

**533.405 Voluntary dissolution.**

The process of voluntary dissolution shall be as follows:

1. A state credit union may dissolve upon the affirmative vote of a majority of its members eligible to vote according to the provisions of section 533.203. At least twenty days' notice shall be provided between the sending of notice and the scheduled conclusion of the vote.

2. *a.* The state credit union shall cease to do business except for the purposes of liquidation immediately upon sending notice of the members' vote on dissolution.

*b.* The board of directors shall notify the superintendent of the intention of the state credit union to dissolve within three business days of a vote by a majority of the board of directors in favor of dissolution, and prior to sending notice of the members' vote.

*c.* The state credit union shall not resume its regular business unless the dissolution fails to receive the required vote of the members or unless the members have revoked prior affirmative action to dissolve as provided for in subsection 7.

*d.* The board of directors shall notify the national credit union administration of the intent to dissolve, as required by federal regulation.

3. *a.* The board of directors shall have power to terminate and settle the affairs of a state credit union in voluntary dissolution.

*b.* The state credit union shall continue in existence for the purpose of discharging its liabilities, collecting and distributing its assets, and doing all acts required in order to terminate its affairs.

*c.* The state credit union may sue and be sued for the purpose of enforcing such liabilities and for the purpose of collecting its assets until its affairs are fully settled.

*d.* During the course of dissolution proceedings, the state credit union shall make such reports and shall be subject to such examinations as the superintendent may require.

*e.* If at any time after the affirmative vote of a majority of the members of a state credit union to dissolve the state credit union, the superintendent finds that the state credit union is not making reasonable progress toward terminating its affairs, the superintendent may apply to the district court for appointment of a receiver to terminate the affairs of the state credit union.

*f.* If the superintendent finds that a dissolving state credit union is insolvent, the superintendent may proceed as otherwise provided in this chapter.

4. *a.* The board of directors may appoint by resolution any responsible person as defined in section 4.1, whose appointment has been approved by the superintendent, to exercise its powers to terminate and settle the affairs of the state credit union pursuant to this section.

*b.* The superintendent may adopt rules establishing the qualifications that must be met by such appointees, including but not limited to filing a surety bond with the superintendent.

5. *a.* (1) Within ten days of the conclusion of a membership vote approving the voluntary dissolution, the board of directors or the liquidating agent appointed pursuant to subsection 4 shall cause notice, as provided in this subsection, to be given to creditors of the state credit union to present their claims.

(2) A copy of the notice of voluntary dissolution shall be mailed to all creditors reflected on the records of the state credit union.

*b.* In addition to mailing notice to known creditors, the state credit union shall also publish notice of the voluntary dissolution as follows:

(1) State credit unions with assets in excess of five million dollars as of the month ending immediately prior to the date of the conclusion of the vote by the membership approving the dissolution shall publish the notice once a week for two successive weeks in a newspaper of general circulation in each county in which the state credit union maintains an office or branch for the transaction of business.

(2) State credit unions with assets of five million dollars or less as of the month ending immediately prior to the date of the conclusion of the vote by the membership approving the dissolution shall publish the notice once in a newspaper of general circulation in each county in which the state credit union maintains an office or branch.

*c.* Mailed and published notices under this subsection shall indicate all of the following:

(1) A creditor shall have thirty days from the date the notice was sent or first published

to submit the creditor's claim. The state credit union must receive the claim on or before the thirtieth day, or the claim is barred.

(2) Information that must be included in a claim.

(3) A mailing address where a claim is to be sent.

6. a. Upon such proof as is satisfactory to the superintendent that all of the following have occurred, the superintendent shall issue a certificate of dissolution:

(1) Assets have been liquidated from which there is a reasonable expectance of realization.

(2) The liabilities of the state credit union have been discharged.

(3) Distribution has been made pursuant to section 533.404, subsection 1.

(4) The liquidation has been completed.

b. The certificate shall be filed and recorded in the county in which the state credit union has its principal place of business and in the county in which its original articles of incorporation were filed and recorded.

c. Upon the filing of a certificate of dissolution, the existence of the state credit union shall cease.

7. a. At any time prior to the final distribution of its assets, a state credit union may revoke the voluntary dissolution proceedings by the affirmative vote of a majority of its members eligible to vote, according to the provisions of section 533.203. At least twenty days' notice shall be provided between the sending of notice and the scheduled conclusion of the vote.

b. Upon the conclusion of the vote, the board of directors shall immediately notify the superintendent of any such action to revoke voluntary dissolution proceedings.

2007 Acts, ch 174, §66; 2012 Acts, ch 1020, §21; 2013 Acts, ch 17, §7 – 9; 2013 Acts, ch 140, §74

Referred to in §533.314

[T] Subsection 2, NEW paragraph d

[T] NEW subsection 5 and former subsections 5 and 6 amended and renumbered as 6 and 7