

BUILDING AND LOAN: Conversion of building and loan  
associations to Federal institutions--  
See our opinion dated March 17, 1934.

January 2, 1936. *1/2*



Honorable Ira A. McBride  
Supervisor  
Bureau of Building and Loan Supervision  
Jefferson City, Missouri

Dear Mr. McBride;

This is to acknowledge your letter dated January  
2, 1936, as follows:

"Under date of March 17th, 1934,  
pursuant to request of the under-  
signed, you rendered an opinion  
advising that a building and loan  
association, organized and exist-  
ing under the laws of the state of  
Missouri, might make a voluntary  
assignment of its assets to a federal  
savings and loan association if it  
obtained the consent of two-thirds of  
its stockholders and the approval of  
the supervisor of building and loan  
associations. You are referred to  
such opinion for the full text thereof.

"We now desire your opinion as to  
whether a state chartered building and  
loan association which has held a share-  
holders meeting and obtained the consent  
of two-thirds of its stockholders to  
make a voluntary assignment of its  
assets to a federal savings and loan  
association--that is, what is ordinarily  
termed 'conversion', will be legally  
converted upon the undersigned, super-  
visor of building and loan associations,  
giving his approval thereto.

January 2, 1935.

"We assume that such is the case since Justice Cardozo in his opinion in the recent case of Hopkins Federal Association vs. Cleary held that there could be a legal conversion upon compliance with the conditions provided by the state statutes; and the two conditions required by the statutes of Missouri, as pointed out in your opinion of March 17th, are: 1. Consent of two-thirds of its stockholders; and, 2. Approval of the supervisor of building and loan associations."

It is our opinion that " a state chartered building and loan association which has held a shareholders meeting and obtained the consent of two-thirds of its stockholders to make a voluntary assignment of its assets to a federal savings and loan association--that is, what is ordinarily termed 'conversion', will" be legally converted when you, as Supervisor, give your written approval thereto.

In support of the above conclusion we refer you to our opinion dated March 17th, 1934, referred to in your letter, and the case of Hopkins Federal Association vs. Cleary, 56 Sup. Ct. Reporter 235 (U. S. Sup.).

Yours very truly,

James L. HornBostel  
Assistant Attorney-General

APPROVED:

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ROY McKITTRICK  
Attorney-General

JLH:EG