

## 2016 Kansas Statutes

**9-519. Bank holding companies; definitions.** For the purposes of K.S.A. 9-520 through 9-524, and amendments thereto, and K.S.A. 9-532 through 9-541, and amendments thereto, unless otherwise required by the context:

- (a) "Bank" means an insured bank as defined in 12 U.S.C. § 1813(h) except the term shall not include a national bank that: (1) Engages only in credit card operations;
- (2) does not accept demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties or others;
- (3) does not accept any savings or time deposits of less than \$100,000;
- (4) maintains only one office that accepts deposits; and
- (5) does not engage in the business of making commercial loans.
- (b)(1) "Bank holding company" means any company that:
  - (A) Directly or indirectly owns, controls, or has power to vote 25% or more of any class of the voting shares of a bank or 25% or more of any class of the voting shares of a company that is or becomes a bank holding company by virtue of this act;
  - (B) controls in any manner the election of a majority of the directors of a bank or of a company that is or becomes a bank holding company by virtue of this act;
  - (C) the commissioner determines, after notice and opportunity for a hearing, directly or indirectly exercises a controlling influence over the management or policies of the bank or company.
- (2) Notwithstanding paragraph (1), no company:
  - (A) Shall be deemed to be a bank holding company by virtue of the company's ownership or control of shares acquired by the company in connection with such company's underwriting of securities if such shares are held only for such period of time as will permit the sale thereof on a reasonable basis;
  - (B) formed for the sole purpose of participating in a proxy solicitation shall be deemed to be a bank holding company by virtue of the company's control of voting rights of shares acquired in the course of such solicitation;
  - (C) shall be deemed to be a bank holding company by virtue of the company's ownership or control of shares acquired in securing or collecting a debt previously contracted in good faith, provided such shares are disposed of within a period of two years from the date on which such shares could have been disposed of by such company; or
  - (D) owning or controlling voting shares of a bank shall be deemed to be a bank holding company by virtue of the company's ownership or control of shares held in a fiduciary capacity except where such shares are held for the benefit of such company or the company's shareholders.
- (c) "Company" means any corporation, limited liability company, trust, partnership, association or similar organization including a bank, but shall not include any corporation the majority of the shares of which are owned by the United States or by any state or include any individual, partnership or qualified family partnership upon the determination by the commissioner that a general or limited partnership qualifies under the definition in 12 U.S.C. § 1841(o)(10).
- (d) "Foreign bank" means any company organized under the laws of a foreign country, a territory of the United States, Puerto Rico, Guam, American Samoa or the Virgin Islands or any subsidiary or affiliate organized under such laws, which engages in the business of banking.
- (e) "Kansas bank" means any bank, as defined by subsection (a), that, in the case of a state chartered bank, is a bank chartered under the authority of the state of Kansas, and in the case of a national banking association, a bank with its charter location in Kansas.
- (f) "Kansas bank holding company" means a bank holding company, as defined by subsection (b), with total subsidiary bank deposits in Kansas that exceed the bank holding company's subsidiary bank deposits in any other state.
- (g) "Out-of-state bank holding company" means any holding company that is not a Kansas bank holding company as defined in subsection (f).
- (h) "Subsidiary" means, with respect to a specified bank holding company:
  - (1) Any company with more than 5% of the voting shares, excluding shares owned by the United States or by any company wholly owned by the United States, that are directly or indirectly owned or controlled by, or held with power to vote, such bank holding company; or
  - (2) any company, the election of a majority of the directors of which, is controlled in any manner by such bank holding company.

**History:** L. 1985, ch. 55, § 2; L. 1991, ch. 45, § 1; L. 1991, ch. 46, § 1; L. 1995, ch. 79, § 1; L. 1996, ch. 175, § 17; L. 2015, ch. 38, § 14; L. 2016, ch. 54, § 1; July 1.