

CHAPTER 49

LIQUIDATION, REORGANIZATION,
CONSOLIDATION

49.34 Consolidation of state banks or trust companies, procedure.

49.36 Approval by commissioner.
49.45 Merger or consolidation.**49.34 CONSOLIDATION OF STATE BANKS OR TRUST COMPANIES, PROCEDURE.**

Subdivision 1. **Generally.** Any two or more state banks, operating in the same city, may be consolidated into a consolidated state bank, and any two or more trust companies, operating in the same city, may be consolidated into a consolidated trust company, and any state bank or state banks and any trust company or trust companies, operating in the same city, may be consolidated into a consolidated state bank or consolidated trust company, as the respective boards of directors thereof may determine. All consolidation shall be effected in the manner provided in sections 49.35 to 49.41 and when so organized, the consolidated corporation shall be governed and conducted in all other respects as provided by the statutes relating to the respective classes of financial corporations.

Subd. 2. **Acquisition of bank for operation as detached facility.** Notwithstanding the geographic limitations of subdivision 1, a state bank may apply to the commissioner, pursuant to the procedures contained in sections 47.51 to 47.56 and 49.35 to 49.41, to acquire another state bank or national banking association through merger, consolidation or purchase of assets and assumption of liabilities and operate such as a detached facility provided the detached facility of the successor bank which results from such acquisition conforms to the limitations of section 47.52. Where the commissioner has determined that a merger, consolidation or purchase of assets and assumption of liabilities is necessary and in the public interest to prevent the probable failure of a state bank or national banking association, the limitations on location and number of detached facilities in section 47.52 shall not apply to the establishment of a detached facility directly resulting from such acquisition. The establishment of a detached facility in order to prevent the probable failure of a bank as provided in this subdivision shall not require the written consent of banks having a principal office in the municipality in which the resulting detached facility will be located, notwithstanding the provisions of section 47.52.

History: 1981 c 57 s 1

49.36 APPROVAL BY COMMISSIONER.

Subdivision 1. **Requirements.** This consolidation agreement and certified copy of the proceedings of the meetings of the respective boards of directors, at which the making of the agreement was authorized, shall be submitted to the commissioner of banks for approval, and it shall not be effective until so approved by the commissioner. The commissioner shall take action after the documents are submitted, and shall be entitled to further information from the consolidated corporation as may be requested, or as may be obtained upon a hearing directed by the commissioner.

Subd. 2. **Procedures.** The procedures contained in section 47.54 must also be adhered to when a merger, consolidation, or purchase of assets and assumption of liabilities is effected pursuant to section 49.34, subdivision 2. In the event the

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commissioner has determined that it is necessary and in the public interest to act immediately on a merger, consolidation or purchase of assets and assumption of liabilities to prevent the probable failure of a bank, the commissioner may waive the requirements of section 47.54.

Subd. 3. Application decisions. In all applications filed under this section the commissioner in determining whether to approve or disapprove the application shall consider (a) the effects of the proposed merger transaction on competition, (b) the convenience and needs of the community to be served, and (c) the financial and managerial resources and future prospects of the existing and successor banks.

Subd. 4. Notice of acquisition. The successor bank shall give reasonable notice of the acquisition to each of the depositors and creditors of an acquired bank within 30 days after the order is activated. If detached facilities are to be closed as a result of transactions authorized by this section, adequate notice shall be provided by the bank prior to closing, unless the commissioner has acted to prevent the probable failure of the bank.

History: 1981 c 57 s 2

49.45 MERGER OR CONSOLIDATION.

One or more national banking associations which are located in this state and which have taken the corporate action required therefor by the laws of the United States may merge or consolidate with a state bank or banks. The merger or consolidation shall be effected in the manner provided in sections 49.34 to 49.41, and governed by the provisions thereof except that the name of the consolidated corporation shall not contain the word "national" and except that the rights of dissenting stockholders of the national banking associations shall be those prescribed in cases by the laws of the United States.

History: 1981 c 57 s 3