Chapter 713

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Out-of-State Banks and Extranational Institutions

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713.010 Application of Bank Act to out-of-state banks and extranational institutions; powers of out-of-state bank. (1) Every activity engaged in by every out-of-state bank and extranational institution conducting a banking business in this state is subject to all of the applicable provisions of the Bank Act.

(2) An out-of-state state bank that opens, occupies or maintains a branch in this state pursuant to and in accordance with the requirements of ORS 713.270 and that has been issued a certificate of authority by the Director of the Department of Consumer and Business Services to conduct a banking business in this state pursuant to ORS 713.020, and 713.140 to 713.160, shall have the same powers to engage in any activity in this state as permitted to the out-of-state state bank under the laws of its home state, except that an out-of-state state bank may not transact trust business in this state unless it complies with ORS chapter 709. When there is a conflict between the provisions of this chapter and the provisions of the laws of the home state of the out-of-state state bank, the laws of that home state control. [Amended by 1965 c.170 s.2; 1967 c.333 s.1; 1973 c.797 s.307; 1975 c.725 s.8; 1979 c.88 s.13; 1997 c.631 s.283]

713.011 [1993 c.229 s.14; repealed by 1997 c.631 s.567]

713.012 [1973 c.797 s.308; 1975 c.725 s.9; 1979 c.362 s.1; 1981 c.192 s.22; 1983 c.37 s.22; 1987 c.445 s.16; repealed by 1997 c.631 s.567]

713.016 Requirements for conducting banking business; deposit insurance. (1) An out-of-state state bank shall not conduct banking business in this state unless its insurable deposits are insured by the Federal Deposit Insurance Corporation and the out-of-state state bank has received a certificate of authority to conduct banking business pursuant to ORS 713.020 and 713.140 to 713.160.

(2) Unless it complies with the requirements of ORS 713.025, an extranational institution shall not conduct banking business in this state. This subsection and ORS 713.025 do not apply to any extranational institution having a branch office in this state and lawfully conducting banking business on December 31, 1966. [1973 c.797 s.309; 1975 c.725 s.10; 1997 c.631 s.286]

713.020 Certificate of authority to conduct banking business. The Director of the Department of Consumer and Business Services shall issue to an out-of-state state bank or extranational institution that applies and that complies with the requirements of this chapter a certificate of authority to transact business in this state, provided for in ORS 713.140 to 713.160. [Amended by 1965 c.170 s.3; 1973 c.797 s.310; 1975 c.725 s.11; 1983 c.37 s.23; 1987 c.197 s.8; 1989 c.324 s.55; 1991 c.67 s.190; 1997 c.631 s.287]

713.025 Assets requirement for extranational institutions; type; amount. (1) Except as provided in subsection (4) of this section and ORS 713.300, every extranational institution with one or more offices in this state shall deposit with the Director of the Department of Consumer and Business Services in an office located in this state of another bank approved by the director under an agreement satisfactory to the director for the protection of depositors of the extranational institution, free and clear of all other liens and encumbrances, assets in an amount set forth in subsection (2) of this section of the following types:

(a) Cash;

(b) Interest-bearing bonds, notes or obligations of the United States, including those of its agencies and instrumentalities, or bonds, notes or obligations for which the faith of the United States is pledged for the payment of the principal and interest;

(c) Bonds or other obligations of the State of Oregon, any county of this state or any incorporated city, town or school or port district of this state having a population of not less than 2,000 as shown by the last federal census, or bonds of any other state, any county, incorporated city, town or school or port district therein having a population of not less than 25,000, as shown by the last federal census, if:

(A) The bonds or obligations are issued in compliance with the constitution and laws of the applicable state;

(B) The bonds or obligations are general obligations of the state, city, town or school or port district issuing the bonds; and

(C) There has been no default in payment of either principal or interest on any of the general obligations of the state, county, incorporated city, town or school or port district for a period of five years preceding the date of the deposit;

(d) A surety bond issued by a surety company authorized to transact business in this state and in a form approved by the director, under which the principal and surety indemnify the depositors and creditors of the extranational institution against loss due to nonpayment by the extranational institution, including by reason of the failure of the extranational institution;

(e) An irrevocable letter of credit issued by an insured institution, as defined in ORS 706.008, satisfactory to the director; or

(f) Any combination of cash, securities complying with subsection (1)(b) and (c) of this section, surety bonds complying with subsection (1)(d) of this section, and letters of credit complying with subsection (1)(e) of this section.

