

CHAPTER 6-08.2

SALE OF BANKING INSTITUTIONS OWNED BY CHARITABLE TRUSTS

6-08.2-01. Sale of banking institutions owned by charitable trusts. Expired under S.L. 1987, ch. 124, § 9.

6-08.2-02. Presentment of plan of acquiring entity to the state department of financial institutions. Prior to any acquisition under this chapter, the acquiring entity must present a plan to the state department of financial institutions. The plan must provide that the acquiring entity commits itself to the condition that it capitalize each bank to be acquired in this state according to the applicable banking laws of this state and the requirements of the federal deposit insurance corporation or any applicable federal banking laws.

6-08.2-03. Offer to purchase minority stock required. Any bank holding company owned by a charitable trust that sells, assigns, merges, or transfers the stock of any bank or bank holding company pursuant to this chapter shall communicate to and offer to purchase the stock of any minority stockholder of the bank or bank holding company. The offer must be made to minority stockholders at least sixty days before the date of the sale and must extend thirty days after the sale of the bank or bank holding company. The offer must remain open for at least ninety days or for the same period as that which is offered to minority stockholders of the company's banks located in other states, whichever period is greater. The offer to purchase minority stock in banks in this state must be based on at least the same criteria, standards, and formula as may be used by the bank holding company in computing an offer to purchase the minority stock of its banks in other states. The resulting offer to purchase must be on the same or better terms as any previous offer made by the bank holding company except for those previous offers made by reason of repurchase options between the bank holding company and the stockholder. Such repurchase options may not be used as a basis for determining the offer to purchase other minority stock.

6-08.2-04. Grants requirement - Commitment - Reports to attorney general. Any charitable trust that divests itself of any interest pursuant to this chapter shall file a commitment with the attorney general prior to any divestiture that the charitable trust will, subject to the provisions of the trust instrument pursuant to which the trust was created, continue to make grants under the provisions of the trust to recipients within this state. The charitable trust must report annually to the attorney general describing the grants made by the charitable trust to all recipients in the previous year. Upon the basis of such information, or other information that may be brought to the attorney general's attention, the attorney general may initiate further investigation and ensure compliance with the requirements of this section.

6-08.2-05. Designation of agent for service of process. Any charitable trust that divests itself of any interest pursuant to this chapter shall designate the secretary of state as its agent for service of process in this state.

6-08.2-06. Limitations.

1. The authority granted by this chapter does not authorize the acquiring entity to resell, reassign, merge, or transfer stock or assets of any state or national bank or bank holding company acquired under this chapter except as permitted under the laws of this state.
2. This chapter does not limit or restrict the rights of a charitable trust to sell, assign, merge, or transfer the stock or assets of any state or national bank or bank holding company owned directly or indirectly by the charitable trust under the provisions of any existing or hereafter adopted state or federal law or regulation.
3. This chapter does not permit the sale, assignment, merger, or transfer by a charitable trust that directly or indirectly owns banks in Minnesota as well as in North Dakota of the stock or assets of any state or national bank or bank holding company

located in this state if the sale, assignment, merger, or transfer by the charitable trust would be prohibited under the laws of Minnesota.

6-08.2-07. Provisions not severable. Notwithstanding section 1-02-20, if any provision of this chapter is determined by any court of competent or final jurisdiction to be invalid or unconstitutional, this entire chapter is void.