



# THE ATTORNEY GENERAL OF TEXAS

AUSTIN 11, TEXAS

PRICE DANIEL  
ATTORNEY GENERAL

May 24, 1947

Hon. L. S. Johnson, Commissioner,  
Department of Banking,  
Austin, Texas

Opinion No. V-216

Re: The legality of a  
State Bank Charter  
amendment to change  
its domicile from  
one county to another.

Dear Sir:

You request our opinion in the following  
letter:

"Article 4 Chapter III of the  
Texas Banking Code provides that the  
Articles of Association of a State  
Bank 'shall contain: 2. The city or  
town and the county of its domicile.'

"Article 12 Chapter III of the  
Code provides: 'Subject to the pro-  
visions of this Code, any State bank  
may amend its Articles of Association  
for any lawful purpose.' . . . 'pre-  
vided, however, . . . no amendment  
changing the domicile of any state  
bank to another city or town shall be  
effective until approved by the State  
Banking Board in the manner provided  
for the approval of an original appli-  
cation for charter.'

"Since no specific provision is  
made under the above authority for a  
bank to move its domicile from within  
one county to within another county,  
we are hereby requesting your opinion  
as to whether a bank in amending its  
charter to change its domicile from  
one town in one county to a city in  
another county is so amending its

charter 'for a lawful purpose' provided it complies with that provision requiring it to submit the Amendment to the State Banking Board for approval."

Section 16 of Article XVI of the Constitution dealing with State banks contains the following:

"Such body corporate shall not be authorized to engage in business at more than one place which shall be designated in its charter."

The "place" contemplated by this provision means the town or city wherein the bank is to be established and operated.

The language quoted by you - "provided however . . . no amendment changing the domicile of any state bank to another city or town shall be effective until approved by the State Banking Board in the manner provided for the approval of an original application for charter" - undoubtedly implies that the domicile of any state bank may be changed to another city or town by the process of charter amendment. Such amendment, therefore, would be "for a lawful purpose" and there is nothing in the Code to limit the permissible removal to another place in the county of its original domicile.

You are therefore advised that any state bank may amend its charter so as to move its domicile from one county to a town or city in another county, provided it complies with the requirements of the Banking Code with respect to submitting such amendment to the State Board for approval, "in the manner provided for the approval of an original application for charter."

#### SUMMARY

A state bank may lawfully remove its domicile from one county to another town or city in another county upon amending its charter properly, and submitting the same to the approval by the

State Banking Board in the same manner provided for the approval of an original application for charter. Art. 12, Chap. III of the State Banking Code of Texas.

Yours very truly,

ATTORNEY GENERAL OF TEXAS

By



Ocie Speer  
Assistant

OS:wb

APPROVED MAY 24, 1947



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