

FINANCE CODE

TITLE 3. FINANCIAL INSTITUTIONS AND BUSINESSES

SUBTITLE G. BANK HOLDING COMPANIES; INTERSTATE BANK OPERATIONS

CHAPTER 201. GENERAL PROVISIONS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 201.001. SCOPE OF SUBTITLE. (a) This subtitle:

(1) sets forth the conditions under which a company may acquire a Texas bank or a Texas bank holding company, pursuant to the provisions of Chapter 202;

(2) permits interstate branching under the Interstate Banking and Branching Efficiency Act pursuant to the provisions of Chapter 203; and

(3) provides for state regulation of the participation by foreign banks in the financial markets of this state, pursuant to the provisions of Chapter 204.

(b) This subtitle is not intended to discriminate against out-of-state banks and bank holding companies in a manner that would violate the Interstate Banking and Branching Efficiency Act. Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999.

Sec. 201.002. DEFINITIONS. (a) Unless the context requires otherwise, in this subtitle:

(1) "Acquire" means an act that results in direct or indirect control by a company of a bank holding company or a bank, including an act that causes:

(A) the company to merge with a bank holding company or a bank;

(B) the company to assume direct or indirect ownership or control of:

(i) more than 25 percent of any class of voting shares of a bank holding company or a bank, if the acquiring company was not a bank holding company before the acquisition;

(ii) more than five percent of any class of voting shares of a bank holding company or a bank, if the acquiring

company was a bank holding company before the acquisition; or

(iii) all or substantially all of the assets of a bank holding company or a bank; or

(C) an application relating to control of a bank holding company or bank to be filed with a federal bank supervisory agency.

(2) "Affiliate" has the meaning assigned by Section 2(k), Bank Holding Company Act (12 U.S.C. Section 1841(k)).

(3) "Agency" when used in reference to an office of a foreign bank, has the meaning assigned by Section 1(b)(1), International Banking Act (12 U.S.C. Section 3101(1)).

(4) "Bank":

(A) for purposes of Chapter 202 and the laws of this state as they relate to Chapter 202, has the meaning assigned by Section 2(c), Bank Holding Company Act (12 U.S.C. Section 1841(c));

(B) for purposes of Chapter 203 and the laws of this state as they relate to Chapter 203, has the meaning assigned to the term "insured bank" by Section 3(h), Federal Deposit Insurance Act (12 U.S.C. Section 1813(h)), except that the term does not include a foreign bank unless it is organized under the laws of a territory of the United States, Puerto Rico, Guam, American Samoa, or the Virgin Islands and its deposits are insured by the Federal Deposit Insurance Corporation; and

(C) for purposes of Chapter 204 and the laws of this state as they relate to Chapter 204, has the meaning assigned by Section 2(c), Bank Holding Company Act (12 U.S.C. Section 1841(c)), or Section 3(a)(1), Federal Deposit Insurance Act (12 U.S.C. Section 1813(a)(1)), except that the term does not include a foreign bank or a branch or agency of a foreign bank.

(5) "Bank holding company" has the meaning assigned by Section 2(a), Bank Holding Company Act (12 U.S.C. Section 1841(a)), and includes a financial holding company.

(6) "Bank Holding Company Act" means the federal Bank Holding Company Act of 1956 (12 U.S.C. Section 1841 et seq.), as amended.

(7) "Bank supervisory agency" means any of the

following:

(A) an agency of another state with primary responsibility for chartering and supervising banks;

(B) the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, or the Bureau of Consumer Financial Protection, and any successor to these agencies; or

(C) an agency of a country, including a colony, dependency, possession, or political subdivision of a country, other than the United States with primary responsibility for chartering and supervising banks.

(8) "Branch" has the meaning assigned by Section 31.002(a), except that for purposes of Chapter 204 and the laws of this state as they relate to Chapter 204 the term:

(A) with respect to an office of a foreign bank, has the meaning assigned by Section 1(b)(3), International Banking Act (12 U.S.C. Section 3101(3)); and

(B) with respect to an office of a bank as defined by this section for the purposes of Chapter 204, has the meaning assigned to the term "domestic branch" by Section 3(o), Federal Deposit Insurance Act (12 U.S.C. Section 1813(o)).

(9) "Commissioner" has the meaning assigned to the term "banking commissioner" by Section 31.002(a), except that for purposes of Chapter 203 and the laws of this state as they relate to Chapter 203, with respect to a state savings bank, the term means the savings and mortgage lending commissioner of Texas.

