

[Source: Section 5 of the Act of October 23, 1962 (Pub. L. No. 87-856; 76 Stat. 1133), effective October 23, 1962, as amended by section 308 of title III of the Act of November 10, 1978 (Pub. L. No. 95-630; 92 Stat. 3677), effective March 10, 1979; and section 709 of title VII of the Act of October 15, 1982 (Pub. L. No. 97-320; 96 Stat. 1542), effective October 15, 1982; section 323 of title III of the Act of September 23, 1994 (Pub. L. No. 103-325; 108 Stat. 2227), effective September 23, 1994; section 2613(f) of title II of the Act of September 30, 1996 (Pub. L. No. 104-208; 110 Stat. 3009-478), effective September 30, 1996; section 602(b)(4) of title VI of the Act of October 13, 2006 (Pub. L. No. 109-351; 120 Stat. 1980), effective October 13, 2006]

SERVICES TO NONSTOCKHOLDERS OR NONMEMBERS

SEC. 6. No bank service company shall unreasonably discriminate in the provision of any services authorized under this Act to any depository institution that does not own stock in or is not a member of the service company on the basis of the fact that the depository institution is in competition with an institution that owns stock in the bank or is a member of service company, except that—

(1) it shall not be considered unreasonable discrimination for a bank service company to provide services to a nonstockholding or nonmember institution only at a price that fully reflects all of the costs of offering those services, including the cost of capital and a reasonable return thereon; and

(2) a bank service company may refuse to provide services to a nonstockholding or nonmember institution if comparable services are available from another source at competitive overall costs, or if the providing of services would be beyond the practical capacity of the service company.

[Codified to 12 U.S.C. 1866]

[Source: Section 6 of the Act of October 23, 1962 (Pub. L. No. 87-856), effective October 23, 1962, as added by section 709 of title VII of the Act of October 15, 1982 (Pub. L. No. 97-320; 96 Stat. 1543), effective October 15, 1982; section 2613(g) of title II of the Act of September 30, 1996 (Pub. L. No. 104-208; 110 Stat. 3009-478), effective September 30, 1996]

REGULATION AND EXAMINATION OF BANK SERVICE COMPANIES

SEC. 7. (a) A bank service company shall be subject to examination and regulation by the appropriate Federal banking agency of its principal investor to the same extent as its principal investor. The appropriate Federal banking agency of the principal shareholder or principal member of such a bank service company may authorize any other Federal banking agency that supervises any other shareholder or member of the bank service company to make such an examination.

(b) A bank service company shall be subject to the provisions of section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) as if the bank service company were an insured depository institution. For this purpose, the appropriate Federal banking agency shall be the appropriate Federal banking agency of the principal investor of the bank service company.

(c) Notwithstanding subsection (a) of this section, whenever a depository institution that is regularly examined by an appropriate Federal banking agency, or any subsidiary or affiliate of such a depository institution that is subject to examination by that agency, causes to be performed for itself, by contract or otherwise, any services authorized under this Act, whether on or off its premises—

(1) such performance shall be subject to regulation and examination by such agency to the same extent as if such services were being performed by the depository institution itself on its own premises, and

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(2) the depository institution shall notify such agency of the existence of the service relationship within thirty days after the making of such service contract or the performance of the service, whichever occurs first.

(d) The Board and the appropriate Federal banking agencies are authorized to issue such regulations and orders as may be necessary to enable them to administer and to carry out the purposes of this Act and to prevent evasions hereof.

[Codified to 12 U.S.C. 1867]

[Source: Section 7 of the Act of October 23, 1962 (Pub. L. No. 87-856), effective October 23, 1962, as added by section 709 of title VII of the Act of October 15, 1982 (Pub. L. No. 97-320; 96 Stat. 1543), effective October 15, 1982; as amended by section 32(b)(1) of the Act of January 12, 1983 (Pub. L. No. 97-457; 96 Stat. 2511), effective January 12, 1983; section 2613(h) of title II of the Act of September 30, 1996 (Pub. L. No. 104-208; 110 Stat. 3009-478), effective September 30, 1996; section 602(b)(5) of title VI of the Act of October 13, 2006 (Pub. L. No. 109-351; 120 Stat. 1980), effective October 13, 2006]

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