

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001
4

As Engrossed: 5/11/01

A Bill

Act 65 of 2001
SENATE BILL 41

5 By: Senators Wilkinson, Gwatney, P. Malone
6 By: Representatives Files, Glover, McMellon
7

For An Act To Be Entitled

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9
10 AN ACT TO AMEND ARKANSAS CODE 23-48-601 AND 23-48-602
11 RELATING TO BANK REORGANIZATIONS THROUGH PLANS OF
12 EXCHANGE; AND FOR OTHER PURPOSES.
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Subtitle

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16 AN ACT TO AMEND ARKANSAS CODE 23-48-601
17 AND 23-48-602 RELATING TO BANK
18 REORGANIZATIONS THROUGH PLANS OF
19 EXCHANGE.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code 23-48-601(b) is amended to read as follows:

25 (b) No such plan of exchange shall be effectuated unless, in advance
26 thereof, the plan has been filed with the Bank Commissioner and approved in
27 writing by him after notice and a hearing thereon. The commissioner shall give
28 approval within a reasonable time after the hearing ~~unless~~ if he finds the
29 plan:

- 30 (1) ~~Is contrary to~~ Complies with the law;
- 31 (2) ~~Is inequitable~~ fair and equitable to the stockholders of the
32 state bank involved;
- 33 (3) ~~Would not provide~~ Provides a satisfactory means for disposing
34 of shares of the state bank resulting from dissenting stockholders; or
- 35 (4) Would not substantially reduce the security of or service to
36 be rendered to depositors or other customers of the state bank or any

1 affiliate bank of the state bank or the bank holding company.

2 SECTION 2. Arkansas Code 23-48-602(b) is amended to read as follows:

3 (b)(1) The plan of exchange shall be submitted to the stockholders of
4 the state bank to be acquired at a meeting thereof called for that purpose.

5 (2) Notice shall be given of the time, place, and purpose of the
6 meeting to each stockholder or member of record, whether entitled to vote or
7 not.

8 (3) A copy of any proxy statement, or other solicitation
9 materials provided to the shareholders of the state bank shall be filed with
10 the commissioner on or before delivery to the shareholders.

11 ~~(3)~~ (4)(A) At the meeting, the plan of exchange shall be
12 considered by the stockholders entitled to vote thereon.

13 (B) A vote by ballot, in person or by proxy, shall be taken
14 for the adoption or rejection of the plan.

15 (C) Unless otherwise provided in the state bank's articles
16 of incorporation for voting on a plan of exchange, the plan of exchange shall
17 be approved upon receiving the affirmative vote of the holders of at least a
18 simple majority of the outstanding shares of the state bank entitled to vote
19 thereon.

20 (D) However, if any class of shares of the state bank is
21 entitled to vote as a class on the plan, the plan of exchange shall be
22 approved upon receiving the affirmative vote of the holders of at least a
23 simple majority of the outstanding shares of each class of shares entitled to
24 vote as a class on the plan and the total outstanding shares entitled to vote
25 on the plan.

26 (E) If the plan of exchange is approved by the stockholders
27 of the state bank, then that fact shall be certified in the plan by the
28 president or a vice president of the state bank.

29 ~~(4)~~ (5) The plan so adopted and certified shall be signed by the
30 president or a vice president of each party to the plan of exchange, and
31 acknowledged before an officer authorized by law to take acknowledgment of
32 deeds.

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34 SECTION 3. EMERGENCY CLAUSE. It is hereby found and determined by the
35 Eighty-third General Assembly, that it is immediately necessary for the fair
36 and efficient administration of this act that, among other things, the

1 criteria for the determination of the fairness and equity to the shareholders
2 involved in the transactions covered by the plans of exchange be revised.
3 Therefore, an emergency is declared to exist and this act being immediately
4 necessary for the preservation of the public peace, health and safety shall
5 become effective on the date of its approval by the Governor. If the bill is
6 neither approved nor vetoed by the Governor, it shall become effective on the
7 expiration of the period of time during which the Governor may veto the bill.
8 If the bill is vetoed by the Governor and the veto is overridden, it shall
9 become effective on the date the last house overrides the veto.

10 */s/ Wilkinson*

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13 **APPROVED: 2/1/2001**
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