

CHAPTER 13
BANK HOLDING COMPANIES

Authority

N.J.S.A. 17:1-8, 8.1 and 15(e); 17:9A-8.1 et seq.;
17:9A-382 et seq.; and 17:12B-292 et seq.

Source and Effective Date

R.2007 d.381, effective November 14, 2007.
See: 39 N.J.R. 2679(a), 39 N.J.R. 5210(a).

Chapter Expiration Date

Chapter 13, Bank Holding Companies, expires on November 14, 2012.

Chapter Historical Note

Chapter 13, Bank Holding Companies, was adopted as Subchapter 1, Bank Holding Company Applications; Subchapter 2, Bank Holding Company Reporting; and Subchapter 3, Bank Holding Company Examinations by R.1986 d.459, and R.1986 d.458, respectively, effective November 17, 1986. See: 18 N.J.R. 1434(a), 18 N.J.R. 1763(a), 18 N.J.R. 2324(a), 18 N.J.R. 2325(a).

Subchapter 4, Determination of Eligibility of Proposed Interstate Acquisition, was adopted as R.1986 d.475, effective December 15, 1986. See: 18 N.J.R. 1982(a), 18 N.J.R. 2441(a), 19 N.J.R. 289(a).

Pursuant to Executive Order No. 66(1978), Chapter 13, Bank Holding Companies, expired on November 17, 1991.

Chapter 13, Bank Holding Companies, was adopted as R.1992 d.40, effective January 21, 1992. See: 23 N.J.R. 2904(a), 24 N.J.R. 229(a).

Subchapter, 5, Mutual Savings Bank Holding Companies, was adopted as new rules by R.1994 d.373, effective July 18, 1994. See: 26 N.J.R. 1213(a), 26 N.J.R. 2892(b).

Subchapter 4, Determination of Eligibility of Proposed Interstate Acquisition, was repealed by R.1996 d.483, effective October 7, 1996. See: 28 N.J.R. 2661(a), 28 N.J.R. 4417(b).

Pursuant to Executive Order No. 66(1978), Chapter 13, Bank Holding Companies, was readopted as R.1997 d.70, effective January 21, 1997. See: 28 N.J.R. 4831 (a), 29 N.J.R. 547(a).

Chapter 13, Bank Holding Companies, was readopted as R.2002 d.244, effective July 3, 2002. See: 34 N.J.R. 815(a), 34 N.J.R. 2781(a).

Chapter 13, Bank Holding Companies, was readopted as R.2007 d.381, effective November 14, 2007. See: Source and Effective Date. See, also, section annotations.

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SUBCHAPTER 1. BANK HOLDING COMPANY APPLICATIONS

3:13-1.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

“Affiliate” means any company that controls, is controlled by, or is under common control with another company.

“Bank” shall have the same definition as provided in section 2 of the Federal “Bank Holding Company Act of 1956,” 12 U.S.C. § 1841.

“Bank holding company” has the meaning set forth in subsection (a) of section 2 of the Federal “Bank Holding Company Act of 1956,” 12 U.S.C. § 1841(a) and, unless the context requires otherwise, includes a New Jersey bank holding company, an out-of-State bank holding company and a foreign bank holding company.

“Bank supervisory agency” means any of the following:

1. The Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and any successor to these agencies; and

2. Any agency of another state with primary responsibility for chartering and supervising banks.

“Branch” means an office, unit, station, facility, terminal, space or receptacle at a fixed location other than a principal office, however designated, at which any business that may be conducted in a principal office of a bank or savings bank may be transacted. “Branch office” includes full branch offices, minibranch offices and communication terminal branch offices.

“Commissioner” means the Commissioner of the New Jersey Department of Banking and Insurance.

"Company" has the meaning set forth in section 2 of the Federal "Bank Holding Company Act of 1956," 12 U.S.C. § 1841.

"Control" of a bank or bank holding company means control as defined in paragraph (2) of subsection (a) of the Bank Holding Company Act of 1956, 12 U.S.C. § 1841(a)(2).

"Foreign bank holding company" means a bank holding company that is organized under the laws of a country other than the United States, including any territory or possession thereof.

"Department" means the New Jersey Department of Banking and Insurance.

"Internal reorganization" means the repositioning of a bank or bank holding company within an affiliated family of entities under common control with no change of the ultimate control.

"New Jersey bank" means a bank that is:

1. Organized under New Jersey law, N.J.S.A. 17:9A-1 et seq.; or
2. Organized under Federal law and having its principal place of business in this State.

"New Jersey bank holding company" means a bank holding company that:

1. Has its principal place of business in this State; and
2. Is not controlled by a bank holding company other than a New Jersey bank holding company.

"Out-of-State bank holding company" means:

1. A bank holding company that is not a New Jersey bank holding company; and
2. Unless the context requires otherwise, includes a foreign bank holding company.

"Person" includes individuals, corporations, associations, societies, firms, partnerships, joint stock companies, trusts and any other group of persons, however organized.

"Subsidiary" shall have the meaning set forth in section 2 of the Federal "Bank Holding Company Act of 1956," 12 U.S.C. § 1841.

"United States" means the United States and includes any of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, and the Virgin Islands.

Recodified from 3:13-1.2 and amended by R.1996 d.483, effective October 7, 1996.

See: 28 N.J.R. 2661(a), 28 N.J.R. 4417(b).

Former section, "Scope and purpose", repealed.

Amended by R.1997 d.70, effective February 18, 1997.

See: 28 N.J.R. 4831(a), 29 N.J.R. 547(a).

Added "Department"; and amended "Branch" and "Commissioner".

Amended by R.2003 d.53, effective February 3, 2003.

See: 34 N.J.R. 3152(a), 35 N.J.R. 607(a).

Added "Internal reorganization".

3:13-1.2 Application

(a) An application, except as provided in (e) below, to acquire a New Jersey bank or New Jersey bank holding company shall contain the following information on a form provided by the Department:

1. The name and location of the person proposing to acquire the New Jersey bank or New Jersey bank holding company;
2. The name and location of the New Jersey bank or New Jersey bank holding company;
3. Certified copies of:
 - i. The board resolution of the person authorizing the proposed acquisition of the New Jersey bank or New Jersey bank holding company; and
 - ii. The board resolution of the New Jersey bank or New Jersey bank holding company being acquired approving the proposed acquisition, when such approval has been adopted;
4. A list of any New Jersey banks affiliated with the applicant;
5. If an out-of-State bank holding company, proof that the applicant has complied with or is exempted from the requirements of N.J.S.A. 14A:13-3 and 4 requiring registration by foreign corporations doing business in this State; and
6. An application fee of \$1,000 if the requester is not subject to assessment pursuant to N.J.A.C. 3:5 but no fee shall be charged if the requester is subject to assessment.

(b) Upon receipt of a completed application, the Department shall send notice to the applicant, shall post the notice on the Department's website at www.njdoib.org and shall send notice to the New Jersey Bankers Association, the New Jersey League of Community Bankers, and/or their successor organizations, if any, for publication in their weekly bulletins.

(c) The applicant shall publish notice of the application in a newspaper of general circulation which is published and circulated in the municipality in which the principal place of business is located.

(d) The notices required by (b) and (c) above shall contain the following:

1. The name and mailing address of the applicant;
2. A brief statement of the nature of the application;
3. The name and address of the New Jersey Bank or New Jersey Bank Holding Company to be acquired; and
4. The date the Department accepted the application.

(e) An application involving only an internal reorganization shall be required to contain only the information listed in (a)1 and 2 above. The application may be submitted in letter