WEST VIRGINIA CODE: §31A-4-8

§31A-4-8. Directors, their qualifications and oaths.

For every state-chartered banking institution there shall be a board of not less than five nor more than twenty-five directors, who shall meet at least once each month and who shall have power to do, or cause to be done, all things that are proper to be done by the banking institution; and a majority of whom shall at all times be United States citizens: Provided, That the Commissioner of Banking, upon application from banking institutions with deposits greater than $500 million, may issue a waiver from the minimum number of meeting requirements established by this section and allow no fewer than four quarterly meetings for such institutions and provided further, That at least four of the board of directors meetings of any state-chartered banking institution shall be held within the State of West Virginia. Every such director shall own capital stock in the banking institution of which he or she is a director in the aggregate par value of not less than $500,: Provided, That if a bank holding company has control of that banking institution, shares owned by a director of the subsidiary bank in the controlling bank holding company will satisfy the requirements of this section: Provided, however, That the director owns, in his or her own right, common or preferred stock of the controlling bank holding company in an amount equal to or greater than any one of the following: (i) Aggregate par value of $500; (ii) aggregate shareholders' equity of $500; or (iii) aggregate fair market value of $500. Determination of the fair market value of the controlling bank holding company's stock shall be based upon the value of that stock on the date it was purchased or on the date the person became a director, whichever is greater. If a bank holding company controls more than one bank subsidiary, a director owning at least $500 of the shares of a bank holding company is qualified, if otherwise permitted by applicable law, to serve as a director of every bank subsidiary controlled by that bank holding company. Before entering on the discharge of his or her duties as such director, he or she shall take an oath that he or she will, so far as the duty devolves upon him or her, diligently and honestly administer the affairs of the banking institution, and that he or she will not knowingly or willingly permit to be violated any of the provisions of the laws of this state relative to banking and banking institutions, and that the stock standing in his or her name upon the books of the banking institution is not hypothecated or pledged in any way as security for loans obtained from or debts owing to the banking institution of which he or she is a director, and that the number of shares necessary to qualify a stockholder to be a director are not now, and shall not at any time while he or she serves as a director be pledged or hypothecated in any manner for any debt or obligation of the director, or any other person; which oath subscribed by him or her and certified by the officer before whom it was taken shall be filed and preserved in the office of the Commissioner of Banking. Should a director fail to subscribe to or renew the oath herein provided within sixty days after notice of his or her election or reelection, or at any time after qualifying as such, sell or dispose of, or in any manner hypothecate or pledge as security for a debt or obligation, such qualifying shares, or any number thereof, necessary for his or her qualification, thereupon the remaining directors shall elect another director in his or her stead. No person shall serve

WVLegislature

as a director of any banking institution who has evidenced personal dishonesty and unfitness to serve as such director by his or her conduct or practice with another financial institution which resulted in a substantial financial loss or damage thereto or who has been convicted of any crime involving personal dishonesty.

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