

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

BEFORE THE
STATE BANKING BOARD

ORDER

This matter having come before the North Dakota State Banking Board ("Board") by way of the North Dakota Department of Financial Institutions, for consideration and approval of an ORDER authorizing North Dakota chartered banks to maintain and operate a postal substation on bank premises.

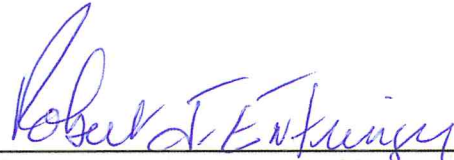
The Board takes notice of a federally chartered bank's ability to maintain and operate a postal substation on banking premises under 12 C.F.R. § 7.1010, which states:

- (a) *General.* A national bank may maintain and operate a postal substation on banking premises and receive income from it. The services performed by the substation are those permitted under applicable rules of the United States Postal Service and may include meter stamping of letters and packages, and the sale of related insurance. The bank may advertise, develop, and extend the services of the substation for the purpose of attracting customers to the bank.
- (b) *Postal regulations.* A national bank operating a postal substation shall do so in accordance with the rules and regulations of the United States Postal Service. The national bank shall keep the books and records of the substation separate from those of other banking operations. Under 39 U.S.C. 404 and any regulations issued pursuant thereto, the United States Postal Service may inspect the books and records of the substation.

The Board, having reviewed the supporting materials, and otherwise being fully advised of the issues, makes the following ORDER pursuant to N.D.C.C. § 6-03-02.3:

A North Dakota chartered bank may maintain and operate a postal substation on banking premises in the same manner, and subject to the same limitations as would apply to a federally chartered bank maintaining and operating a postal substation on banking premises under federal law.

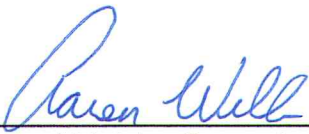
Dated this 26th day of March, 2015.



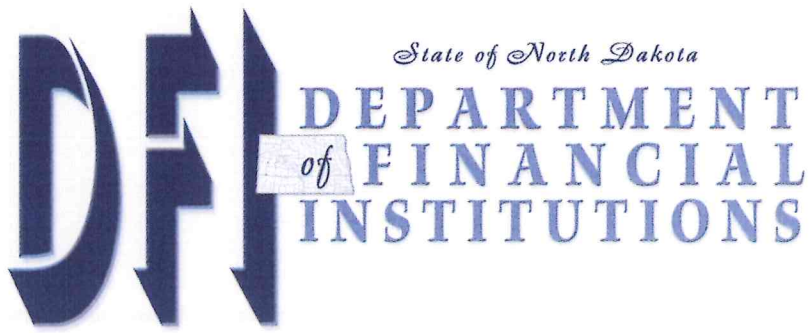
Robert J. Entringer, Chairman
State Banking Board

Signed on behalf of the State
Banking Board pursuant to a duly
approved motion of the Board on
March 26, 2015.

ATTEST:



Aaron Webb, Secretary
State Banking Board



Robert J. Entringer
Commissioner

Aaron K. Webb
Assistant Commissioner

I. Lise Kruse
Chief Examiner - Banks

Corey J. Krebs
Chief Examiner - Credit Unions

CSBS ACCREDITED 1993
NASCUS ACCREDITED 2000

MEMORANDUM

DATE: March 26, 2015

TO: CEOs of North Dakota State Chartered Banks

FROM: Robert J. Entringer, Commissioner

SUBJECT: Postal Substation

Recently we had a request from a bank to be able to enter into an arrangement with the United State Postal Service to operate a "Village Post Office" on the premises of one of the bank offices. Upon further research the Department found that this was an activity authorized for a national bank; therefore, the Department proposed the attached Order to the State Banking Board for their consideration. As you will note the State Banking Board approved the Order.

Therefore, North Dakota state chartered banks are now authorized pursuant to North Dakota Century Code Section 6-03-02.3 to operate a postal substation subject to the same laws for a national Bank.

If you have any questions feel free to contact the Department.

RJE:sr
Attachment