

By the Committees on General Government Appropriations; Banking and Insurance; and Senator Bennett

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1                   A bill to be entitled  
2           An act relating to financial services; amending s. 20.121,  
3           F.S.; providing that the appointment of the director of  
4           each office within the Department of Financial Services is  
5           subject biennially to reaffirmation, which may be  
6           accomplished by a simple majority vote of the Financial  
7           Services Commission; requiring that such vote occur by a  
8           specified date; amending s. 520.02, F.S.; defining the  
9           term "guaranteed asset protection products"; amending s.  
10          520.07, F.S.; setting forth requirements and prohibitions  
11          for selling guaranteed asset protection products; amending  
12          s. 624.605, F.S.; including debt-cancellation products  
13          under casualty insurance; providing a definition;  
14          authorizing certain entities to offer debt-cancellation  
15          products under certain circumstances; specifying that such  
16          products are not insurance; amending ss. 627.553 and  
17          627.679, F.S.; revising limitations on the amount of  
18          authorized insurance for debtors; amending s. 627.681,  
19          F.S.; revising a limitation on the term of credit  
20          disability insurance; amending s. 655.005, F.S.;  
21          redefining the terms "federal financial institution" and  
22          "financial institution"; defining the term "debt-  
23          cancellation products"; amending s. 655.79, F.S.;  
24          providing that a deposit account by a husband and wife is  
25          a tenancy by the entirety; creating s. 655.947, F.S.;  
26          providing a definition; authorizing financial institutions  
27          to offer debt-cancellation products; authorizing a fee;  
28          requiring the Financial Services Commission to adopt  
29          rules; providing that a periodic payment option is not

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30 required for certain debt-cancellation products; amending  
31 s. 655.954, F.S.; authorizing a financial institution to  
32 offer a debt-cancellation product but not as a requirement  
33 of receiving a loan; creating s. 655.967, F.S.; providing  
34 that state-mandated endowments may be maintained in trust  
35 accounts in financial institutions; amending s. 658.21,  
36 F.S.; revising an ownership of capital criterion for  
37 capital accounts at financial institutions and one-bank  
38 holding companies; amending s. 658.34, F.S.; prohibiting  
39 certain stock issuance practices for banks; amending s.  
40 658.36, F.S.; requiring a state bank or trust company to  
41 file a written notice before increasing its capital stock;  
42 amending s. 658.44, F.S.; revising criteria for  
43 determining the value of dissenting shares of certain  
44 entities; providing an effective date.

45  
46 Be It Enacted by the Legislature of the State of Florida:

47  
48 Section 1. Paragraph (d) of subsection (3) of section  
49 20.121, Florida Statutes, is amended to read:

50 20.121 Department of Financial Services.--There is created  
51 a Department of Financial Services.

52 (3) FINANCIAL SERVICES COMMISSION.--Effective January 7,  
53 2003, there is created within the Department of Financial  
54 Services the Financial Services Commission, composed of the  
55 Governor, the Attorney General, the Chief Financial Officer, and  
56 the Commissioner of Agriculture, which shall for purposes of this  
57 section be referred to as the commission. Commission members  
58 shall serve as agency head of the Financial Services Commission.

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59 | The commission shall be a separate budget entity and shall be  
60 | exempt from the provisions of s. 20.052. Commission action shall  
61 | be by majority vote consisting of at least three affirmative  
62 | votes. The commission shall not be subject to control,  
63 | supervision, or direction by the Department of Financial Services  
64 | in any manner, including purchasing, transactions involving real  
65 | or personal property, personnel, or budgetary matters.

66 | (d) Appointment and qualifications of directors.--Except as  
67 | otherwise provided with respect to the reaffirmation of  
68 | appointments, the commission shall appoint or remove each  
69 | director by a majority vote consisting of at least three  
70 | affirmative votes, with both the Governor and the Chief Financial  
71 | Officer on the prevailing side. The minimum qualifications of the  
72 | directors are as follows:

73 | 1. Prior to appointment as director, the Director of the  
74 | Office of Insurance Regulation must have had, within the previous  
75 | 10 years, at least 5 years of responsible private sector  
76 | experience working full time in areas within the scope of the  
77 | subject matter jurisdiction of the Office of Insurance Regulation  
78 | or at least 5 years of experience as a senior examiner or other  
79 | senior employee of a state or federal agency having regulatory  
80 | responsibility over insurers or insurance agencies.

