

AN ACT concerning regulation.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Illinois Banking Act is amended by changing Sections 18, 48.1, and 48.3 as follows:

(205 ILCS 5/18) (from Ch. 17, par. 325)

Sec. 18. Change in control.

(a) Before any person, whether acting directly or indirectly or through or in concert with one or more persons, may cause (i) a change to ~~may~~ occur in the ownership of outstanding stock of any State bank, whether by sale and purchase, gift, bequest or inheritance, or any other means, including the acquisition of stock of the State bank by any bank holding company, which will result in control or a change in the control of the bank or (ii) before a change to occur in the control of a holding company having control of the outstanding stock of a State bank whether by sale and purchase, gift, bequest or inheritance, or any other means, including the acquisition of stock of such holding company by any other bank holding company, which will result in control or a change in control of the bank or holding company, or (iii) before a transfer of substantially all the assets or liabilities of the State bank, the Secretary ~~Commissioner~~ shall be of the opinion

and find:

(1) that the general character of proposed management or of the person desiring to purchase substantially all the assets or to assume substantially all the liabilities of the State bank, after the change in control, is such as to assure reasonable promise of successful, safe and sound operation;

(1.1) that depositors' interests will not be jeopardized by the purchase or assumption and that adequate provision has been made for all liabilities as required for a voluntary liquidation under Section 68 of this Act;

(2) that the future earnings prospects of the person desiring to purchase substantially all assets or to assume substantially all the liabilities of the State bank, after the proposed change in control, are favorable;

(2.5) that the future prospects of the institution will not jeopardize the financial stability of the bank or prejudice the interests of the depositors of the bank;

(3) that any prior involvement by the persons proposing to obtain control, to purchase substantially all the assets, or to assume substantially all the liabilities of the State bank or by the proposed management personnel with any other financial institution, whether as stockholder, director, officer or customer, was conducted in a safe and sound manner; and

(4) that if the acquisition is being made by a bank

holding company, the acquisition is authorized under the Illinois Bank Holding Company Act of 1957.

(b) Any person ~~Persons~~ desiring to purchase control of an existing State ~~state~~ bank, to purchase substantially all the assets, or to assume substantially all the liabilities of the State bank shall, prior to that purchase, submit to the Secretary ~~Commissioner~~:

(1) a statement of financial worth;

(2) satisfactory evidence that any prior involvement by the persons and the proposed management personnel with any other financial institution, whether as stockholder, director, officer or customer, was conducted in a safe and sound manner; and

(3) such other relevant information as the Secretary ~~Commissioner~~ may request to substantiate the findings under subsection (a) of this Section.

A person who has submitted information to the Secretary ~~Commissioner~~ pursuant to this subsection (b) is under a continuing obligation until the Secretary ~~Commissioner~~ takes action on the application to immediately supplement that information if there are any material changes in the information previously furnished or if there are any material changes in any circumstances that may affect the Secretary's ~~Commissioner's~~ opinion and findings. In addition, a person submitting information under this subsection shall notify the Secretary ~~Commissioner~~ of the date when the change in control

is finally effected.

The Secretary ~~Commissioner~~ may impose such terms and conditions on the approval of the change in control application as he deems necessary or appropriate.

If an applicant, whose application for a change in control has been approved pursuant to subsection (a) of this Section, fails to effect the change in control within 180 days after the date of the Secretary's ~~Commissioner's~~ approval, the Secretary ~~Commissioner~~ shall revoke that approval unless a request has been submitted, in writing, to the Secretary ~~Commissioner~~ for an extension and the request has been approved.

(b-1) Any person, whether acting directly or indirectly or through or in concert with one or more persons, who obtains ownership of stock of an existing State bank or stock of a holding company that controls the State bank by gift, bequest, or inheritance such that ownership of the stock would constitute control of the State bank or holding company may obtain title and ownership of the stock, but may not exercise management or control of the business and affairs of the bank or vote his or her shares so as to exercise management or control unless and until the Secretary ~~Commissioner~~ approves an application for the change of control as provided in subsection (b) of this Section.

(b-3) The provisions of this Section do not apply to an established holding company acquiring control of a State bank if the transaction is subject to approval under Section 3 of

the federal Bank Holding Company Act, the Federal Deposit Insurance Act, or the federal Home Owners' Loan Act.

(c) Whenever a State ~~state~~ bank makes a loan or loans, secured, or to be secured, by 25% or more of the outstanding stock of a State ~~state~~ bank, the president or other chief executive officer of the lending bank shall promptly report such fact to the Secretary ~~Commissioner~~ upon obtaining knowledge of such loan or loans, except that no report need be made in those cases where the borrower has been the owner of record of the stock for a period of one year or more, or the stock is that of a newly organized bank prior to its opening.

