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STATE OF GEORGIA

DEPARTMENT OF BANKING AND FINANCE

STEVEN D. BRIDGES, COMMISSIONER

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March 31, 2000

The following is a summary of official action taken on applications by State Financial Institutions under Chapter 7-1 of the Code of Georgia and petitions for Certificate of Incorporation of Financial Institutions and other matters of interest during the month of March, 2000.

IN THIS ISSUE:

[Governor Barnes declares additional state holiday](#)

[House Bill 1231 becomes law](#)

APPLICATIONS FOR NEW FINANCIAL INSTITUTION

FINANCIAL INSTITUTION:

Integrity Bank
11130 State Bridge Road
Alpharetta GA 30022
Fulton County

Capitalization: \$ 10,000,000

Approval Date: Pending

Begin Business Date:

FINANCIAL INSTITUTION:

Georgia Banking Company
6520 Powers Ferry Road, Suite 110
Atlanta GA 30339
Fulton County

Capitalization: \$ 5,000,000

Approval Date: Pending

Begin Business Date:

FINANCIAL INSTITUTION:

Community Bank of Pickens County
15 Mountainside Drive
Jasper GA 30143
Pickens County

Capitalization: \$ 5,000,000

Approval Date: Pending

Begin Business Date:

APPLICATIONS TO ESTABLISH A BRANCH OFFICE

FINANCIAL INSTITUTION NAME:

Athens First Bank & Trust Company
Athens GA

BRANCH NAME:

Lake Oconee Branch
1023 C-1 Lake Oconee Parkway
Eatonton GA 30124
Putnam County

Approval Date: Withdrawn

03-15-2000

Begin Business Date:

FINANCIAL INSTITUTION NAME:

Citizens Trust Bank
Atlanta GA

BRANCH NAME:

Martin Luther King Jr. Branch Office
2577 Martin Luther King, Jr. Drive, NW
Atlanta GA 30311
Fulton County

Approval Date: 03-10-2000
Begin Business Date: 03-13-2000

FINANCIAL INSTITUTION NAME:

Citizens Trust Bank
Atlanta GA

BRANCH NAME:

Mutual Federal Branch Office
205 Auburn Avenue
Atlanta GA 30303
Fulton County

Approval Date: 03-08-2000
Begin Business Date: 03-13-2000

FINANCIAL INSTITUTION NAME:

SunTrust Bank
Atlanta GA

BRANCH NAME:

Enchanted Forest Safeway Branch Office
10000 Baltimore National Pike
Ellicott City MD 21042
Howard County

Approval Date: Pending
Begin Business Date:

FINANCIAL INSTITUTION NAME:

SunTrust Bank
Atlanta GA

BRANCH NAME:

Long Gate Center Safeway Branch Office
4370 Montgomery Road
Ellicott City MD 21043
Howard County

Approval Date: Pending
Begin Business Date:

FINANCIAL INSTITUTION NAME:

SunTrust Bank
Atlanta GA

BRANCH NAME:

Franklin Wal-Mart Branch Office
1500 Armory Drive
Franklin VA 23851
Franklin County

Approval Date: Pending
Begin Business Date:

FINANCIAL INSTITUTION NAME:

SunTrust Bank
Atlanta GA

BRANCH NAME:

Germantown Town Center Safeway Branch Office
Route 118 at Middlebrook Road
Germantown MD 20874
Montgomery County

Approval Date: Pending
Begin Business Date:

FINANCIAL INSTITUTION NAME:

SunTrust Bank
Atlanta GA

BRANCH NAME:

Pooler-Godley Station Branch Office
Northeast Quadrant of Pooler Pkwy and Benton Drive
Pooler GA 31322
Chatham County

Approval Date: 03-06-2000
Begin Business Date:

FINANCIAL INSTITUTION NAME:

SunTrust Bank
Atlanta GA

BRANCH NAME:

Rock Creek Village Safeway Branch Office
5510 Norbeck Road
Rockville MD 20853
Montgomery County

Approval Date: Pending
Begin Business Date:

FINANCIAL INSTITUTION NAME:

