**Section 380.20 Definitions**

"Applicable Act" means Section 48(2)(a) of the Illinois Banking Act (IBA) [205 ILCS 5] in the case of state banks chartered under the IBA, and also means Section 9004 of the Savings Bank Act (SBA) [205 ILCS 205] in the case of a savings bank chartered under the SBA.

"Appropriate federal banking agency" means the Federal Deposit Insurance Corporation, the Federal Reserve Bank of Chicago or the Federal Reserve Bank of St. Louis, as determined by federal law (12 USC 1813(q)).

"CAMELS Rating" means the rating assigned to a state bank by the Secretary or by the state bank's appropriate federal banking agency, based on a composite evaluation of the following six individual performance components: Capital Adequacy, Asset Quality, Management, Earnings, Liquidity and Sensitivity to Market Risk. The composite CAMELS Rating, and the rating assigned to each individual performance component, will be assigned a number from a range of 1 through 5, with 1 being the highest possible rating and 5 being the lowest possible rating.

"Eligible state bank" means an Illinois state bank that, at its last examination, was assigned a composite CAMELS Rating of 1 or 2, or stable and improving composite 3-rated institutions if the composite rating is confirmed by an offsite review in which no adverse trends are noted from other available information; except that, unless otherwise determined by the Secretary, the following shall not be an eligible state bank:

A newly chartered state bank, for the first three years after receiving its charter;

A state bank that results from the merger of a state bank with a financial institution other than a state bank, for the first examination period after the merger;

A state bank that results from the merger of a state bank with another state bank that was assigned a CAMELS Rating of 3, 4 or 5 at its last regular examination, for the first examination period after the merger;

A state bank that results from the conversion of a financial institution other than a state bank, for the first examination period after the conversion;

A state bank that has undergone a change of control pursuant to the applicable Act that results in new ownership or control of more than 50% of the outstanding voting stock of the state bank, for the first examination period after the change of control;

A state bank whose management or board of directors has requested an examination by the Secretary;

A state bank that, in the opinion of the Secretary, is:

operating in an unsafe manner;

operating in an unsound condition;

conducting its business in violation of applicable laws, rules or regulations; or

conducting its business in a fraudulent manner;

A state bank concerning which the appropriate federal banking agency has communicated to the Secretary that the federal banking agency will not alternate in conducting examinations of the particular bank or class of banks; and

A state bank that is subject to an administrative order or other regulatory or enforcement action issued by the Secretary or the appropriate federal banking agency.

"Examination period" means the time frame within which the Secretary must conduct a regular examination of each state bank pursuant to the applicable Act.

"Regular examination" means a full scope, on-site examination of a state bank conducted by the Secretary or by the state bank's appropriate federal banking agency within each examination period.

"Secretary" means the Secretary of the Department of Financial and Professional Regulation.

"State bank" means, for purposes of this Part only, a state bank chartered under the Illinois Banking Act or a savings bank chartered under the Savings Bank Act, as the case may be.

(Source: Amended at 40 Ill. Reg. 16747, effective January 1, 2017)