

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 6.1-194.12 of the Code of Virginia, relating to banking and finance;*
3 *certificate of authority of a savings association to do business.*

4 [H 1938]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 6.1-194.12 of the Code of Virginia is amended and reenacted as follows:**

8 § 6.1-194.12. Certificate of authority to do business.

9 A. Before any organizing state association may begin business in the Commonwealth, it shall obtain
10 from the Commission a certificate of authority to do so, and prior to the issuance of such certificate the
11 Commission shall ascertain that:

12 1. All applicable provisions of law have been complied with;

13 2. In a mutual association, deposits in a total amount deemed by the Commission to be sufficient to
14 warrant successful operation but not less than two million dollars, have been pledged or deposited and
15 that such deposits shall not be withdrawable for at least one year, or, in a stock association, that
16 financially responsible persons have subscribed for capital stock, ~~and surplus and a reserve for operation~~
17 in an amount deemed by the Commission to be sufficient to warrant successful operation, provided that
18 the capital stock shall have a paid-in value of not less than two million dollars. The minimum capital
19 stock requirement under this subdivision shall apply in cases in which a state association is being
20 organized to begin business; it shall not be applicable when this section is referred to or used in
21 connection with the conversion of an operating savings institution or bank to a state association, or
22 when this section is used in connection with the reorganization of an operating state association under a
23 holding company;

24 3. Regulations governing directors of the association have been complied with;

25 4. The public interest will be served by the addition of the proposed savings institution facilities in
26 the community where the savings institution is to be located; and

27 5. The officers and directors of the proposed savings institution are of (i) moral fitness, (ii) financial
28 responsibility, and (iii) business ability.

29 As used herein, "public interest" shall have the meaning set forth in subdivision 4 of subsection A of
30 § 6.1-13.

31 B. No certificate of authority shall be issued on or after June 1, 1973, unless the applicant for such
32 certificate:

33 1. Submits evidence of being fully insured by the Federal Deposit Insurance Corporation or other
34 federal insurance agency; or

35 2. Submits sufficient evidence of commitment by the Federal Deposit Insurance Corporation or other
36 federal insurance agency that the applicant will be issued insurance of accounts immediately subsequent
37 to the issuance of the certificate of authority.

38 The Commission may issue such certificate conditioned upon the fact that the association shall not
39 commence to do business until it is issued insurance of accounts by the Federal Deposit Insurance
40 Corporation or other federal insurance agency.

41 C. Any interested person may appeal to the Supreme Court of Virginia from any order of the
42 Commission granting or denying such certificate of authority.

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