(2) The market value of the assets deposited pursuant to subsection (1) of this section shall be not less than:

(a) Five percent of the total liabilities of the office including acceptances, but excluding accrued expenses and amounts due to and other liabilities of offices, branches, agencies and subsidiaries of the extranational institution; or

(b) Such other amount as the director may determine to be necessary for the protection of depositors and the public interest.

(3) The director shall determine the value of the assets maintained for the purposes of this section and shall value marketable securities according to accepted principles of accounting.

(4) The deposit requirements of subsection (1) of this section shall not apply to an office of an extranational institution that is an insured branch as defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)). [1975 c.725 s.3; 1997 c.631 s.290; 1999 c.30 s.5]

713.030 [Repealed by 1973 c.797 s.428]

713.035 Failure to maintain required assets; notice to director; effect of deficiency. If at the close of any banking day an extranational institution does not have on deposit the assets required to be maintained under ORS 713.025, the managing officer in charge of the office of the extranational institution shall immediately notify the Director of the Department of Consumer and Business Services and the main office of the extranational institution of the deficit. The extranational institution shall have three banking days to eliminate the deficiency. If the deficiency is not eliminated within the three-day period, the extranational institution is prohibited from conducting banking business, making loans, issuing letters of credit or accepting drafts or bills of exchange and the director may revoke its certificate of authority. [1975 c.725 s.4; 1997 c.631 s.291]

713.040 [Repealed by 1973 c.797 s.428]

713.045 Distribution of assets of extranational institution by director after insolvency or liquidation. (1) If an

extranational institution becomes insolvent or goes into voluntary or involuntary liquidation or cannot otherwise pay its deposit or other liabilities, the Director of the Department of Consumer and Business Services may take possession of the assets required to be deposited under ORS 713.025 directly or through the appointment of a receiver, free of any liens and other claims, and those assets shall be held by the director or receiver in trust.

(2) Unless the deposited assets are delivered to the Federal Deposit Insurance Corporation as receiver, the amount available for distribution to the depositors under subsection (1) of this section shall be allocated to the depositors of the office pro rata to the extent of their deposits.

(3) Any additional deposited assets remaining after the distributions to depositors provided for in subsection (2) of this section shall be available for distribution to the other creditors of the extranational institution in accordance with ORS 711.530 to 711.570.

(4) As used in this section, the term “depositor” has the meaning ascribed to it in ORS 711.515. [1975 c.725 s.5; 1997 c.631 s.292]

713.050 [Amended by 1973 c.797 s.313; repealed by 1997 c.631 s.567]

713.060 [Amended by 1973 c.797 s.314; 1974 s.s. c.15 s.1; 1975 c.725 s.12; 1979 c.88 s.14; repealed by 1997 c.631 s.567]

713.070 [Amended by 1973 c.797 s.315; 1975 c.725 s.13; repealed by 1997 c.631 s.567]

713.080 [Amended by 1973 c.797 s.316; 1975 c.725 s.14; 1981 c.192 s.23; repealed by 1997 c.631 s.567]

713.090 Reports; fees; examination and regulation. (1) Every out-of-state state bank and every extranational institution conducting banking business in this state shall file reports under oath with the Director of the Department of Consumer and Business Services in the form and giving the information the director may require.

(2) Every out-of-state state bank and extranational institution conducting banking business shall be subject to the fee provided in ORS 706.530 and to examination and regulation in the manner provided in ORS 706.500. [Amended by 1973 c.797 s.317; 1975 c.725 s.15; 1997 c.631 s.293; 1999 c.59 s.222]

713.100 [Amended by 1973 c.797 s.318; 1975 c.725 s.16; repealed by 1997 c.631 s.567]

713.110 [Amended by 1973 c.797 s.319; repealed by 1997 c.631 s.567]

713.120 [1989 c.324 s.57; repealed by 1997 c.631 s.567]

713.130 Name of bank or institution. (1) The Director of the Department of Consumer and Business Services shall not issue a certificate of authority to an out-of-state state bank or extranational institution if the name of the out-of-state state bank or extranational institution does not conform to ORS 707.075, except as provided in subsection (2) of this section.

