WEST VIRGINIA CODE: §31A-8A-3

§31A-8A-3. Permitted acquisitions.

(a) Except as otherwise expressly permitted by federal law, a company may not form a West Virginia bank holding company or acquire a West Virginia state bank or a bank holding company controlling a West Virginia state bank without the prior application and approval upon order of the board. A West Virginia state bank or West Virginia state bank holding company which controls, directly or indirectly, a West Virginia state bank may not acquire an out-of-state bank or out-of-state bank holding company without first filing with the commissioner a copy of the application it files with the appropriate federal regulator unless the acquisition involves a merger and establishment of branches pursuant to article eight-d of this chapter.

(b) The prohibition in subsection (a) of this section shall not apply where the acquisition is made:

(1) Solely for the purpose of facilitating an acquisition otherwise permitted under this article;

(2) In a transaction arranged by the commissioner with the consent of the West Virginia board of banking and financial institutions with another state or federal bank supervisory agency to prevent the insolvency or closing of the acquired bank; or

(3) In a transaction in which a national bank or out-of-state state bank forms its own bank holding company, if the ownership rights of the former bank shareholders are substantially similar to those of the shareholders of the new bank holding company.

(c) In any transaction involving the acquisition or change in control of a West Virginia bank, West Virginia bank holding company, bank branch located in West Virginia by a bank holding company, the formation of a West Virginia bank holding company or the acquisition of a thrift institution in West Virginia by a bank holding company for which an application to the board for approval is not initially required under subsection (a) of this section, the party seeking the action shall give written notice to the commissioner at the time the application or notice is filed with the responsible federal bank supervisory agency and at least forty-five days before the effective date of the acquisition, unless a shorter period of notice is required under applicable federal law. In addition, the parties shall give the commissioner copies of all final federal and state applications filed in connection with the transaction together with a $250 filing fee. Unless preempted by federal law, the commissioner has thirty days from receipt of the written notice to object to any proposed transaction, require an application and request a hearing before the board on the basis that the transaction is contrary to applicable West Virginia law. The failure to object within thirty days shall be construed as consent by the commissioner, or, in his or her discretion, the commissioner may, at any time, consent in writing.

WV Legislature

(d) To the extent that any acquisition under this section involves the merger of a bank with and into a West Virginia state bank, the merger transaction remains subject to the jurisdiction and approval of the board pursuant to section seven, article seven of this chapter or article eight-d of this chapter, as applicable.

(e) An acquisition shall not be permitted under this article or otherwise if upon consummation of the transaction, the resulting bank or bank holding company, including any depository institutions affiliated with the applicant, would assume sufficient additional deposits to cause it to control deposits in this state in excess of that allowed by section twelve-a, article two of this chapter: Provided, That the commissioner may by rule adopt a procedure whereby the acquisition deposit limitation as set forth in this code may be waived for good cause shown. The commissioner shall calculate the acquisition deposit limitation based upon the most recently available reports containing the deposit information filed with state or federal authorities.

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