

**§352. Mergers and consolidations; investor-owned institutions**

Any 2 or more investor-owned institutions authorized to do business in this State may merge or consolidate into one investor-owned institution organized under the laws of this State in accordance with the procedures, and subject to the conditions and limitations, set forth in this section. [PL 1997, c. 398, Pt. G, §2 (AMD).]

**1. Adoption of plan.** The governing body of each participating institution shall adopt, by a majority vote or higher if required by its organizational documents, a plan of merger or consolidation on such terms as mutually agreed upon. The plan must include:

A. The names of the participating institutions and their locations; [PL 1975, c. 500, §1 (NEW).]

B. [PL 1997, c. 398, Pt. G, §2 (RP).]

C. With respect to the resulting institution: the name and location of its principal office, branch offices and facilities; the name, address and occupation of each director who is to serve until the next annual meeting of the investors; the name and address of each officer; the amount of capital, the number and the par value of each class of equity interest; and the amendments required to be made to the institution's organizational documents; [PL 1997, c. 398, Pt. G, §2 (AMD).]

D. Provisions governing the manner and basis of converting the equity interests of the participating institutions into equity interests or other securities of the resulting institution and, if any equity interests of any of the participating institutions are not to be converted solely into equity interests or other securities of the resulting institution, provisions governing the amount of cash, property, rights or securities of any other institution or corporation that is to be paid or delivered to the holders of the equity interests in exchange for or upon surrender of the equity interests. The cash, property, rights or securities of any other institution or corporation may be in addition to or in lieu of the equity interests or securities of the resulting institution; [PL 1997, c. 398, Pt. G, §2 (AMD).]

E. A statement that the agreement is subject to approval of the superintendent and of the investors of each participating institution; [PL 1997, c. 398, Pt. G, §2 (AMD).]

F. Provisions, if applicable, governing the manner of disposing of equity interests of the resulting institution not taken by dissenting investors of the participating institutions; and [PL 1997, c. 398, Pt. G, §2 (AMD).]

G. The anticipated effective date of such merger or consolidation; and such other provisions and details as may be necessary to perfect the merger or consolidation or as may be required by the superintendent. [PL 1997, c. 398, Pt. G, §2 (AMD).]

[PL 1997, c. 398, Pt. G, §2 (AMD).]

**2. Superintendent's approval.**

[PL 1997, c. 398, Pt. G, §2 (RP).]

**2-A. Superintendent's approval.** The superintendent shall approve the plan of merger or consolidation in accordance with section 351, subsection 3.

[PL 1997, c. 398, Pt. G, §2 (NEW).]

**3. Vote of investors.** The plan of merger or consolidation, as approved by the superintendent, must be submitted to the investors of the participating institutions for their approval at an annual meeting, or at a special meeting called for that purpose, in accordance with section 351, subsection 4 and the following provisions.

Notice required pursuant to section 351, subsection 4 must state that dissenting investors will be entitled to payment only for the value of those equity interests that are voted against approval of the plan. Published notice may be waived if written waivers are received from the holders of 2/3 of the outstanding voting equity interests of each class stock of each participating institution.

Notice and meeting are not required under this subsection if investors unanimously approve the plan.

A. [PL 1997, c. 398, Pt. G, §2 (RP).]

B. [PL 1997, c. 398, Pt. G, §2 (RP).]

[PL 2021, c. 508, §7 (AMD).]

**4. Executed plan; certificate; effective date.** The executed plan certificate and effective date must be in accordance with section 351, subsection 5.

A. [PL 1997, c. 398, Pt. G, §2 (RP).]

B. [PL 1997, c. 398, Pt. G, §2 (RP).]

C. [PL 1997, c. 398, Pt. G, §2 (RP).]

[PL 1997, c. 398, Pt. G, §2 (AMD).]

**5. Rights of dissenting investors.** The rights of investors dissenting to the merger or consolidation are those specified in Title 13-C or Title 31, chapter 15, 19 or 21, depending upon the organizational form of the institution. To the extent that dissenters' rights are not addressed in Title 31 or these rights are less beneficial to the dissenting investors than those rights listed in the institution's organizational documents, the organizational documents govern.

A. [PL 1997, c. 398, Pt. G, §2 (RP).]

B. [PL 1997, c. 398, Pt. G, §2 (RP).]

C. [PL 1997, c. 398, Pt. G, §2 (RP).]

D. [PL 1997, c. 398, Pt. G, §2 (RP).]

[PL 2009, c. 629, Pt. A, §3 (AFF); PL 2009, c. 629, Pt. B, §4 (AMD).]

**6. Federally chartered institution as participant.** If one of the parties to a merger or consolidation is a federally chartered investor-owned institution, the participants shall comply with all requirements imposed by federal law for such merger or consolidation in addition to the requirements contained in this Title and shall provide evidence of such compliance to the superintendent as a condition precedent to the issuance of a certificate in section 351, subsection 5 relating to such merger or consolidation. The rights of dissenting investors in such federally chartered institutions are governed by federal law.

[PL 1997, c. 398, Pt. G, §2 (AMD).]

**7. Merger of investor-owned institution with national bank.**

A. Nothing contained in the law of this State restricts the right of a financial institution organized under chapter 31 to merge or consolidate into a resulting national bank. The action to be taken by the investor-owned institution and its rights and liabilities and those of its investors are the same as those prescribed for national banks at the time of the action by the law of the United States and not by the law of this State, except that a vote of the holders of 2/3 of each class of equity interest of an investor-owned institution is required for the merger or consolidation and that, on merger or consolidation into a national bank, the rights of dissenting investors are those specified in federal law for national banks. [PL 1997, c. 398, Pt. G, §2 (AMD).]

B. Upon the completion of the merger or consolidation, the franchise of the participating investor-owned institution terminates automatically. [PL 1997, c. 398, Pt. G, §2 (AMD).]

[PL 1997, c. 398, Pt. G, §2 (AMD).]

#### SECTION HISTORY

PL 1975, c. 500, §1 (NEW). PL 1985, c. 529 (AMD). PL 1997, c. 398, §G2 (AMD). PL 1997, c. 683, §A1 (AMD). RR 2001, c. 2, §B12 (COR). RR 2001, c. 2, §B58 (AFF). PL 2005, c. 543,

§D4 (AMD). PL 2005, c. 543, §D18 (AFF). PL 2009, c. 629, Pt. A, §3 (AFF). PL 2009, c. 629, Pt. B, §4 (AMD). PL 2021, c. 508, §7 (AMD).

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