(2) If the director determines that the name of the applicant out-of-state state bank or extranational institution is deceptively similar to the name of another financial institution conducting a banking business in this state, the director shall not issue a certificate of authority to the applicant unless the out-of-state state bank or extranational institution states the corporate name on the application for a certificate of authority under ORS 713.140 (1)(a) and in the filings required by ORS 713.140 (3) as “_____ (name under which organized), an institution of _____ (place of organization),” the entirety of which shall be the “real and true name” of the out-of-state state bank or extranational institution under ORS chapter 648.

(3) Nothing contained in this section shall preclude an out-of-state state bank or extranational institution from transacting business under one or more assumed business names, if the names meet the requirements of subsection (1) of this section, unless the director determines that the names will be confusingly similar to any financial institution, corporate, professional corporate, nonprofit corporate, cooperative, limited liability company, limited partnership, business trust, reserved or registered name currently on file with the Secretary of State or Director of the Department of Consumer and Business Services, or an assumed business name registered as provided in ORS 648.010. The name designated under this section shall be accorded the same legal effect under ORS 707.075 and ORS chapters 647 and 648 as the name of an Oregon state bank. Issuance of the certificate of authority shall not abrogate or limit the law as

to unfair competition or unfair trade practices or derogate from the common law, the principles of equity or the statutes of this state or of the United States with respect to the right to acquire and protect trade names, trademarks and service marks. [1989 c.324 s.58; 1997 c.631 s.294]

713.140 Contents of application for certificate of authority; authority to transact business under other laws. (1) To procure a certificate of authority to conduct banking business in this state, an out-of-state state bank or extranational institution shall apply to the Director of the Department of Consumer and Business Services. The application shall state:

(a) The name as designated under ORS 713.130.

(b) The state or country under the laws of which the out-of-state state bank or extranational institution was organized.

(c) The date of organization.

(d) The period of duration of the out-of-state state bank or extranational institution, if the duration is not perpetual.

(e) A mailing address to which the director may send notices.

(f) The address of the main office of the out-of-state state bank or extranational institution in the state or country under the laws of which it is organized.

(g) Unless the out-of-state state bank or extranational institution is a corporation, limited partnership, limited liability company or business trust, the street address of the proposed registered office of the institution in this state, and the name of its proposed registered agent, who shall be amenable to service of process at the address.

(h) The names and respective addresses of the president and secretary of the out-of-state state bank or extranational institution.

(i) Any additional information that the director may by rule require.

(2) The director may prescribe and furnish forms for the application. The president or a vice president and secretary or an assistant secretary of the out-of-state state bank or extranational institution shall sign the application.

(3) The out-of-state state bank or extranational institution shall also take the steps necessary to become authorized to transact business:

(a) If a corporation, as a foreign corporation under ORS chapter 60;

(b) If a limited partnership, as a foreign limited partnership under ORS chapter 70;

(c) If a limited liability company, as a foreign limited liability company under ORS chapter 63; or

(d) If a business trust, as a business trust under ORS 128.560 to 128.600.

(4) If the out-of-state state bank is an unincorporated company, partnership or association, it shall register its name as an assumed business name as provided in ORS chapter 648. [1989 c.324 s.59; 1997 c.631 s.295]

713.150 Submission of application; fee; issuance of certificate of authority. (1) The out-of-state state bank or extranational institution shall submit the application for a certificate of authority, together with an application fee of $500, to the Director of the Department of Consumer and Business Services for filing. The out-of-state state bank or extranational institution shall also deliver with the completed application a certificate of existence or a document of similar import, duly authenticated by the official with custody of records in the state or country under whose law it is organized and a copy of the documents filed to comply with ORS 713.140 (3) evidencing filing of such documents by the Secretary of State.

