

**Readopt with amendments Ban 525, effective 3-16-01 (Document #7461), to read as follows:**

PART Ban 525 FEDERAL SAVINGS ASSOCIATION POWERS

Statutory Authority: RSA 394-A:7

Ban 525.01 Definitions.

(a) ~~"New Hampshire chartered bank" or "s~~State bank" means a trust company, commercial bank, mutual savings bank, guaranty savings bank, cooperative bank, building and loan association, or savings and loan association chartered pursuant to the laws of the state of New Hampshire.

(b) "Federal savings association" means a savings association chartered pursuant to the provisions of the Federal Home Owners' Loan Act.

(c) "Authorized power" means any power, right, benefit, privilege or activity granted or allowed by Ban 525.02.

Ban 525.02 Authorized Powers~~ty and Notification; Limitations.~~

~~(a) Pursuant to the authority granted under RSA 394-A, any New Hampshire chartered~~ A state bank may exercise any power, right, benefit or privilege, or may engage in any activity ~~and may make any equity investment~~ in the same manner and to the same extent, and with the same responsibilities, duties, and requirements, as is permitted for a federal savings association under federal laws and regulations, including ~~without limitation,~~ the equity investments and activities allowed under the Federal Home Owners' Loan Act, 12 USC, Chapter 12 and 12 CFR Part 500 et seq.

Ban 525.03 Notification.

~~(b)~~ At least 30 days prior to exercising any authorized power, ~~power or engaging in any activity authorized by Ban 525.02(a),~~ a state bank shall provide the bank commissioner with ~~a separate~~ written notice ~~for each such power or activity~~ which shall:

(a) (1) Specifically describe in narrative form the each federal savings association authorized power or activity to be exercised; and

(b) Specifically describe any limitations or restrictions on the authorized power; and

(c) Include copies of all federal laws, regulations or other federal authority, including without limitation rulings, decisions, opinions, policy statements, bulletins and interpretive letters, under which such authorized power ~~or activity~~ is ~~authorized~~ permitted for federal savings associations.

~~(e)~~

Ban 525.04 Termination; Modification.

(a) State banks shall cease exercising the authorized power or cease making or divest an investment which was authorized by Ban 523.02:

(1) Notwithstanding Ban 525.02(a), Upon order of the bank commissioner ~~shall order a state bank to cease the activity or to cease making or to divest the investment~~ if the bank commissioner determines that the continuation of the authorized power ~~activity~~ or investment will

jeopardize the safety and soundness of the state bank ~~and specifies such grounds in writing to the state bank;~~ or

(2) —(d) If, pursuant to Ban 525.02(e), the authorized power is terminated by operation of a federal law, regulation or other federal authority, including rulings, decisions, opinions, policy statements, bulletins and interpretive letters.

(b) State banks shall exercise the authorized power or make or divest an investment which is authorized by Ban 525.02:

(1) as modified by an order of the bank commissioner; or

(2) As modified by operation of a federal law, regulation or other federal authority, including rulings, decisions, opinions, policy statements, bulletins and interpretive letters.

(c) If divestiture is required, the state bank shall be given no more than 3 years from the date of the bank commissioner's written ~~notification order~~ to divest the investment. In determining the time allowed for divestiture, the bank commissioner shall consider the nature of the investment, the size of the investment, ~~market and any other~~ conditions ~~and or~~ other similar relevant factors that could adversely affect the state bank's safety and soundness.

Ban 525.05~~3~~ Federal Approval.

A state bank shall not engage in an activity permitted under Ban 525.02~~(a)~~ unless it has received prior written consent from ~~such activity has been approved by~~ the Federal Deposit Insurance Corporation.

**APPENDIX**

Rule	Specific State or Federal Statutes or Regulations the Rule Implements
<b>Ban 525</b>	<b>RSA 394-A:1, RSA 394-A:4, RSA 394-A:7</b>