(d) The reports required by subsections (b) ~~and (c)~~ of this Section 18, other than those relating to a transfer of assets or assumption of liabilities, shall contain the following information to the extent that it is known by the person making the report: (1) the number of shares involved; (2) the names of the sellers (or transferors); (3) the names of the purchasers (or transferees); (4) the names of the beneficial owners if the shares are registered in another name; (5) the purchase price, if applicable; (6) the total number of shares owned by the sellers (or transferors), the purchasers (or transferees) and the beneficial owners both immediately before and after the transaction; and, (7) in the case of a loan, the name of the borrower, the amount of the loan, the name of the bank issuing the stock securing the loan and the number of shares securing the loan. In addition to the foregoing, such reports shall

contain such other information which is requested by the Secretary ~~Commissioner~~ to inform the Secretary ~~Commissioner~~ of the effect of the transaction upon control of the bank whose stock is involved.

(d-1) The reports required by subsection (b) of this Section 18 that relate to purchase of assets and assumption of liabilities shall contain the following information to the extent that it is known by the person making the report: (1) the value, amount, and description of the assets transferred; (2) the amount, type, and to whom each type of liabilities are owed; (3) the names of the purchasers (or transferees); (4) the names of the beneficial owners if the shares of a purchaser or transferee are registered in another name; (5) the purchase price, if applicable; and, (6) in the case of a loan obtained to effect a purchase, the name of the borrower, the amount and terms of the loan, and the description of the assets securing the loan. In addition to the foregoing, these reports shall contain any other information that is requested by the Secretary ~~Commissioner~~ to inform the Secretary ~~Commissioner~~ of the effect of the transaction upon the bank from which assets are purchased or liabilities are transferred.

(e) Whenever such a change as described in subsection (a) of this Section 18 occurs, each State ~~state~~ bank shall report promptly to the Secretary ~~Commissioner~~ any changes or replacement of its chief executive officer or of any director occurring in the next 12 month period, including in its report

a statement of the past and current business and professional affiliations of the new chief executive officer or directors.

(f) (Blank).

(g) (1) Except as otherwise expressly provided in this subsection (g), the Secretary ~~Commissioners~~ shall not approve an application for a change in control if upon consummation of the change in control the persons applying for the change in control, including any affiliates of the persons applying, would control 30% or more of the total amount of deposits which are located in this State at insured depository institutions. For purposes of this subsection (g), the words "insured depository institution" shall mean State banks, national banks, and insured savings associations. For purposes of this subsection (g), the word "deposits" shall have the meaning ascribed to that word in Section 3(1) of the Federal Deposit Insurance Act. For purposes of this subsection (g), the total amount of deposits which are considered to be located in this State at insured depository institutions shall equal the sum of all deposits held at the main banking premises and branches in the State of Illinois of State banks, national banks, or insured savings associations. For purposes of this subsection (g), the word "affiliates" shall have the meaning ascribed to that word in Section 35.2 of this Act.

(2) Notwithstanding the provisions of paragraph (1) of this subsection ~~subsection (g)(1) of this Section~~, the Secretary ~~Commissioner~~ may approve an application for a change in control

for a bank that is in default or in danger of default. Except in those instances in which an application for a change in control is for a bank that is in default or in danger of default, the Secretary Commissioner may not approve a change in control which does not meet the requirements of paragraph (1) of this subsection ~~subsection (g)(1) of this Section~~. The Secretary Commissioner may not waive the provisions of paragraph (1) of this subsection ~~subsection (g)(1) of this Section~~, whether pursuant to Section 3(d) of the federal Bank Holding Company Act of 1956 or Section 44(d) of the Federal Deposit Insurance Act, except as expressly provided in this paragraph ~~subsection (g)(2) of this subsection~~.

(h) As used in this Section:

"Control", ~~the term "control"~~ means the power, directly or indirectly, to direct the management or policies of the bank or to vote 25% or more of the outstanding stock of the bank. If there is any question as to whether a change in control application should be filed, the question shall be resolved in favor of filing the application with the Secretary Commissioner.

"Substantially ~~As used in this Section, "substantially~~ all" the assets or liabilities of a State bank means that portion of the assets or liabilities of a State bank such that their purchase or transfer will materially impair the ability of the State bank to continue successful, safe, and sound operations or to continue as a going concern or would

cause the bank to lose its federal deposit insurance.

"Purchase" ~~As used in this Section, "purchase"~~ includes a transfer by gift, bequest, inheritance, or any other means.

As used in this Section, a person is acting in concert if that person is acting in concert under federal laws or regulations.

