



STATE OF KANSAS

Office of the Attorney General

1st Floor, State Capitol Bldg. (913) 296-2215 Topeka, Kansas 66612

Curt T. Schneider
Attorney General

March 1, 1977

ATTORNEY GENERAL OPINION NO. 77-65

Mr. Payne H. Ratner, Jr.
Ratner, Mattox, Ratner, Ratner & Barnes
Attorneys at Law
444 North Market
Post Office Box 306
Wichita, Kansas 67201

Re: Banks--Detached Facilities--Advertising

Synopsis: Advertising which describes a detached auxiliary banking service facility as a "bank" is not in violation of K.S.A. 9-2011.

* * *

Dear Darb:

You inquire concerning K.S.A. 9-2011, and its application to certain advertising by Fidelity State Bank, Topeka, Kansas. That statute provides thus, in pertinent part:

"It shall be unlawful for any individual, firm or corporation to advertise, publish or otherwise promulgate that they are engaged in the banking business, without first having obtained authority from the bank commissioner as herein provided. Any such individual or member of any such firm or officer of any such corporation so offending shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding \$5,000."

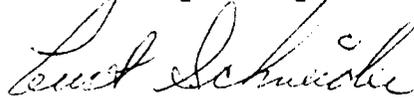
Mr. Payne H. Ratner, Jr.
Page Two
March 1, 1977

The question is raised, in correspondence which you enclose, of the propriety of advertising which suggests, at least inferentially, that detached auxiliary banking services facilities operated by a bank are themselves separate banks.

The cited statute prohibits any person from engaging in banking without authority to do so granted by the bank commissioner. In this instance, Fidelity State Bank of Topeka, Kansas, has a certificate of authority to do business as a bank, and to offer auxiliary banking services at detached facilities as provided in K.S.A. 9-1111. Each of its detached facilities is authorized to offer auxiliary banking services as described in that statute. They are offices of but one banking corporation, of course. The advertising is placed by Fidelity State Bank, presumptively, and it is authorized to engage in the banking business in this state. Thus, there is no violation of K.S.A. 9-2011.

Advertising which states that all banking services are available at a detached auxiliary banking service facility is, of course, misleading. Mere use of the term "bank" to describe such a facility does not constitute such advertising, however. Limited banking services are available at such facilities, and no other services may be provided through those facilities. As a banking facility, it is not entirely inappropriate that the premises be advertised as "banks." A recent advertising campaign made many references to so-called "full service" banks. Inferentially, some banks offer less than the complete range of banking services, but are nonetheless authorized by law to conduct banking business. Certainly, advertising which refers to a detached facility as a banking office or, less formally, as a bank, is not in violation of K.S.A. 9-2011.

Yours very truly,



CURT T. SCHNEIDER
Attorney General

CTS:JRM:kj