SunTrust Bank
Atlanta GA

BRANCH NAME:

London Towne Boulevard Safeway Branch Office
1313 London Towne Boulevard
Sykesville MD 21764
Carroll County

Approval Date: 03-03-2000
Begin Business Date:

FINANCIAL INSTITUTION NAME:

Community Bank & Trust - Jackson
Commerce GA

BRANCH NAME:

Wal-Mart Banking Center Branch Office

30983 South Highway 441
Commerce GA 30529
Jackson County

Approval Date: 02-03-2000
Begin Business Date: 03-15-2000

FINANCIAL INSTITUTION NAME:

Community Bank & Trust - Habersham
Cornelia GA

BRANCH NAME:

Wal-Mart Clayton Banking Center Branch Office
1455 Highway 44, South
Clayton GA 30525
Rabun County

Approval Date: 03-27-2000
Begin Business Date:

FINANCIAL INSTITUTION NAME:

Community Bank & Trust - Habersham
Cornelia GA

BRANCH NAME:

Ingles Toccoa Banking Center Branch Office
757 Big A Road, U. S. Highway 17
Toccoa GA 30577
Stephens County

Approval Date: 03-27-2000
Begin Business Date:

FINANCIAL INSTITUTION NAME:

First Newton Bank
Covington GA

BRANCH NAME:

Highway 20 Branch Office
5140 Highway 20 South
Covington GA 30016
Newton County

Approval Date: 01-06-2000
Begin Business Date: 03-01-2000

FINANCIAL INSTITUTION NAME:

Bank of Terrell
Dawson GA

BRANCH NAME:

Leesburg Branch Office
3003 North Slappey Drive
Albany GA 31701
Lee County

Approval Date: 03-03-2000

Begin Business Date:

FINANCIAL INSTITUTION NAME:

Chestatee State Bank
Dawsonville GA

BRANCH NAME:

Foothills Branch Office
100 Steve Tate Road
Marble Hill GA 30148
Pickens County

Approval Date: 03-03-2000

Begin Business Date:

FINANCIAL INSTITUTION NAME:

The Bank of Dodge County
Eastman GA

BRANCH NAME:

Soperton Branch Office
310 Main Street, West
Soperton GA 30457
Treutlen County

Approval Date: 03-31-2000

Begin Business Date:

FINANCIAL INSTITUTION NAME:

Bank of Lenox
Lenox GA

BRANCH NAME:

Moultrie Branch Office
2424 Tallokas Road
Moultrie GA 31768
Colquitt County

Approval Date: 03-29-2000

Begin Business Date:

FINANCIAL INSTITUTION NAME:

1st Floyd Bank
Rome GA

BRANCH NAME:

Peoples First Community Bank Branch Office
9699 Rome Boulevard
Rome GA 30747
Chattooga County

Approval Date: 03-27-2000

Begin Business Date:

FINANCIAL INSTITUTION MERGERS

FINANCIAL INSTITUTION SURVIVOR:

Atlanta Postal Credit Union
Atlanta GA

MERGED INSTITUTION:

Decatur Postal Credit Union
Decatur GA

Approval Date: 03-06-2000

Begin Business Date:

FINANCIAL INSTITUTION SURVIVOR:

Wachovia Bank
Winston-Salem NC

MERGED INSTITUTION:

Bank of Canton
Canton GA

Approval Date: Pending

Begin Business Date:

APPLICATIONS TO BECOME A BANK HOLDING COMPANY AND/OR TO ACQUIRE VOTING STOCK OF A FINANCIAL INSTITUTION

FORMATIONS

BANK HOLDING COMPANY:

Futurus Financial Services, Inc.
Alpharetta GA

TO ACQUIRE:

Futurus Bank, N. A. (In Organization)
Alpharetta GA

Approval Date: Pending

BANK HOLDING COMPANY:

NBG Bancorp, Inc.
Athens GA

TO ACQUIRE:

National Bank of Georgia (In Organization)
Athens GA

Approval Date: 03-17-2000

BANK HOLDING COMPANY:

Centura Bank
Rocky Mount NC

TO ACQUIRE:

Centura Card Bank (In Organization)
Norcross GA

Approval Date:

Pending

APPLICATIONS TO BECOME A BANK HOLDING COMPANY AND/OR TO ACQUIRE VOTING STOCK OF A FINANCIAL INSTITUTION

ACQUISITIONS ONLY

BANK HOLDING COMPANY:

United Community Banks, Inc.
Blairsville GA

TO ACQUIRE:

Dawson County Bank
Dawsonville GA

Approval Date:

Pending

BANK HOLDING COMPANY:

United Community Banks, Inc.
Blairsville GA

TO ACQUIRE:

Independent Bank & Trust Company
Powder Springs GA

Approval Date:

Pending

BANK HOLDING COMPANY:

First Sterling Banks, Inc.
Kennesaw GA

TO ACQUIRE:

Main Street Bank
Covington GA

Approval Date:

Pending

APPLICATIONS FOR RESERVATION OF A NAME

PROPOSED NAME:

First Nation Bank

Newton County

APPLICANT:

Mr. E. A. Crudup, Jr.
Attorney at Law
Crudup & Hendricks, LLP
Post Office Box 187
Covington, GA 30015

PROPOSED NAME:

The Brookhaven Bank
DeKalb County

APPLICANT:

Mr. Spurgeon Richardson, III
President
Liberty Development Corporation
3927 Peachtree Road
Atlanta, GA 30319

NOTICE OF CHANGE IN NAME

PREVIOUS NAME:

Cordele Banking Company
Cordele GA

NEW NAME:

PlantersFIRST

Approval Date:
Effective Date:

03-24-2000

PREVIOUS NAME:

Bank of Dahlonega
Dahlonega GA

NEW NAME:

Century South Bank of Dahlonega
Pending

Approval Date:
Effective Date:

PREVIOUS NAME:

Bank of Danielsville
Danielsville GA

NEW NAME:

Century South Bank of Danielsville
Pending

Approval Date:
Effective Date:

PREVIOUS NAME:

First Community Bank of Dawsonville
Dawsonville GA

NEW NAME:

Century South Bank of Dawsonville
Pending

Approval Date:

Effective Date:

PREVIOUS NAME:

The Bank of Ellijay
Ellijay GA

NEW NAME:

Century South Bank of Ellijay
Pending

Approval Date:

Effective Date:

PREVIOUS NAME:

Peoples Bank, Lavonia, Georgia
Lavonia GA

NEW NAME:

Century South Bank of Lavonia
Pending

Approval Date:

Effective Date:

APPLICATIONS TO CHANGE LOCATION

FINANCIAL INSTITUTION:

First American Bank and Trust Company
Athens GA

CHANGE LOCATION OF:

From:

Georgia Square Office
3810 Atlanta Highway
Bogart GA 30622
Oconee County

To:

1720 Epps Bridge Road
Athens GA 30622
Oconee County

Approval Date:

11-10-1999

Effective Date:

03-01-2000

FINANCIAL INSTITUTION:

First Community Bank of Southwest Georgia
Bainbridge GA

CHANGE LOCATION OF:

From: Shotwell Street Office
 400 East Shotwell Street
 Bainbridge GA 31717
 Decatur County

To: 1705 East Shotwell Street
 Bainbridge GA 31717
 Decatur County

Approval Date: 02-14-2000
 Effective Date: 03-20-2000

CHECK CASHER LICENSES ISSUED

CITY: Atlanta GA
APPLICANT NAME: Payday, Inc.
TRADE NAME: Mr. Payroll Check Cashing

CITY: Kennesaw GA
APPLICANT NAME: *ACHENG, Inc.
TRADE NAME: Shell Food Mart

CITY: Albany GA
APPLICANT NAME: APH Enterprises, LLC
TRADE NAME: South Slappey Liquors

CITY: Gainesville GA
APPLICANT NAME: Bear's Paw Investments, Inc.
TRADE NAME: American Cash Express

CITY: Tucker GA
APPLICANT NAME: Check Cashing 2000+, LLC
TRADE NAME: Check Station

