

(2) If the [Bank] Commissioner approves, for an additional period not exceeding 5 years.

9-1102.

A mutual association may convert to a credit union if:

- (1) Its members approve; and
- (2) Approval is granted by:
  - (i) The Division Director; and
  - (ii) The [Bank] Commissioner ~~OF FINANCIAL REGULATION.~~

9-1105.

(a) To convert to a credit union, the mutual association shall deliver to the [Bank] Commissioner:

- (1) A written application for conversion in the form that the Department of Labor, Licensing, and Regulation requires;
- (2) Any additional exhibits the Department may require;
- (3) Any filing fee set by the Department by regulation; and
- (4) Its proposed amended articles and bylaws.

(b) Upon receipt of an application to convert, the [Bank] Commissioner shall examine the mutual association.

(c) The examination shall include, but not be limited to, the following:

- (1) The financial history and condition of the mutual association including:
  - (i) The identification of overvalued assets, undisclosed nonperforming loans, and understated liabilities;
  - (ii) The identification of assets that may become nonperforming assets upon conversion;
  - (iii) The identification of loans in default and loans past due over 60 days;
  - (iv) Review of material litigation affecting the mutual association, and the identification of significant judgments, orders or decrees affecting its financial status; and
  - (v) Review of mortgage contracts, participating loans, and other commitments.
- (2) The management of the association.