

Virginia Code

- 📁 Virginia Code
 - 📁 Title 6.1. Banking and Finance.
 - 📁 CHAPTER 2. BANKING ACT.
 - 📁 ARTICLE 1. In General.
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§ 6.1-5. Who shall not do a banking or trust business. –

No person, copartnership or corporation, except corporations duly chartered and already conducting the banking business or trust business in this Commonwealth under authority of the laws of this Commonwealth or the United States, or which shall hereafter be incorporated under the laws of this Commonwealth or authorized to do business in this Commonwealth under the banking laws of the United States, and except banks which may be authorized, after July 1, 1995, to establish and operate one or more branches in this Commonwealth under Article 5.1 (§ [6.1-44.1](#) et seq.) or 5.2 (§ [6.1-44.15](#) et seq.) of this chapter, and except trust companies or institutions that may be authorized to establish and operate one or more trust offices or conduct business in this Commonwealth under Article 3.1 (§ [6.1-32.1](#) et seq.), Article 3.2 (§ [6.1-32.11](#) et seq.), Article 3.2:1 (§ [6.1-32.30:1](#) et seq.) or Article 3.3 (§ [6.1-32.31](#) et seq.) of this chapter, shall engage in the banking business or trust business in this Commonwealth, and no foreign corporation, except as permitted in Chapter 14 (§ [6.1-390](#) et seq.) and Chapter 15 (§ [6.1-398](#) et seq.) of this title, shall do a banking or trust business in this Commonwealth. Nothing in this chapter, however, shall:

1. Prevent a natural person from qualifying and acting as trustee, personal representative, guardian, conservator, committee or in any other fiduciary capacity;
2. Prevent any person or copartnership or corporation from lending money on real estate and personal security or collateral, or from guaranteeing the payment of bonds, notes, bills and other obligations, or from purchasing or selling stocks and bonds;
3. Prevent any bank or trust company organized under the laws of this Commonwealth from qualifying and acting in another state or in the District of Columbia, as trustee, personal representative, guardian of a minor, conservator or committee or in any other fiduciary capacity, when permitted so to do by the laws of such other state or District; or
4. Prevent an incorporated association that is authorized to sell burial association group life insurance certificates in the Commonwealth, as described in the definition of limited burial insurance authority in § [38.2-1800](#), whose principal purpose is to assist its members in (i) financial planning for their funerals and burials and (ii) obtaining insurance

for the payment, in whole or in part, for funeral, burial, and related expenses, from serving as trustee of a trust established pursuant to § [54.1-2822](#).

Nothing in this section shall be construed to prevent banks or trust companies organized in this Commonwealth and chartered under the laws of the United States from transacting business in Virginia.

Nothing in this section shall be construed to prevent a real estate broker as defined in § [54.1-2100](#) from owning or operating a bank provided that the requirements of this chapter are met.

(Code 1950, § 6-9; 1966, c. 584; 1985, c. 544; 1995, c. 301; 1997, c. 801; 1999, c. [835](#); 2003, cc. [536](#), [558](#), [910](#); 2007, c. [621](#).)