



**REDLINE DRAFT**  
**SAVINGS BANK RULE REVIEW (MAY 2026)**

**TITLE 7 BANKING AND SECURITIES**

**PART 4 DEPARTMENT OF SAVINGS AND MORTGAGE LENDING**

**CHAPTER 75 SAVINGS BANKS**

**SUBCHAPTER A GENERAL PROVISIONS**

SECTION	REDLINE
75.1	<p>Purpose and Applicability.</p> <p>This chapter governs the chartering, administration, and operations of <del>a</del> Texas-chartered savings banks, including the affiliates and third-party service providers of a savings bank <del>and the registration of savings bank holding companies</del> under Finance Code Title 3, Subtitle C, the Texas Savings Bank Act (Finance Code §91.001 <del>et seq.</del>).</p>
75.2	<p>Definitions.</p> <p>As used in this chapter, and in <del>SML's the Commissioner's</del> administration and enforcement of Finance Code Title 3, Subtitle C, the following <del>definitions apply words and terms are assigned the following meanings</del>, unless the context clearly indicates otherwise.</p> <p>(1) - (2) <del>(No change.)</del></p> <p>(3) Application--An application requesting authorization or other relief from the Commissioner pursuant to this chapter or under the Texas Savings Bank Act for which a filing fee is required under §75.102 of this <del>title section</del> (relating to Application Fees and Charges).</p>

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	<p>(4) - (6) (No change.)</p> <p><u>(7) Call report--The federal Consolidated Report of Condition and Income required to be filed under 12 U.S.C. §1817 (12 U.S.C. §324 in the case of a savings bank that is a member of the Federal Reserve System).</u></p> <p><u>(8) (7)</u> Capital stock--Has the meaning assigned by the Texas Savings Bank Act (Tex. Fin. Code §91.002).</p> <p><u>(9) (8)</u> Capital stock savings bank--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002).</p> <p><u>(10) (9)</u> Certificate of formation--The document evidencing the formation of the business entity, referred to in other governmental jurisdictions as the articles of incorporation, certificate of incorporation, or articles of organization, as applicable.</p> <p><u>(11) (10)</u> Commissioner--The savings and mortgage lending commissioner appointed under Finance Code Chapter 13.</p> <p><u>(12) (11)</u> Company--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002).</p> <p><u>(13) (12)</u> Control--The power to exercise, directly or indirectly, a controlling influence over the management or policies of a company. Control is deemed to exist when a person, directly or indirectly, or acting through or in concert with one or more persons:</p> <p style="padding-left: 40px;">(A) - (C) (No change.)</p> <p><u>(14) (13)</u> Controlling person--A person having control as defined by paragraph (12) of this section.</p> <p><u>(15) (14)</u> Day--A calendar day, unless another method of counting days is specified.</p> <p><u>(16) (15)</u> Deposit account--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002).</p> <p><u>(17) (16)</u> Deposit liability--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002).</p> <p><u>(18) Federal banking agency--The federal banking agency that regulates a savings bank or its holding company at the federal level (FDIC or Federal Reserve).</u></p> <p><u>(19) Federal Reserve--The Federal Reserve Bank that regulates a savings bank or its holding company.</u></p> <p><u>(20) (17)</u> FDIC--The Federal Deposit Insurance Corporation, including any successor.</p>

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	<p><u>(21)</u> <del>(18)</del> Finance Commission--The Finance Commission of Texas, the oversight body responsible for overseeing and coordinating <u>SML</u> <del>the Department</del> under Finance Code Chapter 11.</p> <p><u>(22)</u> <del>(19)</del> Financial institution--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002).</p> <p><u>(23)</u> <del>(20)</del> GAAP--Generally Accepted Accounting Principles.</p> <p><u>(24)</u> <del>(21)</del> Holding company affiliate--A company of which a savings bank is a subsidiary and any other subsidiary of such company other than a subsidiary of the savings bank.</p> <p><u>(25)</u> <del>(22)</del> Home office--The office where a savings bank has its headquarters and from which <del>all of</del> its operations are directed. <u>Also known as the "main office."</u></p> <p><u>(26)</u> <del>(23)</del> Immediate family--The spouse of an individual, the individual's minor children, and any of the individual's children (including adults) residing in the individual's home.</p> <p><u>(27)</u> <del>(24)</del> Issuer--The savings bank that issued the security in question.</p> <p><u>(28)</u> <del>(25)</del> Limited savings bank--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002).</p> <p><u>(29)</u> <del>(26)</del> Managing officer--An individual designated by the board as being responsible for, and having the authority to direct, the day-to-day operations of the savings bank. <del>The managing officer must have sufficient banking experience, ability, standing, competence, trustworthiness, and integrity to justify a belief that, under the management and supervision of the managing officer, the savings bank will operate in compliance with applicable law and that success of the savings bank is probable.</del></p> <p><u>(30)</u> <del>(27)</del> Member--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002).</p> <p><u>(31)</u> <del>(28)</del> Mutual savings bank--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002).</p> <p><u>(32)</u> <del>(29)</del> Officer--The <u>chief executive officer</u>, president, any vice president (but not an assistant vice president, second president, or other vice president having authority similar to an assistant or second vice president), <u>chief operating officer</u>, <u>chief financial officer</u>, <u>chief information officer</u>, <u>chief technology officer</u>, <u>chief compliance officer</u>, <u>chief data officer</u>, <del>the</del> secretary, <del>the</del> treasurer, <del>the</del> comptroller, and any other person performing similar functions with respect to any entity or organization, whether incorporated or unincorporated. The term "<del>officer</del>" includes the chairman of the board, if the savings bank's certificate of formation or bylaws authorize the chairman to participate in the operating management of the entity or organization, or if the chairman actually participates in such management.</p>

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	<p><u>(33)</u> <del>(30)</del> Person--An individual, corporation, a partnership, an association, a joint stock company, a trust, an unincorporated organization, any similar entity, or any combination of the foregoing acting in concert.</p> <p><u>(34)</u> <del>(31)</del> Recourse-- A contract by a borrower or guarantor to repay 100% of all amounts due and owing under the loan.</p> <p><u>(35)</u> <del>(32)</del> Savings bank--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002).</p> <p><u>(36)</u> <del>(33)</del> Shareholder--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002).</p> <p><u>(37)</u> <del>SML--The Department of Savings and Mortgage Lending.</del></p> <p><u>(38)</u> <del>(34)</del> Subsidiary-- Any company that is controlled by the savings bank or by a company that is controlled by a company which is controlled, directly or indirectly, by the savings bank.</p> <p><u>(39)</u> <del>(35)</del> Surplus--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002).</p> <p><u>(40)</u> <del>(36)</del> Texas Savings Bank Act--Finance Code Title 3, Subtitle C (Finance Code §91.001 <i>et seq.</i>).</p> <p><u>(41)</u> <del>Unimpaired capital and surplus--A savings bank's core capital equal to its Tier 1 capital calculated under 12 C.F.R. part 324 (12 C.F.R. part 217 in the case of a savings bank that is a member of the Federal Reserve System), as reported on the savings bank's most recent call report.</del></p> <p><u>(42)</u> <del>(37)</del> Unsafe <u>or</u> <del>and</del> unsound <u>practice</u>--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002), <u>in defining "unsafe and unsound practice"</u> and includes excessive operating expenses, excessive growth, high-risk or undiversified investment positions, and non-existent or poorly followed lending or underwriting policies, procedures, or guidelines.</p> <p><u>(43)</u> <del>(38)</del> Voting security--Includes any security convertible into or evidencing a right to acquire a voting security.</p> <p><u>(44)</u> <del>(39)</del> Withdrawal value--Has the meaning assigned by the Texas Savings Bank Act (Finance Code §91.002) in defining "withdrawal value of deposit account."</p>

