IC 28-15-14

Chapter 14. Merger or Consolidation With Federal Savings and Loan Association

IC 28-15-14-1

Vote required; compliance with laws

Sec. 1. (a) A savings association may be:

(1) merged or consolidated with; or

(2) converted into;

a federal savings and loan association, under the charter of the federal savings and loan association or under a new charter issued to the converted association or the merged or consolidated association, upon a vote of fifty-one percent (51%) or more of the votes cast at a legal meeting of the shareholders and members of the state chartered savings association called to consider the proposed merger, consolidation, or conversion.

(b) A merger, consolidation, or conversion under this section must be accomplished:

(1) in compliance with the laws of the United States relating to the merger, consolidation, or conversion; and

(2) upon terms and conditions prescribed or approved by the Office of Thrift Supervision or its successor.

As added by P.L.193-1997, SEC.2.

IC 28-15-14-2

Filing requirements

Sec. 2. (a) If a savings association:

(1) merges with;

(2) consolidates with; or

(3) is converted into;

a federal savings and loan association, the savings association shall file with the secretary of state three (3) copies of a certificate executed by a duly constituted federal authority showing the merger, consolidation, or conversion.

(b) Upon the payment of the fees prescribed by law, the secretary of state shall:

(1) note the filing upon each of the copies;

(2) retain one (1) copy in the secretary's office; and

(3) return two (2) copies to the association.

(c) One (1) of the copies returned to a savings association under subsection (b) shall be filed by the savings association with the department and the other copy shall be filed with the recorder of the county in which the principal office of the savings association is located.

(d) Upon completion of the filings required by this section, the savings association ceases to be a corporation under Indiana law, except as provided in section 4 of this chapter.

As added by P.L.193-1997, SEC.2.

IC 28-15-14-3

Effect on resulting federal savings and loan association of merger, consolidation, or conversion

Sec. 3. (a) Upon the effective date of a merger, consolidation, or conversion under sections 1 and 2 of this chapter, all of the assets and property of the state chartered savings association of every kind and character, including:

(1) real, personal, and mixed property;

(2) tangible and intangible property; and

(3) choses in action, rights, and credits that:

(A) the savings association owns; or

(B) would inure to the savings association;

shall immediately, by operation of law and without any conveyance or transfer, and without any further act or deed, be vested in and become the property of the federal savings and loan association.

(b) A federal savings and loan association referred to in subsection (a) shall have, hold, and enjoy the assets and property of the state chartered savings association after a merger, consolidation, or conversion under sections 1 and 2 of this chapter in its own right, as fully and to the same extent that the assets and property were possessed, held, and enjoyed by the state chartered savings association before the merger, consolidation, or conversion.

(c) After a merger, consolidation, or conversion under sections 1 and 2 of this chapter, the federal savings and loan association is considered a continuation of the entity and identity of the state chartered savings association, and all of the rights and obligations of the savings association remain unimpaired.

(d) The federal association, at the time of the taking effect of the merger, consolidation, or conversion under sections 1 and 2 of this chapter, shall succeed to all of the rights and obligations and the duties and liabilities connected with the state chartered savings association.

As added by P.L.193-1997, SEC.2.

IC 28-15-14-4

Conversion of federal savings and loan association to state chartered savings association

Sec. 4. (a) Subject to regulations prescribed by the Office of Thrift Supervision or its successor, a federal savings and loan association located in Indiana, by resolution approved by its board of directors and adopted by a vote of fifty-one percent (51%) or more of the votes cast at any annual meeting or at any special meeting of its members called to consider the action, may convert itself into a state chartered savings association under this article.

(b) A resolution referred to in subsection (a), when adopted by the members of a federal savings and loan association, must:

(1) designate the names and the number of the directors who will serve as directors of the savings association after the conversion takes effect; and

(2) authorize the directors to execute articles of incorporation.

(c) The articles of incorporation executed under this section must

include the contents required by IC 28-12-2-1 except that, instead of disclosing the name and address of each incorporator as required by IC 28-12-2-1(4), the articles must:

(1) indicate that the savings association is incorporated by conversion of a federal savings and loan association into a state chartered savings association; and

(2) state the name of the federal savings and loan association converted under this section.

