

7-3-10 Organization -- Powers, rights, and privileges of banking corporation -- Other business activities.

- (1) A bank chartered under this chapter shall be:
 - (a) a domestic corporation under Title 16, Chapter 10a, Utah Revised Business Corporation Act; or
 - (b) subject to Section 7-1-810, including the requirement that the bank be an S Corporation immediately before becoming a limited liability company, a limited liability company created under Title 48, Chapter 2c, Utah Revised Limited Liability Company Act, or Title 48, Chapter 3a, Utah Revised Uniform Limited Liability Company Act, as appropriate pursuant to Section 48-3a-1405.
- (2) A bank has all the rights, privileges, and powers necessary or incidental to carrying on the business of banking in addition to the powers granted:
 - (a) if the bank is a corporation, under Title 16, Chapter 10a, Utah Revised Business Corporation Act; or
 - (b) subject to Section 7-1-810, if the bank is a limited liability company, under Title 48, Chapter 2c, Utah Revised Limited Liability Company Act, or Title 48, Chapter 3a, Utah Revised Uniform Limited Liability Company Act, as appropriate pursuant to Section 48-3a-1405.
- (3) The commissioner may, by rule or order, determine that necessary or incidental rights, privileges, and powers include:
 - (a) the rights, privileges, and powers held by national banks; or
 - (b) other business activities so long as the commissioner's determination is not inconsistent with the rules, regulations, or other actions of the board of governors of the Federal Reserve System under Section 4(c)(8) of the Bank Holding Company Act of 1956, 12 U.S.C. Sec. 1843(c)(8).
- (4) The commissioner shall implement this section in a manner consistent with the purposes set forth in Section 7-1-102.

Amended by Chapter 412, 2013 General Session