(a) [Except as provided in this section, or otherwise expressly provided by State law, a banking institution may not have an affiliate] SUBJECT TO THIS SECTION, A BANKING INSTITUTION MAY HAVE AN AFFILIATE THAT:

(1) PROVIDES A FINANCIAL, FIDUCIARY, OR INSURANCE SERVICE TO THE BANKING INSTITUTION, ITS OTHER AFFILIATES, OR THE PUBLIC; OR

(2) IF IT IS AN AFFILIATE UNDER § 5-401(B)(1)(I) OF THIS SUBTITLE, CONDUCTS AN ACTIVITY THAT IS PERMISSIBLE FOR A BANKING INSTITUTION.

(b) [If the Commissioner, after receiving the advice of the Banking Board, approves, a banking institution may have an affiliate that offers to the public a financial, fiduciary, or insurance service] EXCEPT AS PROVIDED IN SUBSECTIONS (D) AND (E) OF THIS SECTION, A BANKING INSTITUTION THAT INTENDS TO ACQUIRE OR ESTABLISH AN AFFILIATE, OR TO CONDUCT A NEW ACTIVITY IN AN EXISTING AFFILIATE, SHALL APPLY TO AND RECEIVE THE PRIOR APPROVAL OF THE COMMISSIONER.

(c) On application of the banking institution, an affiliate shall be approved if:

(1) The Commissioner determines that the approval is:

(i) Reasonably required to protect the welfare of the general economy of this State and of the banking institution; [and] OR

(ii) Not detrimental to the public interest or to the banking institution;

(2) The approval imposes the same conditions that federal law requires or permits as to a national banking association; and

(3) The transaction complies with the rules, regulations, and conditions that the Commissioner adopts.

(D) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, IF A BANKING INSTITUTION IS RATED CAMELS 1 OR 2 AND REMAINS WELL CAPITALIZED IN ACCORDANCE WITH THE REQUIREMENTS OF THE FEDERAL DEPOSIT INSURANCE ACT, THE BANKING INSTITUTION MAY ACQUIRE OR ESTABLISH AN AFFILIATE, OR CONDUCT A NEW ACTIVITY IN AN EXISTING AFFILIATE IF: