

Opinion No. 19-2255

May 12, 1919

BY: HARRY S. BOWMAN, Assistant Attorney General

TO: Mr. A. G. Whittier, State Traveling Auditor, Santa Fe, New Mexico.

Building and Loan Association May Dissolve Under Provisions General Incorporation Laws.

OPINION

We have your letter of April 23rd, enclosing correspondence with Mr. David B. Cole, President of the Cimarron Building and Loan Association, in regard to the dissolution of that corporation, which has not received more prompt reply because of the absence of Mr. Askren from the office and the engagement of the writer in the trial of cases in court.

We note that you take the position in the letter written to Mr. Cole under date of March 27th that the dissolution of the Building and Loan Association can be accomplished only under direction of the courts.

We are of the opinion that the Building and Loan Association is authorized to dissolve voluntarily the same as any other corporation, and that it may do so by compliance with section 5 of Chapter 112 of the Laws of 1917, which is amendatory of section 919, Code 1915. The section as amended provides for the voluntary dissolution of corporations upon the performance by them of certain acts prescribed therein, and Mr. Cole assured me at the time he was here that he had in all respects complied strictly with the requirements of this section in the matter of the dissolution of his corporation.

Section 1014, Code 1915, provides that the provisions of the general incorporation act shall be held to be applicable to the act approved February 14, 1887, for the incorporation of building and loan associations, and it is our opinion that by virtue of this extension of the provisions of the general incorporation act to corporations created under the building and loan association act that the voluntary dissolution provided for may be taken advantage of by corporations created under the latter named act.

The provisions of section 932, Code 1915, provide that when a corporation is no longer engaged in active business, upon the filing with the State Corporation Commission of a statement to that effect, that the name of the corporation shall be stricken from the list of live corporations in this state.

Mr. Cole assured me that he had also complied with this provision of our statutes, and it would therefore appear that this association is no longer authorized to do business in this state, and that it is dissolved in accordance with the provisions of the statute.

I am returning to you herewith the correspondence between your office and Mr. Cole, which was enclosed with your letter of above date.