## SUBCHAPTER B APPLICATIONS

### DIVISION 1 GENERAL PROVISIONS

SECTION	REDLINE
75.101	<p>Application Filing Requirements.</p> <p>(a) Purpose <del>and Applicability.</del> <u>This division establishes procedural and other requirements for applications filed with SML Applications submitted to the Department must comply with the requirements of this section.</u></p> <p>(b) Application Forms. All applications must be made on the current form for the application prescribed by <u>SML</u> <del>the Commissioner.</del></p> <p>(c) Incomplete Filings; Notice of Acceptance; Deemed Withdrawal. An application is complete only if all required information and supporting documentation is included and all required fees are received. Within 30 days of receipt of an application <u>SML</u> <del>the Commissioner or the Commissioner's designee</del> will issue a written notice to the applicant informing them either that the application is complete and accepted for filing, or that the application is incomplete and specifying the information required to render the application complete. The application may be deemed withdrawn and the applicable fee forfeited if, within 30 days of being notified the application was incomplete, the applicant fails to provide <del>to the Department</del> the supplemental information or supporting documentation <u>necessary</u> to render the application complete.</p> <p>(d) Duty to Supplement. The applicant <del>must has a continuing obligation and duty to</del> supplement the application with any other information or supporting documentation requested by <u>SML</u> <del>the Commissioner</del> in writing. The applicant must provide any information or supporting documentation submitted in connection with any related application made to the <u>appropriate</u> federal <u>banking</u> agency, to the extent not previously provided to <u>SML</u> <del>the Department</del>.</p> <p>(e) Duty to Amend. If a material change occurs in the <del>facts contained in or</del> information <u>provided</u> <del>furnished</del> in support of the application, the applicant must <del>file an amended application or otherwise</del> supplement the application to address the material change. The applicant must endeavor to resolve any potential changes or amendments to the application prior to publishing public notice of the application as provided by §75.103 of this title (relating to Public Notice of Application). The Commissioner may, in his or her sole discretion, require the applicant to republish the public notice.</p>
75.102	<p>Application Fees and Charges.</p> <p>(a) Filing Fees. An applicant must pay the following filing fees, unless an expedited filing fee applies (see subsection (b) of this section):</p> <ul style="list-style-type: none"> <li>(1) <u>(No change.)</u></li> <li>(2) Office Locations. <ul style="list-style-type: none"> <li>(A) Branch office <del>(other than a mobile facility)</del>: \$1,500.</li> </ul> </li> </ul>

SECTION	REDLINE
	<p>(B) Mobile facility: \$500, plus \$100 for each <u>community location</u> where the mobile facility <u>will operate</u> <del>is to be conducting banking business for purposes of §75.132 of this title (relating to Mobile Facility).</del></p> <p>(C) Relocate home or <u>additional branch</u> office: \$500.</p> <p>(3) - (6) (No change.)</p> <p>(7) Investment in subsidiaries.</p> <p>(A) - (D) (No change.)</p> <p>(E) Relocate home or <u>additional branch</u> office: \$100.</p> <p>(b) Filing Fees for Expedited Applications. An applicant qualifying for expedited treatment <u>under</u> <del>for purposes of</del> §75.152 of this <u>title chapter</u> (relating to Expedited Applications) must pay the following filing fees in lieu of the filing fee required by subsection (a) of this section:</p> <p>(1) - (2) (No change.)</p> <p>(3) Relocate home or additional office <del>location</del>: \$250.</p> <p>(4) - (5) (No change.)</p> <p>(c) Reimbursement for Costs. In addition to filing fees established in subsections (a) and (b) of this section, the applicant must reimburse <u>SML</u> <del>the Department</del> for any costs incurred in connection with investigating or conducting a hearing on the application, including travel expenses.</p> <p>(d) - (e) (No change.)</p>
75.108	<p><u>Federal Only Applications.</u></p> <p><u>If a savings bank or its holding company is required to file an application with a federal banking agency but is not required to file a similar application with SML, the savings bank must notify the Commissioner of the application and provide:</u></p> <p>(1) <u>a written statement of the purpose for the application;</u></p> <p>(2) <u>a true and correct copy of the application filed with the federal banking agency; and</u></p>

SECTION	REDLINE
	<u>(3) all supporting information provided to the federal banking agency in connection with the application.</u>

## DIVISION 2 CHARTER APPLICATIONS AND AMENDMENTS

SECTION	REDLINE
75.121	<p>Savings Bank Charter.</p> <p>(a) <del>(No change.)</del></p> <p>(b) Identification of Home Office; Definition of Community; Temporary Office Location. The proposed location for the home office must be specifically identified so as to exactly locate it within the community to be served. The term "community" as used in the Finance Code §92.058 means the geographical area surrounding the proposed location of the home office within which persons would be reasonably anticipated to patronize the proposed office in the ordinary course of their business. The Commissioner may approve the opening and operation of a temporary home office location for an approved charter, provided that such office is within <u>a one mile</u> <del>the 1/2-mile</del> radius of the permanent home office approved in the charter. If a temporary home office location is approved, the savings bank must promptly cease operations at such office upon the permanent home office being constructed or rendered fit for occupancy, but in any event no later than 18 months from the date the charter was approved, unless extended in writing by the Commissioner.</p> <p><u>(c) Managing Officer. The proposed managing officer(s) must have sufficient banking experience, ability, standing, competence, trustworthiness, and integrity to justify a reasonable belief that, under the management and supervision of the managing officer(s), the savings bank will operate in applicable law and that success of the savings bank is probable.</u></p> <p><del>(d)</del> <u>(e)</u> Capital Requirements. No application to incorporate a savings bank will be approved unless the Commissioner determines the proposed savings bank has received subscriptions for capital stock and paid-in surplus in the case of a capital stock savings bank, or pledges for savings liability and expense fund in the case of a mutual savings bank, in an amount not less than the greater of the amount required to obtain insurance of deposit accounts by the FDIC or the amount required of a national bank. No savings bank with an approved charter may open or do business as a savings bank until the Commissioner certifies that the Commissioner has received satisfactory proof that the amounts of capital stock and additional paid-in capital, or the savings liability and expense fund, as set forth in this section, have been received by the savings bank in cash, free of encumbrance.</p> <p><del>(e)</del> <u>(d)</u> Public Notice. A charter application is deemed to be a complete application for purposes of Finance Code §92.057 at the time <u>SML the Department</u> notifies the applicant that the application is complete and has been accepted for filing as provided by §75.101 of this title (relating to Application Filing Requirements). Upon receipt of such notice, the proposed incorporators must publish a public notice of the charter application as provided by §75.103 of this title (relating to Public Notice of Application),</p>

