

CHAPTER 49

LIQUIDATION, REORGANIZATION,
CONSOLIDATION49.34 Consolidation or merger of state banks
or trust companies, procedure.49.35 Consolidation or merger agreement.
49.36 Approval by commissioner.**49.34 CONSOLIDATION OR MERGER OF STATE BANKS OR TRUST COMPANIES, PROCEDURE.***[For text of subd 1, see M.S.1992]*

Subd. 2. **Acquisition of bank or savings association for operation as detached facility.** (a) Notwithstanding the geographic limitations of subdivision 1 and the limitations on number of facilities, distance limitations, and consent requirements contained in section 47.52, 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 and its detached facilities through merger, consolidation, or purchase of assets and assumption of liabilities and operate them as detached facilities of the successor bank.

(b) 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, national banking association, or state or federal savings and loan association or savings bank, 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 a probable failure as provided in this paragraph 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.

The consolidation or merger under this paragraph of a capital stock savings and loan association or savings bank and a bank shall be effected in the manner provided in sections 49.33 to 49.41. A savings and loan association or savings bank that is a mutual association may be acquired directly under this paragraph through the purchase of assets and assumption of liabilities. A state bank acquiring a savings and loan association or savings bank under this paragraph must, with the approval of the commissioner of commerce, establish a reasonable date by which the bank will cease all activities conducted by the savings and loan association or savings bank that are not authorized activities for the bank.

History: 1993 c 7 s 1**49.35 CONSOLIDATION OR MERGER AGREEMENT.**

The respective boards of directors of the consolidating or merging corporations may, by the majority vote of all of the members of each board, make or authorize to be made between the corporations a written agreement, in duplicate, for the consolidation or merger of the corporations. The agreement shall specify each corporation to be a party to the transaction, and shall prescribe the terms and conditions thereof; the mode of carrying it into effect; the authorized capital stock of the consolidated or surviving corporation; the name of the consolidated or surviving corporation, which may be the name, in whole or in part, of any corporation which is a party to the agreement, and shall specify the city in which it shall have its principal place of business. It shall name the persons who shall constitute the board of directors of the consolidated or surviving corporation, but the number and qualifications of these persons shall be in accordance with the statutes relating to the number and qualifications of directors of that class of corporation.

History: 1993 c 257 s 26

49.36 APPROVAL BY COMMISSIONER.

Subdivision 1. **Requirements.** This consolidation or merger 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, must be submitted to the commissioner of commerce for approval with a fee of \$250 payable to the commissioner of commerce. The agreement shall not be effective until so approved by the commissioner. The commissioner shall take action after the documents are submitted, and is entitled to further information from any party to the transaction as may be requested by the commissioner, or as may be obtained upon a hearing directed by the commissioner.

[For text of subds 2 and 3, see M.S.1992]

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 or savings association 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 or savings association.

History: 1993 c 257 s 27,28