

Credit Card Bank
Chapter 8, Article 24
§§ 8-2401 to 8-2403

8-2401

Formation; conditions.

A credit card bank may be formed under the Nebraska Banking Act if all of the following conditions are met:

(1) A credit card bank shall not accept demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties;

(2) A credit card bank may not accept any savings or time deposits of less than one hundred thousand dollars, except that savings or time deposits of any amount may be accepted from affiliated financial institutions;

(3) The services of a credit card bank shall be limited to the solicitation, processing, and making of loans instituted by credit card or transaction card and matters relating or incidental thereto;

(4) A credit card bank shall not make commercial loans;

(5) A credit card bank shall, on the date of commencement of banking business in this state, have a minimum capital stock and paid-in surplus of two million five hundred thousand dollars;

(6) A credit card bank shall (a) employ on the date of commencement of its banking business in this state or within one year after such date not less than fifty persons in this state in its business or (b) contract with a qualifying association as defined in subdivision (4) of section 8-1511 to provide for the processing of its credit card or transaction card operations;

(7) A credit card bank shall maintain only one office that accepts deposits;

(8) A credit card bank may maintain one or more processing centers in this state;

(9) A credit card bank shall operate in a manner and at a location that is not likely to attract customers from the general public in this state to the substantial detriment of existing financial institutions as defined in section 8-101.03 located in this state; and

(10) A credit card bank shall provide for the insurance of deposits as described in subsection (1) of section 8-702.

Last amended:

~ Cum. Supp. 2018

8-2402

Charter; grant; when.

The Department of Banking and Finance may grant a charter to transact the business of a credit card bank if the Director of Banking and Finance is satisfied that the applicant has met the conditions set forth in section 8-2401 and the Nebraska Banking Act as to the formation of a new bank.

Last amended:

~ Reissue 2012

8-2403

Provisions applicable.

A credit card bank shall be subject to the Interstate Branching and Merger Act, the Nebraska Bank Holding Company Act of 1995, the Nebraska Banking Act, and Chapter 8, articles 5, 6, 7, 8, 13, 14, 15, 16, 19, and 20, unless otherwise limited or excluded or the context otherwise requires.

Last amended:

Operative Date: April 7, 2012

~ Reissue 2012
