51A.08 DISSOLUTION.

Subdivision 1. **Notice and vote.** Any association, by a vote of three-fourths of its members or stockholders eligible to vote at any regular meeting of its members or stockholders or at any special meeting called for that purpose, of which regular or special meeting at least ten days' written notice, specifying the matter to be considered under this section, shall have been mailed to each member or stockholder at that person's last recorded address, may, with the approval of the commissioner, voluntarily go into liquidation.

Subd. 2. **Certificate of dissolution.** Upon the vote, five copies of a certificate of dissolution, which shall state the vote cast in favor of dissolution, shall be signed by two officers and acknowledged before an officer competent to take acknowledgments of deeds. Five copies of the certificate shall be filed with the commissioner, who shall examine the association, and if the commissioner finds that it is not in an impaired condition, shall so note, together with approval of the dissolution, upon all the copies of the certificate of dissolution. The commissioner shall place a copy in the permanent files of the commissioner's office, file a copy with the secretary of state, and return the remaining copies to the parties filing the same. Notice of commissioner's approval shall be mailed to each member or stockholder and shall be published at least once in a qualified legal newspaper published at the principal place of business of the association.

Subd. 3. **Association continues as corporate entity for sole purpose of winding up affairs.** Upon approval, the association shall be dissolved and shall cease to carry on business but nevertheless shall continue as a corporate entity for the sole purpose of paying, satisfying, and discharging existing liabilities and obligations, collecting and distributing assets, and doing all other acts required to adjust, wind up, and dissolve its business and affairs.

Subd. 4. **Directors to act as liquidating trustees.** The board of directors shall act as trustees for liquidation as provided in this section. They shall proceed as quickly as may be practicable to wind up the affairs of the association and, to the extent necessary or expedient to that end, shall exercise all the powers of the dissolved association and, without prejudice to the generality of the authority, may fill vacancies, elect officers, carry out the contracts, make new contracts, borrow money, mortgage or pledge the property, sell its assets at public or private sale, or compromise claims in favor of or against the association, apply assets to the discharge of liabilities, distribute assets in cash or in kind among savings account members of a mutual association or stockholders of a capital stock association according to their respective pro rata interests after paying or adequately providing for the payment of other liabilities, and perform all acts necessary or expedient to the winding up of the association. All deeds or other instruments shall be in the name of the association and executed by the president or a vice-president and the secretary or an assistant secretary. The board of directors shall also have power to exchange or otherwise dispose of or to put in trust all, or substantially all, or any part of the assets, upon terms and conditions and for considerations, which may be money, stock, bonds, shares, or accounts of any insured association, or of any federal association, or other instruments for the payment of money, or other property, or other considerations, the board of directors deems reasonable or expedient, and may distribute considerations or the proceeds thereof, or trust receipts, or certificates of beneficial interest among the savings account members or stockholders in proportion to their pro rata interests therein. In the absence of fraud, any determination of value made by the board of directors for these purposes shall be conclusive.

Subd. 5. **Association subject to commissioner during liquidation.** The association, during the liquidation of the assets of the association by the board of directors, shall continue to be subject to the supervision of the commissioner, and the board of directors shall report the progress of the liquidation to the commissioner from time to time as the commissioner may require. Upon completion of liquidation, the board of directors shall file with the commissioner a final report and accounting of the liquidation. The approval of the report by the commissioner shall operate as a complete and final discharge of the board of directors and each

member or stockholder thereof in connection with the liquidation of the association. No dissolution or any action of the board of directors in connection therewith shall impair any contract right between the association and any borrower or other person or persons or the vested rights of any member or stockholder of the association.

History: *1969 c 490 s 8; 1981 c 276 s 11; 1986 c 444; 1996 c 414 art 1 s 44; 1997 c 157 s 67; 1998 c 260 s 1*