

BUREAU OF BANKING

Department of Professional and Financial Regulation

State of Maine

November 9, 1987

BULLETIN #43 FEDWIRE TRANSFER ACTIVITY

To the Chief Executive Officer Addressed:

On July 30, 1987, The Board of Governors issued 2-Letter 2511 which places certain conditions on the ability of any entity to initiate Fedwire transfers from the Federal Reserve account of another depository institution. Should a financial institution or financial institution holding company consider undertaking the necessary steps to establish arrangements to consolidate their Fedwire activity, they should be aware that they must contact the Bureau of Banking to receive our views regarding certain matters as outlined in the Board's letter. The matters for State review are as follows:

The institution must provide, in a form acceptable to its primary supervisors, an opinion of counsel that the arrangement utilizing the service provider is consistent with the principles of corporate separateness and does not involve any violations of state branching laws. (This legal opinion is not required if the arrangement is limited to one in which the institution individually approves each transfer.)

The primary supervisors of the institution and the service provider must not raise objections to the arrangement with respect to safety and soundness considerations or limitations on branching of depository institutions.

Any depository institution that is planning to consolidate their Fedwire activity should contact the Bureau of Banking to receive the necessary disclaimer before proceeding with the application.

/s/ H. Donald DeMatteis  
Superintendent