CITY: Marietta GA
APPLICANT NAME: Khalaf Enterprises, Inc.
TRADE NAME: Dinero Ctr

CITY: Marietta GA
APPLICANT NAME: *Wanneg, Inc.
TRADE NAME: Bells Ferry Package Store

* = Exempt (O.C.G.A. 7-1-709)

APPROVAL OF ELECTRONIC DATA PROCESSING SERVICER

FINANCIAL INSTITUTION:

M & I Custody of Nevada, Inc.
Las Vegas NV

Approval Date: 03-10-2000

FINANCIAL INSTITUTION:

M & I Portfolio Services, Inc.
Las Vegas NV

Approval Date: 03-10-2000

FINANCIAL INSTITUTION:

M & I Marshall & Ilsley Bank
Milwaukee WI

Approval Date: 03-10-2000

JULY 3, 2000, DECLARED STATE HOLIDAY

Governor Barnes has declared observance of July 3, 2000, as an additional state holiday:

WHEREAS: Under O.C.G.A. Section 1-4-1, the Governor shall close all state offices and facilities a minimum of twelve (12) days in observance of public and legal holidays throughout the year; and

WHEREAS: Currently, only eleven (11) days are designated as state holidays for 2000, NOW, THEREFORE, PURSUANT TO THE AUTHORITY VESTED IN ME AS GOVERNOR OF THE STATE OF GEORGIA, IT IS HEREBY ORDERED: That Monday, July 3, 2000, shall be a state holiday observed by all state offices and facilities throughout the State of Georgia.

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DEPARTMENT OF BANKING AND FINANCE

2000 HOUSEKEEPING BILL (HB 1231)

The Governor signed HB 1231 on March 24, 2000, and it is effective upon his signature. The bill was more compact than previous years and focused on giving financial institutions increased flexibility in their operations and powers. The massive federal legislation signed in November 1999, The Gramm-Leach-Bliley Act, is being continuously studied to determine its impact on state banks. It was the Department's intention that the increased flexibility provisions would assist state banks in remaining competitive and being responsive to change in the legal environment.

You can access the complete bill at www.state.ga.us/services/leg - then click on 1999/2000 Passed Legislation, then on Y2000 House Bills, then select a version of HB 1231 ("Full"; "1st Reader"; or "Status"). Or you can access the bill from the Department's homepage (www.state.ga.us/dbf) by clicking on the link in the scrolling "UPDATE" box.

Following is a short summary, followed by a Section-by-Section Summary. The provisions in the bill can roughly be divided into four categories:

1. Provision for flexibility and competitiveness in financial institution powers;

2. Interstate updates;
3. Departmental procedures: criteria for applications and efforts to reduce paperwork; and
4. Enforcement remedies.

1. Provision for flexibility and competitiveness in financial institution powers

State financial institutions must be able to react to the changing legal environment and powers of competing providers. An enhancement to the Financial Institutions Code would allow parity to be achieved through a departmental review process on a case by case basis, as well as by promulgating regulations. A number of other provisions are designed to provide state banks with parity in certain areas.

2. Interstate updates

As banks grow and expand geographically to other states, certain laws need adjustment to accommodate interstate needs. The Department has the ability to share resources with other regulators and currently does so with federal regulators. With the expansion of state banks into other states the Department may require assistance from state bank regulators in those states in connection with the supervision of those interstate banks and provisions in law to handle the logistics of those arrangements.

Other changes clarify where a bank holding company is located for purposes of state regulation, and banks with branches in other states now have more flexibility in the residency of their directors. Clarification of which holding companies can form new banks is included, to conform to current law regarding entry into the state.

3. Departmental procedures: criteria for applications and efforts to reduce paperwork

In an effort to clarify the criteria the Department uses to evaluate an application or notice to establish a branch office, and to reflect current practice, the bill sets out the criteria in Code Section 7-1-602 itself, instead of referring to the statute for new charters. The current notice procedure which dispenses with need for publication is also referred to.