(10) "Company" has the meaning assigned by Section 2(b), Bank Holding Company Act (12 U.S.C. Section 1841(b)), and includes a bank holding company.

(11) "Control" shall be construed consistently with Section 2(a)(2), Bank Holding Company Act (12 U.S.C. Section 1841(a)(2)), and regulations and interpretive rulings of the Board of Governors of the Federal Reserve System.

(12) "De novo branch" means a branch of a bank located in a host state that:

(A) is originally established by the bank as a branch; and

(B) does not become a branch of the bank as a result of:

(i) the acquisition of another bank or a branch of another bank; or

(ii) the merger or conversion involving the bank or branch.

(13) "Deposit" has the meaning assigned by Section 3(1), Federal Deposit Insurance Act (12 U.S.C. Section 1813(1)).

(14) "Depository institution" means an institution included for any purpose within the definitions of "insured depository institution" as assigned by Sections 3(c)(2) and 3(c)(3), Federal Deposit Insurance Act (12 U.S.C. Sections 1813(c)(2) and 1813(c)(3)).

(15) "Federal agency" means an agency of a foreign bank that is licensed by the Comptroller of the Currency pursuant to Section 4, International Banking Act (12 U.S.C. Section 3102).

(16) "Federal branch" means a branch of a foreign bank that is licensed by the Comptroller of the Currency pursuant to Section 4, International Banking Act (12 U.S.C. Section 3102).

(17) "Federal Deposit Insurance Act" means the Federal Deposit Insurance Act (12 U.S.C. Section 1811 et seq.), as amended.

(18) "Foreign bank" has the meaning assigned by Section 1(b)(7), International Banking Act (12 U.S.C. Section 3101(7)).

(19) "Foreign bank holding company" means a bank holding company that is organized under the laws of a country other than the United States or a territory or possession of the United States, and includes a foreign financial holding company.

(20) "Foreign person" means a natural or juridical person who is a citizen or national of one or more countries, including any colonies, dependencies, or possessions of the countries, other than the United States.

(21) "Home state" means:

(A) with respect to a national bank, the state in which the main office of the bank is located;

(B) with respect to a state bank, the state by which the bank is chartered;

(C) with respect to a foreign bank, the state determined to be the home state of the foreign bank under Section 5(c), International Banking Act (12 U.S.C. Section 3103(c)); and

(D) with respect to a bank holding company, the state in which the total deposits of all bank subsidiaries of the company are the largest on the later of July 1, 1966, or the date on which the company became a bank holding company.

(22) "Home state regulator" means:

(A) with respect to an out-of-state bank holding company, the bank supervisory agency of the home state of the bank holding company; and

(B) with respect to an out-of-state state bank, the bank supervisory agency of the state in which the bank is chartered.

(23) "Host state" means:

(A) with respect to a bank, a state other than the home state of the bank in which the bank maintains or seeks to establish and maintain a branch; and

(B) with respect to a bank holding company, a state other than the home state of the company in which the company controls or seeks to control a bank subsidiary.

(24) "International Banking Act" means the federal International Banking Act of 1978 (12 U.S.C. Section 3101 et seq.), as amended.

(25) "Interstate Banking and Branching Efficiency Act" means the federal Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994, Public Law No. 103-328, codified at various sections of Title 12, United States Code.

(26) "Interstate branch" means a branch of a bank or a branch of a foreign bank, as the context requires, established, acquired, or retained pursuant to the Interstate Banking and Branching Efficiency Act, outside the home state of the bank or foreign bank. The term does not include, with respect to a foreign bank, a limited branch as that term is defined by this section.

(27) "Interstate merger transaction" means:

(A) the merger of banks with different home states and the conversion of branches of a bank involved in the

merger into branches of the resulting bank; or

(B) the purchase of all or substantially all of the assets, including all or substantially all of the branches, of a bank whose home state is different from the home state of the acquiring bank.

(28) "Limited branch" means a branch of a foreign bank that accepts only the deposits that would be permissible for a corporation organized under Section 25A, Federal Reserve Act (12 U.S.C. Section 611 et seq.), in accordance with Section 5(a)(7), International Banking Act (12 U.S.C. Section 3103(a)(7)).

(29) "Out-of-state bank" means a bank whose home state is another state.

(30) "Out-of-state bank holding company" means a bank holding company whose home state is another state, and includes an out-of-state financial holding company.

