

Article - Financial Institutions

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§1–211.

(a) (1) In this section the following words have the meanings indicated.

(2) “Depository institution” means any State–chartered or federally chartered financial institution, other–state bank, or foreign bank that:

(i) Is located in this State or maintains a branch in this State; and

(ii) Is authorized to maintain qualifying deposit accounts.

(3) “Eligible customer” means an individual who:

(i) Is an adult; and

(ii) Is a resident of this State.

(4) “Qualifying deposit account” means a savings account, savings program, or other time deposit offered to an eligible customer.

(5) “Savings promotion raffle” means a contest:

(i) Associated with one or more qualified deposit accounts;

(ii) Conducted by a depository institution, alone or together with other businesses; and

(iii) In which eligible customers are offered one or more chances to win specified prizes.

(b) (1) A depository institution may conduct a savings promotion raffle if:

(i) A requirement for a chance to win a specified prize is:

1. The deposit of a minimum specified amount of money in a qualifying deposit account according to the terms and conditions developed for the savings promotion raffle; or

2. The submission of any entry according to the terms and conditions developed for the savings promotion raffle with no deposit or purchase necessary;

(ii) Each entry in the savings promotion raffle has an equal chance of being drawn;

(iii) The depository institution maintains books and records relating

to the savings promotion raffle; and

(iv) The savings promotion raffle will not:

1. Harm the depository institution's ability to operate in a safe and sound manner; or

2. Mislead the depository institution's customers.

(2) A depository institution offering a savings promotion raffle under this section shall post in any location where entries may be submitted and disclose in any materials promoting the raffle a statement describing the terms and conditions of the raffling including that:

(i) No purchase is necessary;

(ii) Making deposits or purchasing goods or services will not improve the odds of winning; and

(iii) The odds of winning will be determined based on the number of entries received.

(3) In addition to the requirements under paragraph (1) of this subsection, a savings promotion raffle conducted by a banking institution must be approved by the Commissioner.

(c) Except as preempted by federal law, the Commissioner may:

(1) Examine the conduct of a savings promotion raffle; and

(2) Issue a cease and desist order under § 5–808 of this article for a violation of this section.

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