(d) The department must receive from the federal savings and loan association:

(1) three (3) copies of the resolution, certified by the secretary or assistant secretary of the federal savings and loan association; and

(2) the articles of incorporation, in triplicate, signed and acknowledged by the directors designated under subsection (b)(1).

(e) The department shall approve or disapprove the proposed conversion of a federal savings and loan association into a state chartered savings association under this section. The department may not approve a proposed conversion unless the department, after appropriate investigation or examination, finds all of the following:

(1) That the state chartered savings association resulting from the conversion will operate in a safe, sound, and prudent manner.

(2) That the proposed charter conversion will not result in a state chartered savings association that has:

(A) inadequate capital;

(B) unsatisfactory management; or

(C) poor earnings prospects.

(3) That the management or other principals of the savings association are qualified by character and financial responsibility to control and operate in a legal and proper manner the proposed state chartered savings association.

(4) That the interests of the depositors, the creditors, and the public generally will not be jeopardized by the proposed charter conversion.

(f) If the department approves the resolution and articles of incorporation submitted under subsection (d), the department shall:

(1) indicate its approval on the resolution and articles of incorporation in the manner prescribed by IC 28-12-5-1; and

(2) present the articles of incorporation to the secretary of state.

(g) If the secretary of state finds that the articles of incorporation conform to law, the secretary of state shall:

(1) endorse the secretary's approval on the copies of the articles of incorporation;

(2) when all fees required by law have been paid:

(A) file one (1) copy of the articles of incorporation in the secretary's office; and

(B) issue a certificate of incorporation to the savings association; and

(3) return the certificate of incorporation and two (2) copies of the articles of incorporation to the directors of the savings association designated under subsection (b)(1).

(h) The conversion of a federal savings and loan association into a state chartered savings association under this section is effective when the secretary of state issues the certificate of incorporation under subsection (g). However, before the savings association may transact business under this article or incur indebtedness, except indebtedness that is incidental to its organization, one (1) of the copies of its articles of incorporation bearing the endorsement of the approval of the department and of the secretary of state must be filed for record with the recorder of the county in which the principal office of the savings association is located.

As added by P.L.193-1997, SEC.2.

IC 28-15-14-5

Effect on resulting state chartered savings association of conversion from federal savings and loan association

Sec. 5. (a) Upon the effective date of the conversion of a federal savings and loan association into a state chartered savings association under section 4 of this chapter, all of the assets and property of the federal savings and loan association of every kind and character, including:

(1) real, personal, and mixed property;

(2) tangible and intangible property; and

(3) choses in action, rights, and credits that:

(A) the savings and loan association owns; or

(B) would inure to the savings and loan association;

shall immediately, by operation of law and without any conveyance or transfer, and without any further act or deed, be vested in and become the property of the state chartered savings association.

(b) After the conversion of a federal savings and loan association into a state chartered savings association under section 4 of this chapter:

(1) the state chartered savings association shall have, hold, and enjoy the assets and property of the federal savings and loan association in its own right, as fully and to the same extent that the assets and property were possessed, held, and enjoyed by the federal savings and loan association before the conversion; and

(2) the state chartered savings association is considered a continuation of the entity and identity of the federal savings and loan association, and all of the rights and obligations of the federal savings and loan association remain unimpaired.

(c) When the conversion of a federal savings and loan association into a state chartered savings association under section 4 of this chapter takes effect, the state chartered savings association succeeds to all of the rights and obligations and the duties and liabilities connected with the federal savings and loan association.

As added by P.L.193-1997, SEC.2.

IC 28-15-14-6

Organization of new savings association; bylaws

Sec. 6. After the conversion of a federal savings and loan association into a state chartered savings association under section 4 of this chapter, the organization of the savings association shall be completed in the manner provided by IC 28-12, except that bylaws for the savings association:

(1) may be adopted by the members of the federal association when the members adopt the resolution authorizing the conversion; and

(2) may become effective upon the issuance of the certificate of incorporation under section 4(f) of this chapter.

As added by P.L.193-1997, SEC.2.