

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

491.934 Voting class of voting securities; limit; notice of proposed acquisition; notice of disapproval of proposed acquisition; hearing; furnishing information to supervisor; grounds for disapproval of proposed acquisition.

Sec. 934. (1) A person, or a group of persons acting in concert, shall not acquire the power to vote 25% or more of any class of voting securities of an association through a purchase, assignment, transfer, pledge, or other disposition of voting securities unless the supervisor has been given prior written notice of the proposed acquisition by the acquiring person or group of persons, or by the federal savings and loan insurance corporation pursuant to the change in the savings and loan control act of 1978, 12 U.S.C. 1730, at least 30 days before the proposed acquisition, and the supervisor has not issued a decision disapproving the proposed acquisition before its proposed effective date.

(2) The supervisor shall notify the acquiring party in writing of any decision to disapprove a proposed acquisition within 3 days after the supervisor's decision or before the effective date of the proposed acquisition, whichever is sooner. Within 10 days after receipt of the supervisor's decision of disapproval, the acquiring party may request a hearing to reconsider the decision of the supervisor, which shall be conducted pursuant to Act No. 306 of the Public Acts of 1969, as amended.

(3) The supervisor may prescribe rules or application forms to be used for the furnishing of information to the supervisor concerning the identity, personal history, business background, financial condition, and existence of pending legal proceedings with respect to each person proposing to participate in an acquisition subject to this section, as well as information concerning the terms, conditions, and manner of making the proposed acquisition, the source of funds to be utilized, and any plans or proposals for material changes in the management, policies, operations, or organization of the association to be acquired. The supervisor shall disapprove any proposed acquisition subject to this section if any of the following occur:

(a) The financial condition of any acquiring person may jeopardize the financial stability of the association to be acquired or prejudice the interests of the depositors of the association.

(b) The competence, experience, or integrity of any acquiring person or any proposed management personnel indicates that it would not be in the best interests of depositors of the association or the public to permit the person to control the association.

(c) Any acquiring person neglects, fails, or refuses to furnish the information required under this section by the supervisor.

History: 1980, Act 307, Eff. Jan. 1, 1981.