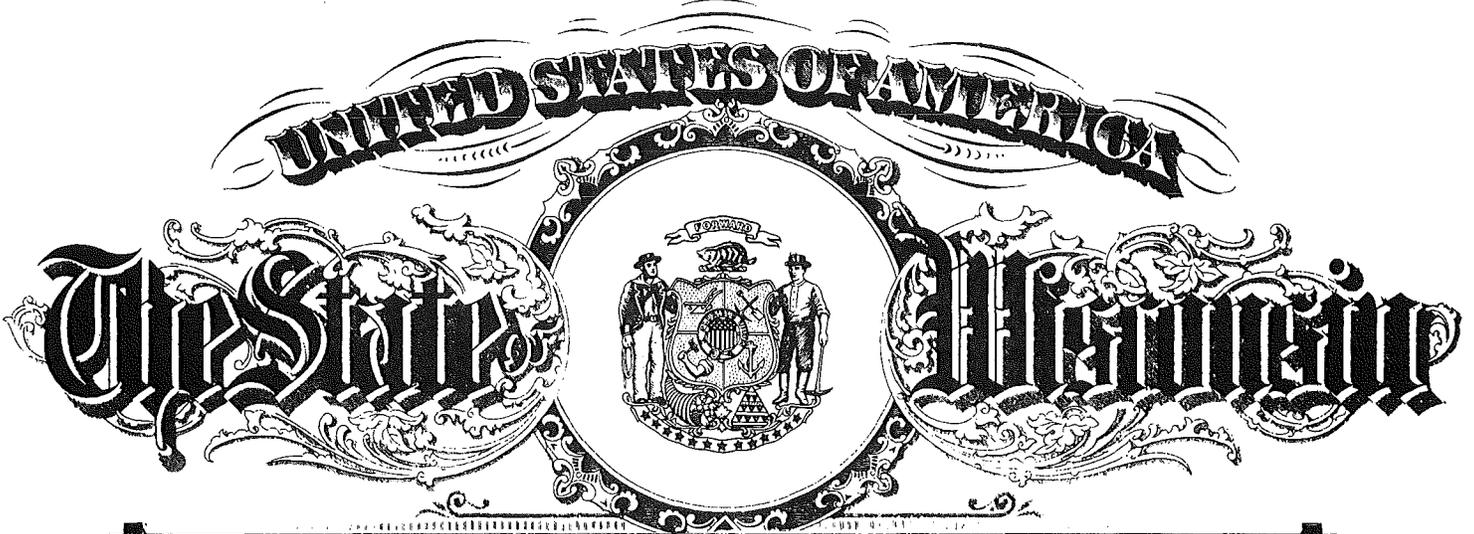


CR 87-64



OFFICE OF COMMISSIONER OF BANKING

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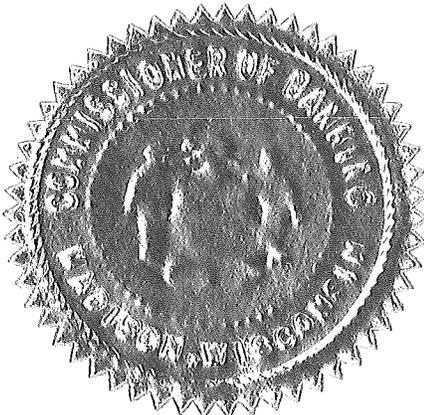
TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

OCT 27 1987
 4:10 pm
 Revisor of Statutes
 Bureau

I, Richard E. Galecki, Commissioner of Banking and custodian of the official records of said office, do hereby certify that the annexed rule relating to bank operations through subsidiaries was duly approved and adopted by this office on the 26th of October, 1987.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the department at the Office of the Commissioner of Banking in the City of Madison this 26th day of October, A.D. 1987.



Richard E. Galecki
 Commissioner of Banking

ORDER OF THE OFFICE OF COMMISSIONER OF BANKING

AMENDING RULES

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Relating to bank operations through subsidiaries.

Analysis Prepared by the Office of Commissioner of Banking.

The Wisconsin Office of Commissioner of Banking amends Bkg 3.04(1) interpreting s. 220.04(8), Stats. The agency's authority to amend the rule is found in ss. 220.02(2), 220.04(8) and 227.11(2)(a), 227.16(2)(a), Stats.

1. § 227.116(1), Stats., establishes a review time requirement for each proposed rule which requires a business to obtain a permit, as defined in s. 560.41(2), Stats.

2. s. Bkg 3.04 permits bank operations through subsidiaries with prior approval of the Commissioner of Banking but sets no specific time limits for the process of receiving the application. The amendment creates a 30 day time period within which the Commissioner can take action to approve or reject the submission of a proposed activity.

PARITY WITH NATIONAL BANKS

SECTION 1. Bkg 3.04(1) is amended to read:

BKG 3.04 OPERATIONS THROUGH SUBSIDIARIES. (1) GENERAL RULE. With the prior approval of the commissioner, a bank may engage in activities which

are a part of the business of banking or incidental to the business of banking by means of an operating subsidiary corporation. In order to qualify as an operating subsidiary hereunder, at least 80% of the voting stock of the subsidiary must be owned by the parent bank. No bank may commence any such activity unless the type, place and manner in which the activity is conducted has been approved by the commissioner in writing or the commissioner does not take written objection to the bank's completed application within 30 business days after it has been filed under this section.

The Amendment of this rule will have no effect on small businesses as defined in x. 227.114(1)(a), Stats.

The amended rule contained in this proposed order shall take effect as provided in s. 227.22(2)(Intro), Stats.

State of Wisconsin
Office of Commissioner of Banking

123 West Washington Avenue
Madison, Wisconsin 53707

Mailing Address
P.O. Box 7876
Madison, Wisconsin 53707-7876

(608) 266-1621
October 26, 1987

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OCT 27 1987

Revisor of Statutes
Bureau

Tommy G. Thompson
Governor

Richard E. Galecki
Commissioner

Mr. Gary Poulson
Assistant Revisor of Statutes
7th. Floor
30 W. Mifflin
Madison WI 53703

Re: Clearing House Rule 87-64

Dear Mr. Poulson:

Attached please find a certified copy and one additional copy of this rule for publication in the Administrative Code. The rule was submitted to the Senate and Assembly in final draft form on September 15, 1987. It was waived from the Senate Committee on Aging, Banking, Commercial Credit and Taxation and the Assembly Committee on Financial Institutions and Insurance. Neither Committee took action on the proposed rule.

Sincerely,



John W. Torgerson
Deputy Commissioner

JWT:LMS:nap
Enclosure