81 | 2. Prior to appointment as director, the Director of the  
82 | Office of Financial Regulation must have had, within the previous  
83 | 10 years, at least 5 years of responsible private sector  
84 | experience working full time in areas within the subject matter  
85 | jurisdiction of the Office of Financial Regulation or at least 5  
86 | years of experience as a senior examiner or other senior employee  
87 | of a state or federal agency having regulatory responsibility

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88 over financial institutions, finance companies, or securities  
89 companies.

90  
91 The appointment of each director is subject to a vote of  
92 reaffirmation on a biennial basis, which shall be by a simple  
93 majority vote of the commission.

94 Section 2. The vote of reaffirmation required in paragraph  
95 (d) of subsection (3) of s. 20.121, Florida Statutes shall occur  
96 by October 1, 2008.

97 Section 3. Present subsections (7) through (19) of section  
98 520.02, Florida Statutes, are redesignated as subsections (8)  
99 through (20), respectively, and a new subsection (7) is added to  
100 that section, to read:

101 520.02 Definitions.--In this act, unless the context or  
102 subject matter otherwise requires:

103 (7) "Guaranteed asset protection products" means loan,  
104 lease, or retail installment contract terms, or modifications or  
105 addenda to loan, lease, or retail installment contracts, under  
106 which a creditor agrees to waive a customer's liability for  
107 payment of some or all of the amount by which the debt exceeds  
108 the value of the collateral. This product is not insurance for  
109 purposes of the Florida Insurance Code. This subsection also  
110 applies to all such guaranteed asset protection products issued  
111 before October 1, 2008.

112 Section 4. Subsection (11) is added to section 520.07,  
113 Florida Statutes, to read:

114 520.07 Requirements and prohibitions as to retail  
115 installment contracts.--

116 (11) In conjunction with entering into a new retail

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117 installment contract or contract for a loan, a motor vehicle  
118 retail installment seller, as defined in s. 520.02(10), sales  
119 finance company, as defined in s. 520.02(18), or retail lessors,  
120 as defined in s. 521.003(8), and their assignees may offer, for a  
121 fee or otherwise, optional guaranteed asset protection products  
122 in accordance with this chapter. The motor vehicle retail  
123 installment seller, sales finance company, or retail lessor may  
124 not require the purchase of a guaranteed asset protection product  
125 as a condition for making the loan. In order to offer any  
126 guaranteed asset protection product, the motor vehicle retail  
127 installment seller, sales finance company, or retail lessor, and  
128 their assignees, must comply with the following:

129 (a) The cost of a guaranteed asset protection product, with  
130 respect to any loan covered by the product, may not exceed the  
131 amount of the indebtedness.

132 (b) Any contract or agreement pertaining to a guaranteed  
133 asset protection product is governed by this section.

134 (c) The guaranteed asset protection product is considered  
135 an obligation of any person who purchases or otherwise acquires  
136 the loan contract covering the product.

137 (d) Entities providing guaranteed asset protection products  
138 shall provide readily understandable disclosures that detail  
139 eligibility requirements, conditions, refunds, and exclusions.  
140 The disclosures must state that the purchase of the product is  
141 optional. The disclosures must be in plain language and of a type  
142 face and size that are easy to read.

143 (e) Entities must provide a copy of the executed guaranteed  
144 asset protection product contract to the buyer. The entity bears  
145 the burden of proving that the contract was provided to the

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146 buyer.

147 (f) Entities may not offer a contract for a guaranteed  
148 asset protection product which contains terms giving the entity  
149 the right to unilaterally modify the contract unless:

150 1. The modification is favorable to the buyer and is made  
151 without an additional charge to the buyer; or

152 2. The buyer is notified of any proposed change and is  
153 provided a reasonable opportunity to cancel the contract without  
154 penalty before the change takes effect.

155 (g) If a contract for a guaranteed asset protection product  
156 is terminated, the entity must refund to the buyer any unearned  
157 fees paid for the contract unless the contract provides  
158 otherwise. A refund is not due to a consumer who receives a  
159 benefit under such product. In order to receive a refund, the  
160 buyer must notify the entity of the event terminating the  
161 contract and request a refund within 90 days after the occurrence  
162 of the event terminating the contract. Any entity may offer a  
163 buyer a contract that does not provide for a refund only if the  
164 entity also offers that buyer a bona fide option to purchase a  
165 comparable contract that provides for a refund.

