

189—3.5 (533) Notice to the superintendent.

3.5(1) The credit union shall provide the superintendent with notice of its intent to convert and a plan of conversion no less than 30 calendar days prior to the 90-calendar-day period preceding the close of balloting under 189—3.4(533).

3.5(2) The credit union shall give notice to the superintendent and provide a plan of conversion describing the material features of the conversion, along with a copy of the filing the credit union has made with the federal regulatory agency by which the credit union seeks that agency's approval of the conversion. The credit union shall include with the notice to the superintendent a copy of the notice the credit union proposes to provide to members under 189—3.4(533), as well as the proposed ballot and related instructions and envelopes, all written materials the credit union has distributed or intends to distribute to its members, and the procedures the election committee will follow in its receipt and counting of the ballots.

3.5(3) Superintendent's preliminary determination.

a. The superintendent shall make a preliminary determination regarding the methods and procedures applicable to the membership vote.

b. The superintendent shall notify the credit union within 30 calendar days of receipt of the credit union's notice of intent to convert if the superintendent disapproves of the proposed methods and procedures applicable to the membership vote.

c. The credit union's submission of the notice of intent and plan of conversion does not relieve the credit union of its obligation to certify the results of the membership vote required by 189—3.6(533) or certify compliance with these rules as required by 189—3.3(533) or eliminate the right of the superintendent to disapprove the actual methods and procedures applicable to the membership vote if the credit union fails to conduct the membership vote in a fair and legal manner.

3.5(4) The superintendent may disapprove a plan of conversion submitted by the board of directors of a credit union based upon any of the following determinations:

a. The plan is inconsistent with applicable statutes and regulations.

b. The plan does not contain all required information.

c. The plan fails to fully and fairly disclose the effect of the proposal on members of the credit union.

d. The plan does not fairly compensate members for their ownership interests in the credit union.