

STATE OF COLORADO

Department of Regulatory Agencies

M. Michael Cooke
Executive Director

**DIVISION OF BANKING**

Richard Fulkerson
State Bank Commissioner

Bill Owens
Governor

OPERATING MEMO

TO: Division of Banking Staff
FROM: Ralph E. Mires, State Bank Commissioner
DATE: November 30, 1990
RE: Detached Facility – Yes or No

Sometimes it is difficult to determine whether a facility operated by a bank is an extension of the bank or a detached facility. There are no hard and fast rules that can be applied to help you make this decision. Therefore, each case must be judged on the facts and circumstances peculiar to that facility. Listed here are some factors that weigh toward a facility being adjudged either a detached facility or an extension of the bank.

Detached Facility

1. Not physically attached to and located a considerable distance from the main office.
2. Can operate independently of the main office.
3. Provides the same services as the main office, but with different hours.
4. A free-standing structure which could have been constructed or established closer to the main office.
5. Located to give the bank a material competitive advantage in securing customers.
6. Separated from the main office by intervening structures.
7. Linked to the main office only by a telephone line.
8. Identified by a different telephone number and listing than the main office.

Extension of the Bank

1. Physically attached to the main bank office building.
2. A facility that, while not physically attached, is dependent on the main office to operate.
3. Located on the same parcel of real estate as the main office, but separated by parking areas and/or driveway access.
4. Only limited services are provided, even though hours of operation are different than the main office.
5. Located on an adjacent parcel of real estate, but separated by a street or alley.

Distributed to:

Commercial Banks Yes_NoX/Industrial Banks Yes_NoX/Trust Companies Yes_NoX