166 Section 5. Paragraph (r) is added to subsection (1) of  
167 section 624.605, Florida Statutes, to read:

168 624.605 "Casualty insurance" defined.--

169 (1) "Casualty insurance" includes:

170 (r) Insurance for debt-cancellation products.--Insurance  
171 that a creditor may purchase against the risk of financial loss  
172 from the use of debt-cancellation products with consumer loans,  
173 leases, or retail installment contracts. Insurance for debt-  
174 cancellation products is not liability insurance but shall be

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175 considered credit insurance only for the purposes of s.  
176 631.52(4).

177 1. For purposes of this paragraph, the term "debt-  
178 cancellation product" means loan, lease, or retail installment  
179 contract terms, or modifications to loan, lease, or retail  
180 installment contracts, under which a creditor agrees to cancel or  
181 suspend all or part of a customer's obligation to make payments  
182 upon the occurrence of specified events and includes, but is not  
183 limited to, debt-cancellation contracts, debt-suspension  
184 agreements, and guaranteed asset-protection contracts. The term  
185 does not include title insurance as defined in s. 624.608.

186 2. Debt-cancellation products may be offered by financial  
187 institutions, as defined in s. 655.005(1)(h), insured depository  
188 institutions, as defined in 12 U.S.C. s. 1813(c), and  
189 subsidiaries of such institutions, as provided in the financial  
190 institution codes, or by other business entities as may be  
191 specifically authorized by law, and such products are not  
192 insurance for purposes of the Florida Insurance Code.

193 Section 6. Subsection (3) of section 627.553, Florida  
194 Statutes, is amended to read:

195 627.553 Debtor groups.--The lives of a group of individuals  
196 may be insured under a policy issued to a creditor or its parent  
197 holding company, or to a trustee or trustees or agent designated  
198 by two or more creditors, which creditor, holding company,  
199 affiliate, trustee or trustees, or agent shall be deemed the  
200 policyholder, to insure debtors of the creditor or creditors,  
201 subject to the following requirements:

202 (3) The amount of insurance on the life of any debtor shall  
203 at no time exceed the amount owed by the debtor ~~her or him~~ which

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204 is repayable in installments to the creditor ~~or \$50,000,~~  
205 ~~whichever is less, except that loans not exceeding 1 year's~~  
206 ~~duration shall not be subject to such limits. However, on such~~  
207 ~~loans not exceeding 1 year's duration, the limit of coverage~~  
208 ~~shall not exceed \$50,000 with any one insurer.~~

209 Section 7. Paragraph (b) of subsection (1) of section  
210 627.679, Florida Statutes, is amended to read:

211 627.679 Amount of insurance; disclosure.--

212 (1)

213 (b) The total amount of credit life insurance on the life  
214 of any debtor with respect to any loan or loans covered in one or  
215 more insurance policies shall at no time exceed the amount of  
216 indebtedness ~~\$50,000 with any one creditor, except that loans not~~  
217 ~~exceeding 1 year's duration shall not be subject to such limits,~~  
218 ~~and on such loans not exceeding 1 year's duration, the limits of~~  
219 ~~coverage shall not exceed \$50,000 with any one insurer.~~

220 Section 8. Subsection (2) of section 627.681, Florida  
221 Statutes, is amended to read:

222 627.681 Term and evidence of insurance.--

223 (2) The term of credit disability insurance on any debtor  
224 insured under this section shall not exceed the term of  
225 indebtedness ~~10 years, and for credit transactions that exceed 60~~  
226 ~~months, coverage shall not exceed 60 monthly indemnities.~~

227 Section 9. Paragraphs (g) and (h) of subsection (1) of  
228 section 655.005, Florida Statutes, are amended, and paragraph (t)  
229 is added to that subsection, to read:

230 655.005 Definitions.--

231 (1) As used in the financial institutions codes, unless the  
232 context otherwise requires, the term:



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233 (g) "Federal financial institution" means a federally or  
234 nationally chartered or organized financial institution  
235 ~~association, bank, savings bank, or credit union.~~

236 (h) "Financial institution" means a state or federal  
237 savings or thrift association, bank, savings bank, trust company,  
238 international bank agency, international banking organization,  
239 international branch, international representative office, ~~or~~  
240 international administrative office, or credit union; an  
241 agreement corporation operating under s. 25 of the Federal  
242 Reserve Act, 12 U.S.C. ss. 601 et seq.; or an Edge Act  
243 corporation organized under s. 25(a) of the Federal Reserve Act,  
244 12 U.S.C. ss. 611 et seq.

