Article 9.

Holding Companies.

§ 54C-195. Holding companies.

(a) Notwithstanding any other law, a stock savings bank may, simultaneously with its incorporation or conversion to a stock savings bank, provide for its ownership by a holding company. In the case of a conversion, members of the converting savings bank shall have the right to purchase capital stock of the holding company in lieu of capital stock of the converted savings bank in accordance with G.S. 54C-33(c)(6).

(b) Notwithstanding any other law, a stock savings bank may reorganize its ownership, to provide for ownership by a holding company, upon adoption of a plan of reorganization by a favorable vote of not less than two-thirds of the members of the board of directors of the savings bank and approval of the plan of reorganization by the holders of not less than a majority of the issued and outstanding shares of stock of the savings bank. The plan of reorganization shall provide that (i) the resulting ownership is vested in a North Carolina corporation, (ii) all stockholders of the stock savings bank have the right to exchange shares, (iii) the exchange of stock is not subject to State or federal income taxation, (iv) stockholders not wishing to exchange shares are entitled to appraisal rights as provided under Article 13 of Chapter 55 of the General Statutes, and (v) the plan of reorganization is fair and equitable to all stockholders.

(c) Notwithstanding any other law, a mutual savings bank may reorganize its ownership to provide for ownership by a holding company upon adoption of a plan of reorganization by favorable vote of not less than two-thirds of the members of the board of directors of the savings bank and approval of the plan of reorganization by a majority of the voting members of the savings bank. The plan of reorganization shall provide that (i) the resulting ownership is vested in a North Carolina corporation, (ii) the resulting ownership of one or more subsidiary savings banks is evidenced by stock shares, (iii) the substantial portion of the assets and all of the insured deposits and part or all of the other liabilities are transferred to one or more subsidiary savings banks, (iv) the reorganization is not subject to State or federal income taxation, and (v) the plan of reorganization is fair and equitable to all members of the savings bank.

(d) A holding company may invest in any investment authorized by its board of directors, except as limited by regulations adopted by the Commissioner of Banks under this Article.

(e) An entity that controls a stock savings bank, or acquires control of a stock savings bank, is a holding company. (1991, c. 680, s. 1; 2001-193, s. 16; 2011-347, s. 4.)