

TRANSACTION OF BUSINESS OUTSIDE THE BANKING
CORPORATION OFFICES

Introduction

1. Section 28 of the Banking (Licensing) Law, 5741-1981 states that a banking corporation shall not open or conduct business at a branch unless under a permit issued by the Governor.

Providing banking services at customers' places of business

2. Providing banking services at customers' places of business that involves dealing with money elsewhere than at the offices of the banking corporation raises serious security and internal control problems.

Consequently, banking corporations must issue specific orders to employees forbidding the provision of banking services elsewhere than at the offices of the banking corporation.

Conducting business at the branch of another banking corporation

3. A banking corporation may conduct business at the branch of another banking corporation only under a permit as aforesaid.

A banking corporation may permit an auxiliary corporation to conduct business at its branches without a special permit. Note, however, that a banking corporation shall not permit another banking corporation which is not among those listed above, to conduct business at its branches.

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