(Source: P.A. 92-483, eff. 8-23-01; 92-811, eff. 8-21-02.)

(205 ILCS 5/48.1) (from Ch. 17, par. 360)

Sec. 48.1. Customer financial records; confidentiality.

(a) For the purpose of this Section, the term "financial records" means any original, any copy, or any summary of:

(1) a document granting signature authority over a deposit or account;

(2) a statement, ledger card or other record on any deposit or account, which shows each transaction in or with respect to that account;

(3) a check, draft or money order drawn on a bank or issued and payable by a bank; or

(4) any other item containing information pertaining to any relationship established in the ordinary course of a bank's business between a bank and its customer, including financial statements or other financial information provided by the customer.

(b) This Section does not prohibit:

(1) The preparation, examination, handling or maintenance of any financial records by any officer, employee or agent of a bank having custody of the records, or the examination of the records by a certified public accountant engaged by the bank to perform an independent audit.

(2) The examination of any financial records by, or the furnishing of financial records by a bank to, any officer, employee or agent of (i) the Commissioner of Banks and Real Estate, (ii) after May 31, 1997, a state regulatory authority authorized to examine a branch of a State bank located in another state, (iii) the Comptroller of the Currency, (iv) the Federal Reserve Board, or (v) the Federal Deposit Insurance Corporation for use solely in the exercise of his duties as an officer, employee, or agent.

(3) The publication of data furnished from financial records relating to customers where the data cannot be identified to any particular customer or account.

(4) The making of reports or returns required under Chapter 61 of the Internal Revenue Code of 1986.

(5) Furnishing information concerning the dishonor of any negotiable instrument permitted to be disclosed under the Uniform Commercial Code.

(6) The exchange in the regular course of business of (i) credit information between a bank and other banks or financial institutions or commercial enterprises, directly

or through a consumer reporting agency or (ii) financial records or information derived from financial records between a bank and other banks or financial institutions or commercial enterprises for the purpose of conducting due diligence pursuant to a purchase or sale involving the bank or assets or liabilities of the bank.

(7) The furnishing of information to the appropriate law enforcement authorities where the bank reasonably believes it has been the victim of a crime.

(8) The furnishing of information under the Revised Uniform Unclaimed Property Act.

(9) The furnishing of information under the Illinois Income Tax Act and the Illinois Estate and Generation-Skipping Transfer Tax Act.

(10) The furnishing of information under the federal Currency and Foreign Transactions Reporting Act Title 31, United States Code, Section 1051 et seq.

(11) The furnishing of information under any other statute that by its terms or by regulations promulgated thereunder requires the disclosure of financial records other than by subpoena, summons, warrant, or court order.

(12) The furnishing of information about the existence of an account of a person to a judgment creditor of that person who has made a written request for that information.

(13) The exchange in the regular course of business of information between commonly owned banks in connection

with a transaction authorized under paragraph (23) of Section 5 and conducted at an affiliate facility.

(14) The furnishing of information in accordance with the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Any bank governed by this Act shall enter into an agreement for data exchanges with a State agency provided the State agency pays to the bank a reasonable fee not to exceed its actual cost incurred. A bank providing information in accordance with this item shall not be liable to any account holder or other person for any disclosure of information to a State agency, for encumbering or surrendering any assets held by the bank in response to a lien or order to withhold and deliver issued by a State agency, or for any other action taken pursuant to this item, including individual or mechanical errors, provided the action does not constitute gross negligence or willful misconduct. A bank shall have no obligation to hold, encumber, or surrender assets until it has been served with a subpoena, summons, warrant, court or administrative order, lien, or levy.

(15) The exchange in the regular course of business of information between a bank and any commonly owned affiliate of the bank, subject to the provisions of the Financial Institutions Insurance Sales Law.

(16) The furnishing of information to law enforcement authorities, the Illinois Department on Aging and its

regional administrative and provider agencies, the Department of Human Services Office of Inspector General, or public guardians: (i) upon subpoena by the investigatory entity or the guardian, or (ii) if there is suspicion by the bank that a customer who is an elderly person or person with a disability has been or may become the victim of financial exploitation. For the purposes of this item (16), the term: (i) "elderly person" means a person who is 60 or more years of age, (ii) "disabled person" means a person who has or reasonably appears to the bank to have a physical or mental disability that impairs his or her ability to seek or obtain protection from or prevent financial exploitation, and (iii) "financial exploitation" means tortious or illegal use of the assets or resources of an elderly or disabled person, and includes, without limitation, misappropriation of the elderly or disabled person's assets or resources by undue influence, breach of fiduciary relationship, intimidation, fraud, deception, extortion, or the use of assets or resources in any manner contrary to law. A bank or person furnishing information pursuant to this item (16) shall be entitled to the same rights and protections as a person furnishing information under the Adult Protective Services Act and the Illinois Domestic Violence Act of 1986.

