

State of California

FINANCIAL CODE

Section 4879.04

4879.04. The agreement of sale shall be approved by the seller and purchaser, as follows:

(a) In the case of a California state depository corporation:

(1) If, as of the time when the agreement of sale is made, the deposits, if any, of the partial business unit are less than 10 percent of the total deposits of the state depository corporation and the fiduciary assets, if any, of the partial business unit are less than 10 percent of the total fiduciary assets of the state depository corporation, the agreement of sale shall be approved by the board of the state depository corporation.

(2) Otherwise, the agreement of sale shall be approved by the board of the state depository corporation, and the principal terms of the agreement of sale shall be approved by the outstanding shares of the state depository corporation.

(3) For purposes of paragraphs (1) and (2):

(A) The amount of deposits shall be determined as of the end of the calendar quarter immediately preceding the making of the agreement of sale.

(B) The value of fiduciary assets shall be the net carrying value, as determined in conformity with generally accepted accounting principles, as of the end of the calendar quarter immediately preceding the making of the agreement of sale.

(b) In the case of a depository corporation other than a California state depository corporation, the agreement of sale shall be approved as required by the law of the depository corporation's domicile.

(Added by Stats. 1995, Ch. 480, Sec. 155. Effective October 2, 1995.)