

**MO5****Change of Control**

- A. A person has control over a licensee if:
1. The person directly or indirectly or acting through one or more other persons owns, controls, or has power to vote 25 percent or more of any class of voting securities of the licensee; or
  2. The Banking Board determines, after notice and opportunity for hearing, that the person directly or indirectly exercises a controlling influence over the activities of the licensee.
- B. In any case in which a person or a group of persons, directly or indirectly or acting by or through one or more persons, proposes to purchase or acquire a controlling interest in a licensee, and thereby to change the control of that licensee, each person or group of persons shall provide written notice to the Commissioner.
1. A licensee the stock of which is traded on an organized stock exchange and a licensee which is a direct or indirect subsidiary of a publicly traded corporation shall provide the Commissioner with written notice within 15 days after knowledge of such change in control
  2. A licensee which is not a corporation or a corporation the stock of which is not publicly traded, shall provide the Commissioner with not less than 30 days prior written notice of such proposed change in control.
- C. After review of the written notification, the Commissioner may require the licensee to provide additional information relating to other and former addresses, and the reputation, character, responsibility, and business affiliations of the proposed new owner or each of the proposed new owners of the licensee.
1. The Banking Board may deny the person or group of persons proposing to purchase, or who have acquired control of, a licensee if, after investigation, the Banking Board determines that the person or persons are not qualified to command the confidence of the public or have the necessary experience or financial responsibility to control or operate the licensee in a legal and proper manner or if the interests of the other stockholders, if any, or the interests of the public generally may be jeopardized by the proposed change in ownership, controlling interest, or management.
  2. The Banking Board may disapprove any person who has a history of material litigation, criminal convictions, or pleas of nolocontendere.