(31) "Out-of-state foreign bank" means a foreign bank whose home state is another state.

(32) "Out-of-state state bank" means a bank chartered under the laws of another state.

(33) "Representative office" has the meaning assigned by Section 1(b)(15), International Banking Act (12 U.S.C. Section 3101(15)).

(34) "Resulting bank" means a bank that results from an interstate merger transaction.

(35) "State" means a state of the United States, the District of Columbia, a territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, or the Northern Mariana Islands, except that for purposes of Chapter 202 and the laws of this state as they relate to Chapter 202 the term means a state, territory, or other possession of the United States, including the District of Columbia.

(36) "State bank" means a Texas state bank or an out-of-state state bank, including an out-of-state state savings bank.

(37) "State savings bank" has the meaning assigned to the term "savings bank" by Section 3(g), Federal Deposit Insurance

Act (12 U.S.C. Section 1813(g)), and includes a savings bank organized under Subtitle C or under similar laws of another state.

(38) "Subsidiary" has the meaning assigned by Section 2(d), Bank Holding Company Act (12 U.S.C. Section 1841(d)).

(39) "Texas bank" means a bank whose home state is this state, except that for purposes of Chapter 202 and the laws of this state as they relate to Chapter 202 the term means a Texas state bank or a national bank organized under federal law with its main office in this state.

(40) "Texas bank holding company" means a bank holding company whose home state is this state and that is not controlled by a bank holding company other than a Texas bank holding company, and includes a Texas financial holding company.

(41) "Texas representative office" means a representative office that is located in this state and registered pursuant to Subchapter C, Chapter 204.

(42) "Texas state agency," means, when used in reference to an office of a foreign bank, an agency of a foreign bank that is located in this state and licensed pursuant to Subchapter B, Chapter 204.

(43) "Texas state bank" means a bank that is organized under Subtitle A.

(44) "Texas state branch," means, when used in reference to an office of a foreign bank, a branch of a foreign bank that is located in this state and licensed pursuant to Subchapter B, Chapter 204.

(45) "United States" means:

(A) when used in a geographical sense, the several states, the District of Columbia, Puerto Rico, Guam, American Samoa, the American Virgin Islands, the Trust Territory of the Pacific Islands, and other territories of the United States; and

(B) when used in a political sense, the federal government of the United States.

(46) "Financial holding company" means a bank holding company that has elected to be treated as a financial holding company under 12 U.S.C. Section 1843(l).

(47) "Functional regulatory agency" means a department or agency of this state, another state, the United States, or a foreign government with whom the United States currently maintains diplomatic relations that regulates and charters, licenses, or registers persons engaged in financial activities or activities incidental or complementary to financial activities, including activities related to banking, insurance, or securities.

(b) The definitions provided by Section 31.002 apply to this subtitle to the extent not inconsistent with this section and as the context requires.

(c) The definitions shall be liberally construed to accomplish the purposes of this subtitle.

(d) The finance commission by rule may adopt other definitions to accomplish the purposes of this subtitle.

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999. Amended by Acts 2001, 77th Leg., ch. 528, Sec. 27, eff. Sept. 1, 2001.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 921 (H.B. 3167), Sec. 6.058, eff. September 1, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 940 (H.B. 1664), Sec. 19, eff. June 14, 2013.

Sec. 201.003. RULES. (a) The finance commission may adopt rules to accomplish the purposes of this subtitle, including rules necessary or reasonable to:

(1) implement and clarify this subtitle in a manner consistent with and to the extent permitted by applicable federal law;

(2) preserve or protect the safety and soundness of banking in this state;

(3) grant at least the same rights and privileges to Texas state banks that are or may be granted to other depository institutions;

(4) recover the cost of maintaining and operating the department and the cost of enforcing this subtitle by imposing and

collecting ratable and equitable fees for supervision and regulation, including fees for notices, applications, and examinations; and

(5) facilitate the fair hearing and adjudication of matters before the commissioner and the finance commission.

(b) In adopting rules, the finance commission shall consider the need to:

(1) coordinate with applicable federal law;

(2) promote a stable banking environment;

(3) provide the public with convenient, safe, and competitive banking services;

(4) preserve and promote the competitive position of Texas state banks with regard to other depository institutions consistent with the safety and soundness of Texas state banks and the Texas state bank system; and

(5) allow for economic development in this state.

(c) The presence or absence in this subtitle of a specific reference to rules regarding a particular subject does not enlarge or diminish the rulemaking authority provided by this section.