(2) If the director finds that such application conforms to this chapter, the director, when all fees and charges have been paid, shall issue and return to the sender a certificate of authority to conduct banking business in this state with the copy of the filed application. [1989 c.324 s.60; 1997 c.631 s.296]

713.160 Transaction of business under certificate of authority. Upon the issuance of a certificate of authority by the Director of the Department of Consumer and Business Services, the out-of-state state bank or extranational institution shall be authorized to conduct a banking business in this state, subject, however, to the right of this state to suspend or revoke the authority as provided in ORS 713.230. [1989 c.324 s.61; 1997 c.631 s.297]

713.170 Registered office, agent or representative. Each out-of-state state bank and each extranational institution authorized to conduct banking business in this state shall have and continuously maintain in this state:

(1) A registered office that may be, but need not be, the same as its place of business in this state.

(2) A registered agent or authorized representative, in compliance with the requirements imposed by ORS 713.140 (3). [1989 c.324 s.62; 1997 c.631 s.298]

713.180 [1989 c.324 s.63; repealed by 1997 c.631 s.567]

713.190 Service of process on agent; director as agent. (1) The registered agent appointed by an out-of-state state bank or extranational institution authorized to transact business in this state shall be an agent of such institution upon whom any process, notice or demand required or permitted by law to be served upon the institution may be served.

(2) The Director of the Department of Consumer and Business Services shall be an agent of an out-of-state state bank or extranational institution upon whom any process, notice or demand may be served, if:

(a) The out-of-state state bank or extranational institution is authorized to conduct banking business in this state, and:

(A) It fails to appoint or maintain a registered agent in this state;

(B) Its registered agent cannot with reasonable diligence be found at the registered office;

(C) Its certificate of authority has been suspended or revoked; or

(D) It is an unincorporated company, partnership or association;

(b) The out-of-state state bank or extranational institution is conducting banking business in this state without the authorization provided by this chapter;

(c) The out-of-state state bank or extranational institution has been authorized to conduct banking business in this state and has withdrawn and consented to service on the director as prescribed in this chapter; or

(d) The out-of-state state bank or extranational institution has conducted banking business in this state without the authorization to do so, has ceased to conduct banking business and has become subject to service on the director as prescribed in this chapter.

(3) Except as provided in subsection (4) of this section, service on the director of any such process, notice or demand shall be made by:

(a) Service on the director or a clerk on duty in any office of the director of a copy of the process, notice or demand with any papers required by law to be delivered in connection with the service, or by mailing to the director a copy of the process, notice or demand by certified or registered mail, and a $2 fee for each document being served; or

(b) Transmittal by the person instituting the proceedings of notice of the service on the director and a copy of the process, notice or demand and accompanying papers to the out-of-state state bank or extranational institution being served by certified or registered mail:

(A) At the last-registered office of the out-of-state state bank or extranational institution as shown by the records of the director;

(B) At such address, the use of which the person initiating the proceedings knows or, on the basis of reasonable inquiry, has reason to believe is most likely to result in actual notice; and

(C) Filing with the appropriate court or other body, as part of the return of service, the return receipt of mailing and an affidavit of the person initiating the proceedings stating compliance with this section.

(4) When the out-of-state state bank or extranational institution that is being served with the process, notice or demand is not authorized to conduct banking business in this state and was not authorized to conduct banking business in this state at the time the transaction, event or occurrence upon which the suit or proceeding is based occurred, service shall be made in the same manner as provided in subsection (3) of this section, except that the copy of the process, notice or demand shall be sent forthwith by registered or certified mail by the plaintiff or the attorney of the plaintiff to the principal office or place of business of the out-of-state state bank or extranational institution, instead of the last-registered office of the out-of-state state bank or extranational institution.

(5) The director shall keep a record of all processes, notices and demands served upon the director under this section.

(6) Nothing contained in this section shall limit or affect the right to serve any process, notice or demand required or permitted by law to be served upon an out-of-state state bank or extranational institution in any other manner now or hereafter permitted by law, or enlarge the purposes for which service on the director is permitted where such purposes are limited by other provisions of law. [1989 c.324 s.64; 1997 c.631 s.299]

713.200 Delivery of documents filed with Secretary of State; change of name or duration. (1) Every out-of-state state bank and every extranational institution that has been issued a certificate of authority to conduct banking business in this state shall deliver to the Director of the Department of Consumer and Business Services, promptly after filing with the Secretary of State, all documents filed by the out-of-state state bank or extranational institution

with the Secretary of State pursuant to ORS chapters 60, 63, 70 and 648 and ORS 128.560 to 128.600.

