

§ 563b.9

is later. The further procedure for review is as follows: A copy of the petition is forthwith transmitted to the Office by the clerk of the court and thereupon the Office files in the court the record in the proceeding, as provided in section 2112 of title 28 of the U.S. Code. Upon the filing of the petition, the court has jurisdiction, which upon the filing of the record is exclusive, to affirm, modify, terminate, or set aside in whole or in part, the final action of the Office. Review of such proceedings is had as provided in chapter 7 of title 5 of the U.S. Code. The judgment and decree of the court is final, except that they are subject to review by the Supreme Court upon *certiorari* as provided in section 1254 of title 28 of the U.S. Code.

(v) *Post-conversion reports.* The applicant shall file such post-conversion reports concerning its conversion as the Office may require.

[54 FR 49596, Nov. 30, 1989, as amended at 57 FR 14348, Apr. 20, 1992; 59 FR 22735, May 3, 1994; 60 FR 66718, Dec. 26, 1995]

§ 563b.9 Conversion of a savings association in connection with the formation of a holding company.

A savings association may convert to the stock form pursuant to this subpart A as part of a transaction in which a holding company is organized to acquire upon issuance all the capital stock of the converted savings association. In such a transaction eligible account holders, supplemental eligible account holders, and voting members of the converting savings association shall receive, without payment, non-transferable rights under § 563b.3(c)(2), (c)(4), and (c)(5) of this part to purchase capital stock of the newly-formed holding company in lieu of capital stock of the converting association. Unless clearly inapplicable, all of the requirements of this subpart A shall apply to a conversion under this section.

§ 563b.10 Conversion of a savings association through merger with an existing holding company or stock savings association.

A savings association that qualifies for a voluntary supervisory conversion under subpart C of this part may convert to stock form by merging with an

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existing holding company or interim Federal or state chartered stock association in a transaction in which stock of the existing holding company or resulting association is issued.

[59 FR 22735, May 3, 1994]

§ 563b.11 Convenience and needs considerations.

In reviewing an application under this subpart, the Office will examine the extent to which the conversion will affect the convenience and needs of the communities to be served by the converted savings association. The Office will review the applicant's record under part 563e of this chapter. In addition, the Office will scrutinize the business plan of the applicant. Each applicant must demonstrate that the proposed deployment of proceeds contained in its business plan will help meet the credit and lending needs of the communities served by the applicant. Also, the Office will consider other relevant factors relating to the association's performance in meeting the convenience and needs of the community. Based on an assessment of the applicant's record under part 563e of this chapter, the applicant's business plan and other relevant factors, the Office may approve the application, deny the application, or approve the application on the condition that the applicant improve certain aspects of its CRA performance record or address particular credit or lending needs of the communities that it serves.

[59 FR 61262, Nov. 30, 1994]

Subpart B [Reserved]

Subpart C—Voluntary Supervisory Stock Conversions

§ 563b.20 Scope of subpart.

(a) Except as the Office may otherwise determine, the provisions of this subpart shall govern the voluntary supervisory conversion from the mutual to stock form of savings associations as authorized, ordered or concurred in by the Office or the FDIC pursuant to sections 5(i) (1) and (2), 5(o)(2)(C), and 5(p) of the Home Owners' Loan Act, 12 U.S.C. 1464(i) (1), (2), (o)(2)(C), and (p).

(b) All of the provisions of Subpart A of this part shall apply to a supervisory conversion undertaken pursuant to this subpart unless clearly inapplicable.

§ 563b.21 Voluntary supervisory conversions.

(a) A voluntary supervisory conversion of a savings association pursuant to this subpart may involve the sale of a converting association's shares directly to an acquiror(s), which may be a person, company, depository institution, or depository institution holding company. The conversion may result in the converting association being merged into or consolidated with an existing or newly created depository institution, but only as authorized by and in accordance with any limitations or restrictions imposed by applicable laws and regulations.

(b) A majority of the directors of the converting association must adopt a plan of voluntary supervisory conversion that complies with the provisions of this subpart. The members of the association have no rights of approval or participation in the voluntary supervisory conversion, or to the continuance of any legal or beneficial ownership interests in the converted association, unless otherwise provided by the OTS. The members shall have interests in a liquidation account, if one is established, pursuant to § 563b.28 of this subpart.

[57 FR 49380, Nov. 2, 1992]

§ 563b.22 Purpose of subpart.

The purpose of this subpart is to give guidance to savings associations and potential acquirors of the stock of converting savings associations regarding the qualification of savings associations for a supervisory conversion under this subpart, and guidance as to the extent to which the Office will permit, by means of a supervisory conversion, deviations from the substantive and procedural requirements adopted by the Office for standard conversions under subpart A of this part.

§ 563b.23 Authorization of supervisory conversions.

(a) The OTS may authorize or order a voluntary supervisory conversion if a

savings association files an application containing the information and documents specified in § 563b.27 of this subpart, in accordance with the procedures specified in § 563b.29 of this subpart, and meets the qualification standards specified in § 563b.24 of this subpart. If the OTS authorizes or orders a supervisory stock conversion, the conditions specified in § 563b.30 of this subpart must be fulfilled and the resulting institution and the purchaser(s) of its conversion stock must comply with the requirements of § 563b.31 of this subpart.

(b) In connection with approval of an association's conversion, the OTS may impose conditions and restrictions on the converting or resulting institution, the acquiror, and controlling parties, directors and officers of either, to prevent unsafe or unsound practices, to protect the deposit insurance funds and the public interest, and to prevent potential injury or detriment to the converting or resulting association. The OTS generally will exercise this authority consistent with applicable supervisory policies.

(c) The OTS may deny an association's conversion if the Office determines that the converting or resulting association, the acquiror, or controlling parties or directors and officers of either, have engaged in unsafe or unsound practices in connection with the transaction, or that the transaction is detrimental to or would cause potential injury to the converting or resulting association, the Federal deposit insurance funds or is contrary to the public interest.

(d) For three years following the date of completion of a voluntary supervisory conversion, neither any controlling shareholder nor the resulting institution may acquire shares from minority shareholders without the prior approval of the OTS.

[57 FR 49381, Nov. 2, 1992]

§ 563b.24 Qualification for supervisory conversion of SAIF-insured associations.

(a) The OTS in its discretion may authorize the supervisory conversion of a SAIF-insured savings association upon finding that the association: