



ADMINISTRATIVE RULES OF MONTANA



2.59.2017 MERGER APPLICATION

- (1) The application to merge one or more mutual associations located in Montana or to merge two or more mutual associations doing business in this state must be in the following form:
 - (a) the resolution or an authentic copy of the resolution, authorizing the merger adopted by a majority of the board of directors;
 - (b) the terms and conditions of the proposed merger;
 - (c) the manner and basis of converting the shares of each merging association into shares of the surviving association;
 - (d) a statement of any changes in the articles of incorporation of the surviving association to be effected by the merger;
 - (e) other provisions with respect to the proposed merger deemed necessary or desirable; and
 - (f) the proposed articles of merger and plan of merger.
- (2) An application fee of \$2,000 plus \$200 for each mutual association involved in the merger must be paid to the department at the time of application and may not be refunded in whole or in part.
- (3) If an application is incomplete in any respect, or if additional information is required, the department shall notify the applicant and the applicant will be allowed up to 30 days in which to perfect the application or to provide additional information. An extension of this 30-day period may be obtained from the department by showing good cause why it should be extended. The department may delay processing, including extending the comment period for good cause.
- (4) The application must be in letter form addressed to the commissioner of the department.
- (5) The department will preliminarily approve or deny merger applications within 30 days of receiving a completed application.
- (6) Within 90 days of the preliminary approval, the board of directors of the merging association shall submit the proposed merger to a vote of the members at any regular meeting or at any special meetings called for that purpose, after notice of the proposed merger has been given to all members entitled to vote thereon, in the manner provided in the bylaws. The notice of the meeting shall be in writing stating the purpose or purposes of the meeting and include or be accompanied by a copy or summary of the plan of merger. At the meeting, members may vote upon the proposed merger in person, or by written proxy, or by mailed ballot. The affirmative vote of the majority of the members voting thereon, shall be required for approval of the plan of merger. If the total vote of the association upon the proposed merger shall be less than 25% of the total membership of such association, the merger shall not be approved.

- (7) Within 10 days of the membership vote, the board of directors shall certify the result to the department.
- (8) Within 10 days after receipt of the certification, the department shall issue its final approval or denial of the application, based on the result of the membership vote.

MUTUAL ASSOCIATION MERGER APPLICATION

Any individual or entity desiring confidential treatment of specific portions of the application shall specifically identify the information for which they request confidentiality, separately bind it, and label it "Confidential." The individual or entity shall follow the same procedure for a request for confidential treatment for the subsequent filing of supplemental information to the application. Inquiries concerning the preparation and filing of this or any other application with the department should be directed to the Montana Division of Banking and Financial Institutions, P.O. Box 200546, Helena, MT 59620-0546.

1. State the exact corporate name and address of each mutual association participating in the merger, and the proposed names of the resultant mutual association.
2. State the name and address of, and the dates of publication in, the newspapers in which the required notice is published.
3. For the resultant mutual association, a list of the names of the directors and principal executive officers, their titles, including a brief resume of the educational background, banking experience, and other qualifications of each and an explanation of the extent of common management of the participating institution and the length of time such common ownership or management has existed.
4. The date on which the proposed merger is to occur.
5. Attach the following documents:

Authorizing statute(s): 32-2-704, MCA

Implementing statute(s): 32-2-827, MCA

History: NEW, 2022 MAR p. 230, Eff. 2/12/22.