



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
LANSING

PATRICK M. McPHARLIN
DIRECTOR

TO THE APPLICANT

RE: Application for Conversion to a Federal/Foreign Credit Union

In response to your request, please find the enclosed Application for Conversion of Charter to a Federal/Foreign Credit Union and related reference materials.

The National Credit Union Administration (NCUA) must be notified of the proposed conversion. Throughout the conversion process, Department of Insurance and Financial Services should be notified of any communication (oral or written) with NCUA regarding this application.

An original, signed application must be submitted to this office. Please refer to the Michigan Credit Union Act (Act), PA 215 of 2003, as amended, for the statutory criteria to be addressed in the conversion process.

Enclosures

Application for Conversion to a Federal/Foreign Credit Union

The Director of the Department of Insurance and Financial Services has determined that this application is available for public inspection or copying pursuant to the provisions of the Freedom of Information Act, PA 442 of 1976, MCL 15.231 *et seq.*, and section 205 of the Michigan Credit Union Act, PA 215 of 2003, as amended; MCL 490.205. Accordingly, except as otherwise indicated in this application, the contents of the application shall be disclosed to any person who properly requests an opportunity for inspection, examination, or copying.

1. It is the responsibility of the applicant(s) to ensure that the state and federal statutory requirements in connection with this application are satisfied.
2. The application information must be typed and submitted on the attached forms.
3. The application must be filed with original signatures where applicable.
4. The Department of Insurance and Financial Services (DIFS) will not accept an incomplete application. Complete responses to all applicable questions will expedite processing of the application.
5. Provide a certified copy of the Board of Directors resolution which authorized submission of the application for conversion of charter.
6. Provide a statement of the specific business reasons supporting the request for conversion.
7. Provide a copy of the Proposed Notice to Members of Consideration of Conversion.
8. Provide a copy of the Proposed Notice of Special Meeting of the Members.
9. Provide a copy of the Proposed Ballot to be mailed for membership vote.
10. All information provided to DIFS as a result of the application will be made a part of the application file, except that information which warrants other treatment as determined by DIFS.
11. If additional space is necessary to fully answer any question, extra pages may be attached to this application.
12. Amendments to the application must be submitted in writing. Each amendment must clearly note the specific section, page, and item which is to be amended. Substantive amendments will be acknowledged in writing by DIFS.
13. An application may be formally withdrawn by written request of the Applicant, or it must be allowed to proceed to a decision.
14. Any questions pertaining to the completion of this application should be directed to Corporate Activities and Risk Assessment, telephone 517-284-8822.
15. A completed application should be mailed to:
**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
ATTENTION: CORPORATE ACTIVITIES AND RISK ASSESSMENT
P.O. BOX 30220
LANSING, MI 48909-7720**

Authorized by PA 215 of 2003, as amended. Required for permission to convert a state credit union.



Michigan Department of Insurance and Financial Services

DIFS is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

Visit DIFS online at: www.michigan.gov/difs Phone DIFS toll-free at: 877-999-6442

Application for Conversion of Charter to a Federal/Foreign Credit Union

Existing Credit Union Name		Date of Application
Existing Credit Union Address		City, Village or Township
County	State	Zip Code

Persons authorized to submit this application

Name	Title	Date
Name	Title	Date

Representative responsible for responding to questions relating to this application

Name	Title	Telephone Number
Address	City, Village or Township and State	Zip Code

Proposed Credit Union Name		
Proposed Credit Union Address		City, Village or Township
County	State	Zip Code
	MICHIGAN	

Conversion of Charter to a Federal/Foreign Credit Union

Section 372 of the Michigan Credit Union Act of 2003, as amended, MCL 490.376 sets forth the statutory requirements and limitations by which a domestic credit union may be converted into a federal/foreign credit union. Among other things, the law requires the conversion to be approved by the Director of the Department of Insurance and Financial Services. The approval of the Director shall be based on the proceedings had by its directors and members with respect to conversion.

The Director will approve an application by a domestic credit union to convert to a federal/foreign credit union provided the applicant meets all statutory criteria, and when such approval is consistent with the basic objective of maintaining a safe and sound credit union system.

In determining the qualifications of an applicant for conversion, the following factors will be evaluated and considered:

- A. Reasons for Conversion: The applicant should clearly articulate sound business reasons for seeking to be a federal/foreign credit union. The applicant should demonstrate the benefits that will accrue to the credit union because of a conversion and indicate in what ways it will be more successful with a federal/foreign charter. An application to convert should not be motivated solely by supervisory pressures from regulatory authorities.
- B. Proceedings of Directors and Members: The application for conversion should be complete and accurate. The applicant should furnish full documentation of the proceedings had by its directors and members as required by law and as more fully described in the instruction given in connection with filing the application.

Unsatisfactory performance with respect to these or any other factors considered by the Director can result in disapproval of a conversion application. In all instances, the applicant will be made aware of weaknesses, which in the Director's opinion preclude approval of the conversion. An applicant will be given the opportunity to correct problems and eliminate deficiencies or to submit a plan of correction. Any corrective actions effected and any plan of correction should be reasonable and will be subject to acceptance by DIFS.

If all of the conditions required by statute are met and the Director determines that any notices to members were accurate, timely, and not misleading, and that conduct of the vote on the conversion plan was fair and lawful, the Director shall approve the conversion and the conversion is effective.