In the mortgage area, the bill streamlines filing procedures by eliminating a separate annual report and incorporating the annual report information into the application for license renewal. In connection with this change, the license renewal date was moved to the former date for annual reports. Also, federally insured financial institutions have been completely exempted from the law, and wholly owned bank subsidiaries are entitled to an exemption if they satisfy certain minimal requirements. Subsidiaries of bank holding companies will all be registrants.

4. Enforcement remedies

When the Department is authorized to determine an applicant's fitness to obtain a license (check cashers, check sellers and mortgage lenders and brokers), it must have statutory authority to obtain fingerprint data. A minor change to three statutes will satisfy an FBI requirement to obtain this data.

Article 4A on check cashers failed to provide the Department with the ability to order a person to cease and desist from engaging in check cashing without a license or exemption. This bill adds that authority, using identical language found in the mortgage regulatory area.

In the Georgia Residential Mortgage Act, additions are included to cover situations where proper examinations were not possible because licensees concealed or altered documents.

HB 1231

**DEPARTMENT OF BANKING AND FINANCE'S
YEAR 2000 HOUSEKEEPING LEGISLATION
SECTION-BY-SECTION SUMMARY**

7-1-4 Definitions.

This change would clarify that the term "financial institution," for the limited purpose of two parts of Title 7 dealing with: (1) safe deposit boxes, unclaimed property fees and third party claims to deposits (Part 6 of Article 2 of Chapter 1); and (2) Article 8, Multiple Party Accounts, includes federal credit unions.

In both those parts, national banks were specifically included in Code Section 7-1-4(7). The effect of this change makes the application of the above referenced statutes more even handed among state and federal financial institutions.

7-1-7 Publication of notices or advertisements.

This housekeeping change is necessary after last year's amendment of Code Section 7-1-601. It is a correction.

7-1-61 Rules and regulations.

The repeal of Glass-Steagall and the other provisions in the massive federal legislation now called The Gramm-Leach-Bliley Act (the Modernization Act) signed into law by the President on November 12, 1999, will have a significant effect on the powers and operations of state and federal financial institutions.

This new federal legislation will be evolving over at least the next two years with the interpretations of its various provisions and with the issuance of various regulations. To assure the ability to provide state chartered financial institutions parity with other federally insured financial institutions in this time of change, this section provides the Commissioner with the needed flexibility to adjust certain limits on listed activities to provide parity. Decisions would be made on a case by case basis, made public and would always be weighed against any safety and soundness concern.

7-1-261 Additional operational powers.

A minor addendum to subsection (5) refers to the addition to Code Section 7-1-282 which allows a bank to own and lease real property to a governmental authority. It also references Code Section 7-1-286 which currently has a subsection dealing with ownership of real property and should have been included previously. Secondly, the addition of "applicable federal laws" to subsection (11) is a conforming change which acknowledges the new body of federal law regarding the sale of insurance by state banks enacted as a part of the recent Modernization Act. Third, the language "or incident or complementary to financial activities" is added to subsection (11) to parallel language in the new federal Modernization Act.

7-1-282 Direct leasing of personal and real property.

To achieve parity with national banks, the change adds a new subsection (b) to permit state banks to purchase real property for the purpose of leasing it to a governmental body, provided the lessee has the authority to enter into such a lease, has sufficient resources to make the lease payments and will become the owner of the building or property upon expiration of the lease

7-1-285 Limits on obligations of one person or corporation.

Additions to this code section reflect the ability to impose less restrictive loan limitation requirements on well capitalized, well managed banks. Additionally, a bank could petition the Department for approval to use a different set of lending limits which would be identical to those allowed to national banks

7-1-286 Real estate loans; acquisition by bank or trust company of ownership interest.

This is a correction to substitute the proper reference.

7-1-288 Corporate stock and securities.

Banks may own stock in other banks which provide services to financial institutions. The change eliminates the requirements that such banks provide service to, and that the stock of such banks be owned primarily by, financial institutions in Georgia. As changed, the only requirement would be for the stock of such banks to be owned primarily by the financial institutions to whom they provide services. In a new subsection (d), flexibility in investment limitations is permissible for certain well capitalized and well managed institutions.

7-1-480 Board of directors.

