

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 495
Second Edition Engrossed 5/7/93

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.~~ 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."~~

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

2 "**§ 54C-62. Statement filed by savings bank; fees.**

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

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

12 "**§ 54C-63. Statement examined, approved, and published.**

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

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

21 "**§ 54B-34.1. Conversion to State association.**

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

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

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

1 shall supervise and monitor the conversion process and shall ensure that the conversion
2 is conducted lawfully and under the approved plan of conversion.

3 **"§ 54B-34.2. Conversion to bank.**

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

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

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

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

34 **"§ 54C-47. Conversion to bank.**

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

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

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

19 Sec. 7. This act becomes effective October 1, 1993.