

**SAVINGS AND LOAN ACT OF 1980 (EXCERPT)**  
**Act 307 of 1980**

**491.810 Plan of conversion, merger, sale, or purchase; substantive or procedural requirements; approval; application procedures; fees; rules or orders; conditions.**

Sec. 810. In passing upon a written plan of conversion, merger, sale of assets and liabilities, or purchase of assets and liabilities subject to this act, the supervisor shall prescribe the substantive or procedural requirements as the supervisor considers necessary or proper to ensure that the plan of conversion, merger, sale, or purchase is fair and equitable to the association and to the association's members. A plan of conversion, merger, sale, or purchase under this section shall be submitted to the supervisor for approval before giving notice to members of a meeting to be called for the purpose of considering the plan of conversion, merger, sale, or purchase. The approval by the supervisor of a conversion, merger, sale, or purchase permitted under this act shall be subject to the application procedures as the supervisor prescribes, and to the payment of the fees as the supervisor establishes. In promulgating rules or issuing orders or approvals to carry out the requirements of sections 800, 805, 806, 807, or this section, the supervisor shall require that all of the following conditions are met:

(a) Accurate and adequate disclosure of the terms and effects of plans of conversion is provided to purchasers or recipients of stock in resulting stock associations or banks, including members of a converting or merging mutual association.

(b) Adjustments are made in plans of conversion, merger, sale, or purchase to be effected by approval of an association's or bank's board, which are necessary or appropriate to accomplish the purposes of this section.

(c) Plans of conversion, merger, sale, or purchase and proxy statements, offering circulars, and related instruments and actions implementing the plans are subject to review and approval by the supervisor.

(d) The stock to be issued or canceled as a part of a conversion, merger, sale, or purchase is fairly and independently valued and priced, and the stock which is to be issued is allocated and distributed fairly and without manipulative or deceptive devices being employed.

(e) Appropriate provision is made regarding fractional share interests and minimum stock purchase requirements.

(f) Plans of conversion, merger, sale, or purchase are adopted and implemented in a form and manner so that stability and continuity of management are encouraged and so that the stability, safety, and soundness of the associations are not impaired.

(g) All conversions of mutual associations to stock associations, federal stock associations or banks shall use as a record date for determining the interests of account holders a date set by the supervisor and published annually during the month of January, which date shall be not more than 18 months before its publication.

**History:** 1980, Act 307, Eff. Jan. 1, 1981;—Am. 1981, Act 114, Imd. Eff. July 17, 1981;—Am. 1987, Act 106, Imd. Eff. July 7, 1987