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	<p>which must be published in the county where the proposed savings bank will have its home office. Such notice, when properly effected, is deemed to be the Commissioner's public notice of the application for purposes of Finance Code §92.057.</p> <p><del>(f)</del> <del>(e)</del> Request for Hearing; Deadline to Protest. A person may protest or otherwise request a hearing on the application as provided by Finance Code §92.057. Any person desiring to protest the application or otherwise requesting a hearing on the application must file a written protest with <del>SML the Department</del> within 10 days from the date the public notice was made as provided by subsection (d) of this section, otherwise, any right or opportunity to protest or have a hearing on the application under Finance Code §92.057 is deemed waived.</p> <p><del>(g)</del> <del>(f)</del> Hearing. If a charter application is protested or a hearing on the application is otherwise requested, the Commissioner will set a hearing on the application within 60 days after the date the protest or request for hearing and the required fee are received. The hearing is governed by the procedural requirements concerning contested cases set forth in Chapter 9 of this title (relating to Rules of Procedure for Contested Case Hearings, Appeals, and Rulemakings).</p> <p><del>(h)</del> <del>(g)</del> Time of Decision. To the extent a hearing on the charter application is required, the Commissioner will render a decision within 30 days after the date the hearings officer issues his or her proposal for decision and the applicable time period for filing exceptions to the proposal for decision and replies to such exceptions has lapsed without the hearings officer amending the proposal for decision. Only then will the hearing be deemed to have ended for purposes of Finance Code §92.058. If a hearing on the charter application is not required, the Commissioner will render a decision within 30 days after the time period for protesting or requesting a hearing on the application lapsed as provided by Finance Code §92.057.</p>
75.122	<p>Change of Name; <del>Assumed Names</del>.</p> <p>(a) Approval Required. A savings bank may not change its name without <del>first filing an application and obtaining</del> the prior written approval of the Commissioner, and a savings bank may not <del>do business operate</del> under any name which has not been approved by the Commissioner <del>in writing</del>.</p> <p>(b) Public Notice. <del>The An</del> applicant <del>seeking to change its name</del> must publish a public notice of the application as provided by §75.103 of this title (relating to Public Notice of Application), which must be published in the county where the savings bank has its home office.</p> <p>(c) Request for Hearing; Deadline to Protest. A person affected by the proposed name change may protest or otherwise request a hearing on the change of name application as provided by Finance Code §92.063. Any person affected by the proposed name change and desiring to protest the application or otherwise requesting a hearing on the application must file a written protest with <del>SML the Department</del> within 10 days from the date the public notice was made as provided by subsection (b) of this section, otherwise, any right or opportunity to protest or have a hearing on the application under Finance Code §92.063 is deemed waived.</p>

SECTION	REDLINE
	<p>(d) - (f) (No change.)</p> <p><u>(g) Assumed Names. A savings bank seeking to do business under an assumed name must file an Assumed Name Certificate with the Texas Secretary of State and provide SML with a file-stamped copy. An assumed name is deemed approved by the Commissioner on receipt of the file-stamped certificate. A savings bank must register the assumed name and obtain similar approval in any other state or territory where the savings bank does business with the assumed name and provide evidence of such to the Commissioner.</u></p>
75.123	<p>Certificate of Formation or Bylaws Amendments.</p> <p>(a) Approval Required. A savings bank may not amend its certificate of formation, bylaws, or other governing documents without <u>first filing an application and obtaining</u> the prior written approval of the Commissioner.</p> <p>(b) Application Requirements. The application to amend the savings bank's certificate of formation, or bylaws must include the proposed amendments together with an explanation as to why the amendments are necessary.</p>

### DIVISION 3 OFFICE LOCATIONS

SECTION	REDLINE
75.131	<p><u>Additional Office</u> (Branch Office <u>and Mobile Facility</u>).</p> <p>(a) Approval Required. A savings bank may not establish <del>a branch office or</del> an additional office as provided by §75.202 of this title (relating to Types of Additional Offices) without <u>first filing an application and obtaining the</u> prior written approval of the Commissioner. <del>The application must include: A branch office application is required if a state savings bank would like to establish and operate a courier/messenger service pursuant to §75.202 of this title (relating to Types of Additional Offices).</del></p> <p><u>(1) a statement of intent to establish the office;</u></p> <p><u>(2) the exact location of the proposed site including street address. (For a mobile facility, specify the communities in which the vehicle will operate and the manner in which it will be used);</u></p> <p><u>(3) a summary of the due diligence performed to determine the utility and viability of the office; and</u></p> <p><u>(4) any other information deemed appropriate by the Commissioner.</u></p>

SECTION	REDLINE
	<p><del>(b) Required Information. The application must provide the following information, subscribed to and sworn before a notary:</del></p> <ul style="list-style-type: none"> <li><del>(1) proposed location for the office;</del></li> <li><del>(2) the personnel and office facilities to be provided;</del></li> <li><del>(3) the estimated cost and projected profits of such office; and</del></li> <li><del>(4) any information deemed necessary by the Commissioner to render a determination on the matters set forth in subsection (c) of this section.</del></li> </ul> <p><del>(c) Determination by Commissioner. The Commissioner will not approve the application unless the Commissioner determines that:</del></p> <ul style="list-style-type: none"> <li><del>(1) the operation and condition of the savings bank affords no basis for supervisory objection;</del></li> <li><del>(2) the character, responsibility and general fitness of the current management of the savings bank warrant a belief that the branch office will be operated in accordance with the Texas Savings Bank Act; and</del></li> <li><del>(3) the financial effect of establishing and operating the proposed office will not adversely affect the safe and sound operation of the savings bank.</del></li> </ul> <p><del>(d) Commencement of Operations. The branch office must commence operations within a period of 12 months after the date of approval unless the Commissioner grants a written extension. No more than one 12-month extension will be approved by the Commissioner, unless good cause for such extension is shown. At the end of any approved extension, if the office has not been opened, the approval for such office is deemed revoked and a new application must be made.</del></p> <p><del>(e) Identification of Branch Office; Definition of Community. The proposed location for the branch office must be specifically identified so as to exactly locate it within the community to be served. The term "community" as used in Finance Code §92.060 means the geographical area surrounding the proposed location of the branch office within which persons would be reasonably anticipated to patronize the proposed office in the ordinary course of their business.</del></p> <p><del>(b) (f) Public Notice. <u>The An</u> applicant <del>seeking to establish a branch office</del> must publish a public notice of the application as provided by §75.103 of this title (relating to Public Notice of Application), which must be published <b>both</b> in the county where the proposed <b>branch</b> office <u>will is to</u> be located <del>and in the county where the savings bank has its home office.</del></del></p> <p><del>(c) (g) Request for Hearing; Deadline to Protest. A person affected by the proposed <b>branch</b> office may protest or otherwise request a hearing <b>on the branch office application</b> as provided by Finance Code §92.063. Any person affected by the proposed</del></p>

