§ 152.11 Books and records.

(a) Each Federal stock association shall keep correct and complete books and records of account; shall keep minutes of the proceedings of its stockholders, board of directors, and committees of directors; and shall keep at its home office or at the office of its transfer agent or registrar, a record of its stockholders, giving the names and addresses of all stockholders, and the number, class and series, if any, of the shares held by each.

(b)(1) Any stockholder or group of stockholders of a Federal stock association, holding of record the number of voting shares of such association specified below, upon making written demand stating a proper purpose, shall have the right to examine, in person or by agent or attorney, at any reasonable time or times, nonconfidential portions of its books and records of account, minutes and record of stockholders and to make extracts therefrom. Such right of examination is limited to a stockholder or group of stockholders holding of record:

(i) Voting shares having a cost of not less than $100,000 or constituting not less than one percent of the total outstanding voting shares, provided in either case such stockholder or group of stockholders have held of record such voting shares for a period of at least six months before making such written demand, or

(ii) Not less than five percent of the total outstanding voting shares.

(2) No stockholder or group of stockholders of a Federal stock association shall have any other right under this section or common law to examine its books and records of account, minutes and record of stockholders and to make extracts therefrom, except as provided in its bylaws with respect to inspection of a list of stockholders.

(c) The right to examination authorized by paragraph (b) of this section and the right to inspect the list of stockholders provided by a Federal stock association’s bylaws may be denied to any stockholder or group of stockholders upon the refusal of any such stockholder or group of stockholders to furnish such association, its transfer agent or registrar an affidavit that such examination, or inspection is not desired for any purpose which is in the interest of a business or object other than the business of the association, that such stockholder has not within the five years preceding the date of the affidavit sold or offered for sale, and does not now intend to sell or offer for sale, any list of stockholders of the association or of any other corporation, and that such stockholder has not within said five-year period aided or abetted any other person in procuring any list of stockholders for purposes of selling or offering for sale such list.

(d) Notwithstanding any provision of this section or common law, no stockholder or group of stockholders shall have the right to obtain, inspect or copy any portion of any books or records of a Federal stock association containing:

(1) A list of depositors in or borrowers from such association;

(2) Their addresses;

(3) Individual deposit or loan balances or records; or

(4) Any data from which such information could be reasonably constructed.

§ 152.12 [Reserved]

§ 152.13 Combinations involving Federal stock associations.

(a) Scope and authority. Federal stock associations may enter into combinations only in accordance with the provisions of this section, section 18(c) of the Federal Deposit Insurance Act, sections 5(d)(3)(A) and 10(s) of the Home Owners’ Loan Act, and §163.22 of this part.

(b) Definitions. The following definitions apply to §§152.13 and 152.14 of this part.

(1) Combination. A merger or consolidation with another depository institution, or an acquisition of all or substantially all of the assets or assumption of all or substantially all of the liabilities of a depository institution by another depository institution. Combine means to be a constituent institution in a combination.

(2) Consolidation. Fusion of two or more depository institutions into a newly-created depository institution.

(3) Constituent institution. Resulting, disappearing, acquiring, or transferring
Comptroller of the Currency, Treasury

§ 152.13

depository institution in a combination.

(4) Depository institution means any commercial bank (including a private bank), a savings bank, a trust company, a savings and loan association, a building and loan association, a home¬
stead association, a cooperative bank, an industrial bank or a credit union, chartered in the United States and having its principal office located in the United States.

(5) Disappearing institution. A deposi-
tory institution whose corporate exist¬
ence does not continue after a com-
bination.

(6) Merger. Uniting two or more de-
pository institutions by the transfer of
all property rights and franchises to
the resulting depository institution,
which retains its corporate identity.

(7) Mutual savings association. Any
savings association organized in a form
not requiring non-withdrawable stock
under Federal or state law.

(8) Resulting institution. The deposi-
tory institution whose corporate exist¬
ence continues after a combination.

(9) Savings association has the same
meaning as defined in §161.43 of this
chapter.

(10) State. Includes the District of Co-
lumbia, Commonwealth of Puerto Rico,
and states, territories, and possessions
of the United States.

