BANKING CODE OF 1999 (EXCERPT)
Act 276 of 1999

487.11203 Definitions; S to V.
Sec. 1203. As used in this act:

(a) "Savings bank" means a savings bank that is organized under the savings bank act, 1996 PA 354, MCL 487.3101 to 487.3804, or the laws of another state, the District of Columbia, a territory or protectorate of the United States, or of the United States, whose deposits are insured by the Federal Deposit Insurance Corporation.

(b) "Service entity" means a corporation, mutual company, limited liability company, limited liability partnership, or limited partnership in which a bank has invested under section 4310(1). With the written approval of the director, a service entity may be a general partnership.

(c) "Service provider" means a person that provides any of the following to an institution:

(i) Data processing services.

(ii) Activities that support financial services, including, but not limited to, lending, funds transfer, fiduciary activities, trading activities, and deposit taking.

(iii) Internet-related services, including, but not limited to, web services and electronic bill payments, mobile applications, system and software development and maintenance, and security monitoring.

(iv) Activities related to the business of banking.

(d) "Shareholder" means the registered owner of any share or shares of capital stock of an institution.

(e) "State agency" means a foreign bank agency that is established and operating under this act.

(f) "State foreign bank branch" means a foreign bank branch that is established and operating under this act.

(g) "Stock association" means an association that has authority to issue shares of voting capital stock.

(h) "Subsidiary" means a corporation, mutual company, limited liability company, limited liability partnership, or limited partnership, the controlling interests of which are more than 50% owned by 1 or more depository institutions, and in which a bank has an ownership interest, membership interest, or other legally enforceable interest that is the indicia of ownership. With the approval of the director, and subject to the ownership requirements set forth in this subdivision, a subsidiary may be a general partnership.

(i) "Surplus" means the amount paid for issued and outstanding common and preferred stock of a bank in excess of the stated par value, plus any amount of transferred undivided profits and any additional amounts paid in or contributed to increase total capital.

(j) "Total capital" means an amount equal to any capital, plus any surplus, undivided profits, and instruments of indebtedness authorized under section 3801.

(k) "Trust office" means an office of a bank at which trust services are performed and at which deposits are not accepted, checks are not paid, and money is not lent.

(l) "Uniform commercial code" means the uniform commercial code, 1962 PA 174, MCL 440.1101 to 440.9994.

(m) "Venture capital" means equity financing that is provided for starting up or expanding a company, or related purposes such as financing for seed capital, research and development, introduction of a product or process into the marketplace, or similar needs requiring risk capital. A venture capital investment shall not include the purchase of a share of stock in a company if, on the date on which the share of stock is purchased, the company has securities outstanding that are registered on a national securities exchange under section 12(b) of title I of the securities exchange act of 1934, 15 USC 78l; that are registered or required to be registered under section 12(g) of title I of the securities exchange act of 1934, 15 USC 78l, or which would be required to be registered except for the exemptions in section 12(g)(2) of title I of the securities exchange act of 1934, 15 USC 78l.

(n) "Violation", as used in sections 2304, 2305, and 2306, includes without limitation any action, alone or with others, for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.