

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 495

Short Title: Savings Law Changes.

(Public)

Sponsors: Representatives Hensley, B. Miller, Kuczmariski (Co-sponsors); and Church.

Referred to: Financial Institutions.

March 24, 1993

A BILL TO BE ENTITLED

AN ACT TO MAKE OMNIBUS AND TECHNICAL CHANGES TO THE SAVINGS
INSTITUTIONS LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 54B-75 reads as rewritten:

"§ 54B-75. Statement; fees.

Every State association shall file in the office of the Administrator, on or before the first day of February in each year, in such form as the Administrator shall prescribe, a statement of the business standing and financial condition of such association on the preceding 31st day of December. This statement shall be signed and sworn to by the secretary or other officer duly authorized by the board of directors of the association before a notary public. The statement shall be accompanied by a filing fee set by the Administrator, subject to the advice and consent of the Commission. The filing fees shall be used to defray the expenses incurred by the Division in supervising State associations."

Sec. 2. G.S. 54B-76 reads as rewritten:

"§ 54B-76. Statement examined, approved, and published.

It shall be the duty of the Administrator to receive and thoroughly examine each annual statement required by G.S. 54B-75, and if made in compliance with the requirements thereof, each State association shall at its own expense, publish an abstract of the same in one of the newspapers of the State, a newspaper having general circulation within each market area of the association as to be selected by the managing officer. ~~officer making the statement, and at the expense of the association."~~

Sec. 3. G.S. 54C-62 reads as rewritten:

1 **"§ 54C-62. Statement filed by savings bank; fees.**

2 A State savings bank shall file in the office of the Administrator, on or before the
3 first day of February in each year, in the form prescribed by the Administrator, a
4 statement of the business standing and financial condition of the savings bank on the
5 preceding 31st day of December, signed and sworn to by the secretary or other officer
6 duly authorized by the board of directors of the savings bank before a notary public.
7 The statement shall be accompanied by a filing fee set by the Administrator, subject to
8 the advice and consent of the Commission. The filing fees shall be used to defray the
9 expenses incurred by the Division in supervising State savings banks."

10 Sec. 4. G.S. 54C-63 reads as rewritten:

11 **"§ 54C-63. Statement examined, approved, and published.**

12 It is the duty of the Administrator to receive and thoroughly examine each annual
13 statement required by G.S. 54C-62, and if made in compliance with the requirements
14 thereof, each State savings bank shall at its own expense, publish an abstract of the
15 same in ~~one of the newspapers of the State, to be a newspaper having general circulation~~
16 within each market area of the savings bank as selected by the managing officer. ~~officer~~
17 ~~making the statement, and at the expense of the savings bank."~~

18 Sec. 5. Article 3 of Chapter 54B of the General Statutes is amended by
19 adding the following new sections to read:

20 **"§ 54B-34.1. Conversion to State association.**

21 (a) A savings bank or State or national bank, upon a majority vote of its board of
22 directors, may apply to the Administrator for permission to convert to a State
23 association and for certification of appropriate amendments to its certificate of
24 incorporation to effect the change. Upon receipt of an application to convert to a State
25 association, the Administrator shall examine all facts connected with the conversion.
26 The depository institution applying for permission to convert shall pay all the expenses
27 and costs of examination.

28 (b) The converting depository institution shall submit a plan of conversion as a
29 part of the application to the Administrator. The Administrator may approve it with or
30 without amendment. If the Administrator approves the plan, then the plan shall be
31 submitted to the members or stockholders as provided in subsection (c) of this section.
32 If the Administrator refuses to approve the plan, the Administrator's objections shall be
33 stated in writing and the converting depository institution shall be given an opportunity
34 to amend its plan to obviate the objections or to appeal the Administrator's decision to
35 the Commission.

36 (c) After lawful notice to the members or stockholders of the converting
37 depository institution and full and fair disclosure, the substance of the plan shall be
38 approved by a majority of the votes or shares present, in person or by proxy. Following
39 the vote of the members or stockholders, the results of the vote certified by an
40 appropriate officer of the converting depository institution shall be filed with the
41 Administrator. The Administrator shall then either approve or disapprove the requested
42 conversion to a State association. After approval of the conversion, the Administrator
43 shall supervise and monitor the conversion process and shall ensure that the conversion
44 is conducted lawfully and under the approved plan of conversion.

