

VIRGINIA ACTS OF ASSEMBLY -- 1994 SESSION

CHAPTER 331

An Act to amend and reenact § 6.1-194.149 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 6.1-194.123:1, relating to conversion from mutual savings institution to stock state savings bank.

[H 294]

Approved April 5, 1994

Be it enacted by the General Assembly of Virginia:

1. That § 6.1-194.149 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 6.1-194.123:1 as follows:

§ 6.1-194.123:1. Conversion from mutual savings institution to stock state savings bank.

With the approval of the Commissioner, and in accordance with provisions of this section and regulations promulgated hereunder, a state savings bank which is a mutual savings institution may convert to a stock institution. Such conversion shall be conducted in a manner equitable to all parties thereto in the following manner: the board of directors of such savings bank shall first adopt by two-thirds vote a conversion plan the provisions of which shall comply with requirements set forth in regulations promulgated by the Commission. Such plan shall provide that holders of savings accounts in the savings bank will be afforded the opportunity to preserve their interest in the savings bank's net worth by subscribing to stock. The Commissioner shall approve any such plan of conversion if the Commissioner ascertains that such conversion will not have an adverse effect on the stability of the savings bank and that all other rules and regulations of the Commission relating to the conversion of a mutual savings institution to a stock institution have been complied with. The Commission shall adopt regulations governing the procedures to be followed in completing the conversion once a satisfactory plan has been adopted. Such regulations shall ensure that any savings bank in so converting shall continue to have its accounts insured by the Federal Deposit Insurance Corporation or other federal insurance agency.

§ 6.1-194.149. Fees for supervision and regulation; investigations.

A. For the purpose of defraying the expenses of supervision and regulation of state savings banks, the Commission shall, on or before July 1 of each year, assess against every such savings bank fees in accordance with a schedule to be set by the Commission. Such schedule shall bear a reasonable relationship to total assets and number of branches of various individual savings banks and to the costs of their respective supervision, regulation, and examination.

B. All fees so assessed shall be paid into the state treasury on or before July 31 following. The Commission shall mail the assessments to each savings bank on or before July 1 of each year.

C. Before investigating an application for authority to establish a branch, the Commission shall charge a fee of \$1,800 if the branch is to be located within the Commonwealth and a fee as prescribed by the Commission if the branch is to be located outside the Commonwealth. A fee of \$1,000 shall be charged before investigating an application for authority to change the location of an existing main office or branch office. Before investigating an application for a certificate of authority or conversion, the Commission shall charge a fee of \$10,000, *except that the fee for investigating an application to convert from a state association or state bank to a state savings bank pursuant to subsection B of § 6.1-194.129 shall be \$5,000.* For investigating an application for merger or consolidation, the Commission shall charge a fee of \$7,500 and shall not be entitled to any further fees for investigating any application to retain existing branches of the applying savings bank as branches of the merged or consolidated institutions. Such fees may be waived by the Commission in the case of supervisory mergers or consolidations.

D. For investigating an application for authority to exercise trust powers, the Commission shall charge a fee of \$2,000 if such powers are to be exercised through a trust department and \$10,000 if such powers are to be exercised through a trust affiliate or subsidiary.

2. That an emergency exists and this act is in force from its passage.