

GOVERNMENT OF GUAM
Office of the Governor
Agana, Guam


EXECUTIVE ORDER NO. 19-60

WHEREAS, Sections 30000 through 30002, Chapter 1, Title XXXI, Government Code of Guam, the "Banking Law of Guam", authorize banks organized under the banking laws of any state of the United States to be licensed to do a banking business in Guam under such conditions as are set out in such law; and

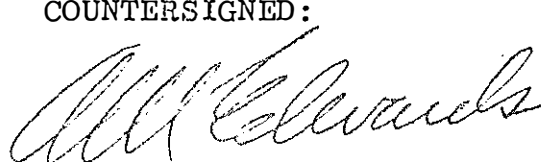
WHEREAS, Section 30002, Government Code of Guam, delegates the power to the Governor of Guam to promulgate rules and regulations for the regulation of banks doing business in Guam;

NOW, THEREFORE, pursuant to the authority vested in me, it is hereby ordered that the rule as attached hereto, and made a part hereof as if set out in full herein, and designated as Rule I, is adopted as Rule I for the regulation of banks organized under a state of the United States licensed to do business in Guam.

Issued and promulgated at Agana, Guam this 28th
day of December, 1960.


JOSEPH FLORES
Governor of Guam

COUNTERSIGNED:


A. M. EDWARDS
Secretary of Guam

RULE I

Any bank organized under the banking laws of a state of the United States desiring to be authorized and licensed to conduct the business of banking in Guam shall, as a condition precedent to the transaction of any banking business in Guam, file with the Director of Finance, in addition to those documents required to be filed by Section 30001, Government Code of Guam, the following:

A. A resolution adopted by its governing body in accordance with its by-laws or other internal laws authorizing the president and secretary, or such other officers of such bank as its board of directors may designate, to agree to the following, and a written agreement properly executed by such officers in accord therewith:

(1) That the branch of such bank that may be established in Guam will be examined at least once each calendar year by the properly designated banking officials of the state in which such bank is organized, except that if the properly designated officials of such state make no examination within any calendar year the Governor may cause such branch of such bank to be examined by a firm of Certified Public Accountants of the Governor's choice, and that a full and complete copy of the report of such examination, certified as a true and correct copy, will be furnished to the Director of Finance of the Government of Guam, and that the expense of such examination and the furnishing of such report shall be paid by such bank.

(2) That if the report of such examination of such bank discloses a violation of any of the laws, or properly adopted rules and regulations, of the state in which such bank is organized, such bank will be subject to the same civil penalties in Guam as it would be subject to in the state in which it was organized; that the Governor may appoint a hearing officer to hear evidence with regard to any such violations in accordance with Title XXV of the Government Code of Guam, and that such action, as may be directed by the Governor, upon the recommendation of such hearing officer, within the limits of the laws and regulations of the state in which such bank is organized, shall be complied with by such bank.

(3) That if the report of examination of such bank discloses a criminal violation by any officer or employee of such bank in the operation of its branch in Guam, which would be a crime in the state in which such bank is organized, but is not a crime under the laws of Guam, that the Governor may appoint a hearing officer in accordance with Title XXV of the Government Code of Guam to take evidence with regard to such criminal violation of such officer or employee and that upon recommendation by the hearing officer to the Governor, if the Governor so directs, such officer or employee will immediately be dismissed from the employment of such bank.

(4) That such bank agrees, in addition to the application of the provisions of Section 406 of the Civil Code of Guam, that if such bank should cease to operate a branch in Guam, that service of process upon the Director of Finance in any action or proceeding against such bank brought or pending in Guam upon any cause of action arising in or growing out of business transacted in Guam, shall be valid personal service upon such bank, irrevocable so long as such bank shall have any business transaction in effect in Guam.

(5) That such bank consents to abide by these regulations and further agrees to abide by any changes and/or amendments to such regulations as may be promulgated in the future by the Governor in accordance with Section 30002, Government Code of Guam, as now in effect, or any successor provision thereto.

(6) That such bank agrees to comply with such statutes of Guam as are necessary to qualify as a foreign corporation to do business in Guam and to abide by all of the statutes of Guam relative to foreign corporations now in effect in Guam or which hereafter may be enacted relating to foreign corporations doing business in Guam.

B. A statement setting forth the location and post office address of its principal office in Guam and that such shall continue until changed by a similar statement filed with the Director of Finance.

C. A copy of its most recent financial condition and business statement furnished to the Federal Deposit Insurance Corporation, and a copy of each such statement of financial condition and business statement filed with the Federal Deposit Insurance Corporation thereafter.