1 **"§ 54B-34.2. Conversion to bank.**

2 (a) A savings and loan association, upon a majority vote of its board of directors,
3 may apply to the Administrator for permission to convert to a bank, as defined under
4 G.S. 53-1(1), or to a national bank or other form of depository institution and for
5 certification of appropriate amendments to its certificate of incorporation to effect the
6 change. Upon receipt of an application to so convert, the Administrator shall examine
7 all facts connected with the conversion including receipt of approval of the converting
8 institution's plan of conversion by other federal or state regulatory agencies having
9 jurisdiction over the institution upon completion of its conversion. The depository
10 institution applying for permission to convert shall pay all the expenses and costs of
11 examination.

12 (b) The converting depository institution shall submit a plan of conversion as a
13 part of the application to the Administrator. The Administrator may approve it with or
14 without amendment. If the Administrator approves the plan, then the plan shall be
15 submitted to the members or stockholders as provided in subsection (c) of this section.
16 If the Administrator refuses to approve the plan, the Administrator's objections shall be
17 stated in writing and the converting depository institution shall be given an opportunity
18 to amend its plan to obviate the objections or to appeal the Administrator's decision to
19 the Commission.

20 (c) After lawful notice to the members or stockholders of the converting
21 depository institution and full and fair disclosure, the substance of the plan shall be
22 approved by the members or the shareholders at a duly called and properly convened
23 meeting of the members or shareholders. Following the meeting of the members or
24 shareholders, the results of the vote certified by an appropriate officer of the converting
25 depository institution shall be filed with the Administrator. The Administrator shall
26 then either approve or disapprove the requested conversion to a bank, national bank, or
27 other form of depository institution. After approval of the conversion, the
28 Administrator shall supervise and monitor the conversion process and shall ensure that
29 the conversion is conducted lawfully and under the approved plan of conversion."

30 Sec. 6. Article 3 of Chapter 54C of the General Statutes is amended by adding
31 the following new section to read:

32 **"§ 54C-47. Conversion to bank.**

33 (a) A State savings bank, upon a majority vote of its board of directors, may
34 apply to the Administrator for permission to convert to a bank, as defined under G.S.
35 53-1(1), or to a national bank or other form of depository institution and for certification
36 of appropriate amendments to its certificate of incorporation to effect the change. Upon
37 receipt of an application to so convert, the Administrator shall examine all facts
38 connected with the conversion, including receipt of approval of the converting
39 institution's plan of conversion by other federal or state regulatory agencies having
40 jurisdiction over the institution upon completion of its conversion. The depository
41 institution applying for permission to convert shall pay all the expenses and costs of
42 examination.

43 (b) The converting depository institution shall submit a plan of conversion as a
44 part of the application to the Administrator. The Administrator may approve it with or

1 without amendment. If the Administrator approves the plan, then the plan shall be
2 submitted to the members or stockholders as provided in subsection (c) of this section.
3 If the Administrator refuses to approve the plan, the Administrator's objections shall be
4 stated in writing and the converting depository institution shall be given an opportunity
5 to amend its plan to obviate the objections or to appeal the Administrator's decision to
6 the Commission.

7 (c) After lawful notice to the members or stockholders of the converting
8 depository institution and full and fair disclosure, the substance of the plan shall be
9 approved by the members or the shareholders at a duly called and properly convened
10 meeting of the members or shareholders. Following the meeting of the members or
11 shareholders, the results of the vote certified by an appropriate officer of the converting
12 depository institution shall be filed with the Administrator. The Administrator shall
13 then either approve or disapprove the requested conversion to a bank, national bank, or
14 other form of depository institution. After approval of the conversion, the
15 Administrator shall supervise and monitor the conversion process and shall ensure that
16 the conversion is conducted lawfully and under the approved plan of conversion."

17 Sec. 7. This act is effective upon ratification.