

# Executive Officer's License ("EOL") Frequently Asked Questions ("FAQ")

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## I. General EOL Questions

### Q. 1. I am new to state banking; what form do I need to use?

A. 1. *If you do not currently hold an EOL, and your employing bank has not opted out of the EOL licensing process, it is necessary to use the Comprehensive Form.*

### Q. 2. If I currently have or have had an EOL and go to work for a different or an additional state-chartered bank in Nebraska, do I need a new EOL and if so, which application form do I use?

A. 2. *Yes, an EOL is needed for each bank which has not opted out of the EOL licensing process and in which an individual will be conducting the duties of an executive officer. If your lapse in employment from the last bank in which you held an EOL is less than thirty days, the Transfer Form can be used to apply for an EOL; otherwise, a lapse of more than thirty days requires the use of the Comprehensive Form.*

### Q. 3. How do I change my name on my license?

A. 3. *Changing a name is as simple as sending a letter on bank letterhead requesting the name change, including the date your name was officially changed. Return your current EOL at the same time. There is no cost associated with a name change.*

### Q. 4. How do I cancel an EOL?

A. 4. *A holder of an EOL must surrender such EOL to the Department for cancellation upon termination of employment or contract. If the holder fails to surrender the EOL, the bank must do so within **ten days after the termination** by sending the EOL to the Department along with a letter notifying the Department of the termination and the date the officer left or changed position. If the EOL cannot be located for surrender, the bank must notify the Department in writing of the termination and date thereof, and request cancellation of the EOL. If the officer was terminated for cause or under suspicious circumstances, the bank must notify the Department of that fact.*

### Q. 5. Who do I call if I have a general EOL question?

A. 5. *The Department's telephone number is 402-471-2171. Ask to speak with a Bank Review Examiner.*

## II. Questions Regarding Restrictions

### **Q. 6. Why are EOLs occasionally issued with restrictions?**

- A. 6.** *An applicant who will be making loans and/or investments must demonstrate two years of direct lending and/or investment experience in order to qualify for an unrestricted EOL. In lieu of direct experience, an applicant may provide comparable educational experience, defined as closely related to the experience requirements in such areas as examining and reviewing loans or investments or attending specific schools on loans and/or investments; these applicants must also show they have successfully completed at least one school or educational program concentrating on both loans and investments.*

*If the applicant has less than two years direct lending and/or investment experience or comparable educational experience, the Department may issue a restricted EOL that typically places a dollar limit on the size of loans and/or investments that the applicant can make without the approval of an individual holding an unrestricted EOL. The applicant bank should submit a request detailing a restricted lending/investment limit when submitting the EOL application.*

*The Department itself may impose a restriction based on lending/investment limits or for reasons revealed in the Department's investigation of the applicant.*

### **Q. 7. How do I change or eliminate a restriction included on the face of the EOL?**

- A. 7.** *EOLs may be issued with restrictions typed on the face of the EOL for multiple purposes (e.g., lending restrictions, investment restrictions, limited supervisory oversight). Once the EOL has been in place for two years or the time set on the EOL, those restrictions will be considered for removal on a case-by-case basis. A letter from the bank detailing the reasons to remove the restriction should be submitted along with the original EOL. The process does not require a criminal history report or a new financial statement. There is no cost associated with a restriction change or removal. The Department will investigate the request as removal of a restriction is not automatic.*

### **Q. 8. Is an EOL required for an individual who solely originates real estate loans that are approved by a secondary market purchaser, when the secondary market purchaser makes the final decision on whether or not the loan will be made, prior to issuing of a loan commitment to borrower?**

- A. 8.** *An EOL is not required for the individual because the external entity, the secondary market purchaser of the loan, makes the final lending decision on whether or not the loan will be made, and the loan will not be retained as an asset/loan by the applicant bank. If the same individual processing secondary market loans is also making lending decisions on loans that will be retained by the applicant bank, then the individual is required to hold an EOL.*

### **III. Corporate and/or Bank Changes**

**Q. 9. Are new EOLs required if the Bank changes its name?**

**A. 9.** *No, this is not a requirement. EOLs will not be re-issued if the Bank changes its name.*

**Q. 10. What is the EOL process when State-Chartered Banks merge?**

**A. 10.**

- *If the acquiring/applicant bank and the acquired bank have NOT opted out of the EOL process, the acquiring/applicant bank only needs to submit (i) a letter to the Department listing the names of persons holding EOLs at the acquired bank who will become executive officers of the acquiring bank, and, (ii) for those EOLs issued prior to October 1, 2009, a United States Citizenship Attestation Form. The Department will then reissue the EOLs. There is no cost associated with this process.*
- *If the acquiring/applicant bank has not opted out of the EOL licensing process but the acquired bank had opted out, the comprehensive form and \$50 fee will need to be submitted for each officer.*

**Q. 11. Do officers of a National Bank which converts to a State-Chartered Bank need to complete a Comprehensive or Executive Officer's License Application for Transfer?**

**A. 11.** *The Board of Directors of the newly converted bank will need to decide if it wishes to opt out of the EOL process. If it does not elect the exemption, the officers of the converted bank need to fill out the Executive Officer's License Application for Transfer. No financial statement or criminal history report are required. The EOL Application fee is \$50 per person. The Department recommends the process be started prior to the conversion date.*