SECTION	REDLINE
	<p><del>establishment of a branch</del> office and desiring to protest the application or otherwise request a hearing on the application must file a written protest <del>with SML within the Department</del> within 10 days from the date the public notice was made as provided by subsection <del>(b) (f)</del> of this section, otherwise any right or opportunity to protest or have a hearing on the application under Finance Code §92.063 is deemed waived.</p> <p><u>(d) Persons Affected by an Additional Office. A person is affected by an additional office for purposes of Finance Code §92.063 only if the proposed office, if approved, would unduly harm an existing savings bank or federal savings bank doing business in the community where the proposed office will be located. A Person requesting a hearing must provide information in support of their request indicating they are a savings bank or federal savings bank that will be unduly harmed by the proposed additional office. The Commissioner will review the request for hearing and determine, in his or her sole discretion, if the person might be affected so as to require a hearing.</u></p> <p><del>(e) (h)</del> Hearing. If a hearing is required, the Commissioner will set a hearing on the application within 60 days after the date the protest or request for hearing and the required fee are received. The hearing is governed by the procedural requirements concerning contested cases set forth in Chapter 9 of this title (relating to Rules of Procedure for Contested Case Hearings, Appeals, and Rulemakings).</p> <p><del>(f) (i)</del> Time of Decision. To the extent a hearing on the application is required, the Commissioner will render a decision within 30 days after the date the hearings officer issues his or her proposal for decision and the applicable time period for filing exceptions to the proposal for decision and replies to such exceptions has lapsed without the hearings officer amending the proposal for decision. If a hearing on the application is not required, the Commissioner will render a decision within 30 days after the time period for protesting or requesting a hearing on the application lapsed as provided by subsection <del>(c) (g)</del> of this section.</p> <p><del>(g) (j)</del> Offices in Other States or Territories. To the extent permitted by the laws of the state or territory in question, and subject to the requirements of this chapter, a savings bank may establish <del>branch</del> offices in any state or territory of the United States. Each application for permission to establish such <del>a branch</del> office must comply with the requirements of this section, and must include a certified copy of an order from the appropriate banking agency approving the office or unit, or other evidence satisfactory to the Commissioner that all state or territorial regulatory requirements have been satisfied. The Commissioner will not approve the application unless the Commissioner determines that all requirements of this chapter applicable to the office have been met, and that all applicable requirements of the laws of the state or territory in question have been met.</p> <p><u>(h) Deadline to Open. The office must open for business within 24 months after the date of approval, unless the Commissioner grants an extension in writing. If the office fails to open for business within this period, approval for the office is deemed revoked.</u></p>
75.132	<del>Mobile Facility.</del>

SECTION	REDLINE
	<p data-bbox="275 207 2007 277"><del>(a) Approval Required. A savings bank may not establish a mobile facility as provided by §75.202 of this title (relating to Types of Additional Offices) without prior written approval of the Commissioner.</del></p> <p data-bbox="275 315 1919 350"><del>(b) Required Information. The application must provide the following information, subscribed to and sworn before a notary:</del></p> <ul data-bbox="323 388 1465 630" style="list-style-type: none"><li data-bbox="323 388 1465 423"><del>(1) the proposed location(s) at and times during which the mobile facility will operate;</del></li><li data-bbox="323 461 1079 496"><del>(2) the need for the mobile facility within the community;</del></li><li data-bbox="323 534 1079 570"><del>(3) the personnel and office facilities to be provided; and</del></li><li data-bbox="323 607 1079 643"><del>(4) the estimated expense to operate the mobile facility.</del></li></ul> <p data-bbox="275 680 1982 771"><del>(c) Determination by Commissioner. The Commissioner will not approve the application unless the Commissioner determines that all requirements for approval of a branch office (§75.131 of this title, relating to Branch Office) have been met. Additionally, the savings bank must show that adequate safeguards exist for the security of the mobile facility.</del></p> <p data-bbox="275 808 2007 912"><del>(d) Public Notice. An applicant seeking to establish a mobile facility must publish a public notice of the application as provided by §75.103 of this title (relating to Public Notice of Application), which must be published in the county or counties where the proposed mobile facility is to be operating and in the county where the savings bank has its home office.</del></p> <p data-bbox="275 950 2007 1157"><del>(e) Request for a Hearing; Deadline to Protest. A person affected by the proposed establishment of a mobile facility may protest or otherwise request a hearing on the mobile facility application, as provided by Finance Code §92.063. Any person affected by the proposed establishment of a mobile facility and desiring to protest the application or otherwise request a hearing on the application must file a written protest with the Department within 10 days from the date the public notice was made as provided by subsection (d) of this section, otherwise, any right or opportunity to protest or have a hearing on the application under Finance Code §92.063 is deemed waived.</del></p> <p data-bbox="275 1195 1919 1334"><del>(f) Hearing. If a hearing is required, the Commissioner will set a hearing on the application within 60 days after the date the protest or request for hearing and the required fee are received. The hearing is governed by the procedural requirements concerning contested cases set forth in Chapter 9 of this title (relating to Rules of Procedure for Contested Case Hearings, Appeals, and Rulemakings).</del></p> <p data-bbox="275 1372 2007 1471"><del>(g) Time of Decision. To the extent a hearing on the application is required, the Commissioner will render a decision within 30 days after the date the hearings officer issues his or her proposal for decision and the applicable time period for filing exceptions to the proposal for decision and replies to such exceptions has lapsed without the hearings officer amending the proposal for</del></p>

