

2020 Kansas Statutes

17-2229. Sale or purchase of assets to or of another credit union; agreement; approval of administrator; effective date; dissolution of selling credit union; reserves. (a) A credit union may sell all or any part of its assets to another credit union or it may purchase all or any part of the assets of another credit union in accordance with this section.

(b) The purchasing credit union may assume, as part of the purchase price, any or all of the liabilities of the selling credit union and may pay the balance in cash or by the issue of shares to the selling credit union of the members thereof whether or not such members are members of the purchasing credit union.

(c) The selling credit union shall enter into an agreement with the purchasing credit union containing the terms and conditions of the sale. If the assets being sold are valued at an amount greater than 10% of either the purchasing credit union's or the selling credit union's total amount of shares, undivided earnings and reserves, the selling credit union shall file a copy of the agreement with the administrator within one month after it is signed. The agreement shall be approved or disapproved by the administrator within 30 days, otherwise the same shall be deemed approved.

(d) In the event the agreement does not specify an effective date, the administrator may fix a date upon which it will become effective.

(e) If the selling credit union has disposed of all assets under the agreement, it shall cease to carry on business on the effective date of agreement, except for the purpose of winding up its affairs, and it shall dissolve as soon as possible thereafter, and all reserves shall go to the purchasing credit union under the terms and conditions of the agreement.

History: L. 1963, ch. 140, § 11; L. 1968, ch. 160, § 15; L. 2019, ch. 22, § 22; July 1.