(2) If an out-of-state state bank or an extranational institution that has been issued a certificate of authority to conduct banking business in this state changes its name or duration, it shall apply to the director to amend its certificate of authority.

(3) The requirements in respect to the form and contents of the application, the manner of its signing and the submission of the application referred to in subsection (2) of this section to the director shall be the same as in the case of an original application for a certificate of authority under ORS 713.140. The filing of the application for the amended certificate of authority by the director shall have the same legal effect as the filing of the original certificate of authority. [1989 c.324 s.65; 1997 c.631 s.300]

713.210 Withdrawal from state. (1) An out-of-state state bank or extranational institution that has been issued a certificate of authority to conduct banking business in this state may withdraw from this state by applying to the Director of the Department of Consumer and Business Services to withdraw. An application to withdraw shall set forth:

(a) The name of the out-of-state state bank or extranational institution and the state or country under the laws of which it is organized.

(b) A statement that the out-of-state state bank or extranational institution no longer conducts banking business in this state.

(c) A statement that the out-of-state state bank or extranational institution surrenders its authority to conduct banking business in this state.

(d) A statement that the out-of-state state bank or extranational institution revokes the authority of its registered agent in this state to accept service of process, notice or demand and consents that service of process, notice or demand in any action, suit or proceeding based upon any transaction, event or occurrence which took place in this state prior to the filing of the application to withdraw may thereafter be made on such out-of-state state bank or extranational institution by service thereof on the director.

(e) A mailing address to which the person initiating any proceedings may mail a copy of any process, notice or demand, which has been served on the director, to the out-of-state state bank or extranational institution.

(f) Such additional information as may be necessary or appropriate to enable the director to determine and assess any unpaid fees or charges payable by such out-of-state state bank or extranational institution as prescribed in the Bank Act.

(2) The application for withdrawal may be made on forms prescribed or furnished by the director and shall be signed by the out-of-state state bank or extranational institution by its president or a vice president and by its secretary or an assistant secretary, and verified by one of the officers signing the application or, if the out-of-state state bank or extranational institution is in the hands of a receiver or trustee, shall be signed on behalf of the institution and verified by the receiver or trustee.

(3) An out-of-state state bank or extranational institution that conducted banking business in this state without the authorization provided by this chapter will be subject to service after it has ceased to conduct banking business in this state in the same manner as though it had been authorized to conduct banking business, had later withdrawn and, in connection with such withdrawal, had filed a consent to service in the manner required by subsection (1)(d) of this section. [1989 c.324 s.66; 1997 c.631 s.301]

713.220 Application for withdrawal; effect of filing. (1) The application to withdraw shall be delivered to the Director of the Department of Consumer and Business Services. If the director finds that such application conforms to the provisions of this chapter, the director, when all fees and charges have been paid, shall file the application to withdraw and return the copy marked “Filed” to the sender.

(2) Upon the filing of the application to withdraw, the authority of the out-of-state state bank or extranational institution to conduct banking business in this state shall cease. [1989 c.324 s.67; 1997 c.631 s.302]

713.230 Revocation of certificate of authority. The certificate of authority of an out-of-state state bank or extranational institution to conduct banking business in this state may be revoked when:

(1) The out-of-state state bank or extranational institution has not filed any report which it is required to file under the Bank Act or has not paid any fee which it is required to pay under the Bank Act;

(2) The out-of-state state bank or extranational institution has failed to appoint or maintain a registered agent or office in this state as required by ORS 713.170 or has failed to maintain authority to transact business as required by

ORS 713.140 (3);

(3) The out-of-state state bank or extranational institution has changed its registered office or registered agent and has failed to submit to the Director of the Department of Consumer and Business Services a statement of the change as required by ORS 713.200 (1);

(4) A misrepresentation has been made of any material matter in any application, report, affidavit or other document submitted by such out-of-state state bank or extranational institution pursuant to the Bank Act;

(5) The out-of-state state bank or extranational institution has failed to submit for filing an application to amend its certificate of authority as required by ORS 713.200 (2); or