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999. Amended by Acts 2001, 77th Leg., ch. 528, Sec. 28, eff. Sept. 1, 2001.

Sec. 201.004. LAW APPLICABLE TO INTERSTATE BRANCHES.

(a) The laws of this state, including laws regarding community reinvestment, consumer protection, fair lending, and establishment of intrastate branches, apply to an interstate branch located in this state to the same extent the laws of this state would apply if the branch in this state were a branch of an out-of-state national bank in this state, except to the extent otherwise provided under federal law. An out-of-state state bank that establishes an interstate branch in this state under this subtitle may conduct any activity at the branch in this state that is permissible under the laws of the bank's home state, to the extent the activity is permissible for a Texas state bank or for a branch of an out-of-state national bank in this state.

(b) To the extent provided by Section [4.102\(c\)](#), Business &

Commerce Code, the laws of this state govern a deposit contract between a bank and a consumer account holder if the branch or separate office of the bank that accepts the deposit contract is located in this state.

(c) Without limiting Subsection (a), for purposes of the laws of this state relating to authority to act as a fiduciary, depository of public funds, or custodian of securities pledged to secure public funds, or authority to engage in repurchase transactions with public entities, a legally operating interstate branch in this state is considered to be in, within, located in, authorized to do business in, domiciled in, and chartered in this state.

(d) This subtitle does not limit or affect the authority of:

(1) the home state regulator of a bank's home state to enforce any law applicable to a branch of an out-of-state state bank;

(2) a law enforcement officer, a regulatory supervisor, other than the commissioner, or another official of this state to enforce the laws of this state applicable to a branch of an out-of-state state bank; or

(3) this state to adopt, apply, or administer any tax or method of taxation to a bank, bank holding company, or foreign bank, or any affiliate of a bank, bank holding company, or foreign bank, to the extent that the tax or tax method is otherwise permissible by or under the United States Constitution or other federal law.

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 940 (H.B. [1664](#)), Sec. 20, eff. June 14, 2013.

Sec. 201.005. COOPERATIVE AGREEMENTS; FEES. (a) To carry out the purposes of this subtitle, to the extent permitted by federal law, the commissioner may:

(1) enter into cooperative, coordinating, or information sharing agreements with another bank supervisory

agency, a functional regulatory agency, or an organization affiliated with or representing one or more bank supervisory agencies;

(2) with respect to periodic examination or other supervision or investigation, accept reports of examination or investigation by, and reports submitted to, another bank supervisory agency or functional regulatory agency in lieu of conducting examinations or investigations or receiving reports as might otherwise be required or permissible under this subtitle;

(3) enter into contracts with another bank supervisory agency or functional regulatory agency having concurrent regulatory or supervisory jurisdiction to engage the services of the agency for reasonable compensation to assist in connection with the commissioner's performance of official duties under this subtitle or other law, or to provide services to the agency for reasonable compensation in connection with the agency's performance of official duties under law, except that Chapter 2254, Government Code, does not apply to the contracts;

(4) enter into joint examinations or joint enforcement actions with another bank supervisory agency or functional regulatory agency having concurrent regulatory or supervisory jurisdiction, except that the commissioner may independently take action under Section 201.009 if the commissioner determines that the action is necessary to carry out the commissioner's responsibilities under this subtitle or to enforce compliance with the laws of this state; and

(5) assess supervisory and examination fees to be paid by a state bank, state savings bank, bank holding company, or foreign bank in connection with the commissioner's performance of duties under this subtitle.

(b) Supervisory or examination fees assessed by the commissioner in accordance with this subtitle may be shared with another bank supervisory agency, a functional regulatory agency, or an organization affiliated with or representing one or more bank supervisory agencies in accordance with an agreement between the commissioner and the agency or organization. The commissioner may also receive a portion of supervisory or examination fees assessed

by another bank supervisory agency or functional regulatory agency in accordance with an agreement between the commissioner and the agency.

(c) A cooperative agreement entered into by the commissioner under this section does not limit the authority of a law enforcement officer, regulatory supervisor, or other official of this state who is not a party to the agreement to enforce the laws of this state applicable to a branch of an out-of-state state bank located in this state.

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999. Amended by Acts 2001, 77th Leg., ch. 528, Sec. 29, eff. Sept. 1, 2001.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 940 (H.B. 1664), Sec. 21, eff. June 14, 2013.

