WEST VIRGINIA LEGISLATURE
SEVENTY-NINTH LEGISLATURE
REGULAR SESSION, 2009

ENROLLED

Senate Bill No. 424
(By Senators Minard and Jenkins)

[Passed April 9, 2009; in effect ninety days from passage.]
AN ACT to amend and reenact §31A-4A-1, §31A-4A-2, §31A-4A-3 and §31A-4A-4 of the Code of West Virginia, 1931, as amended, all relating to the conversion of banks and other financial institutions to a West Virginia state-chartered bank; and allowing any bank, thrift or credit union organized under the laws of the United States or any other state to convert into a state-chartered bank.

Be it enacted by the Legislature of West Virginia:

That §31A-4A-1, §31A-4A-2, §31A-4A-3 and §31A-4A-4 of the Code of West Virginia, 1931, as amended, be amended and reenacted, all to read as follows:

ARTICLE 4A. CONVERSION OF OTHER FINANCIAL INSTITUTIONS TO STATE-CHARTERED BANKS.

§31A-4A-1. Conversion of bank, thrift or credit union into state bank authorized.
Any bank, thrift or credit union organized under the laws of the United States or any other state may, by a majority vote of its directors or other governing body, convert into a state bank with any name approved by the Board of Banking and Financial Institutions in accordance with this article.

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

(a) A converting institution shall file an application with the division on a form prescribed by the commissioner along with articles of incorporation, bylaws for the proposed state bank and a check for $2,500. The application shall declare that a majority of the converting institution's board of directors or other governing body has authorized the representatives of the converting institutions to make such application and to convert into a state bank.

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

(c) The examination and investigation by the Board of Banking and Financial Institutions pursuant to section six, article four of this chapter shall include an examination of the safety and soundness of the applicant. The scope of the examination shall be determined at the discretion of the commissioner.

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

(a) When the Board of Banking and Financial Institutions has provided the converting institution an order that this article has been complied with, the converting institution and all its stockholders or members, officers and
employees shall have the same powers and privileges and
duties, liabilities and regulations as shall have been
prescribed for banks originally organized under the laws
of West Virginia.

(b) At the time when such conversion into a state bank
becomes effective, all the property of the converting
institution, including all its rights, title and interest in and
to all property of whatsoever kind, whether real, personal
or mixed, and things in action, and every right, privilege,
interest and asset of any conceivable value or benefit then
existing, belonging to it or which would inure to it, shall
immediately, by act of law and without any conveyance or
transfer and without any further act or deed, become the
property of the state bank, which shall have in its own
right as fully and to the same extent as if the same were
possessed, held and enjoyed by the converting institution.

(c) Upon such conversion becoming effective, the state
bank shall be considered to be a continuation of the entity
and of the identity of the converting institution and all the
rights, obligations and relations of the converting institu-
tion to or in respect to any person, estate, creditor, deposi-
tor, trustee or beneficiary of any trust shall remain
unimpaired. The state bank, as of the time the conversion
takes place, shall succeed to all such rights, obligations,
relations and trusts and the duties and liabilities con-
ected therewith and shall execute and perform each and
every trust or relation in the same manner as if the state
bank had itself originally assumed the trust or relation,
including the obligations and liabilities connected ther-
with.

(d) Any reference to the converting institution in any
contract, will or document shall be considered a reference
to the state bank unless expressly provided to the contrary
in the contract, will or document.
§31A-4A-4. Filing of incorporation or organization.

1 After the Board of Banking and Financial Institutions
2 issues an order granting a state charter to the converting
3 institution, the bank shall file in the office of the Secretary
4 of State a certificate of incorporation in compliance with
5 chapter thirty-one-d of this code or articles of organiza-
6 tion in compliance with chapter thirty-one-b of this code
7 as applicable under section five, article four of this
8 chapter.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within bill approved this the 30th Day of

Governor