(17) The disclosure of financial records or information as necessary to effect, administer, or enforce

a transaction requested or authorized by the customer, or in connection with:

(A) servicing or processing a financial product or service requested or authorized by the customer;

(B) maintaining or servicing a customer's account with the bank; or

(C) a proposed or actual securitization or secondary market sale (including sales of servicing rights) related to a transaction of a customer.

Nothing in this item (17), however, authorizes the sale of the financial records or information of a customer without the consent of the customer.

(18) The disclosure of financial records or information as necessary to protect against actual or potential fraud, unauthorized transactions, claims, or other liability.

(19) (a) The disclosure of financial records or information related to a private label credit program between a financial institution and a private label party in connection with that private label credit program. Such information is limited to outstanding balance, available credit, payment and performance and account history, product references, purchase information, and information related to the identity of the customer.

(b) (1) For purposes of this paragraph (19) of subsection (b) of Section 48.1, a "private label credit

program" means a credit program involving a financial institution and a private label party that is used by a customer of the financial institution and the private label party primarily for payment for goods or services sold, manufactured, or distributed by a private label party.

(2) For purposes of this paragraph (19) of subsection (b) of Section 48.1, a "private label party" means, with respect to a private label credit program, any of the following: a retailer, a merchant, a manufacturer, a trade group, or any such person's affiliate, subsidiary, member, agent, or service provider.

(c) Except as otherwise provided by this Act, a bank may not disclose to any person, except to the customer or his duly authorized agent, any financial records or financial information obtained from financial records relating to that customer of that bank unless:

(1) the customer has authorized disclosure to the person;

(2) the financial records are disclosed in response to a lawful subpoena, summons, warrant, citation to discover assets, or court order which meets the requirements of subsection (d) of this Section; or

(3) the bank is attempting to collect an obligation owed to the bank and the bank complies with the provisions of Section 2I of the Consumer Fraud and Deceptive Business Practices Act.

(d) A bank shall disclose financial records under paragraph (2) of subsection (c) of this Section under a lawful subpoena, summons, warrant, citation to discover assets, or court order only after the bank mails a copy of the subpoena, summons, warrant, citation to discover assets, or court order to the person establishing the relationship with the bank, if living, and, otherwise his personal representative, if known, at his last known address by first class mail, postage prepaid, unless the bank is specifically prohibited from notifying the person by order of court or by applicable State or federal law. A bank shall not mail a copy of a subpoena to any person pursuant to this subsection if the subpoena was issued by a grand jury under the Statewide Grand Jury Act.

(e) Any officer or employee of a bank who knowingly and willfully furnishes financial records in violation of this Section is guilty of a business offense and, upon conviction, shall be fined not more than \$1,000.

(f) Any person who knowingly and willfully induces or attempts to induce any officer or employee of a bank to disclose financial records in violation of this Section is guilty of a business offense and, upon conviction, shall be fined not more than \$1,000.

(g) A bank shall be reimbursed for costs that are reasonably necessary and that have been directly incurred in searching for, reproducing, or transporting books, papers, records, or other data ~~of a customer~~ required or requested to

be produced pursuant to a lawful subpoena, summons, warrant, citation to discover assets, or court order. The Commissioner shall determine the rates and conditions under which payment may be made.

(Source: P.A. 99-143, eff. 7-27-15; 100-22, eff. 1-1-18.)

(205 ILCS 5/48.3) (from Ch. 17, par. 360.2)

Sec. 48.3. Disclosure of reports of examinations and confidential supervisory information; limitations.

(a) Any report of examination, visitation, or investigation prepared by the Secretary under this Act, the Electronic Fund Transfer Act, the Corporate Fiduciary Act, the Illinois Bank Holding Company Act of 1957, and the Foreign Banking Office Act, any report of examination, visitation, or investigation prepared by the state regulatory authority of another state that examines a branch of an Illinois State bank in that state, any document or record prepared or obtained in connection with or relating to any examination, visitation, or investigation, and any record prepared or obtained by the Secretary to the extent that the record summarizes or contains information derived from any report, document, or record described in this subsection shall be deemed "confidential supervisory information". Confidential supervisory information shall not include any information or record routinely prepared by a bank or other financial institution and maintained in the ordinary course of business or any information or record that

is required to be made publicly available pursuant to State or federal law or rule. Confidential supervisory information shall be the property of the Secretary and shall only be disclosed under the circumstances and for the purposes set forth in this Section.

