

CHAPTER 2
BRANCH OFFICES

[Prior to 3/25/87, Auditor of State[130] Ch 2]

197—2.1(534) Board resolution to file application. Prior to an association amending its articles of incorporation and the bylaws for the purpose of establishing a branch office, the board of directors of the association will, by resolution, authorize the filing of an application for permission to establish a branch office along with the supporting information required by such application. The prescribed form of application and an outline of information required in support thereof may be obtained by request from the Superintendent of Savings and Loan Associations, Suite 390, 200 East Grand Avenue, Des Moines, Iowa 50309.

197—2.2(534) Eligibility. No application will be considered if at the date on which it is filed:

2.2(1) The association has not been in operation for at least one year;

2.2(2) The association has on file any other application for permission to establish a branch office with respect to which action by the superintendent is pending;

2.2(3) The association does not submit assurance that the proposed branch office will open within 18 months of the date of final approval.

197—2.3(534) Application and supporting data. In support of the requirements of the Iowa Code, the association will supply such data as are outlined in the “Application for Permission to Establish a Branch Office.” Particular emphasis is placed on trend data concerning the proposed branch service area. Appropriate to this are economic surveys of the area, whether compiled primarily for the applicant or for other local groups. Also required are an estimate of the annual income and expenses of the proposed branch office, the annual business to be transacted by it, and a statement of the functions to be performed at such office and of the personnel and office facilities to be provided for the operation of the office.

197—2.4(534) Annual budget. The application for permission to branch must be accompanied by a proposed annual budget of the association. The budget is for the confidential use of the superintendent and is not to be open to inspection by the public.

197—2.5(534) Evaluation of applications. A certified copy of the association’s board of directors’ resolution authorizing application, the completed “Application for Permission to Establish a Branch Office” and the proposed annual budget will be submitted by the association to the savings and loan division. The superintendent is charged with the preliminary evaluation of the application and supporting data and may request further information as may be desirable in particular cases. The superintendent will have 30 days from date of receipt of all required or requested information in which to evaluate the application.

197—2.6(534) Amendment of articles and bylaws. If, upon evaluation of the information presented, the superintendent gives preliminary approval to the application, the superintendent will give written notice to the association to proceed with amendment of the articles of incorporation and bylaws of the association. The articles are to be amended by resolution of the members and the bylaws by resolution of the board of directors. Both amendments are subject to approval of the superintendent as to general form and must be approved by the attorney general as to legal form. The amendments must indicate the location for the specific branch office intended. An amendment cannot be made giving the association broad powers to branch.

Upon approval of the members of the amendment to the articles of incorporation and upon approval of the amendment to the bylaws by the board of directors, four certified copies of each of the amendments shall be filed with the superintendent.

197—2.7(534) Published notice of branch. If the application is approved the supervisor shall give the association written notification to publish the following notice:

NOTICE OF FILING APPLICATION FOR THE PURPOSE OF ESTABLISHING A BRANCH OFFICE

Notice is hereby given that theSavings and Loan Association,, Iowa, has filed with the Savings and Loan Division, 200 East Grand, Suite 390, Des Moines, Iowa, an "Application for Permission to Establish a Branch Office". Said application provides for the office to be located in the immediate vicinity of, Iowa. Any person may file communications in favor or in protest of said branch office at the Savings and Loan Division within twenty days after the date of this publication. The application, together with all communications received in favor or in protest thereof, are available for inspection by interested persons at the aforesaid office.

. Savings and Loan Association
., Iowa

The association shall publish the notice in a newspaper of general circulation in the community in which the branch office is to be located within 15 days of the superintendent's notification to do so. A copy of the notice accompanied by a publisher's affidavit will be furnished the superintendent by the association immediately after publication.

197—2.8(534) Public comment—final approval. Following receipt of all documentation from the association, and after the 20-day period for communications allowed in the notice, a final review of the branch application and the public comments received will be made by the superintendent. The superintendent shall disapprove the application based upon any of the following:

- 2.8(1) The application is inconsistent with applicable statutes or rules;
- 2.8(2) The application does not contain all required or requested information;
- 2.8(3) The plan is inequitable to a class of members or shareholders;
- 2.8(4) The establishment of the proposed branch office would cause undue injury to existing local thrift and home financing institutions;
- 2.8(5) The establishment of the proposed branch will not provide a benefit to the market area to be served.

If the application is approved by the superintendent, the superintendent shall issue a certification indicating the approval. If any person requests an oral hearing on the matter, that person should notify the superintendent in writing within the 20-day communication period. The oral presentations will be heard by the superintendent or the superintendent's designee. A final decision shall be issued within 30 days following the hearing.

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