



Ohio Revised Code

Section 1115.11 State bank consolidations or mergers.

Effective: January 1, 2018

Legislation: House Bill 49 - 132nd General Assembly

(A) A state bank may consolidate or merge with another state bank, a bank, savings bank, or savings association doing business under authority granted by the bank regulatory authority of another state, a national bank, or a federal savings association, regardless of where it maintains its principal place of business, with the approval of all of the following:

(1) The directors of both constituent corporations;

(2)(a) The shareholders of each constituent state bank that is a stock state bank, by the affirmative vote or written consent of the holders of two-thirds, or such other proportion not less than a majority as the bank's articles of incorporation or code of regulations provide, of the outstanding shares of each class of the bank's stock;

(b) The members of each constituent state bank that is a mutual state bank, by the affirmative vote of two-thirds, or such other proportion not less than a majority as the bank's articles of incorporation or code of regulations provide, of the voting members.

(3) The shareholders or members of the other constituent bank, savings bank, or savings association as required by the applicable state or federal law, articles of incorporation, or code of regulations;

(4) One of the following, as applicable:

(a) If the resulting corporation will be a state bank, the superintendent of financial institutions;

(b) If the resulting corporation will be a national bank or federal savings association, the office of the comptroller of the currency;

(c) If the resulting corporation will be a bank, savings bank, or savings association doing business under authority granted by the regulatory authority of another state, the state regulatory authority



under which the bank, savings bank, or savings association is doing business.

(B) For a merger or consolidation in which the resulting or surviving corporation will be a state bank, the constituent corporations, in the case of a consolidation, and the constituent corporation that will be the surviving corporation, in the case of a merger, shall file with the superintendent an application for the superintendent's approval that includes a copy of the consolidation or merger agreement and any other information the superintendent requires.

(C) The consolidation or merger agreement required under division (B) of this section shall include all of the following:

(1) The names of the constituent corporations;

(2) The agreement that the named constituent corporations will consolidate into a new state bank or the other named constituent corporations will merge with or into one specified constituent corporation;

(3) Subject to the limitations set forth in section 1103.07 of the Revised Code, the name of the state bank resulting from the consolidation or surviving the merger;

(4) The place in this state where the resulting or surviving bank's principal place of business is to be located;

(5) In the case of a consolidation, the contents of the resulting bank's articles of incorporation, consistent with section 1113.04 of the Revised Code;

(6) In the case of a merger, any amendment to the surviving bank's articles of incorporation;

(7) The names and addresses of the directors of the resulting or surviving bank;

(8) The terms of the consolidation or merger, how the consolidation or merger will be effected, and how consideration provided for, if any, will be distributed to the shareholders or members of the constituent corporations.



(D) Within ten business days after receiving an application required under division (B) of this section, the superintendent shall determine whether to accept the application. If the transaction is with a bank, savings bank, or savings association doing business under authority granted by a regulatory authority other than the superintendent, the superintendent shall notify the regulatory authority under which the bank, savings bank, or savings association is doing business of the application and solicit that regulatory authority's comments. Within ninety days after accepting an application required under division (B) of this section, the superintendent shall approve or disapprove the application. In making that determination, the superintendent shall consider all of the following:

- (1) Whether the transaction would result in a monopoly or would further any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of this state and any markets served by the resulting or surviving bank;
 - (2) Whether the effect of the proposed transaction in any part of this state and any markets served by the resulting or surviving bank may be to substantially lessen competition, tend to create a monopoly, or in any other manner restrain trade, unless the superintendent finds the anticompetitive effects of the transaction would clearly be outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served;
 - (3) The financial and managerial resources and future prospects of the banks involved;
 - (4) The convenience and needs of the communities to be served;
 - (5) Whether, upon completion of the transaction, the resulting or surviving state bank will meet the requirements of Chapters 1101. to 1127. of the Revised Code;
 - (6) The comments of any regulatory authority notified in accordance with division (D) of this section.
- (E) The superintendent may condition approval of an application under division (D) of this section in any manner the superintendent considers appropriate.



(F) Before consummating a consolidation or merger authorized under division (A) of this section, a state bank shall deliver to the superintendent a certificate of consolidation or merger that satisfies the requirements of section 1701.81 of the Revised Code. The superintendent shall file the certificate of consolidation or merger with the secretary of state and, if the resulting or surviving bank of the consolidation or merger is a state bank, shall file a certified copy of the superintendent's approval of the consolidation or merger with the certificate.

(G) In the case of a consolidation or merger in which the resulting or surviving corporation is a state bank, the directors and other officers named in the agreement of consolidation or merger shall serve until the date fixed in the agreement or provided in the resulting or surviving bank's code of regulations or by statute for the next annual meeting.

(H)(1) When a consolidation or merger becomes effective, both of the following apply:

(1) The existence of each of the constituent corporations ceases as a separate entity, but continues in the resulting or surviving corporation, within the limits of the charter of the resulting or surviving corporation and subject to section 1115.20 of the Revised Code, without further act or deed.

(b) Within the limits of the charter of the resulting or surviving corporation, the resulting or surviving corporation has all assets and property, the rights, privileges, immunities, powers, franchises, and authority, and all obligations and fiduciary relationships of each party to the merger or consolidation and the duties and liabilities connected with them.

(2) The resulting or surviving corporation shall perform every fiduciary relationship it has in the same manner as if it had itself originally assumed the fiduciary relationship and the obligations and liabilities connected with it.

(I) Shareholders of the nonsurviving stock state bank shall have a right to dissent and shall be entitled to relief as dissenting shareholders under section 1701.85 of the Revised Code for those transactions requiring prior shareholder approval under division (A)(2) of this section.