

**OPINION  
60-33**

January 25, 1960 (OPINION)

**BUILDING AND LOAN ASSOCIATIONS**

RE: Organization, Etc. - Supervision by State Banking Board

This is in reply to your question whether or not a savings and loan association must first submit any change to its articles of incorporation to the State Banking Board for its approval before submitting such changes to the Secretary of State for filing.

Under section 7-0103 of the 1957 Supplement of the N.D.R.C. of 1943 the last paragraph states:

Immediately upon the preparation of such articles of incorporation, and before the same are filed in the office of the secretary of state, four copies thereof shall be filed in the office of the state examiner for the use of the state banking board."

This section does not specifically provide that the articles of incorporation must be approved by the State Banking Board before filing same with the Secretary of State. However, we must consider section 7-0101 which provides amongst other things that the corporation (building and loan association) shall be under the supervision of the State Banking Board, which Board is charged with the duty of enforcing all laws with respect thereto. Also section 7-0106 of the 1943 Code provides that:

No association shall commence nor continue the transaction of business as a building and loan association until its by-laws are approved by the state banking board. Any changes or amendments made from time to time in such by-laws shall be submitted to the state banking board by registered mail for approval, \*\*\*."

Thus where the State Banking Board is charged with the supervision of such association, and the articles of incorporation being the very foundation of skeleton of the association, it would be consistent to require such association to submit any proposed change in its articles of incorporation before submitting same to the Secretary of State for filing.

In this connection the State Banking Board being charged with the supervision of such association and the law requiring under section 7-0103 subsection 1 thereof that the words "building and loan association" or "savings and loan association" shall be part of the name, it does seem that such change of name should be submitted to the State Banking Board for its approval before filing same with the Secretary of State.

Where a board is charged with the duty of enforcing all laws relating to certain corporations, it is only logical and proper to conclude that such corporations submit for approval such essential and material matters as articles of incorporation, changes to the articles of incorporation, by-laws, and changes and amendments to by-laws to the Board for its approval before submitting them to the Secretary of State for filing.

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