

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 6.1-416.1 of the Code of Virginia, relating to mortgage lenders and*  
3 *brokers; acquisition of control.*

4 [S 95]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 6.1-416.1 of the Code of Virginia is amended and reenacted as follows:**

8 § 6.1-416.1. Acquisition of control; application.

9 A. Except as provided in this section, no person shall acquire directly or indirectly twenty-five  
10 percent or more of the voting shares of a corporation or twenty-five percent *or more* of the ownership  
11 of any other entity licensed to conduct business under this chapter unless such person first:

12 1. Files an application with the Commission in such form as the Commissioner may prescribe from  
13 time to time;

14 2. Delivers such other information to the Commissioner as the Commissioner may require concerning  
15 the financial responsibility, background, experience, and activities of the applicant, its directors, senior  
16 officers, principals and members, and of any proposed new directors, senior officers, principals or  
17 members of the licensee; and

18 3. Pays such application fee as the Commission may prescribe.

19 B. Upon the filing and investigation of an application, the Commission shall permit the applicant to  
20 acquire the interest in the licensee if it finds that the applicant, its members if applicable, its directors,  
21 senior officers and principals, and any proposed new directors, members, senior officers and principals  
22 have the financial responsibility, character, reputation, experience and general fitness to warrant belief  
23 that the business will be operated efficiently and fairly, in the public interest, and in accordance with  
24 law. The Commission shall grant or deny the application within sixty days from the date a completed  
25 application accompanied by the required fee is filed unless the period is extended by order of the  
26 Commissioner reciting the reasons for the extension. If the application is denied, the Commission shall  
27 notify the applicant of the denial and the reasons for the denial.

28 C. The provisions of this section shall not apply to (i) the acquisition of an interest in a licensee  
29 directly or indirectly including an acquisition by merger or consolidation by or with a person licensed by  
30 this chapter or a person exempt from this chapter under the provisions of subdivisions 2 through 11 of  
31 § 6.1-411, (ii) the acquisition of an interest in a licensee directly or indirectly including an acquisition  
32 by merger or consolidation by or with a person affiliated through common ownership with the licensee,  
33 or (iii) the acquisition of an interest in a licensee by a person by bequest, descent, or survivorship or by  
34 operation of law. The person acquiring an interest in a licensee in a transaction which is exempt from  
35 filing an application by this subsection shall send written notice to the Commissioner of such acquisition  
36 within thirty days of its closing.

ENROLLED

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