The Secretary may disclose confidential supervisory information only under the following circumstances:

- (1) The Secretary may furnish confidential supervisory information to the Board of Governors of the Federal Reserve System, the federal reserve bank of the federal reserve district in which the State bank is located or in which the parent or other affiliate of the State bank is located, any official or examiner thereof duly accredited for the purpose, or any other state regulator, federal regulator, or in the case of a foreign bank possessing a certificate of authority pursuant to the Foreign Banking Office Act or a license pursuant to the Foreign Bank Representative Office Act, the bank regulator in the country where the foreign bank is chartered, that the Secretary determines to have an appropriate regulatory interest. Nothing contained in this Act shall be construed to limit the obligation of any member State bank to comply with the requirements relative to examinations and reports of the Federal Reserve Act and of the Board of Governors of the Federal Reserve System or the federal reserve bank of the federal reserve district in which the bank is located,

nor to limit in any way the powers of the Secretary with reference to examinations and reports.

(2) The Secretary may furnish confidential supervisory information to the United States, any agency thereof that has insured a bank's deposits in whole or in part, or any official or examiner thereof duly accredited for the purpose. Nothing contained in this Act shall be construed to limit the obligation relative to examinations and reports of any State bank, deposits in which are to any extent insured by the United States, any agency thereof, nor to limit in any way the powers of the Secretary with reference to examination and reports of such bank.

(2.5) The Secretary may furnish confidential supervisory information to a Federal Home Loan Bank in connection with any bank that is a member of the Federal Home Loan Bank or in connection with any application by the bank before the Federal Home Loan Bank. The confidential supervisory information shall remain the property of the Secretary and may not be further disclosed without the Secretary's permission.

(3) The Secretary may furnish confidential supervisory information to the appropriate law enforcement authorities when the Secretary reasonably believes a bank, which the Secretary has caused to be examined, has been a victim of a crime.

(4) The Secretary may furnish confidential supervisory

information relating to a bank or other financial institution, which the Secretary has caused to be examined, to be sent to the administrator of the Revised Uniform Unclaimed Property Act.

(5) The Secretary may furnish confidential supervisory information relating to a bank or other financial institution, which the Secretary has caused to be examined, relating to its performance of obligations under the Illinois Income Tax Act and the Illinois Estate and Generation-Skipping Transfer Tax Act to the Illinois Department of Revenue.

(6) The Secretary may furnish confidential supervisory information relating to a bank or other financial institution, which the Secretary has caused to be examined, under the federal Currency and Foreign Transactions Reporting Act, Title 31, United States Code, Section 1051 et seq.

(6.5) The Secretary may furnish confidential supervisory information to any other agency or entity that the Secretary determines to have a legitimate regulatory interest.

(7) The Secretary may furnish confidential supervisory information under any other statute that by its terms or by regulations promulgated thereunder requires the disclosure of financial records other than by subpoena, summons, warrant, or court order.

(8) At the request of the affected bank or other financial institution, the Secretary may furnish confidential supervisory information relating to a bank or other financial institution, which the Secretary has caused to be examined, in connection with the obtaining of insurance coverage or the pursuit of an insurance claim for or on behalf of the bank or other financial institution; provided that, when possible, the Secretary shall disclose only relevant information while maintaining the confidentiality of financial records not relevant to such insurance coverage or claim and, when appropriate, may delete identifying data relating to any person or individual.

(9) The Secretary may furnish a copy of a report of any examination performed by the Secretary of the condition and affairs of any electronic data processing entity to the banks serviced by the electronic data processing entity.

(10) In addition to the foregoing circumstances, the Secretary may, but is not required to, furnish confidential supervisory information under the same circumstances authorized for the bank or financial institution pursuant to subsection (b) of this Section, except that the Secretary shall provide confidential supervisory information under circumstances described in paragraph (3) of subsection (b) of this Section only upon the request of the bank or other financial institution.

