

Title 45 - DEPARTMENT OF BANKING AND FINANCE

Chapter 8 - CHANGES IN PAID-IN CAPITAL STOCK

001 GENERAL.

001.01 This Rule relates only to the capital stock of a bank. It does not relate to other capital accounts of the institution.

002 NOTICES.

002.01 Each time a bank proposes to increase or decrease its paid-in capital stock, notice of such is to be given to the Department as required by Neb. Rev. Stat. § 8-128 on forms prescribed by the Department.

002.02 A notice of a proposed capital stock increase form must be submitted to the Department at least fourteen days prior to the proposed increase.

002.03 A notice of a proposed capital stock decrease must be submitted to the Department at least thirty days prior to the proposed decrease.

003 ARTICLES OF INCORPORATION.

003.01 Prior to submitting a notice of a proposed capital stock increase, a bank must determine if the amount of authorized capital stock set forth in its Articles of Incorporation is sufficient to include the proposed increase. If insufficient, the bank must amend its Articles of Incorporation in accordance with 45 NAC 6.

003.02 Prior to submitting a notice of a proposed capital stock decrease, a bank must determine if an amendment to its Articles of Incorporation is necessary to decrease the number of authorized shares of the bank, which may be appropriate if cancellation or retirement of unissued shares is planned.

003.03 Proposed amendments to the Articles of Incorporation necessary for increasing or decreasing capital stock must be filed with the Department prior to, or simultaneously with, the filing of the notices referenced in this Rule, and in accordance with 45 NAC 5.

004 COMPLETION OF PROPOSAL.

004.01 The Department will provide the bank with a written no-objection response to a notice of a proposed capital stock increase.

004.02 The Department will issue a written approval or denial of a notice of a proposed capital stock decrease pursuant to Neb. Rev. Stat. § 8-128.

004.03 If an amendment to the Articles of Incorporation is necessary to completion of the proposed capital stock increase or capital stock decrease, the amendment process must be completed prior to the bank effecting the

proposal.

004.04 The bank shall notify the Department in writing when the proposed increase or decrease of the paid-in capital stock has been consummated.