(6) The out-of-state state bank or extranational institution has failed to submit for filing a certificate of merger or consolidation as required by ORS 713.260. [1989 c.324 s.68; 1997 c.631 s.303]

713.240 Procedure for revocation of certificate of authority; restoration; reinstatement. (1) Whenever an out-of-state state bank or extranational institution has given cause for revocation of its certificate of authority as provided in ORS 713.230 and has failed to correct the neglect, omission, misrepresentation or delinquency, the Director of the Department of Consumer and Business Services may revoke the right of the out-of-state state bank or extranational institution to conduct banking business in this state. The director shall mail a notice of the revocation to the mailing address shown for the out-of-state state bank or extranational institution in the current records of the director to the out-of-state state bank or extranational institution at its registered office in this state or its principal office in its home state.

(2) After the director revokes the certificate of authority, all powers that this state conferred upon the out-of-state state bank or extranational institution shall cease, and thereafter no person shall exercise or attempt to exercise in this state any power under the revoked certificate of authority.

(3) Whenever it is established to the satisfaction of the director that any out-of-state state bank or extranational institution, the certificate of authority of which has been revoked under subsection (1) of this section, has corrected the cause for revocation, the director shall restore the out-of-state state bank or extranational institution to all its former rights and privileges in the same manner as the director revoked the authority of the out-of-state state bank or extranational institution.

(4) Any out-of-state state bank or extranational institution previously authorized to conduct banking business in this state that has had its certificate of authority revoked and that has corrected the cause for revocation under subsection (1) of this section may apply for reinstatement of its certificate of authority within two years of the date of revocation. The out-of-state state bank or extranational institution shall pay all fees which accrued before the director revoked the certificate of authority and a reinstatement filing fee of $100. The payment shall accompany the application for reinstatement. If the director is satisfied that the cause for revocation has been corrected, the director shall file the application for reinstatement of the out-of-state state bank or extranational institution, entitling it to resume its business in this state. The director shall not file the application for reinstatement unless the name of the out-of-state state bank or extranational institution conforms to ORS 713.130 and the application is filed within two years of the date of revocation.

(5) Reinstatement under this section relates back to and takes effect as of the effective date of the revocation of the certificate of authority, so that the existence of the out-of-state state bank or extranational institution is deemed to have continued without interruption from that date. [1989 c.324 s.69; 1997 c.631 s.304]

713.250 Limits on banks and institutions without certificates of authority. (1) No out-of-state state bank or extranational institution conducting banking business in this state without a certificate of authority shall be permitted to maintain any action, suit or proceeding in any court of this state until such out-of-state state bank or extranational institution shall have obtained a certificate of authority.

(2) The failure of an out-of-state state bank or extranational institution to obtain a certificate of authority to conduct banking business in this state shall not impair the validity of any contract or act of such out-of-state state bank or extranational institution, and shall not prevent such out-of-state state bank or extranational institution from defending any action, suit or proceeding in any court of this state.

(3) An out-of-state state bank or extranational institution that conducts banking business in this state without a certificate of authority shall be liable to this state for the years or parts thereof during which it conducted banking business in this state without a certificate of authority in an amount equal to all fees, assessments and other charges which would have been imposed upon the out-of-state state bank or extranational institution under the Bank Act had it duly applied for and received a certificate of authority to conduct banking business in this state as required by this

chapter and thereafter filed all reports required by the Bank Act, plus all penalties imposed under the Bank Act for failure to pay such fees and charges. The Attorney General may bring proceedings to recover all amounts due this state under the provisions of this section. [1989 c.324 s.70; 1997 c.631 s.305]

713.260 Merger or consolidation. Whenever an out-of-state state bank or extranational institution that has been issued a certificate of authority under ORS 713.020 ceases to exist because of a statutory merger or consolidation with any other out-of-state state bank, extranational institution or other entity, it shall, within 60 days after the effective date of such merger or consolidation, file with the Director of the Department of Consumer and Business Services a certificate from the appropriate public officer of the state, territory or country under the laws of which it is organized, or other evidence satisfactory to the director, to the effect that such out-of-state state bank or extranational institution has merged or consolidated and has thereby ceased to exist. [1989 c.324 s.71; 1997 c.631 s.306]

713.270 Out-of-state conducting banking business at a branch. (1) Notwithstanding any other provision of the Bank Act, no out-of-state bank may conduct banking business at a branch located in this state unless the out-of-state bank has converted from, has assumed all or substantially all of Oregon deposit liabilities of or has merged with an insured institution that, by itself or together with any predecessor, has been engaged in banking business or otherwise has been lawfully accepting deposits at an office in this state for a period of not less than three years prior to the effective date of the conversion, assumption or merger.