(b) A bank or other financial institution or its officers, agents, and employees may disclose confidential supervisory information only under the following circumstances:

(1) to the board of directors of the bank or other financial institution, as well as the president, vice-president, cashier, and other officers of the bank or other financial institution to whom the board of directors may delegate duties with respect to compliance with recommendations for action, and to the board of directors of a bank holding company that owns at least 80% of the outstanding stock of the bank or other financial institution;

(2) to attorneys for the bank or other financial institution and to a certified public accountant engaged by the State bank or financial institution to perform an independent audit provided that the attorney or certified public accountant shall not permit the confidential supervisory information to be further disseminated;

(3) to any person who seeks to acquire a controlling interest in, or who seeks to merge with, the bank or financial institution, provided that all attorneys, certified public accountants, officers, agents, or employees of that person shall agree to be bound to respect the confidentiality of the confidential supervisory information and to not further disseminate the information therein contained;

(3.5) to a Federal Home Loan Bank of which it is a member;

(4) (blank); ~~or~~

(4.5) to any attorney, accountant, consultant, or other professional as needed to comply with any enforcement action issued by the Secretary; or

(5) to the bank's insurance company in relation to an insurance claim or the effort by the bank to procure insurance coverage, provided that, when possible, the bank shall disclose only information that is relevant to the insurance claim or that is necessary to procure the insurance coverage, while maintaining the confidentiality of financial information pertaining to customers. When appropriate, the bank may delete identifying data relating to any person.

The disclosure of confidential supervisory information by a bank or other financial institution pursuant to this subsection (b) and the disclosure of information to the Secretary or other regulatory agency in connection with any examination, visitation, or investigation shall not constitute a waiver of any legal privilege otherwise available to the bank or other financial institution with respect to the information.

(c) (1) Notwithstanding any other provision of this Act or any other law, confidential supervisory information shall be the property of the Secretary and shall be privileged from disclosure to any person except as provided in this Section. No

person in possession of confidential supervisory information may disclose that information for any reason or under any circumstances not specified in this Section without the prior authorization of the Secretary. Any person upon whom a demand for production of confidential supervisory information is made, whether by subpoena, order, or other judicial or administrative process, must withhold production of the confidential supervisory information and must notify the Secretary of the demand, at which time the Secretary is authorized to intervene for the purpose of enforcing the limitations of this Section or seeking the withdrawal or termination of the attempt to compel production of the confidential supervisory information.

(2) Any request for discovery or disclosure of confidential supervisory information, whether by subpoena, order, or other judicial or administrative process, shall be made to the Secretary, and the Secretary shall determine within 15 days whether to disclose the information pursuant to procedures and standards that the Secretary shall establish by rule. If the Secretary determines that such information will not be disclosed, the Secretary's decision shall be subject to judicial review under the provisions of the Administrative Review Law, and venue shall be in either Sangamon County or Cook County.

(3) Any court order that compels disclosure of confidential supervisory information may be immediately appealed by the

Secretary, and the order shall be automatically stayed pending the outcome of the appeal.

(d) If any officer, agent, attorney, or employee of a bank or financial institution knowingly and willfully furnishes confidential supervisory information in violation of this Section, the Secretary may impose a civil monetary penalty up to \$1,000 for the violation against the officer, agent, attorney, or employee.

(Source: P.A. 100-22, eff 1-1-18; 100-64, eff. 8-11-17; revised 10-5-17.)

Section 10. The Savings Bank Act is amended by changing Sections 8015 and 9012 as follows:

(205 ILCS 205/8015) (from Ch. 17, par. 7308-15)

Sec. 8015. Change in control.

(a) No person, whether acting directly or indirectly or through or in concert with one or more persons, may acquire control of a savings bank operating under this Act without prior approval of the Secretary. The provisions of this Section do not apply to an established holding company acquiring control of a State savings bank if the transaction is subject to approval under the Federal Deposit Insurance Act, the federal Home Owners' Loan Act, or Section 3 of the federal Bank Holding Company Act.

(b) Any person seeking to acquire control of a savings bank

or subsidiary of a savings bank operating under this Act shall submit an application in the form required by the Secretary.

(c) The Secretary may examine the books and records of the applicant and related persons, investigate any matter relevant to the application, and require the applicant to submit additional information and documents.

(d) The Secretary shall not approve an acquisition of control unless the application and related examination and investigation permit the Secretary to find positively on all of the following matters:

(1) The applicant has filed a complete application, has cooperated with all examinations and investigations of the Secretary, and has submitted all information and documents requested by the Secretary.

(2) The applicant and proposed management have the necessary competence, experience, integrity, and financial ability.

(3) The business plans of the applicant are consistent with the safe and sound operation of the savings bank and the purposes of this Act.

(4) The acquisition of control would not be inequitable to members, borrowers or creditors of the savings bank.

(5) The applicant and proposed management have complied with subsection (f) of this Section.

(6) The future prospects of the institution will not jeopardize the financial stability of the savings bank or

prejudice the interests of the members of the savings bank.

(e) Shares of stock or mutual members shares acquired in violation of subsection (a) of this Section shall not be voted and shall not be counted in calculating the total number of shares eligible to vote. In addition to any other action authorized under this Act, the Secretary may require divestment of shares of stock acquired in violation of this Section and may require retirement of the withdrawal value of accounts providing mutual member voting shares acquired in violation of this Section, in which case the savings bank shall pay accrued interest on the retired withdrawal value and shall not assess any penalty for early withdrawal.