(11) Stock association. Any savings as-
sociation organized in a form requiring
non-withdrawable stock.

(c) Forms of combination. A Federal
stock association may combine with
any depository institution, provided
that:

(1) The combination is in compliance
with, and receives all approvals re¬
quired under, any applicable statutes
and regulations;

(2) Any resulting Federal savings asso-
ciation meets the requirements for
Federal Home Loan Bank membership
and insurance of accounts;

(3) Any resulting Federal savings asso-
ciation conforms within the time
prescribed by the OCC to the require¬
ments of sections 5(c) and 10(m) of the
Home Owners’ Loan Act; and

(4) If any constituent savings associa-
tion is a mutual savings association,
the resulting institution shall be mutu¬
ally held, unless:

(i) The transaction involves a supervi¬
sory merger;

(ii) The transaction is approved
under part 192 of this chapter;

(iii) The transaction involves an in¬
terim Federal stock association or an
interim state stock savings associa¬
tion; or

(iv) The transaction involves a trans¬
fer in the context of a mutual holding
company reorganization under section
10(o) of the Home Owners’ Loan Act.

(d) Combinations. Prior written notifi-
cation to, notice to, or prior written
approval of, the OCC pursuant to
§163.22 of this chapter is required for
every combination. In the case of ap-
plications and notices pursuant to
§163.22 (a) or (c), the OCC shall apply
the criteria set out in §163.22 of this
chapter and shall impose any condi-
tions it deems necessary or appropriate
to ensure compliance with those cri-
teria and the requirements of this
chapter.

(e) Approval of the board of directors.
Before filing a notice or application for
any combination involving a Federal
stock association, the combination
shall be approved:

(1) By a two-thirds vote of the entire
board of each constituent Federal sav¬
ings association; and

(2) As required by other applicable
Federal or state law, for other con-
stituent institutions.

(f) Combination agreement. All terms,
conditions, agreements or under-
standings, or other provisions with re-
spect to a combination involving a
Federal savings association shall be set
forth fully in a written combination
agreement. The combination agree¬
ment shall state:

(1) That the combination shall not be
effective unless and until:

(i) The combination receives any nec-
essary approval from the OCC pursuant
to §163.22 (a) or (c);

(ii) In the case of a transaction re-
quiring a notification pursuant to
§163.22(b), notification has been pro-
vided to the OCC; or

(iii) In the case of a transaction re-
quiring a notice pursuant to §163.22(c),
the notice has been filed, and the ap-
propriate period of time has passed or
the OCC has advised the parties that it
will not disapprove the transaction;
(2) Which constituent institution is to be the resulting institution;
(3) The name of the resulting institution;
(4) The location of the home office and any other offices of the resulting institution;
(5) The terms and conditions of the combination and the method of effectuation;
(6) Any charter amendments, or the new charter in the combination;
(7) The basis upon which the savings accounts of the resulting institution shall be issued;
(8) If a Federal association is the resulting institution, the number, names, residence addresses, and terms of directors;
(9) The effect upon and assumption of any liquidation account of a disappearing institution by the resulting institution; and
(10) Such other provisions, agreements, or understandings as relate to the combination.

(g) [Reserved]

(h) Approval by stockholders—(1) General rule. Except as otherwise provided in this section, an affirmative vote of two-thirds of the outstanding voting stock of any constituent Federal savings association shall be required for approval of the combination agreement. If any class of shares is entitled to vote as a class pursuant to §152.4 of this part, an affirmative vote of a majority of the shares of each voting class and two-thirds of the total voting shares shall be required. The required vote shall be taken at a meeting of the savings association.

(2) General exception. Stockholders of the resulting Federal stock association need not authorize a combination agreement if:

(i) It does not involve an interim Federal savings association or an interim state savings association;
(ii) The association’s charter is not changed;
(iii) Each share of stock outstanding immediately prior to the effective date of the combination is to be an identical outstanding share or a treasury share of the resulting Federal stock association after such effective date; and
(iv) Either:

(A) No shares of voting stock of the resulting Federal stock association and no securities convertible into such stock are to be issued or delivered under the plan of combination, or
(B) The authorized unissued shares or the treasury shares of voting stock of the resulting Federal stock association to be issued or delivered under the plan of combination, plus those initially issuable upon conversion of any securities to be issued or delivered under such plan, do not exceed 15% of the total shares of voting stock of such association outstanding immediately prior to the effective date of the combination.

