

2. More than 50 percent of the voting rights exercised at the last election of directors of the banking institution; or

(2) Controls a banking institution through:

(i) Direct or indirect ownership or control of more than 50 percent of the voting rights;

(ii) Control of the election of a majority of the directors of the banking institution;

(iii) Direct or indirect ownership or control of more than 50 percent of the voting rights exercised at the last election of the directors; or

(iv) The holding of substantially all of the capital stock of the banking institution by trustees for stockholders of the organization.

(C) "BANK SERVICE CORPORATION" MEANS A CORPORATION:

(1) AT LEAST SOME OF THE STOCK OF WHICH IS OWNED BY A BANKING INSTITUTION; AND

(2) THAT IS ORGANIZED TO PERFORM BANK SERVICE CORPORATION ACTIVITIES OF THE TYPE PERMITTED UNDER APPLICABLE PROVISIONS OF TITLE 12 OF THE UNITED STATES CODE TO A BANK SERVICE CORPORATION OWNED EXCLUSIVELY BY NATIONAL BANKING ASSOCIATIONS.

[(c)] (D) "Management" means the directors, trustees, or other persons exercising similar functions of an association, corporation, business trust, or other similar organization.

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(A) EXCEPT AS PROVIDED IN THIS SECTION OR OTHERWISE EXPRESSLY PROVIDED BY STATE LAW, A BANKING INSTITUTION MAY NOT HAVE A BANK SERVICE CORPORATION.

(B) IF THE BANK COMMISSIONER, AFTER RECEIVING THE ADVICE OF THE BANKING BOARD, APPROVES, A BANKING INSTITUTION MAY HAVE A BANK SERVICE CORPORATION.

(C) ON APPLICATION OF THE BANKING INSTITUTION, A BANK SERVICE CORPORATION SHALL BE APPROVED IF:

(1) THE BANK COMMISSIONER DETERMINES THAT APPROVAL IS:

(I) REASONABLY REQUIRED TO PROTECT THE WELFARE OF THE GENERAL ECONOMY OF THE STATE AND OF THE BANKING INSTITUTION; AND