SECTION	REDLINE
	<p><del>decision. If a hearing on the application is not required, the Commissioner will render a decision within 30 days after the time period for protesting or requesting a hearing on the application lapsed as provided by subsection (e) of this section.</del></p>
75.133	<p>Relocate Home or Additional Office.</p> <p>(a) Approval Required. A savings bank may not move its home office or any additional office as provided by §75.202 of this title (relating to Types of Additional Offices) beyond its immediate vicinity without <u>first filing an application and obtaining</u> the prior written approval of the Commissioner. <u>The application must include:</u></p> <ul style="list-style-type: none"> <li><u>(1) a statement of intent to relocate the office;</u></li> <li><u>(2) the exact location of the proposed site including street address. (For a mobile facility, specify the communities in which the vehicle will operate and the manner in which it will be used);</u></li> <li><u>(3) a summary of the due diligence performed to determine the utility and viability of the office; and</u></li> <li><u>(4) any other information deemed appropriate by the Commissioner.</u></li> </ul> <p><del>(b) Immediate Vicinity. The term "Immediate vicinity" as used in Finance Code §92.063 means the area within a radius of 1 mile from the present location of such office. However, if the office to be relocated has not been open for business at its present location for more than 2 years, approval in accordance with this section is required as if the office were not within the immediate vicinity. If the existing office has been open for more than 2 years, prior written notice must be provided to the Commissioner describing the saving bank's plans for the relocation, including the precise location for the new office, the date of the relocation, and information supporting that the new location of the office will be within the immediate vicinity of the present location and does not require the Commissioner's approval.</del></p> <p><del>(c) Relocation of Existing Offices. Notwithstanding subsection (a) of this section, a savings bank may retain its existing home office as a branch office and relocate its home office to another established branch office by providing the Commissioner with prior written notice. Upon such notification, the establishment of such office is deemed to be an approved branch office of the savings bank.</del></p> <p><del>(d) Required Information. Each application for prior approval, or prior written notice, whichever is applicable, must provide the following information, subscribed to and sworn before a notary:</del></p> <ul style="list-style-type: none"> <li><del>(1) the addresses of the existing or new office location;</del></li> </ul>

SECTION	REDLINE
	<p><del>(2) a description of the land and building to be built or leased and terms thereof;</del></p> <p><del>(3) estimates of the cost of removal to and maintenance of the new location;</del></p> <p><del>(4) whether any affiliated parties are involved in transactions regarding the purchase, sale, construction, or lease of the new proposed office;</del></p> <p><del>(5) evidence of the board's approval of the relocation; and</del></p> <p><del>(6) any other information deemed necessary by the Commissioner.</del></p> <p><del>(e) Determination by Commissioner. The Commissioner will not approve the application unless the Commissioner determines that all requirements for approval of a branch office (§75.131 of this title, relating to Branch Office) have been met.</del></p> <p><del>(b) (f) Public Notice. An applicant seeking to change the location of the home or an additional office must publish a public notice of the application as provided by §75.103 of this title (relating to Public Notice of Application), which must be published in the county where the office is presently located, <u>and</u> the county where the proposed new location is located, <del>and the county where the savings bank has its home office.</del></del></p> <p><del>(c) Persons Affected by the Relocation. A person is affected by the relocation of a home or additional office for purposes of Finance Code §92.063 only if the proposed relocation, if approved, would unduly harm an existing savings bank or federal savings bank doing business in the community where the office will be relocated. A person requesting a hearing must provide information in support of their request indicating they are a savings bank or federal savings bank that will be unduly harmed by the relocated office. The Commissioner will review the request and determine, in his or her sole discretion, if the person might be affected so as to require a hearing.</del></p> <p><del>(d) Immediate Vicinity. The term "immediate vicinity" as used in Finance Code §92.063 means the area within a one-mile radius from the present location of such office. A savings bank seeking to relocate an office within the immediate vicinity must give prior written notice to the Commissioner describing the saving bank's plans for the relocation, including the effective date of the relocation, and information showing that the new location of the office will be within the immediate vicinity of the present location and does not require approval.</del></p> <p><del>(e) Relocation of Existing Offices. Notwithstanding subsection (a) of this section, a savings bank may retain its existing home office as a branch office and relocate its home office to an existing branch office by giving prior written notice to the Commissioner, including the effective date of the relocation. Upon such notification, the establishment of such offices is deemed approved by the Commissioner.</del></p>

SECTION	REDLINE
	<p><del>(f)</del> <del>(g)</del> Request for Hearing; Deadline to Protest. A person affected by the proposed change in home or additional office location may protest or otherwise request a hearing on the application, as provided by Finance Code §92.063. Any person affected by the proposed change in home or branch office location and desiring to protest the application or otherwise requesting a hearing on the application must file a written protest with <u>SML</u> <del>the Department</del> within 10 days from the date the public notice was made as provided by subsection <del>(b)</del> <del>(f)</del> of this section, otherwise any right or opportunity to protest or have a hearing on the application under Finance Code §92.063 is deemed waived.</p> <p><del>(g)</del> <del>(h)</del> Hearing. If a hearing is required, the Commissioner will set a hearing on the application within 60 days after the date the protest or request for hearing and the required fee are received. The hearing is governed by the procedural requirements concerning contested cases set forth in Chapter 9 of this title (relating to Rules of Procedure for Contested Case Hearings, Appeals, and Rulemakings).</p> <p><del>(h)</del> <del>(i)</del> Time of Decision. To the extent a hearing on the application is required, the Commissioner will render a decision within 30 days after the date the hearings officer issues his or her proposal or decision and the applicable time period for filing exceptions to the proposal for decision and replies to such exceptions has lapsed without the hearings officer amending the proposal for decision. If a hearing on the application is not required, the Commissioner will render a decision within 30 days after the time period for protesting or requesting a hearing on the application lapsed as provided by subsection (g) of this section.</p>

**DIVISION 4 REORGANIZATION, MERGER, CONSOLIDATION, CONVERSION, AND PURCHASE, AND ASSUMPTION AND ACQUISITION**

SECTION	REDLINE
75.141	<p>Reorganization, Merger, Consolidation or Purchase and Assumption Transaction - Resulting in a Savings Bank.</p> <p>(a) Applicability. This section governs:</p> <p>(1) A reorganization, merger, or consolidation transaction in which the resulting institution will be a savings bank; and</p> <p>(2) A purchase and assumption transaction by a savings bank as purchaser, <u>including the purchase of assets from an entity that is not a financial institution. A savings bank must apply for and obtain approval for a purchase and assumption transaction if the purchase price is greater than three times the saving bank's unimpaired capital and surplus, or if the purchase involves potentially substantial risks to safety and soundness.</u></p> <p>(b) <del>(No change.)</del></p>

