

## **NOTICE TO APPLICANTS**

### **Acquisition of Control**

The [Application for Acquisition of Control form](#) has been designed to elicit the minimum information required by the Texas Department of Banking (Department) for the purpose of determining whether a particular application should be granted. The original and duplicate copy of the application form and all attachments should be delivered to: Banking Commissioner, Texas Department of Banking, 2601 North Lamar Boulevard, Austin, Texas 78705-4294. Inquiries concerning the preparation and filing of this or any other corporate application with the Department should be directed to the [Corporate Activities Division](#) at 512/475-1322.

Once the application and accompanying documents are received by the Department they will be reviewed. The applicant will be notified if additional information is required to complete the review of the proposed transaction. The application will be officially accepted for filing only when it is determined that sufficient information has been filed to adequately review the proposed transaction. Therefore, full and complete answers will facilitate processing of the application.

#### **Fees**

A check payable to the Texas Department of Banking is required as a filing fee for each application pursuant to 7 TAC §15.2. ***It is not refundable.***

#### **Public Notice**

The applicant shall publish a notice in a newspaper of general circulation in the county where the state bank's or bank holding company's home office is located. The published notice must comply with the Texas Finance Code (TFC) §33.002 and 7 TAC §15.5.

#### **Public Disclosure of Information**

All information submitted to the Department is presumed to be public information, unless it is deemed confidential under the *Texas Open Records Act*. Any document in the application for which you request confidential treatment must be segregated and reference the *Texas Open Records Act* exception supporting the request. Final determination as to the confidentiality of any information will rest with the Banking Commissioner.

#### **Application Specific Requirements**

Any application submitted pursuant to TFC §33.002 and 7 TAC §15.81 must be signed and notarized. Every [Application for Acquisition of Control](#)\* must be accompanied by:

1. Executed [Authority to Release Information](#) forms for each individual acquiring control, and any proposed directors, executive officers or principal shareholders;
2. Completed and signed [Biographical Reports](#)\*;
3. Completed and signed [Financial Information Forms](#)\*; and

4. Completed [Confirmation Inquiry Forms](#) if the person completing the form will use funds under their direct or indirect control to acquire stock.

\* **Interagency Notice of Change in Control:** The Department will accept the completed [Interagency Notice of Change in Control](#) form and the [Interagency Biographical and Financial Report](#) in lieu of the Department forms provided that:

1. The completed Interagency Notice of Change in Control is accompanied by the executed and notarized signature page on the [Application for Acquisition of Control](#) and the Interagency Biographical and Financial Report is accompanied by the [Department Signature Form](#), and
2. An attached supplement to the completed interagency notice includes:
  - Details of all material pending or adjudicated legal or administrative proceedings in which any person acquiring voting securities is or was a party; and,
  - A pro forma financial statement with Tier 1 Leverage, Tier 1 Risk-Based Capital and Total Risk-Based Capital ratios which demonstrates that the acquired or controlled state bank or bank holding company will be adequately capitalized for a period of not less than two years from the date of acquisition *if* the proposed acquisition of control will result in the applicant(s) acquiring a majority ownership interest (greater than 50%) in the bank.

**Note** — 7 TAC §15.81 governs the application for acquisition or change of control of a state bank pursuant to TFC §33.002, which indicates in part, that an applicant must submit an application on a form prescribed by the banking commissioner. The prescribed form (Application for Acquisition of Control) is deemed the document which controls the application process. Therefore, unless specifically directed otherwise, the applicant only needs to complete the items within the application.