As banks grow geographically, there is more need to diversify the composition of the bank Board of Directors. The changes would allow banks with branches outside Georgia to provide for residency requirements for directors in their Articles and By-laws.

7-1-482 Number, term, and compensation of directors.

The section adds a provision to subsection (b) to provide an option to stagger terms for members of a bank's Board of Directors which is parallel to a provision in the Georgia Corporation Code. The addition of a new subsection (d) would allow a bank's Board of Directors to appoint regional directors whose powers would be delegated to them by the main board. This would facilitate local or decentralized decision making for a larger, geographically diverse institution.

7-1-530 Authority to merge or consolidate; merger or consolidation across state lines.

This addition to the merger statute provides specifically for the situation where a Georgia bank merges in other banks from out of state, and allows any nonconforming assets or activities that merger might bring to be held for a limited period, or to be allowed to continue if the Commissioner deems it a safe and sound activity.

7-1-555 National bank to state bank or trust company conversions, mergers, and consolidations - Effect of issuance of certificate.

This addendum parallels Code Section 7-1-530 for national banks converting to state banks.

7-1-602 Branch offices.

This code section describes how the Department approves branch applications. Instead of referring to the code section for new charters, the criteria the Department is to use for evaluation of branch applications now would be self contained within this code section. It is believed that this will result in easier reference and greater clarity regarding the criteria used by the Department. It also allows the Department to streamline the application process for certain well qualified banks.

7-1-608 Bank holding companies - Unlawful acquisitions.

This addition clarifies the intent of the branching and entry laws to restrict the ability of a bank holding company to form an additional new bank to only those bank holding companies who entered Georgia according to state entry laws.

7-1-621 Definitions.

and

7-1-628.1 Definitions.

These two statutes each provide definitions. The change in each to the definition of "principal place of business of a bank holding company" would put it in the state which chartered the subsidiary bank(s) having the largest aggregate volume of deposits. The current definition could result in the principal place of business being in a state which did not charter any of the subsidiary banks, an illogical result. The term is used primarily for determining the necessity to apply for permission or registration for certain activities of the holding company.

7-1-628.7 Examinations and reports.

When the Riegle-Neal Interstate Act was passed in 1994, Georgia enacted numerous statutory provisions such as current subsections (c), (d), and (e) of this code section, which gave to the Department the ability to use the examinations and information which could be provided by other states where branches of interstate banks might be located.

The addition of new subsections (e) and (f) further refine this interstate supervisory process by providing specifics on how such cooperative arrangements would work and how the cost of supervision would be passed on to the institution in a fair and efficient manner. With Department approval, host state regulators performing supervisory functions pursuant to an interstate agreement would assess examination/ supervision fees to a Georgia interstate bank through the Department, as agent. Upon collection, the Department would pass such fees on to the assessing

state.

7-1-682 Qualifications of licensees; investments required.

The Department has been required to obtain criminal record information from the Georgia Crime Information Center and FBI for certain licenses. The addition of this paragraph describing the process for obtaining such information coincides with the same provision in the Georgia Residential Mortgage Act and in the check casher law and simply provides for the process for check sellers.

7-1-702 Background investigation; effect of past convictions; conviction data; license posting requirements; term of license.

This addition makes a change necessary to satisfy the FBI requirement for fingerprint information by stating the Department "shall" submit information to the Georgia Crime Information Center. Formerly the statute said "may" submit and was recently deemed not acceptable. The FBI has approved the proposed language.

7-1-707 Suspension or revocation of license.

The additions of the paragraphs in this code section give the Department the power to issue a cease and desist order to an unlicensed party cashing checks or to a check casher who is in violation of law. The sections are identical to those used in the Georgia Residential Mortgage Act and afford the right to an administrative hearing and penalties if a final order is disobeyed. It also gives the Department the ability to establish fines by regulation should they become necessary.

7-1-709 Applicability of article.

The change to paragraph (1) of this code section attempts to eliminate compliance burdens for small business owners deriving only small amounts of income from cashing checks.

GEORGIA RESIDENTIAL MORTGAGE ACT SECTION-BY-SECTION SUMMARY

7-1-1000 Definitions.