SECTION	REDLINE
	<p>(c) Plan Required. Any savings bank seeking to reorganize, merge, and/or consolidate or to engage in a purchase and assumption transaction in which the resulting institution will be a savings bank must do so pursuant to a plan adopted by the board and filed with the Commissioner as a part of an application for approval. <del>Purchase and assumption transactions include purchases of assets, deposit accounts, or other liabilities in bulk not made in the ordinary course of business.</del></p> <p>(d) - (e) (No change.)</p> <p>(f) Request for Hearing; Deadline to Protest. Any interested person desiring to protest the plan and application or otherwise request a hearing on the plan and application must file a written protest with <del>SML the Department</del> within 10 days from the date the public notice was made as provided by subsection (e) of this section, otherwise any right or opportunity to protest or have a hearing on the application under Finance Code §92.352 is deemed waived.</p> <p>(g) - (h) (No change.)</p> <p>(i) Transactions Involving Financial Institutions in Other States or Territories. To the extent permitted by the laws of the state or territory in question, and subject to the requirements of this section, a savings bank may acquire, by merger or purchase of stock, a financial institution incorporated under the laws of another state or territory. Each such application must include <del>evidence of approval by a certified copy of an order from</del> the appropriate <del>banking agency state regulatory authority approving the merger or acquisition</del>, or other evidence satisfactory to the Commissioner that all state or territorial regulatory requirements have been satisfied. The Commissioner will not approve such an application unless the Commissioner determines that all requirements of this section have been met, and all applicable requirements of the laws of the state or territory in question have been met.</p>
75.142	<p>Exemption for Supervisory Merger.</p> <p>(a) (No change.)</p> <p>(b) For purposes of this section, unsafe condition means that the savings bank is (or savings banks are) insolvent or in imminent danger of insolvency, or that there has been a substantial dissipation of assets or earnings due to any violation(s) of applicable law, rules, or regulations, or to any unsafe or unsound practice or practices; or that the savings bank is in an unsafe and unsound condition to transact business in that there has been a substantial reduction of its capital; or that the savings bank and its directors and officers have violated any material conditions of its charter or bylaws, the terms of any order issued by the Commissioner, or any agreement between the savings bank and the Commissioner; or that the savings bank, its directors, and officers have concealed or refused to permit examination of the books, papers, accounts, records, and affairs, of the savings bank by the Commissioner or other duly authorized personnel of <del>SML the Department</del>; or any other condition affecting the savings bank which the Commissioner and the board agree place the savings bank in an unsafe condition.</p> <p>(c) (No change.)</p>

SECTION	REDLINE
75.143	<p>Reorganization, Merger or Conversion by a Savings Bank to Another Financial Institution Charter.</p> <p>(a) - (c) (No change.)</p> <p>(d) The Commissioner is deemed to have consented to the reorganization, merger or conversion into another type of financial institution charter at the time <del>SML the Department</del> notifies the savings bank that the filing made in accordance with this section is complete and has been accepted for filing as provided by §75.101 of this title (relating to Application Filing Requirements). Upon compliance with the provisions of this section and the granting of a successor charter by the appropriate banking agency, a copy of which must be filed with the Commissioner, the savings bank receiving the new charter ceases to exist as a savings bank and will no longer be subject to the jurisdiction of the Commissioner. The foregoing notwithstanding, the Commissioner must receive the original charter certificate or a certified affidavit of lost certificate in order to be released from the requirement to pay annual assessments as provided by §75.251 of this title (relating to Annual Assessments.)</p>
75.145	<p>Mutual to Stock Conversion.</p> <p>(a) <u>A savings bank may not convert from a mutual savings bank to a stock savings bank without first filing an application and obtaining the prior written approval of the Commissioner.</u> The application for mutual to stock conversion must include:</p> <p>(1) - (3) (No change.)</p> <p>(b) - (c) (No change.)</p> <p>(d) Public Notice. An application for mutual to stock conversion is deemed to be a complete application at the time <del>SML the Department</del> notifies the applicant that application is complete and has been accepted for filing as provided by §75.101 of this title (relating to Application Filing Requirements). Upon receipt of such notice, the proposed incorporators must publish a public notice of the application as provided by §75.103 of this title (relating to Public Notice of Application), which must be published in each county in which the savings bank has an office, and must prominently post the notice in each of its offices.</p> <p>(e) - (j) (No change.)</p>

#### DIVISION 5 EXPEDITED APPLICATIONS

SECTION	REDLINE
75.151	Eligible Institution.

SECTION	REDLINE
	<p>An eligible institution is a financial institution that:</p> <ul style="list-style-type: none"> <li>(1) is well capitalized as defined by 12 C.F.R. §324.403;</li> <li>(2) received a composite rating of either 1 or 2 as defined by the Uniform Financial Institutions Rating System (CAMELS) at the most recent examination by <del>SML the Department</del> or <del>the</del> federal <del>banking agency regulatory agencies</del>, and management is rated either 1 or 2;</li> <li>(3) received a <del>Community Reinvestment Act CRA</del> and compliance rating of satisfactory or above at the savings bank's most recent inspection by the <del>appropriate</del> federal banking agency;</li> <li>(4) - (5) (No change.)</li> </ul>
75.152	<p>Expedited Applications.</p> <p>(a) An <del>application filed by an</del> eligible institution as defined in §75.151 of this title (relating to Eligible Institution) <del>is given expedited treatment for the following application types: may file an expedited filing in lieu of an application required pursuant to §75.131 of this title (relating to Branch Office), §75.132 of this title (relating to Mobile Facility), §75.133 of this title (relating to Relocate Home or Branch Office Location), or §75.111 of this title (relating to Reorganization, Merger, Consolidation or Purchase and Assumption Transaction - Resulting in a Savings Bank), and simultaneously tender the required filing fee pursuant to §75.102 of this title (relating to Application Fees and Charges):</del></p> <ul style="list-style-type: none"> <li><del>(1) §75.131 of this title (relating to Additional Office (Branch Office and Mobile Facility));</del></li> <li><del>(2) §75.133 of this title (relating to Relocate Home or Additional Office); and</del></li> <li><del>(3) §75.141 of this title (relating to Reorganization, Merger, Consolidation, or Purchase and Assumption Transaction - Resulting in a Savings Bank).</del></li> </ul> <p>(b) <del>Required Information. The application</del> <del>An expedited filing</del> must include all information required for a non-expedited application. <del>the following items, unless waived in writing by the Commissioner:</del></p> <ul style="list-style-type: none"> <li><del>(1) a detailed description of the transaction;</del></li> <li><del>(2) a pro forma balance sheet and income statement for all parties to the transaction, including adjustments, reflecting the proposed transaction as of the most recent quarter ended immediately prior to the filing of the application, demonstrating that</del></li> </ul>

SECTION	REDLINE
	<p><del>the resulting state savings bank is well capitalized as defined by 12 C.F.R. §324.403, including pro forma financials for the first four quarters after the effective date of the transaction;</del></p> <p><del>(3) a certified resolution of the board and, if required, shareholders approving the proposed transaction;</del></p> <p><del>(4) copies of all other required regulatory notices or filings submitted concerning the transaction; and</del></p> <p><del>(5) evidence satisfactory to the Commissioner that a public notice of the application has been published and effected as provided by §75.103 of this title (relating to Public Notice of Application), published in each county where a non-expedited application is required to be published (however, the requirement for the publication to be preapproved by the Commissioner does not apply to an application made in accordance with this section, and the notice may be published contemporaneously with the application being submitted; provided, the notice is otherwise deemed to be acceptable to the Commissioner).</del></p> <p><u>(c) Public Notice. The applicant must publish a public notice of the application to the same extent and in the same manner required of a non-expedited application. The foregoing notwithstanding, the requirement for the public notice to be approved by the Commissioner prior to publishing does not apply to an expedited application, and the notice may be published contemporaneously with the application being filed, provide, the notice is deemed acceptable to the Commissioner.</u></p> <p><u>(d)</u> <del>(e)</del> The Commissioner will render a decision on the expedited application within 30 days after the date the expedited filing is complete and has been accepted for filing as provided by §75.101 of this title (Relating to Application Filing Requirements), provided, the application is not protested or a hearing is not otherwise requested. The Commissioner may, at any time before the time period to render a decision on the application has expired, elect to refer the expedited application to a hearing. If a hearing is required, consideration of the application will proceed in the same fashion as a non-expedited application.</p> <p><u>(e)</u> <del>(d)</del> The applicant bears the burden to supply all material information necessary to enable the Commissioner to make a fully informed decision regarding the expedited filing, including but not limited to, the applicant's eligibility to make the application on an expedited basis in accordance with §75.151 of this title (relating to Eligible Institution).</p>

## DIVISION 6 CHANGE OF CONTROL

(No change.)

