§ 142-a. Limitation on acquisition of newly chartered banking institutions. 1. No bank holding company may acquire control of any banking institution which has been chartered for less than five years and has its principal office in a city or village with a population of fifty thousand or less if the principal office of a bank, trust company or national bank the principal office of which institution is located in this state and which institution is not a subsidiary of a bank holding company is located in such city or village; provided, however, such an acquisition may be consummated upon the obtaining of the appropriate supervisory approvals if: (a) application is pending for the institution being acquired to merge with or acquire the assets of another banking institution having its principal office in the same city or village and chartered for over five years, or if; (b) the superintendent finds that the banking institution being acquired was not chartered directly or indirectly by the acquiring bank holding company, its officers, directors or stockholders, and does not have the capacity to continue to conduct its business independently in a fashion consistent with the public interest and the interests of depositors, creditors, shareholders and stockholders.

2. As used in this section, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a banking institution, whether through the ownership of voting stock of such banking institution, the ownership of voting stock of any company which possesses such power or otherwise. Control shall be presumed to exist if any company, directly or indirectly, owns, controls or holds with the power to vote ten per centum or more of the voting stock of any banking institution or of any company which owns, controls or holds with power to vote ten percent or more of the voting stock of such banking institution, but no person shall be deemed to control a banking institution solely by reason of his being an officer or director of such banking institution or company. As used in this section, the terms "bank holding company" and "banking institution" shall have the meanings as defined in section one hundred forty-one of this article, except that the definition of "bank holding company" is modified to change the phrase "a banking institution" wherever it appears therein to "two or more banking institutions" and

the definition of "banking institution" is modified to add a national banking association, the principal office of which is located in this state.

3. As used in this section, the term "village" shall mean either an incorporated or unincorporated village.