245 (t) "Debt-cancellation products" means loan, lease, or  
246 retail installment contract terms, or modifications or addenda to  
247 loan, lease, or retail installment contracts, under which a  
248 creditor agrees to cancel or suspend all or part of a customer's  
249 obligation to make payments upon the occurrence of specified  
250 events and includes, but is not limited to, debt-cancellation  
251 contracts, debt-suspension agreements, and guaranteed asset-  
252 protection contracts offered by financial institutions, insured  
253 depository institutions, as defined in 12 U.S.C. s. 1813(c), and  
254 subsidiaries of such institutions. The term does not include  
255 title insurance as defined in s. 624.608.

256 Section 10. Subsection (1) of section 655.79, Florida  
257 Statutes, is amended to read:

258 655.79 Deposits and accounts in two or more names;  
259 presumption as to vesting on death.--

260 (1) Unless otherwise expressly provided in a contract,  
261 agreement, or signature card executed in connection with the

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262 opening or maintenance of an account, including a certificate of  
263 deposit, a deposit account in the names of two or more persons  
264 shall be presumed to have been intended by such persons to  
265 provide that, upon the death of any one of them, all rights,  
266 title, interest, and claim in, to, and in respect of such deposit  
267 account, less all proper setoffs and charges in favor of the  
268 institution, vest in the surviving person or persons. Any deposit  
269 or account made in the name of two persons who are husband and  
270 wife shall be considered a tenancy by the entirety unless  
271 otherwise specified in writing.

272 Section 11. Section 655.947, Florida Statutes, is created  
273 to read:

274 655.947 Debt-cancellation products.--

275 (1) Debt-cancellation products may be offered, and a fee  
276 may be charged, by financial institutions and subsidiaries of  
277 financial institutions subject to this section and the rules and  
278 orders of the commission or office. As used in this section, the  
279 term "financial institutions" includes those institutions defined  
280 in s. 655.005(1), insured depository institutions, as defined in  
281 12 U.S.C. s. 1813, and subsidiaries of these institutions.

282 (2) A financial institution must manage the risks  
283 associated with debt-cancellation products in accordance with  
284 prudent safety and soundness principles. A financial institution  
285 must establish and maintain effective risk-management and control  
286 processes over its debt-cancellation products and programs. These  
287 processes must include appropriate recognition and financial  
288 reporting of income, expenses, assets, and liabilities, and  
289 appropriate treatment of all expected and unexpected losses  
290 associated with the products. Each financial institution should

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291 also assess the adequacy of its internal control and risk-  
292 mitigation activities in view of the nature and scope of its  
293 debt-cancellation products and programs.

294 (3) The commission shall adopt rules pursuant to ss.  
295 120.536(1) and 120.54 to administer this section, which rules  
296 must be consistent with 12 C.F.R. part 37, as amended.

297 (4) For purposes of this section and any rules adopted  
298 pursuant to this section, a periodic payment option is not  
299 required to be offered for any debt-cancellation product designed  
300 to protect a customer against a deficiency between the  
301 outstanding loan or lease amount and the value of the motor  
302 vehicle that is used as collateral for the loan or lease.

303 Section 12. Section 655.954, Florida Statutes, is amended  
304 to read:

305 655.954 Financial institution loans; credit cards.--

306 (1) Notwithstanding any other provision of law, a financial  
307 institution shall have the power to make loans or extensions of  
308 credit to any person on a credit card or overdraft financing  
309 arrangement and to charge, in any billing cycle, interest on the  
310 outstanding amount at a rate that is specified in a written  
311 agreement, between the financial institution and borrower,  
312 governing the credit card account. Such credit card agreement  
313 may modify any terms or conditions of such credit card account  
314 upon prior written notice of such modification as specified by  
315 the terms of the agreement governing the credit card account or  
316 by the Truth in Lending Act, 15 U.S.C. ss. 1601 et seq as  
317 amended, and the rules and regulations adopted thereunder. Any  
318 such notice provided by a financial institution shall specify  
319 that the borrower has the right to surrender the credit card

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320 whereupon the borrower shall have the right to continue to pay  
321 off the borrower's credit card account in the same manner and  
322 under the same terms and conditions as then in effect. The  
323 borrower's failure to surrender the credit card prior to the  
324 modifications becoming effective shall constitute a consent to  
325 the modifications.

