



Ohio Administrative Code Rule 1301:1-4-15 Converting into a state bank.

Effective: November 22, 2019

(A) This rule describes the procedures and standards governing the superintendent's review and approval of an application by a national bank, bank doing business under authority granted by the bank regulatory authority of another state, a savings association or savings bank doing business under authority of another state, a federal savings association, or a state or federally chartered credit union to convert to a state bank charter.

(B) As used in this rule, the terms "applicant" and "converting institution" refer to a national bank, bank doing business under authority granted by the bank regulatory authority of another state, a savings association or savings bank doing business under authority of another state, a federal savings association, or a state or federally chartered credit union seeking to convert to a state bank charter.

(C) A converting institution shall submit to the superintendent an application for the superintendent's approval of the conversion that includes all of the following:

- (1) A plan of conversion;
- (2) The proposed articles of incorporation and code of regulations of the proposed state bank;
- (3) An officers' certification that the directors and members or shareholders of the applicant have approved the plan of conversion and the proposed articles of incorporation and code of regulations in accordance with the applicable state or federal law and with the applicant's articles of association or incorporation and code of regulations or bylaws;
- (4) Any other information the superintendent requires.

(D) Within ten business days after receiving an application required under paragraph C of this rule, the superintendent shall decide whether to accept the application. Within ninety days after accepting



an application required under paragraph C of this rule, the superintendent shall approve or deny the application. In determining whether to approve the converting institution's conversion into a state bank, the superintendent shall consider all of the following:

- (1) The adequacy of capital and paid in capital of the proposed state bank;
- (2) Whether the competence, experience, and integrity of each director, executive officer, and controlling shareholder of the proposed state bank meet the criteria for acquiring control of a state bank as provided in section 1115.06 of the Revised Code;
- (3) Whether the proposed state bank affords reasonable promise of successful operation;
- (4) Whether the proposed state bank meets the requirements of Chapters 1101. to 1127. of the Revised Code.

The superintendent may extend the time during which the superintendent may approve or deny the application if any of the following applies: the superintendent determines that the applicant has not furnished all information required under paragraph (C) of this rule; in the superintendent's judgment any material information is substantially inaccurate; the superintendent has been unable to complete an investigation of a person described in paragraph (D)(2) of this rule because of any delay caused by, or the inadequate cooperation of, that person; or in the superintendent's discretion.

(E) The superintendent may condition an approval of the conversion of a converting institution into a state bank in any manner the superintendent considers appropriate.

(F) If the superintendent approves a conversion, the superintendent shall forward a certificate of the approval of the conversion and the state bank's articles of incorporation to the secretary of state, and shall issue to the new state bank a certificate of authority to commence business as a state bank. In the case of a state bank resulting from the conversion of a state chartered credit union organized under Chapter 1733 of the Revised Code, the secretary of state shall file the certificate of the superintendent's approval of the conversion and the state bank's articles of incorporation in a manner reflecting the company is no longer doing business under Chapter 1733. of the Revised Code. In the case of a state bank resulting from the conversion of a national bank, bank doing business under



authority granted by the bank regulatory authority of another state, savings association or savings bank doing business under authority of another state, a federal savings association, or a federally chartered credit union, the secretary of state shall file the certificate of the superintendent's approval of the conversion and the state bank's articles of incorporation in a manner reflecting the state bank is newly authorized to do business under the laws of this state.

(G) The conversion shall be effective on the date indicated in the superintendent's approval. Without further act or deed, the state bank resulting from the conversion shall have all property, rights, interests, and powers of its predecessor institution within the limits of the charter of the resulting state bank, and all duties, trusts, obligations, and liabilities of the predecessor institution shall continue in the state bank resulting from the conversion.