(2) This section does not prohibit an out-of-state bank lawfully conducting a banking business in this state on October 4, 1997, from continuing to conduct banking business in this state. [1997 c.631 s.284]

713.280 Effect of laws of state or country in which out-of-state bank or extranational institution is organized. An out-of-state state bank or extranational institution shall not be denied a certificate of authority by reason of the fact that the laws of the state or country under which such out-of-state state bank or extranational institution is organized, governing its organization and internal affairs differ from the laws of this state. Nothing contained in this chapter shall be construed to authorize this state to regulate the organization or internal affairs of such out-of-state state bank or extranational institution. [1997 c.631 s.285]

713.290 Requirements for deposits at office of extranational institution. An extranational institution shall not accept deposits at any office in this state in an amount less than $100,000, unless the insurable deposits of that office are insured by the Federal Deposit Insurance Corporation or no such insurance is required under the Federal Deposit Insurance Act and the regulations of the Federal Deposit Insurance Corporation thereunder. [1997 c.631 s.289]

713.300 Activities of out-of-state bank, extranational institution or foreign association that do not constitute transacting business in this state; filing statement with director; fee. (1) For purposes of this section, “foreign association” means a foreign association as defined in ORS 722.004 or a federal association as defined in ORS 722.004, the home state of which is a state other than Oregon.

(2) Subject to subsection (3) of this section, any out-of-state bank, extranational institution or foreign association, without being authorized to transact banking business or savings and loan business in this state, may take, acquire, hold and enforce notes secured by mortgages or trust deeds and make commitments to purchase such notes. The out-of-state bank, extranational institution or foreign association may foreclose the mortgages or trust deeds in the courts of this state, acquire the mortgaged property, hold, own and operate the property for a period not exceeding five years and dispose of the property. The activities authorized under this subsection by an out-of-state bank, extranational institution or foreign association shall not constitute transacting business in this state for the purposes of ORS chapter 60.

(3) Before an out-of-state bank, extranational institution or foreign association engages in any of the activities described in subsection (2) of this section, the bank, institution or association shall first file with the Department of Consumer and Business Services a statement signed by its president, secretary, treasurer or general manager indicating that the bank, institution or association designates the Director of the Department of Consumer and Business Services its attorney for service of process. The out-of-state bank, extranational institution or foreign association shall pay an initial filing fee of $200 and an annual fee of $200. The statement shall include the address of the principal place of business of the out-of-state bank, extranational institution or foreign association.

(4) The Director of the Department of Consumer and Business Services, upon receiving service of process as authorized by subsection (3) of this section, immediately shall forward all documents served upon the director to the

principal place of business of the out-of-state bank, extranational institution or foreign association.

(5) The filing requirements of subsection (3) of this section do not apply to an out-of-state bank or extranational institution that has obtained a certificate of authority to transact banking business in this state under ORS 713.020, or to a foreign association that has obtained a certificate of authority to transact savings and loan business in this state under ORS 722.502. Notwithstanding subsection (3) of this section, such an out-of-state bank, extranational institution or foreign association may take, acquire, hold and enforce notes secured by mortgages or trust deeds, make commitments to purchase such notes and participate with other lenders authorized to do business in this state in the making of loans for which such notes are executed and delivered.

(6) An out-of-state bank, extranational institution or foreign association that indirectly engages in the activities described in subsection (2) of this section because of its beneficial interest in a pool of notes secured by mortgages or trust deeds need not comply with subsection (3) of this section. [1999 c.30 s.4]

713.990 Civil penalties. The Director of the Department of Consumer and Business Services may impose on any person violating any provision of this chapter a civil penalty of up to $1,000 for each day during which the offense continues. The penalty shall be assessed and collected in the manner prescribed in ORS 706.570 (2). [1997 c.631 s.308]