(3) Exceptions for certain combinations involving an interim association. Stockholders of a Federal stock association need not authorize by a two-thirds affirmative vote combinations involving an interim Federal savings association or interim state savings association when the resulting Federal stock association is acquired pursuant to regulations of the Board of Governors of the Federal Reserve System. In those cases, an affirmative vote of 50 percent of the shares of the outstanding voting stock of the Federal stock association plus one affirmative vote shall be required. If any class of shares is entitled to vote as a class pursuant to §152.4 of this part, an affirmative vote of 50 percent of the shares of each voting class plus one affirmative vote shall be required. The required votes shall be taken at a meeting of the association.

(i) Disclosure. The OCC may require, in connection with a combination under this section, such disclosure of information as the OCC deems necessary or desirable for the protection of investors in any of the constituent associations.

(j) Articles of combination. (1) Following stockholder approval of any combination in which a Federal savings association is the resulting institution, articles of combination shall be executed in duplicate by each constituent institution, by its chief executive officer or executive vice president and by its secretary or an assistant secretary, and verified by one of the officers of each institution signing such articles, and shall set forth:

(i) The plan of combination:
(ii) The number of shares outstanding in each depository institution; and
(iii) The number of shares in each depository institution voted for and against such plan.
(2) Both sets of articles of combination shall be filed with the OCC. If the OCC determines that such articles conform to the requirements of this section, the OCC shall endorse the articles and return one set to the resulting institution.

(k) Effective date. No combination under this section shall be effective until receipt of any approvals required by the OCC. The effective date of a combination in which the resulting institution is a Federal stock association shall be the date of consummation of the transaction or such other later date specified on the endorsement of the articles of combination by the OCC. If a disappearing institution combining under this section is a Federal stock association, its charter shall be deemed to be cancelled as of the effective date of the combination and such charter must be surrendered to the OCC as soon as practicable after the effective date.

(l) Mergers and consolidations: transfer of assets and liabilities to the resulting institution. Upon the effective date of a merger or consolidation under this section, if the resulting institution is a Federal stock association combining in accordance with §152.13 of this part shall have the right to demand payment of the fair or appraised value of his stock: Provided, That such stockholder has not voted in favor of the combination and complies with the provisions of paragraph (c) of this section.

(b) Exceptions. No stockholder required to accept only qualified consideration for his or her stock shall have the right under this section to demand payment of the stock's fair or appraised value, if such stock was listed on a national securities exchange or quoted on the National Association of Securities Dealers' Automated Quotation System ("NASDAQ") on the date of the meeting at which the combination was acted upon or stockholder action is not required for a combination made pursuant to §152.13(h)(2) of this part. "Qualified consideration" means cash, shares of stock of any association or corporation which at the effective date of the combination will be listed on a national securities exchange or quoted on NASDAQ, or any combination of such shares of stock and cash.

(c) Procedure—(1) Notice. Each constituent Federal stock association shall notify all stockholders entitled to rights under this section, not less than twenty days prior to the meeting at which the combination agreement is to be submitted for stockholder approval, of the right to demand payment of appraised value of shares, and shall include in such notice a copy of this section. Such written notice shall be mailed to stockholders of record and may be part of management's proxy solicitation for such meeting.

(2) Demand for appraisal and payment. Each stockholder electing to make a demand under this section shall deliver to the Federal stock association, before voting on the combination, a writing identifying himself or herself and stating his or her intention thereby to demand appraisal of and payment for his or her shares. Such demand must be in addition to and separate from any proxy or vote against the combination by the stockholder.

§ 152.14 Dissenter and appraisal rights.

(a) Right to demand payment of fair or appraised value. Except as provided in paragraph (b) of this section, any stockholder of a stock association combining in accordance with §152.13 of this part shall have the right to demand payment of the fair or appraised value of his stock: Provided, That such stockholder has not voted in favor of the combination and complies with the provisions of paragraph (c) of this section.