of Financial Institutions has been replaced with Department of Business Oversight, pursuant to Financial Code section 321.
- Replaced Financial Institutions with Business Oversight to reflect the July 1, 2013 merger of the Department of Corporations and the Department of Financial Institutions to form the Department of Business Oversight.

#### **Section 95.1020**

- Commissioner of Financial Institutions has been replaced with Commissioner of Business Oversight and Department of Financial Institutions has been replaced with Department of Business Oversight, pursuant to Financial Code section 321.
- Replaced Financial Institutions with Business Oversight to reflect the July 1, 2013 merger of the Department of Corporations and the Department of Financial Institutions to form the Department of Business Oversight.

#### **Section 95.1025**

- Commissioner of Financial Institutions has been replaced with Commissioner of Business Oversight and Department of Financial Institutions has been replaced with Department of Business Oversight, pursuant to Financial Code section 321.
- Replaced Financial Institutions with Business Oversight to reflect the July 1, 2013

merger of the Department of Corporations and the Department of Financial Institutions to form the Department of Business Oversight.

**Section 95.4010**

- Deleted section because the Travelers Checks Act was replaced by the Money Transmission Act, added by SB 664 (Stats. 2011, ch. 243), section 4.

**Section 95.4020**

- Deleted section because the Travelers Checks Act was replaced by the Money Transmission Act, added by SB 664 (Stats. 2011, ch. 243), section 4.

**Section 95.4030**

Deleted section because the Travelers Checks Act was replaced by the Money Transmission Act, added by SB 664 (Stats. 2011, ch. 243), section 4.