

533.402 Conversion of financial institution to state credit union.

1. Any financial institution may convert to a state credit union by complying with the laws of the original chartered authority and upon the approval of the superintendent. As used in this section, "*financial institution*" means any credit union, bank, savings bank, or savings and loan association chartered under federal or state law.

a. Application for approval of the conversion to a state credit union shall be submitted to the superintendent in the form prescribed by the superintendent, together with the articles of incorporation and bylaws as required for organization of a state credit union pursuant to this chapter.

b. The superintendent may cause an examination to be made of any converting financial institution. The converting financial institution shall reimburse the superintendent for the division's costs related to the conversion.

2. a. If the superintendent approves the application of a financial institution for conversion to a state credit union, the superintendent shall cause the articles of incorporation of the resulting state credit union to be filed and recorded in the county in which the state credit union has its principal place of business and the superintendent shall issue a certificate of authority to do business under the laws of this state to the resulting state credit union. The financial institution shall then become a state credit union subject to the laws of this state.

b. The superintendent shall furnish a copy of the certificate to the administrator of the national credit union administration.

3. a. Upon conversion, the existence of the original financial institution shall cease.

b. The state credit union resulting from the conversion shall have only the authority to engage in the business and exercise the powers of a state credit union.

4. a. A liability of the original financial institution or of its members, directors, or officers shall not be affected, and any lien on any property of the financial institution shall not be impaired by the conversion.

b. Any claim existing or action pending by or against the original financial institution may be prosecuted to judgment as if the conversion had not taken place, or the resulting state credit union may be substituted in its place.

2007 Acts, ch 174, §63