326 (2) In conjunction with entering into any contract or  
327 agreement for a loan, line of credit, or loan extension, a  
328 financial institution, an insured depository institution, as  
329 defined in 12 U.S.C. s. 1813, and subsidiaries of these  
330 institutions, may offer, for a fee or otherwise, optional debt-  
331 cancellation products under s. 655.947 and the rules adopted  
332 under that section. The financial institution may not require a  
333 person to purchase a debt-cancellation product as a condition for  
334 a loan, line of credit, or loan extension.

335 (3)(2) For the purpose of this section, the term:

336 (a) "Billing cycle" has the same meaning as ascribed to it  
337 under the federal Truth in Lending Act, as amended, 15 U.S.C. ss.  
338 1601 et seq., and the associated regulations which are in effect  
339 as of January 31, 2008 ~~June 30, 1992~~.

340 (b) "Interest" means those charges considered a finance  
341 charge under the federal Truth in Lending Act, as amended, 15  
342 U.S.C. ss. 1601 et seq., and the associated regulations which are  
343 in effect as of January 31, 2008 ~~June 30, 1992~~.

344 Section 13. Section 655.967, Florida Statutes, is created  
345 to read:

346 655.967 State-funded endowments.--A state-mandated  
347 endowment funded through a General Appropriations Act prior to  
348 1990 may be maintained in trust accounts in financial

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349 institutions, as defined in s. 655.005.

350 Section 14. Subsection (2) of section 658.21, Florida  
351 Statutes, is amended to read:

352 658.21 Approval of application; findings required.--The  
353 office shall approve the application if it finds that:

354 (2) The proposed capitalization is in such amount as the  
355 office deems adequate, but in no case may the total capital  
356 accounts at opening for a bank be less than \$8 ~~\$6~~ million ~~if the~~  
357 ~~proposed bank is to be located in any county which is included in~~  
358 ~~a metropolitan statistical area, or \$4 million if the proposed~~  
359 ~~bank is to be located in any other county.~~ The total capital  
360 accounts at opening for a trust company may not be less than \$3  
361 \$2 million. The organizing directors of the proposed bank must  
362 directly own or control at least the lesser of \$3 million or 25  
363 percent of the bank's total capital accounts proposed at opening,  
364 as approved by the office. If the proposed bank will be owned by  
365 a single-bank holding company, the organizing directors of the  
366 proposed bank collectively must directly own or control at least  
367 an amount of the single-bank holding company's capital accounts  
368 equal to the lesser of \$3 million or 25 percent of the proposed  
369 bank's total capital accounts proposed at opening, as approved by  
370 the office. If the proposed bank will be owned by an existing  
371 multibank holding company, the proposed directors must have a  
372 substantial capital investment in the holding company, as  
373 determined by the office. However, the investment is not required  
374 to exceed the amount otherwise required for a single-bank holding  
375 company application. ~~Of total capital accounts at opening, as~~  
376 ~~noted in the application or amendments or changes to the~~  
377 ~~application, at least 25 percent of the capital shall be directly~~

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378 ~~owned or controlled by the organizing directors of the bank.~~  
379 ~~Directors of banks owned by single bank holding companies shall~~  
380 ~~have direct ownership or control of at least 25 percent of the~~  
381 ~~bank holding company's capital accounts.~~ The office may disallow  
382 illegally obtained currency, monetary instruments, funds, or  
383 other financial resources from the capitalization requirements of  
384 this section. The proposed stock offering must comply with the  
385 requirements of ss. 658.23-658.25 and 658.34-658.37.

386 Section 15. Section 658.34, Florida Statutes, is amended to  
387 read:

388 658.34 Shares of capital stock.--

389 (1) A bank or trust company shall issue its capital stock  
390 with par value of not ~~more than \$100 nor~~ less than \$1 per share.

391 (2) A ~~No~~ bank or trust company may not ~~shall~~ issue any  
392 shares of capital stock at a price less than par value, and prior  
393 to issuance, any such shares must be fully paid in cash.

394 (3) With the approval of the office, a bank or trust  
395 company may issue preferred stock of one or more classes in an  
396 amount and with a par value as approved by the office.

397 (4) With the approval of the office, a bank or trust  
398 company may issue less than all the number of shares of any of  
399 its capital stock authorized by its articles of incorporation.  
400 Such authorized but unissued shares may be issued only for the  
401 following purposes:

402 (a) To provide for stock options and warrants as provided  
403 in s. 658.35.

