§ 345. Application for acquisition of control of licensed lender by purchase of stock. 1. Prior to the acquisition of control of a licensee under this article by means of the acquisition of the capital stock or equity interests in such licensee or in any person who directly or indirectly controls such licensee, the person desirous of acquiring such capital stock or other equity interests shall make written application to the superintendent. Such application shall be in such form and shall contain such information, including the information required under section three hundred forty-one of this article, as the superintendent may require and such applicant, at the time of making such application if not licensed, shall pay to the superintendent an investigation fee as prescribed pursuant to section eighteen-a of this chapter. If such licensee is licensed, upon payment of an investigation fee as prescribed pursuant to section eighteen-a of this chapter, the superintendent shall approve the acquisition if it is found that such acquisition is in accordance with the purposes of this article. If such person is not licensed, the superintendent shall determine whether the financial responsibility, experience, character, and general fitness of the applicant, and of the members thereof if the applicant be a partnership or association, and of the officers, directors and controlling stockholders thereof if the applicant be a corporation, are such as to command the confidence of the community and to warrant belief that the business will be operated honestly, fairly, and efficiently within the purpose of this article. Unless the superintendent shall have denied such application in writing within ninety days of the filing thereof, such application shall be deemed approved. If no such application has been made, the license for each place of business maintained and operated by the licensee shall, at the discretion of the superintendent, become null and void and each such license shall be surrendered to the superintendent. In addition, the superintendent may, in a proceeding after notice and a hearing, require any person who has failed to make application pursuant to this subdivision to pay the people of this state a penalty in an amount as determined pursuant to section forty-four of this chapter for each day of said violation.

As used in this subdivision, (a) the term "person" includes an individual, partnership, corporation, association or any other

organization and (b) 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 person, whether by means of the ownership of the voting stock or equity interests of such person or of one or more persons controlling such person, by means of a contractual arrangement, or otherwise. Control shall be presumed to exist if any person directly or indirectly owns, controls or holds with the power to vote ten per centum or more of the voting stock or equity interests of the person desirous of continuing to maintain and operate a licensee's place of business or of any entity which directly or indirectly controls such person. The superintendent may, upon the application of a licensee or any such person or entity, determine whether or not the ownership, control or holding of such voting stock or equity interests constitutes or would constitute control for purposes of this subdivision.

2. For a period of six months from the date of qualification thereof and for such additional period of time as the superintendent may prescribe in writing, the provisions of subdivision one of this section shall not apply to a transfer of control by operation of law to the legal representative, as hereinafter defined, of one who has control of a licensee. Thereafter, such legal representative shall comply with the provisions of subdivision one of this section. The provisions of subdivision one of this section shall be applicable to an application made under such section by a legal representative.

The term "legal representative," for the purposes of this section, shall mean one duly appointed by a court of competent jurisdiction to act as executor, administrator, trustee, committee, conservator or receiver, including one who succeeds a legal representative and one acting in an ancillary capacity thereto in accordance with the provisions of such court appointment.

If any provision of this section, or the application of such provision to any individual, company, corporation or circumstance, shall be held invalid, the remainder of this section, and the application thereof to anyone other than one to which it is held invalid, shall not be affected thereby.