## DIVISION 7 CAPITAL NOTES AND DEBENTURES

SECTION	REDLINE
75.171	Capital Notes and Debentures.

SECTION	REDLINE
	<p>(a) Approval Required. No savings bank may issue and sell its capital notes or debentures without <u>first filing an application and obtaining</u> the prior written approval of the Commissioner. The Commissioner, in approving the issuance and sale, may impose any conditions the Commissioner determines necessary with regard to safety and soundness and maintenance of adequate financial condition particularly in areas of preservation of capital, quality of earnings, and adequacy of reserves.</p> <p>(b) (No change.)</p>

## DIVISION 8 HOLDING COMPANY APPLICATIONS

(No change.)

## DIVISION 9 SUBSIDIARY APPLICATIONS

(No change.)

## SUBCHAPTER C OPERATIONS

### DIVISION 1 OFFICE LOCATIONS

SECTION	REDLINE
75.201	<p>Approval of Offices Required; Closing an Office; Activities Not Requiring an Approved Office.</p> <p>(a) Approval Required. <del>A No</del> savings bank may <u>not</u> establish <u>an additional office</u> <del>-, maintain,</del> or relocate its home office, or an <u>approved</u> additional office as provided by §75.202 of this title (relating to Types of Additional Offices), without <u>first submitting an application and obtaining</u> the prior written approval of the Commissioner, except as otherwise provided by §75.133 of this title (relating to Relocate Home or Additional Office).</p> <p>(b) - (d) (No change.)</p> <p>(e) Activities Not Requiring an Approved Office. The following activities of a savings bank, or any combination thereof, may be performed at a location other than the home or a branch office and such location does not constitute an "additional office" requiring notice to or the prior approval of the Commissioner for purposes of Finance Code §92.063:</p> <p>(1) - (7) (No change.)</p>

SECTION	REDLINE
	<p><u>(8) A savings bank may establish a messenger service that is operated by a savings bank or its affiliate that picks up and delivers items relating to transactions in which deposits are received or checks paid or money lent, provided the messenger service is approved by the federal banking agency.</u></p>
75.202	<p>Types of Additional Offices.</p> <p>The following types of additional offices may be established <del>and maintained</del> by a savings bank:</p> <p>(1) <del>a branch office where deposits are received or checks paid or money lent offices at which the savings bank may transact any business that could be done in the home office; and</del></p> <p>(2) <del>a mobile facility that does not have a single permanent site and uses a vehicle that travels to various locations to enable the public to conduct banking business, and that may serve defined locations on a regular schedule or may serve a defined area at varying times and locations (also known as a mobile branch) facilities at which the savings bank may transact any business of the institution which could be done in the home office (a detailed record of the transactions at such facility must be maintained); and</del></p> <p><del>(3) courier/messenger service to transport items relevant to the bank's transactions with its customers, including courier services between financial institutions.</del></p>

**DIVISION 2 BOOKS, RECORDS, ACCOUNTING PRACTICES, FINANCIAL STATEMENTS, AND RESOURCES**

SECTION	REDLINE
75.223	<p>Financial Statements; Annual Reports; Audits.</p> <p>For safety and soundness purposes, no later than 90 days after its fiscal year end, each savings bank is required to submit <del>to the Department</del> the results and findings of an independent audit of its financial statements and all correspondence reasonably related to the audit <u>to SML</u>. The audit <del>must is to</del> be performed in accordance with generally accepted auditing standards and the provisions of the FDIC set forth in 12 C.F.R. §363.2 and §363.3, <del>except for with the exception of</del> any matters specifically addressed by this <u>chapter or section</u>, the Texas Savings Bank Act, <del>or the rules (regulations) adopted thereunder</del>.</p>
<u>75.228</u>	<p><u>Call Reports</u></p> <p><u>(a) Filing Requirements. Call reports must be filed with the Federal Financial Institutions Council (FFIEC) by the deadlines established by the FFIEC. The call report must be filed using the current form prescribed by the FFIEC.</u></p>

SECTION	REDLINE
	<p><u>(b) Duty to File Complete and Accurate Reports. The call report must contain complete and accurate information at the time it is filed. A savings bank must act diligently to compile all information necessary to complete the call report in advance of the deadline to file the call report. A call report containing incomplete or inaccurate information is deemed to be a failure to file the call report. The filing of incomplete or inaccurate information, even on a temporary basis with the intent to amend the call report with complete and accurate information, constitutes a violation and may result in an enforcement action.</u></p> <p><u>(c) Amended Filings. If a savings bank amends its call report, it must provide written notice to the Commissioner and provide an explanation of why the amended filing was necessary and a summary of the specific information amended.</u></p>

### DIVISION 3 CAPITAL AND CAPITAL OBLIGATIONS

(No change.)

### DIVISION 4 HOLDING COMPANIES

(No change.)

### DIVISION 5 ASSESSMENTS AND FEES

SECTION	REDLINE
75.251	<p>Annual Assessments.</p> <p>(a) Annual assessment. All savings banks chartered under the laws of the state and all foreign savings banks (as defined by <u>Finance Code §91.002 the Texas Savings Bank Act</u>) holding a certificate of authority to do business in this state must pay <del>to the department</del> an annual assessment fee <u>to SML</u> in an amount determined by the Commissioner as provided by subsection (c) of this section in accordance with the rate requirements set by the Finance Commission <del>of Texas</del>, and subject to the maximum assessment rates established by subsection (d) of this section. <del>Information The Department will maintain on its website</del> <u>information</u> concerning current rate requirements <u>is available on SML's website (sml.texas.gov).</u></p> <p>(b) Payment of Assessment. The annual assessment must be paid in quarterly installments. Upon receipt of a written invoice from <del>SML the department</del>, the savings bank must pay the assessment fee by electronic/ACH payment, or by another method, if directed to do so by <del>SML the Department</del>.</p> <p>(c) Determination of assessment. The assessment will be determined based on either the total assets, or total risk-weighted assets of the savings bank, whichever results in the lowest fee being assessed. The valuation of assets will be determined as of the close of the calendar quarter immediately preceding the effective date of the assessment. A savings bank's total assets or</p>

