

CHAPTER 46

FINANCIAL INSTITUTIONS

HOUSE BILL 01-1230

BY REPRESENTATIVE(S) Rhodes, Fairbank, White, Kester, Miller, and Paschall;
also SENATOR(S) Tate.

AN ACT

CONCERNING DELETION OF THE REQUIREMENT THAT INDUSTRIAL BANKS USE ONLY NAMES THAT
CONTAIN THE PHRASE "INDUSTRIAL BANK".

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 11-22-102 (1) (b), Colorado Revised Statutes, is amended to read:

11-22-102. Charter - application - fee - issuance procedure - change in location. (1) The incorporators of a proposed industrial bank shall submit to the banking board an application for an industrial bank charter and in support thereof shall submit the following:

(b) Proposed articles of incorporation, containing: The name of the proposed industrial bank; the city or county in which it is to be located; the amount of capital; the number and par value of the shares authorized; the number of directors; a statement whether cumulative voting will be permitted for directors; preemptive rights, if any, of stockholders; its term of existence; and such other proper provisions as may be approved by the banking board to govern the affairs and business of the proposed industrial bank, including such provisions required by law for the incorporation of ordinary corporations. ~~but the name selected shall include the words "industrial bank"~~. The name of the industrial bank need not comply with the requirements of part 6 of article 90 of title 7, C.R.S. Only one class of par value stock of not less than ten dollars per share shall be authorized, but the foregoing shall not affect industrial banks chartered prior to July 1, 1965, having other classes of stock or other par value than recited in this article. The articles of incorporation shall not contain any provisions authorizing such proposed industrial bank to engage in any business or activity except as may be authorized by this article.

SECTION 2. 11-22-109 (11), Colorado Revised Statutes, is amended to read:

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

11-22-109. Subject to corporation laws - powers of banking board - examinations by commissioner - reports by industrial banks. (11) Industrial banks in all their public advertisements shall use the words "industrial bank" in their titles; except that such words may appear after or below the name of the industrial bank in a smaller font size than the name of the industrial bank. The requirement to use the words "industrial bank" shall not be applicable to signs erected in, about, or upon the premises from which the operations of the industrial bank are carried on. No industrial bank shall advertise, display, distribute, or broadcast, or cause or permit to be advertised, displayed, distributed, or broadcasted, in any manner whatsoever, false, misleading, or deceptive statements or representations with regard to the charges for, or terms of, loans, or with reference to its savings deposits or certificates of deposit. The banking board has the power to require that all advertisements of any industrial bank be stated fully and clearly and in such manner as the banking board may deem necessary to prevent misunderstanding thereof by prospective borrowers, depositors, or purchasers of certificates of deposit.

SECTION 3. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: March 20, 2001