§ 54C-81. Supervisory control.

(a) Whenever the Commissioner of Banks determines that a savings bank is conducting its business in an unsafe or unsound manner or in any fashion that threatens the financial integrity or sound operation of the savings bank, the Commissioner of Banks may serve a notice of charges on the savings bank, requiring it to show cause why it should not be placed under supervisory control. The notice of charges shall specify the grounds for supervisory control, and set the time and place for a hearing. A hearing before the Commission shall be held within 15 days after issuance of the notice of charges, and shall comply with Article 3A of Chapter 150B of the General Statutes.

(b) If, after the hearing provided in subsection (a) of this section, the Commission determines that supervisory control of the savings bank is necessary to protect the savings bank's members, customers, stockholders, or creditors, or the general public, the Commissioner of Banks shall issue an order taking supervisory control of the savings bank. An appeal may be filed in the Wake County Superior Court.

(c) If the order taking supervisory control becomes final, the Commissioner of Banks may appoint an agent to supervise and monitor the operations of the savings bank during the period of supervisory control. During the period of supervisory control, the savings bank shall act in accordance with any instructions and directions as may be given by the Commissioner of Banks, directly or through a supervisory agent, and shall not act or fail to act except when to do so would violate an outstanding cease and desist order.

(d) Within 180 days of the date the order taking supervisory control becomes final, the Commissioner of Banks shall issue an order approving a plan for the termination of supervisory control. The plan may provide for:

(1) The issuance by the savings bank of capital stock;

(2) The appointment of one or more officers, one or more directors, or one or more officers and directors;

(3) The reorganization, merger, or consolidation of the savings bank; and

(4) The dissolution and liquidation of the savings bank.

The order approving the plan shall not take effect for 30 days during which time period an appeal may be filed in the Wake County Superior Court.

(e) The costs incident to this proceeding shall be paid by the savings bank, provided the costs are found to be reasonable.

(f) For the purposes of this section, an order is deemed final if:

(1) No appeal is filed within the specific time allowed for the appeal, or

(2) After all judicial appeals are exhausted. (1991, c. 680, s. 1; 2001-193, s. 16.)