(f) An individual, whether acting directly or indirectly or through or in concert with one or more persons, shall file written notice to the Secretary within 10 days of the occurrence of either of the following events:

(1) becoming, directly or indirectly, the beneficial owner of more than five percent of the voting shares of a savings bank or savings bank holding company; or

(2) obtaining, directly or indirectly, the power to cast more than five percent of the member votes of a savings bank or savings bank holding company.

The requirements of this subsection (f) are separate and in addition to the requirements of subsection (a) of this Section.

(g) The Secretary may promulgate rules to implement this provision, including definitions, form and content of

application or notice, procedures, exemptions, and requirements for approval.

(h) As used in this Section, a person is acting in concert if that person is acting in concert under federal laws or regulations.

(Source: P.A. 96-585, eff. 8-18-09; 97-492, eff. 1-1-12.)

(205 ILCS 205/9012) (from Ch. 17, par. 7309-12)

Sec. 9012. Disclosure of reports of examinations and confidential supervisory information; limitations.

(a) Any report of examination, visitation, or investigation prepared by the Secretary under this Act, any report of examination, visitation, or investigation prepared by the state regulatory authority of another state that examines a branch of an Illinois State savings bank in that state, any document or record prepared or obtained in connection with or relating to any examination, visitation, or investigation, and any record prepared or obtained by the Secretary to the extent that the record summarizes or contains information derived from any report, document, or record described in this subsection shall be deemed confidential supervisory information. "Confidential supervisory information" shall not include any information or record routinely prepared by a savings bank and maintained in the ordinary course of business or any information or record that is required to be made publicly available pursuant to State or

federal law or rule. Confidential supervisory information shall be the property of the Secretary and shall only be disclosed under the circumstances and for the purposes set forth in this Section.

The Secretary may disclose confidential supervisory information only under the following circumstances:

(1) The Secretary may furnish confidential supervisory information to federal and state depository institution regulators, or any official or examiner thereof duly accredited for the purpose. Nothing contained in this Act shall be construed to limit the obligation of any savings bank to comply with the requirements relative to examinations and reports nor to limit in any way the powers of the Secretary relative to examinations and reports.

(2) The Secretary may furnish confidential supervisory information to the United States or any agency thereof that to any extent has insured a savings bank's deposits, or any official or examiner thereof duly accredited for the purpose. Nothing contained in this Act shall be construed to limit the obligation relative to examinations and reports of any savings bank in which deposits are to any extent insured by the United States or any agency thereof nor to limit in any way the powers of the Secretary with reference to examination and reports of the savings bank.

(2.5) The Secretary may furnish confidential supervisory information to a Federal Home Loan Bank in

connection with any savings bank that is a member of the Federal Home Loan Bank or in connection with any application by the savings bank before the Federal Home Loan Bank. The confidential supervisory information shall remain the property of the Secretary and may not be further disclosed without the Secretary's permission.

(3) The Secretary may furnish confidential supervisory information to the appropriate law enforcement authorities when the Secretary reasonably believes a savings bank, which the Secretary has caused to be examined, has been a victim of a crime.

(4) The Secretary may furnish confidential supervisory information related to a savings bank, which the Secretary has caused to be examined, to the administrator of the Revised Uniform Unclaimed Property Act.

(5) The Secretary may furnish confidential supervisory information relating to a savings bank, which the Secretary has caused to be examined, relating to its performance of obligations under the Illinois Income Tax Act and the Illinois Estate and Generation-Skipping Transfer Tax Act to the Illinois Department of Revenue.

(6) The Secretary may furnish confidential supervisory information relating to a savings bank, which the Secretary has caused to be examined, under the federal Currency and Foreign Transactions Reporting Act, 31 United States Code, Section 1051 et seq.

(7) The Secretary may furnish confidential supervisory information to any other agency or entity that the Secretary determines to have a legitimate regulatory interest.

(8) The Secretary may furnish confidential supervisory information as otherwise permitted or required by this Act and may furnish confidential supervisory information under any other statute that by its terms or by regulations promulgated thereunder requires the disclosure of financial records other than by subpoena, summons, warrant, or court order.

(9) At the request of the affected savings bank, the Secretary may furnish confidential supervisory information relating to the savings bank, which the Secretary has caused to be examined, in connection with the obtaining of insurance coverage or the pursuit of an insurance claim for or on behalf of the savings bank; provided that, when possible, the Secretary shall disclose only relevant information while maintaining the confidentiality of financial records not relevant to such insurance coverage or claim and, when appropriate, may delete identifying data relating to any person.

