



Ohio Revised Code

Section 1115.05 Interstate acquisitions and branch banks.

Effective: May 21, 1997

Legislation: Senate Bill 40 - 122nd General Assembly

(A) As used in this section:

(1) "Acquire" or "acquisition" means any of the following transactions or actions:

(a) A merger or consolidation with, or purchase of assets from, a bank holding company that has acquired an Ohio bank;

(b) The acquisition of the direct or indirect ownership or control of voting shares of an Ohio bank if, after the acquisition, the acquiring bank holding company will directly or indirectly own or control the Ohio bank, unless the superintendent of financial institutions determines, in the superintendent's discretion, due to the nature of the acquisition, it should not be subject to the limitations of this section;

(c) The merger or consolidation of an Ohio bank with, or the transfer of assets from an Ohio bank to, another bank, whether previously existing or chartered for the purpose of the transaction;

(d) Any other action that results in the direct or indirect control of an Ohio bank.

(2) "Ohio bank" means a state bank or a national bank whose principal place of business is in this state.

(B) Subject to divisions (C) and (D) of this section, a bank or bank holding company whose principal place of business is in this state or any other state may charter or otherwise acquire an Ohio bank, and a bank may acquire banking offices in this state by merger or consolidation with or transfer of assets and liabilities from a bank, savings bank, or savings association that has offices in this state, if, upon consummation of the acquisition, both of the following will apply:

(1) The acquiring bank with, or the acquiring bank holding company through, its affiliate banks,



savings banks, and savings associations, does not control more than ten per cent of the total deposits of banks, savings banks, and savings associations in the United States, and either of the following applies:

(a) The acquiring bank with, or the acquiring bank holding company through, its affiliate banks, savings banks, and savings associations, does not control more than thirty per cent of the total deposits of banks, savings banks, and savings associations in this state.

(b) The acquiring bank with, or the acquiring bank holding company through, its affiliate banks, savings banks, and savings associations, controls more than thirty per cent of the total deposits of banks, savings banks, and savings associations in this state, and the superintendent approved the acquisition after determining the anticompetitive effects of the acquisition were clearly outweighed in the public interest by the probable effect of the transaction.

(2) Except in the case of a foreign bank subject to Chapter 1119. of the Revised Code or a bank that by the terms of its articles of incorporation or association is not permitted to solicit or accept deposits other than trust funds, the Ohio bank or any bank that has banking offices in this state will be an insured bank as defined in section 3(h) of the "Federal Deposit Insurance Act," 92 Stat. 614 (1978), 12 U.S.C.A. 1813(h).

(C)(1) Any bank holding company proposing to charter a state bank under this section shall comply with Chapter 1113. of the Revised Code and any rules adopted to implement that chapter.

(2) If, after the proposed acquisition, the acquiring bank or bank holding company will control an existing state bank the acquiring bank or bank holding company did not control before the acquisition, and the acquisition does not include the merger or consolidation of the existing state bank with another bank, the acquiring bank or bank holding company shall comply with section 1115.06 of the Revised Code and any rules adopted to implement that section.

(3) If the proposed acquisition will be accomplished by means of a merger or consolidation with a state bank and the resulting bank of the merger or consolidation will be a state bank, the state bank shall comply with section 1115.11 of the Revised Code and any rules adopted to implement that section.



(4) If the proposed acquisition will be accomplished by means of a transfer of assets and liabilities to a state bank, the state bank shall comply with section 1115.14 of the Revised Code and any rules adopted to implement that section.

(5) If the proposed acquisition will be accomplished by forming a bank to which the bank to be acquired will transfer assets and liabilities, or with which the bank to be acquired will be merged or consolidated and the resulting bank will be a state bank, the acquiring bank holding company shall comply with section 1115.23 of the Revised Code and any rules adopted to implement that section.

(D)(1) If the acquiring bank is a bank doing business under authority granted by the bank regulatory authority of another state and the acquisition will be accomplished by agreeing to assume all or substantially all of the deposit liabilities of an existing branch located in this state of a savings association doing business under authority granted by the superintendent pursuant to Chapter 1151. of the Revised Code, the acquisition shall be subject to the superintendent's approval, which shall include a determination that the laws of the state in which the acquiring bank has its principal place of business permit a bank with its principal place of business in Ohio to acquire all or substantially all of the deposit liabilities of an existing branch of a savings association located in that state on terms that are, on the whole, substantially no more restrictive than those established under section 1151.052 of the Revised Code.

(2) If the acquiring bank is a bank doing business under authority granted by the bank regulatory authority of another state and the acquisition will be accomplished by agreeing to assume all or substantially all of the deposit liabilities of an existing branch located in this state of a savings bank doing business under authority granted by the superintendent pursuant to Chapter 1161. of the Revised Code, the acquisition shall be subject to the superintendent's approval, which shall include a determination that the laws of the state in which the acquiring bank has its principal place of business permit a bank with its principal place of business in Ohio to acquire all or substantially all of the deposit liabilities of an existing branch of a savings bank located in that state on terms that are, on the whole, substantially no more restrictive than those established under section 1161.07 of the Revised Code.