

Ohio Revised Code

Section 1115.14 Transferring assets and liabilities.

Effective: January 1, 2018

Legislation: House Bill 49 - 132nd General Assembly

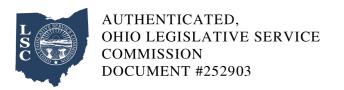
(A) A state bank may transfer assets and liabilities to, and acquire assets and liabilities from, another state bank, a bank doing business under authority granted by the bank regulatory authority of another state, or a national bank, savings bank, or savings association, regardless of where it maintains its principal place of business, with the approval of all of the following:

- (1) The directors of both constituent corporations;
- (2)(a) If the assets to be transferred equal more than fifty per cent of the assets of a transferring or acquiring state bank at the time of the transfer and the institution is a stock state bank, the shareholders of the 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 state bank's articles of incorporation or code of regulations provide, of the outstanding shares of each class of the state bank's stock;
- (b) If the assets to be transferred equal more than fifty per cent of the assets of a transferring or acquiring state bank at the time of the transfer and the institution is a mutual state bank, the members of the 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, the articles of incorporation, or the code of regulations;
- (4) If the assets to be transferred equal more than fifty per cent of the assets of the acquiring state bank, the superintendent of financial institutions.
- (B) In the case of a transfer of assets and liabilities for which the superintendent's approval is required under division (A)(4) of this section, the acquiring state bank shall file with the



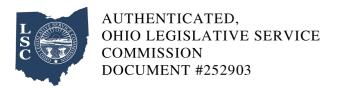
superintendent an application that includes all of the following:

- (1) An officers' certification that the transaction has been approved by the directors and shareholders or members of each constituent corporation in accordance with the applicable state or federal law, articles of incorporation or association, code of regulations, or bylaws;
- (2) A copy of the transfer agreement;
- (3) Any other information the superintendent requires.
- (C) The transfer agreement required under division (B)(2) of this section shall include all of the following:
- (1) The names of the constituent corporations;
- (2) The agreement of the named constituent corporations that specified assets and liabilities of one will be transferred to the other in exchange for specified consideration;
- (3) Any changes to be made in the directors or officers of the acquiring state bank;
- (4) Any amendments to the acquiring state bank's articles of incorporation;
- (5) The terms of the transfer, how the transfer will be effected, and how any consideration provided for will be distributed to the transferring corporation or its shareholders or members.
- (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 that granted the 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 acquiring bank;
- (2) Whether the effect of the proposed transaction in any part of this state and any markets served by the acquiring bank may be to substantially lessen competition, tend to create a monopoly, or in any other manner restrain trade, unless the superintendent finds that 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 acquiring 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) In the case of a transfer of assets and liabilities involving a state bank that is not the acquiring corporation and that will not continue operations after the transaction, the state bank shall, immediately upon the transfer of assets and liabilities being effective, provide the superintendent with the necessary dissolution certificates and affidavits for the superintendent to file the dissolution with the secretary of state.
- (G) When a bank, savings bank, or savings association transfers its assets and liabilities to a state bank, the acquiring state bank shall be possessed of the rights, privileges, and powers of the



transferor with respect to the transferred assets within the limits of the charter of the acquiring state bank.

(H) Shareholders of a stock state bank whose assets have been transferred 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.