(10) The Secretary may furnish a copy of a report of any examination performed by the Secretary of the condition and affairs of any electronic data processing entity to the savings banks serviced by the electronic data processing

entity.

(11) In addition to the foregoing circumstances, the Secretary may, but is not required to, furnish confidential supervisory information under the same circumstances authorized for the savings bank pursuant to subsection (b) of this Section, except that the Secretary shall provide confidential supervisory information under circumstances described in paragraph (3) of subsection (b) of this Section only upon the request of the savings bank.

(b) A savings bank or its officers, agents, and employees may disclose confidential supervisory information only under the following circumstances:

(1) to the board of directors of the savings bank, as well as the president, vice-president, cashier, and other officers of the savings bank to whom the board of directors may delegate duties with respect to compliance with recommendations for action, and to the board of directors of a savings bank holding company that owns at least 80% of the outstanding stock of the savings bank or other financial institution.

(2) to attorneys for the savings bank and to a certified public accountant engaged by the savings bank to perform an independent audit; provided that the attorney or certified public accountant shall not permit the confidential supervisory information to be further disseminated.

(3) to any person who seeks to acquire a controlling interest in, or who seeks to merge with, the savings bank; provided that the person shall agree to be bound to respect the confidentiality of the confidential supervisory information and to not further disseminate the information other than to attorneys, certified public accountants, officers, agents, or employees of that person who likewise shall agree to be bound to respect the confidentiality of the confidential supervisory information and to not further disseminate the information.

(4) to the savings bank's insurance company, if the supervisory information contains information that is otherwise unavailable and is strictly necessary to obtaining insurance coverage or pursuing an insurance claim for or on behalf of the savings bank; provided that, when possible, the savings bank shall disclose only information that is relevant to obtaining insurance coverage or pursuing an insurance claim, while maintaining the confidentiality of financial information pertaining to customers; and provided further that, when appropriate, the savings bank may delete identifying data relating to any person.

(5) to a Federal Home Loan Bank of which it is a member.

(6) to any attorney, accountant, consultant, or other professional as needed to comply with an enforcement action

issued by the Secretary.

The disclosure of confidential supervisory information by a savings bank pursuant to this subsection (b) and the disclosure of information to the Secretary or other regulatory agency in connection with any examination, visitation, or investigation shall not constitute a waiver of any legal privilege otherwise available to the savings bank with respect to the information.

(c) (1) Notwithstanding any other provision of this Act or any other law, confidential supervisory information shall be the property of the Secretary and shall be privileged from disclosure to any person except as provided in this Section. No person in possession of confidential supervisory information may disclose that information for any reason or under any circumstances not specified in this Section without the prior authorization of the Secretary. Any person upon whom a demand for production of confidential supervisory information is made, whether by subpoena, order, or other judicial or administrative process, must withhold production of the confidential supervisory information and must notify the Secretary of the demand, at which time the Secretary is authorized to intervene for the purpose of enforcing the limitations of this Section or seeking the withdrawal or termination of the attempt to compel production of the confidential supervisory information.

(2) Any request for discovery or disclosure of confidential

supervisory information, whether by subpoena, order, or other judicial or administrative process, shall be made to the Secretary, and the Secretary shall determine within 15 days whether to disclose the information pursuant to procedures and standards that the Secretary shall establish by rule. If the Secretary determines that such information will not be disclosed, the Secretary's decision shall be subject to judicial review under the provisions of the Administrative Review Law, and venue shall be in either Sangamon County or Cook County.

(3) Any court order that compels disclosure of confidential supervisory information may be immediately appealed by the Secretary, and the order shall be automatically stayed pending the outcome of the appeal.

(d) If any officer, agent, attorney, or employee of a savings bank knowingly and willfully furnishes confidential supervisory information in violation of this Section, the Secretary may impose a civil monetary penalty up to \$1,000 for the violation against the officer, agent, attorney, or employee.

(e) Subject to the limits of this Section, the Secretary also may promulgate regulations to set procedures and standards for disclosure of the following items:

(1) All fixed orders and opinions made in cases of appeals of the Secretary's actions.

(2) Statements of policy and interpretations adopted

by the Secretary's office, but not otherwise made public.

(3) Nonconfidential portions of application files, including applications for new charters. The Secretary shall specify by rule as to what part of the files are confidential.

(4) Quarterly reports of income, deposits, and financial condition.

(Source: P.A. 100-22, eff. 1-1-18; 100-64, eff. 8-11-17; revised 10-5-17.)

Section 99. Effective date. This Act takes effect upon becoming law.