

**RCW 31.24.215 Conversion of development credit corporation—
Application—Approval—Filing of articles—Certificate of authority.**

(1) Notwithstanding any other provision of this chapter, a development credit corporation created under chapter 31.20 RCW, or any other company incorporated under Title 23B RCW, may convert to a business development company by filing an application with the department and receiving written approval of the director within ninety days of the date the application is received.

(2) In addition to all other requirements of a business development company pursuant to this chapter, the director shall not approve an application for conversion of a development credit corporation unless:

(a) A minimum of three stockholders of such corporation are financial institutions;

(b) The majority of outstanding shares of common stock of such corporation are held by financial institutions;

(c) The articles of incorporation of such a corporation are amended to conform to the requirements of RCW 31.24.020;

(d) The bylaws of such a corporation are amended to conform to the requirements of this chapter;

(e) The business plan of the corporation is consistent with the requirements of this chapter and has been approved by the director; and

(f) The corporation otherwise satisfies the director that all other requirements of a business development company under this chapter have been met. However, such a corporation is not required to have had a minimum of five incorporators at the time it originally was incorporated with the secretary of state, as provided for in RCW 31.24.020(1).

(3) Upon approval by the director of the corporation's application for conversion, the amended articles of incorporation, as approved by the director, shall be filed by the director with the secretary of state in the same manner provided for the filing of initial articles of incorporation under RCW 31.24.023. Such corporation shall not commence operation as a business development company until the director has issued such corporation a certificate of authority to conduct business as a business development company. [2006 c 87 § 24.]