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OFFICE WEST VIRGINIA  
SECRETARY OF STATE

# WEST VIRGINIA LEGISLATURE

SECOND REGULAR SESSION, 2002



# ENROLLED

COMMITTEE SUBSTITUTE  
FOR

**House Bill No. 4426**

(By Delegates R. M. Thompson, H. White,  
Kominar and Harrison)



Passed March 8, 2002

In Effect Ninety Days from Passage

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FOR

## H. B. 4426

(BY DELEGATES R. M. THOMPSON, H. WHITE,  
KOMINAR AND HARRISON)

[Passed March 8, 2002; in effect ninety days from passage.]

AN ACT to amend chapter thirty-one-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new article, designated article four-a, relating to the conversion of national banks to state-chartered banks; establishing a procedure for the conversion; and declaring a continuity of entity, assets and obligations from the national charter to the state charter.

*Be it enacted by the Legislature of West Virginia:*

That chapter thirty-one-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new article, designated article four-a to read as follows:

**ARTICLE 4A. CONVERSION OF NATIONAL BANKS TO STATE-CHAR-  
TERED BANKS.**

**§31A-4A-1. Conversion of national bank into state bank authorized.**

1 Any bank organized under the laws of the United States  
2 may, by a majority vote of the directors of the bank, convert  
3 into a state bank with any name approved by the board of  
4 banking and financial institutions in accordance with this  
5 article.

**§31A-4A-2. Procedure for conversion of national bank into state bank.**

1 (a) A national bank converting its charter to become a state  
2 bank shall file an application with the division on a form  
3 prescribed by the commissioner along with articles of incorpo-  
4 ration, by-laws for the proposed state bank and a check for two  
5 thousand five hundred dollars. The application shall declare that  
6 a majority of the national bank's board of directors has autho-  
7 rized the representatives of the bank to make such application  
8 and to convert the national bank into a state bank.

9 (b) The application to convert to a state bank shall be  
10 subject to the same requirements and procedures as established  
11 for a newly organizing state bank at sections five, six and  
12 seven, article four of this chapter.

13 (c) The examination and investigation by the board of  
14 banking and financial institutions pursuant to section six, article  
15 four of this chapter shall include an examination of the safety  
16 and soundness of the applicant national bank. The scope of the  
17 examination shall be determined at the discretion of the  
18 commissioner.

**§31A-4A-3. Effect of conversion of national bank into state bank.**

1 (a) When the board of banking and financial institutions has  
2 given to the bank an order that the provisions of this article

3 have been complied with, the bank and all its stockholders,  
4 officers and employees shall have the same powers and  
5 privileges and shall be subject to the same duties, liabilities and  
6 regulations, in all respects, as shall have been prescribed for  
7 banks originally organized as banking corporations under the  
8 laws of West Virginia.

9 (b) At the time when such conversion of the national bank  
10 into a state bank, under the charter of the latter, becomes  
11 effective, all the property of the national bank, including all its  
12 rights, title and interest in and to all property of whatsoever  
13 kind, whether real, personal or mixed, and things in action, and  
14 every right, privilege, interest and asset of any conceivable  
15 value or benefit then existing, belonging or appertaining to it or  
16 which would inure to it, shall immediately, by act of law and  
17 without any conveyance or transfer and without any further act  
18 or deed, be vested in and become the property of the state bank,  
19 which shall have, hold and enjoy the same in its own right as  
20 fully and to the same extent as if the same were possessed, held  
21 and enjoyed by the national bank.

22 (c) Upon such conversion becoming effective, the state  
23 bank shall be considered to be a continuation of the entity and  
24 of the identity of the national bank and all the rights, obliga-  
25 tions and relations of the national bank to or in respect to any  
26 person, estate, creditor, depositor, trustee or beneficiary of any  
27 trust shall remain unimpaired. The state bank, as of the time the  
28 conversion takes place, shall succeed to all such rights, obliga-  
29 tions, relations and trusts and the duties and liabilities con-  
30 nected therewith and shall execute and perform each and every  
31 trust or relation in the same manner as if the state bank had  
32 itself originally assumed the trust or relation, including the  
33 obligations and liabilities connected therewith.

34 (d) Any reference to the national bank in any contract, will  
35 or document shall be considered a reference to the state bank

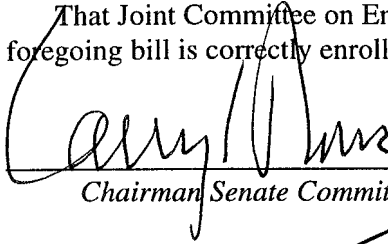
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36 unless expressly provided to the contrary in the contract, will or  
37 document.

**§31A-4A-4. Filing of incorporation.**

1 After the board of banking and financial institutions issues  
2 an order granting a state charter to the converting national bank,  
3 the bank shall file in the office of the secretary of state a  
4 certificate of incorporation in compliance with the applicable  
5 provisions of chapter thirty-one of this code and section five,  
6 article four of this chapter.

That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

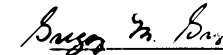
  
Chairman Senate Committee

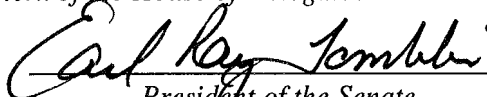
  
Chairman House Committee

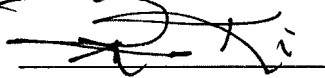
Originating in the House.

In effect ninety days from passage.


  
Clerk of the Senate

  
Clerk of the House of Delegates

  
President of the Senate

  
Speaker of the House of Delegates

The within is approved this the 21st  
day of May, 2002.

  
Governor

PRESENTED TO THE

GOVERNOR

Date 3/12/02

Time 5:10 pm