Sec. 201.006. ISSUANCE OF INTERPRETIVE STATEMENTS AND OPINIONS. (a) To encourage the effective coordination and implementation of home state laws and host state laws with respect to interstate branching, the commissioner, directly or through a deputy commissioner or department attorney, may:

(1) issue interpretive statements containing matters of general policy to guide the public and banks and bank holding companies subject to this subtitle;

(2) amend or repeal a published interpretive statement by issuing an amended statement or notice of repeal of a statement and publishing the statement or notice;

(3) issue, in response to specific requests from the public or the banking industry, opinions interpreting this subtitle or determining the applicability of laws of this state to the operation of interstate branches or other offices in this state by out-of-state banks or in other states by Texas banks; and

(4) amend or repeal an opinion by issuing an amended opinion or notice of repeal of an opinion, except that the requesting party may rely on the original opinion if:

(A) all material facts were originally disclosed to the commissioner;

(B) the safety and soundness of the affected bank or bank holding company will not be affected by further reliance on the original opinion; and

(C) the text and interpretation of relevant, governing provisions of applicable home state, host state, and federal law have not been changed by legislative or judicial action.

(b) An interpretive statement or opinion may be disseminated by newsletter, via electronic medium such as the internet, in a volume of statutes or related materials published by the commissioner or others, or by other means reasonably calculated to notify persons affected by the interpretive statement or opinion. An opinion may be disseminated to the public if the commissioner determines that the opinion is useful for the general guidance and convenience of the public or banks or bank holding companies. A published opinion must be redacted to preserve the confidentiality of the requesting party unless the requesting party consents to be identified in the published opinion. Notice of an amended or withdrawn statement or opinion must be disseminated in a substantially similar manner as the affected statement or opinion was originally disseminated.

(c) An interpretive statement or opinion issued under this subtitle does not have the force of law and is not a rule for the purposes of Chapter 2001, Government Code, unless adopted by the finance commission as provided by Chapter 2001, Government Code. An interpretive statement or opinion is an administrative construction of this subtitle entitled to great weight if the construction is reasonable and does not conflict with this subtitle.

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999. Amended by Acts 2001, 77th Leg., ch. 412, Sec. 5.01, eff. Sept. 1, 2001.

Sec. 201.007. CONFIDENTIALITY. Except as expressly provided otherwise in this subtitle, confidentiality of information obtained by the commissioner under this subtitle is governed by Subchapter D, Chapter 31, or, with respect to a state

savings bank, Subtitle C, and may not be disclosed by the commissioner or an employee of the commissioner's department except as provided by Subchapter D, Chapter 31, or, with respect to a state savings bank, Subtitle C.

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999.

Sec. 201.008. NOTICE OF SUBSEQUENT EVENT. Each out-of-state state bank that has established and maintains an interstate branch in this state pursuant to this subtitle shall give written notice to the commissioner, at least 30 days before the effective date of the event, or in the case of an emergency transaction, within a shorter period consistent with applicable state or federal law, of a merger or other transaction that would cause a change of control with respect to the bank or a bank holding company that controls the bank, with the result that an application would be required to be filed with the bank's home state regulator or a federal bank supervisory agency, including an application filed pursuant to the Change in Bank Control Act of 1978 (12 U.S.C. Section 1817(j)), as amended, or the Bank Holding Company Act (12 U.S.C. Section 1841 et seq.).

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999.

Sec. 201.009. ENFORCEMENT; APPEALS. (a) If the commissioner determines that a bank holding company or a foreign bank has violated this subtitle or other applicable law of this state, the commissioner may take any enforcement action the commissioner would be empowered to take if the bank holding company or foreign bank were a Texas state bank, except that the commissioner shall promptly give notice to the home state regulator of each enforcement action taken against an out-of-state bank holding company or foreign bank and, to the extent practicable, shall consult and cooperate with the home state regulator in pursuing and resolving the enforcement action. A bank holding company or foreign bank may appeal a final order or other decision of the commissioner under this subtitle as provided by Sections

[31.202](#) and [31.204](#).

(b) If the commissioner determines that an interstate branch maintained by an out-of-state state bank in this state is being operated in violation of a law of this state that is applicable to the branch under Section 24(j), Federal Deposit Insurance Act (12 U.S.C. Section 1831a(j)), including a law that governs community reinvestment, fair lending, or consumer protection, the commissioner, with written notice to the home state regulator and subject to the terms of any applicable cooperative agreement with the home state regulator, may take any enforcement action the commissioner would be empowered to take if the branch were a Texas state bank or state savings bank, as the case may be. An out-of-state state bank may appeal a final order or other decision of the commissioner under this subtitle as provided by Sections [31.202](#) and [31.204](#), or as provided under Subtitle C with respect to a state savings bank.

