

CHAPTER 111  
SB 368 – FINAL VERSION

2012 SESSION

12-2967  
08/03

SENATE BILL       **368**

AN ACT           relative to nondepository trust companies.

SPONSORS:       Sen. Carson, Dist 14; Rep. Matt Quandt, Rock 13; Rep. Griffin, Rock 4

COMMITTEE:      Commerce

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ANALYSIS

This bill changes the term nondepository financial institutions to nondepository trust companies.

This bill is a request of the banking department.

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Explanation:     Matter added to current law appears in ***bold italics***.  
                      Matter removed from current law appears [~~in brackets and struck through.~~]  
                      Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twelve*

AN ACT                   relative to nondepository trust companies.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1           111:1 Nondepository Financial Institution; Changed to Nondepository Trust Company. Amend  
2 RSA 383:9-h to read as follows:

3           383:9-h Change in Control of Nondepository [~~Financial Institution~~] **Trust Company**. No  
4 change in control of a nondepository [~~financial institution~~] **trust company** shall occur without the  
5 prior approval of the bank commissioner. The term “change of control” shall mean the direct or  
6 indirect acquisition by a person or group of persons acting in concert of 10 percent or more of the  
7 beneficial ownership or control of the voting shares. The person or group seeking to acquire control  
8 of the nondepository [~~financial institution~~] **trust company** shall submit an application and a \$500  
9 application fee to the bank commissioner for approval which shall contain such financial, business,  
10 experience, and other information as the bank commissioner shall require to determine whether  
11 such person or group is suitable to exercise control of a nondepository [~~financial institution~~] **trust**  
12 **company**. Upon receipt of a complete application, the bank commissioner may hold a hearing on  
13 such application and shall make a decision within 60 days after receipt of the application.

14           111:2 Nondepository Financial Institution; Changed to Nondepository Trust Company. Amend  
15 RSA 384:3, IV to read as follows:

16           IV. Notwithstanding any other provision of law to the contrary, a state-chartered bank or  
17 savings association shall have at least 5 directors or trustees. A majority of the directors or trustees  
18 shall be required to be citizens of and residents in the state of New Hampshire, except that this  
19 requirement shall not be applicable to the directors or trustees of a bank or savings association  
20 which is wholly owned by an out-of-state bank holding company within the meaning of RSA 384:57,  
21 VI, or to the directors of a nondepository [~~financial institution~~] **trust company** which is wholly  
22 owned by an out-of-state corporation or other form of business entity.

23           111:3 Nondepository Financial Institution; Changed to Nondepository Trust Company. Amend  
24 RSA 384:7-b to read as follows:

25           384:7-b Participation in Meetings. Unless the charter or bylaws provide otherwise, a board of  
26 directors or trustees may permit any or all directors or trustees to participate in a regular or special  
27 meeting by, or conduct the meeting through the use of, any means of communication by which all of  
28 the directors or trustees participating may simultaneously hear each other during the meeting. A  
29 director or trustee participating in a meeting by this means is deemed to be present in person at the  
30 meeting. However, a director or trustee shall be physically present at a majority of the meetings

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1 such director or trustee attends. If any member of the board of directors of a nondepository  
2 ~~[financial institution]~~ **trust company** resides outside of the state of New Hampshire, the board may  
3 permit such out-of-state director to be physically present at a lesser number of meetings, if such  
4 arrangement is approved in writing by the bank commissioner, based upon a finding that the safety  
5 and soundness of such financial institution will not be impaired by such less frequent physical  
6 presence.

7 111:4 Effective Date. This act shall take effect 60 days after its passage.

8 Approved: May 29, 2012

9 Effective Date: July 28, 2012