This minor change simply corrects the reference to the definition of registrant.

7-1-1001 Exemption for certain persons and entities; registration requirements. of exempt persons:

Changes made to subsection (2) exempt all federally insured financial institutions from licensing and registration. Additional changes allow their wholly owned subsidiaries to also be exempt from licensing or registration provided they submit a basic notification which allows the Department to process inquiries and forward complaints. The exemption could be lost or they could be subject to a Cease and Desist Order if the entity fails to properly handle Georgia consumer problems. Certain registrations were formerly required, and these changes reduce burden on financial institutions or their wholly owned subsidiaries without sacrificing consumer protection. All wholly owned non bank subsidiaries of holding companies will now be registrants under the Georgia Residential Mortgage Act.

7-1-1002 Transaction of business without a license, registration or exemption prohibited; knowing purchase of mortgage loan from unlicensed or nonexempt broker or lender prohibited; liability of persons controlling violators.

A change to paragraph (a)(1) would simply include registrants as a category covered by the Georgia Residential Mortgage Act, which was intended. The change to subsection (b) would include a prohibition on the transferring of "loan applications" along with the prohibition on transferring "loans." The Department has found the transferral of applications to be an area of abuse.

7-1-1003 Applications for licenses.

The financial requirements for licensure or registration are consolidated and moved to Code Section 7-1-1003.2 and the changes to subsection (c) reflect that.

7-1-1003.2 Financial Requirements for Licensing and Registration.

All of the financial requirements for lenders and brokers are consolidated in this new statute for ease of reference. No changes to the financial requirements were proposed, but the option of using a letter of credit in lieu of a bond was added.

7-1-1003.3 Application for registration.

This new code section explains what registration entails.

7-1-1003.4 Notification statement.

This new code section sets out the requirements for the information contained in a notification statement, to be filed by a subsidiary of a lender.

7-1-1004 Investigation of applicant and its officers; requirements relative to licensees and registrants.

Following industry requests to establish education and experience requirements, the Department has determined to add to this statute the ability to develop basic education or experience requirements to be met by a prospective broker applicant. The requirements would be proposed in regulations under the Administrative Procedure Act. The initial intent is to satisfy either a series of courses on mortgage law or certify experience under a licensee, registrant or exemptee.

The financial requirements for licensure or registration are consolidated and moved to Code Section 7-1-1003.2 and the deletions in subsections (c) and (d) reflect that.

Wording changes in subsection (f) satisfy FBI requirements to obtain fingerprints.

7-1-1005 Renewal of licenses and registrations.

Because the necessity for a separate annual report is eliminated by the changes to Code Section 7-1-1010, the date for renewal of application has been moved to the date formerly used for annual reporting. The changes to this code section reflect that change. The information submitted at renewal would include that from the old annual report.

7-1-1006 Contents of license; posting of license; transferring of license; transacting business under other name; change of address; opening additional office without prior approval.

A change to subsection (a) eliminates the need for an address on the license itself.

The additions in subsections (e) and (f) would require a licensee to notify the Department when it changes its Georgia branch manager. The branch manager must be approved since he/she operates a location for a licensee.

7-1-1009 Maintenance of books, accounts, and records; investigation and examination of licensees and registrants by department; confidentiality; exemptions from civil liability.

The only change here adds a reference to the new Code Section 7-1-1003.2, Financial Requirements.

7-1-1010 Annual written report; annual financial statements.

Elimination of the annual report is reflected in the deletion of subsection (a). The information would be collected at license renewal but the burden of an extra report would be removed. Clarifying changes regarding financial statements are made to former subsections (b) and (c) and a reference to the new Code Section 7-1-1003.2 is included in the former subsection (b).

7-1-1013 Prohibition of certain acts.

The proposed addition of subsection (11) would make it a prohibited act to conceal, alter or delete information on documents which the Department seeks to examine and to make false statements to Department examiners.

7-1-1018 Cease and desist orders; enforcement procedure; civil penalty; fines.

A simple addition indicates that those parties who must file a notification statement could be subject to a cease and desist order for violation of law.

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