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 940 (H.B. [1664](#)), Sec. 22, eff. June 14, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 940 (H.B. [1664](#)), Sec. 26, eff. June 14, 2013.

Acts 2019, 86th Leg., R.S., Ch. 20 (S.B. [614](#)), Sec. 30, eff. September 1, 2019.

Sec. 201.010. TAXATION. A bank subject to this subtitle is subject to the franchise tax to the extent provided by Chapter [171](#), Tax Code.

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999.

Sec. 201.011. SEVERABILITY. The provisions of this subtitle or the applications of those provisions are severable as provided by Section [311.032](#)(c), Government Code.

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999.

SUBCHAPTER B. REGISTRATION OF FINANCIAL INSTITUTIONS

Sec. 201.101. DEFINITIONS. In this subchapter:

(1) "Financial institution" means:

(A) a bank as defined for any purpose by Section 201.002(a)(4), whether chartered under the laws of this state, another state, the United States, or another country, including a state savings bank;

(B) a savings and loan association chartered under Chapter 62 or similar laws of another state;

(C) a federal savings and loan association, federal savings bank, or federal credit union;

(D) a credit union chartered under Chapter 122 or similar laws of another state; or

(E) a trust company chartered under the laws of this state or another state.

(2) "Out-of-state financial institution" means a financial institution that:

(A) is not chartered under the laws of this state; and

(B) has its main or principal office in another state or country.

(3) "Texas financial institution" means a financial institution that:

(A) is chartered under the laws of this state or under federal law; and

(B) has its main or principal office in this state.

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999.

Sec. 201.102. REGISTRATION TO DO BUSINESS. An out-of-state financial institution must file an application for registration with the secretary of state, before operating a branch or other office in this state, by complying with the law of this state relating to foreign corporations doing business in this state,

notwithstanding a provision in that law that purports to limit or prohibit its applicability to financial institutions.

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999.

Sec. 201.103. APPOINTMENT OF AGENT TO RECEIVE SERVICE OF PROCESS. (a) A Texas financial institution may file in the office of the secretary of state a statement appointing an agent authorized to receive service of process.

(b) A statement appointing an agent must set forth:

(1) the name of the Texas financial institution;

(2) the federal tax identification number of the Texas financial institution;

(3) the address, including the street address, of the principal office of the Texas financial institution; and

(4) the name of the agent in this state authorized to receive service of process and the agent's address, including the street address, in this state.

(c) The agent named under Subsection (b) must be:

(1) an individual resident of this state;

(2) a domestic corporation, limited partnership, partnership, limited liability company, professional association, cooperative, or real estate investment trust; or

(3) a foreign entity registered with the secretary of state to transact business in this state.

(d) A statement appointing an agent must be signed by an officer of the Texas financial institution. The statement must also be signed by the person appointed agent, who by signing accepts the appointment. The appointed agent may resign by filing a resignation in the office of the secretary of state and giving notice to the Texas financial institution.

(e) The secretary of state shall collect for the use of the state:

(1) a fee of \$25 for indexing and filing the original statement appointing an agent; and

(2) a fee of \$15 for filing an amendment to or cancellation of a statement appointing an agent.

(f) An amendment to a statement appointing an agent to receive service of process must meet the requirements for execution of an original statement.

(g) A statement appointing an agent may be canceled by filing with the secretary of state a written notice of cancellation executed by an officer of the Texas financial institution. A notice of cancellation must contain:

(1) the name of the Texas financial institution;

(2) the federal tax identification number of the Texas financial institution;

(3) the date of filing of the statement appointing the agent; and

(4) the current street address of the principal office of the Texas financial institution.

(h) Service of process on a registered agent appointed under this section is an alternate method of service in addition to other methods provided by law unless other law specifically requires service to be made on the registered agent. A resignation or notice of cancellation is effective immediately on acknowledgement of filing by the secretary of state, and after the acknowledgement the financial institution is subject to service of process as otherwise provided by law.

(i) The secretary of state may adopt forms and procedural rules for filing of documents under this section.

Added by Acts 1999, 76th Leg., ch. 344, Sec. 1.001, eff. Sept. 1, 1999.