404 (b) To declare or pay a stock dividend; however, any such  
405 stock dividend must comply with ~~the provisions of~~ this section  
406 and s. 658.37.

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407 (c) To increase the capital of the bank or trust company~~7~~  
408 ~~with the approval of the office.~~

409 (5) A financial institution may not issue or sell stock of  
410 the same class which creates different rights, options, warrants,  
411 or benefits among the purchasers or stockholders of that class of  
412 stock. This subsection does not prohibit the financial  
413 institution from creating uniform restrictions on the transfer of  
414 stock as permitted in s. 607.0627.

415 Section 16. Subsection (2) of section 658.36, Florida  
416 Statutes, is amended to read:

417 658.36 Changes in capital.--

418 (2) A ~~Any~~ state bank or trust company may~~7~~ ~~with the~~  
419 ~~approval of the office,~~ provide for an increase in its capital  
420 stock only if the state bank or trust company files a written  
421 notice 15 days before the increase.

422 Section 17. Subsections (2) and (5) of section 658.44,  
423 Florida Statutes, are amended to read:

424 658.44 Approval by stockholders; rights of dissenters;  
425 preemptive rights.--

426 (2) Written notice of the meeting of, or proposed written  
427 consent action by, the stockholders of each constituent state  
428 bank or state trust company shall be given to each stockholder of  
429 record, whether or not entitled to vote, and whether the meeting  
430 is an annual or a special meeting or whether the vote is to be by  
431 written consent pursuant to s. 607.0704, and the notice shall  
432 state that the purpose or one of the purposes of the meeting, or  
433 of the proposed action by the stockholders without a meeting, is  
434 to consider the proposed plan of merger and merger agreement.  
435 Except to the extent provided otherwise with respect to

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436 stockholders of a resulting bank or trust company pursuant to  
437 subsection (7), the notice shall also state that dissenting  
438 stockholders including those not entitled to vote but dissenting  
439 as set forth in paragraph (c), will be entitled to payment in  
440 cash of the value of only those shares held by the stockholders:

441 (a) Which at a meeting of the stockholders are voted  
442 against the approval of the plan of merger and merger agreement;

443 (b) As to which, if the proposed action is to be by written  
444 consent of stockholders pursuant to s. 607.0704, such written  
445 consent is not given by the holder thereof; or

446 (c) With respect to which the holder thereof has given  
447 written notice to the constituent state bank or trust company, at  
448 or prior to the meeting of the stockholders or on or prior to the  
449 date specified for action by the stockholders without a meeting  
450 pursuant to s. 607.0704 in the notice of such proposed action,  
451 that the stockholder dissents from the plan of merger and merger  
452 agreement, and which shares are not voted for approval of the  
453 plan or written consent given under paragraph (a) or paragraph  
454 (b).

455  
456 Hereinafter in this section, the term "dissenting shares" means  
457 and includes only those shares, which may be all or less than all  
458 the shares of any class owned by a stockholder, described in  
459 paragraphs (a), (b), and (c).

460 (5) The fair value, as defined in s. 607.1301(4), of  
461 dissenting shares of each constituent state bank or state trust  
462 company, the owners of which have not accepted an offer for such  
463 shares made pursuant to subsection (3), shall be determined as of  
464 the effective date of the merger under ss. 607.1326-607.1331,



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465 except as the procedures for notice and demand are otherwise  
466 provided in this section ~~by three appraisers, one to be selected~~  
467 ~~by the owners of at least two thirds of such dissenting shares,~~  
468 ~~one to be selected by the board of directors of the resulting~~  
469 ~~state bank, and the third to be selected by the two so chosen.~~  
470 ~~The value agreed upon by any two of the appraisers shall control~~  
471 ~~and be final and binding on all parties. If, within 90 days from~~  
472 ~~the effective date of the merger, for any reason one or more of~~  
473 ~~the appraisers is not selected as herein provided, or the~~  
474 ~~appraisers fail to determine the value of such dissenting shares,~~  
475 ~~the office shall cause an appraisal of such dissenting shares to~~  
476 ~~be made which will be final and binding on all parties. The~~  
477 ~~expenses of appraisal shall be paid by the resulting state bank~~  
478 ~~or trust company.~~

479 Section 18. This act shall take effect October 1, 2008.