SECTION	REDLINE
	<p>total risk-weighted assets will be derived from the savings bank's <del>Federal Financial Institutions Examination Council consolidated report of condition and income</del> (call report), <del>filed in accordance with federal law</del>. If a savings bank is not required <del>by applicable federal law</del> to disclose its total risk-weighted assets in the call report, the savings bank may voluntarily report <del>to the Commissioner</del> information concerning its total risk-weighted assets <u>to the Commissioner</u> for purposes of calculating its assessment, which must be provided to the Commissioner in the manner and within the time prescribed by the Commissioner; otherwise, the assessment will be based on the savings bank's total assets.</p> <p>(d) Maximum Assessment Rates. The assessment rates set by the Finance Commission <del>of Texas</del> may not exceed the maximum rates established in the following rate schedule: [Figure: 7 TAC §75.251(d) <del>(No change.)</del>]</p>
75.252	<p>§75.252. Fee for Special Examination.</p> <p>(a) A special examination is one that is conducted outside the context of a savings bank's annual examination and includes, but is not limited to, examinations of a savings bank holding company, interstate branches of savings banks in Texas as the host state, and a savings bank's affiliates and third-party service providers. The savings bank or other regulated entity that is the subject of the special examination is subject to a fee and liable for <del>SML's the Department's</del> costs as provided by this section in order to recoup the salary expense of the examiner(s) plus a proportionate share of <del>SML's Department</del> overhead allocable to the special examination, and the actual costs by the examiner in conducting the special examination.</p> <p>(b) The fee for a special examination under this section will be calculated at a rate not to exceed \$75 per examiner per hour. The entity that is the subject of the examination must also pay <del>to the Department</del> an amount for actual travel expenses and costs incurred by <del>SML's the Department's</del> examiner(s), including mileage, public transportation, food, and lodging. The Commissioner, in his or her sole discretion, may lower the applicable rate for the examination fee or waive, in whole or in part, any fees or costs chargeable in accordance with this section.</p> <p>(c) <del>(No change.)</del></p>

## DIVISION 6 COMPLAINT PROCEDURES

SECTION	REDLINE
75.261	<del>Savings Bank</del> Complaint <u>Notice Notes</u> .

SECTION	REDLINE
	<p data-bbox="275 207 1976 310">(a) <u>A savings bank must give written notice to its customers concerning SML's regulatory oversight. The notice must be in the current form prescribed by SML and posted on its website (sml.texas.gov). A savings bank is deemed to be in compliance with this section if: Definitions.</u></p> <p data-bbox="323 350 2007 488">(1) <u>The savings bank provides the notice to the customer within 30 days after establishing a customer relationship. The notice may be included in an account agreement, a loan agreement, an initial privacy notice, or similar; Privacy notice means any notice which a state savings bank gives regarding a consumer's right to privacy, regardless of whether it is required by a specific state or federal law or given voluntarily.</u></p> <p data-bbox="323 529 2007 667">(2) <u>The savings bank conspicuously posts the notice in each area where the savings bank conducts business with customers in person. The notice is deemed to be conspicuously posted if it is posted in the same place as other required notices and disclosures (such as the equal housing lending poster, Community Reinvestment Act notice, and Home Mortgage Disclosure Act notice); and Required notice means a notice in a form set forth or provided for in subsection (b)(1) of this section.</u></p> <p data-bbox="323 708 2007 878">(3) <u>The savings bank posts the notice on each website of the savings bank, other than a social media site, that is accessible by the public and either used to conduct banking business or from which the savings bank advertises to solicit such business. The notice is deemed to be conspicuously posted when it is displayed on the initial or home page of the website (typically the base-level domain) or is contained in a linked page with the link to such page being readily apparent on such initial or home page.</u></p> <p data-bbox="275 919 747 943">(b) <u>Notice of how to file complaints.</u></p> <p data-bbox="323 984 2007 1187">(1) <u>In order to let its consumers know how to file complaints, state savings banks must use the following notice: The (name of state savings bank) is chartered under the laws of the State of Texas and by state law is subject to regulatory oversight by the Department of Savings and Mortgage Lending. Any consumer wishing to file a complaint against the (name of state savings bank) should contact the Department of Savings and Mortgage Lending through one of the means indicated below: In Person or by Mail: 2601 North Lamar Boulevard, Suite 201, Austin, Texas 78705-4294, Phone: (877) 276-5550, Fax: (512) 936-2003, or through the Department's website at www.sml.texas.gov.</u></p> <p data-bbox="323 1227 1629 1252">(2) <u>A required notice must be included in each privacy notice that a state savings bank sends out.</u></p> <p data-bbox="323 1300 2007 1398">(3) <u>Regardless of whether a state savings bank is required by any state or federal law to give privacy notices, each state savings bank must take appropriate steps to let its consumers know how to file complaints by giving them the required notice in compliance with paragraph (1) of this subsection.</u></p> <p data-bbox="323 1438 1545 1463">(4) <u>The following measures are deemed to be appropriate steps to give the required notice:</u></p>

SECTION	REDLINE
	<p><del>(A) In each area where a state savings bank conducts business on a face-to-face basis, the required notice, in the form specified in paragraph (1) of this subsection, must be conspicuously posted. A notice is deemed to be conspicuously posted if a customer with 20/20 vision can read it from the place where he or she would typically conduct business or if it is included on a bulletin board, in plain view, on which all required notices to the general public (such as equal housing posters, licenses, Community Reinvestment Act notices, etc.) are posted.</del></p> <p><del>(B) For customers who are not given privacy notices, the state savings bank must give the required notice when the customer relationship is established.</del></p> <p><del>(C) The required notice must be posted on each website of the savings bank that is accessible by the public and either used to conduct banking activities or from which the savings bank advertises to solicit such business. The required notice is deemed to be conspicuously posted on a website when it is displayed on the initial or home page of the website (typically the base-level domain name) or is otherwise contained in a linked page with the link to such page prominently displayed on such initial or home page.</del></p>

## SUBCHAPTER D LOANS, INVESTMENTS, SAVINGS, AND DEPOSITS

### DIVISION 1 AUTHORIZED LOANS AND INVESTMENTS

SECTION	REDLINE
75.306	<p>Loans to and Transactions with Officers, Directors, Affiliated Persons, and Employees.</p> <p>All transactions, including loans, involving officers, directors, affiliated persons, controlling persons or employees are subject to the requirements of Federal Reserve Board Regulations O and W, which sections are hereby incorporated by reference. <u>SML</u>  <del>The Department</del> will monitor and enforce compliance with such provisions.</p>

### DIVISION 2 SUBSIDIARIES

(No change.)

### DIVISION 3 SAVINGS AND DEPOSITS

(No change.)