

§343. Conversion of institutional charter

A financial institution organized under Part 12 may convert its charter to do business as another institution organized under Part 12 or as a universal bank, and a universal bank organized under chapter 31 may convert to a financial institution organized under Part 12 in the following manner. [PL 1997, c. 398, Pt. F, §3 (AMD).]

1. Adoption of plan. The institution's governing body shall adopt by a 2/3 vote of all members a conversion plan that must include:

A. The name of the institution and its location; [PL 1975, c. 500, §1 (NEW).]

B. The type of the institution that resulting institution is to be; [PL 1997, c. 398, Pt. F, §3 (AMD).]

C. A method and schedule for terminating any nonconforming activities that would result from such conversion; [PL 1997, c. 398, Pt. F, §3 (AMD).]

D. A statement of the competitive impact resulting from such conversion, including the loss of particular financial services in the market area resulting from such conversion; [PL 1997, c. 398, Pt. F, §3 (AMD).]

E. A statement that the conversion is subject to approval of the superintendent and the institution's investors; and [PL 1997, c. 398, Pt. F, §3 (AMD).]

F. Such additional information as the superintendent may require, pursuant to regulations or otherwise. [PL 1975, c. 500, §1 (NEW).]

[PL 1997, c. 398, Pt. F, §3 (AMD).]

2. Superintendent's approval. The superintendent shall approve a conversion plan in accordance with section 341, subsection 3.

[PL 1997, c. 398, Pt. F, §3 (AMD).]

3. Vote of investors. The conversion plan, as approved by the superintendent, must be submitted to the investors for their approval at an annual meeting, or at a special meeting called for that purpose, pursuant to the requirements of section 352, subsection 3. Approval requires a majority vote or higher if required by the institution's organizational documents of those entitled to vote.

[PL 1997, c. 398, Pt. F, §3 (AMD).]

4. Executed plan; certificate; and effective date. The following provisions apply to the executed plan, certificate and effective date.

A. Upon approval by the investors of the institution, the institution shall submit the executed conversion plan to the superintendent, together with all necessary amendments to the institution's organizational documents, each certified by an executive officer, clerk or secretary. [PL 1997, c. 398, Pt. F, §3 (AMD).]

B. The superintendent shall file one copy of the items set forth in paragraph A with the Secretary of State for record and issue to the resulting institution a certificate specifying the name of the converting institution and the name and organizational structure of the resulting institution. This certificate is conclusive evidence of the conversion and of the correctness of all proceedings relating to the conversion in all courts and places. The certificate may be filed in any office for the recording of deeds to evidence the new name in which property of the converting institution is to be held. [PL 1997, c. 398, Pt. F, §3 (AMD).]

C. Unless a later date is specified in the conversion plan, the action becomes effective upon the issuance of the certificate in paragraph B, and the former charter of the converting institution terminates automatically. [PL 1997, c. 398, Pt. F, §3 (AMD).]

[PL 1997, c. 398, Pt. F, §3 (AMD).]

5. Effect of disapproval.

[PL 1997, c. 398, Pt. F, §3 (RP).]

SECTION HISTORY

PL 1975, c. 500, §1 (NEW). PL 1977, c. 155, §2 (AMD). PL 1991, c. 670, §4 (AMD). PL 1997, c. 398, §F3 (AMD).

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