WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1939

ENROLLED

HOUSE BILL No. 212

(By Mr. White)

PASSED March 4, 1939

In Effect ninety days from Passage
AN ACT to amend and reenact section nineteen, article eight, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, relating to declaration and payment of dividends by banking institutions.

Be it enacted by the Legislature of West Virginia:

That section nineteen, article eight, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, be amended and reenacted to read as follows:

Article 8. Business Operations and Supervision of Banking Institutions, Industrial Loan Companies and Building and Loan Associations.

Section 19. Dividends. The directors of any banking institution may, annually or semiannually, declare and pay dividends. Before the declaration of any dividend, at least
4 one-tenth part of the net profits of the preceding calendar
5 year shall be carried to its surplus fund until the same shall
6 equal fifty per cent of the amount of its capital stock. No
7 dividend shall be declared, except from earnings remaining
8 after deducting all losses, all sums due for expenses, and all
9 overdue debts upon which no interest has been paid for a pe-
10 riod of six months, unless the same are well secured, and in
11 process of collection, and such other items as the commis-
12 sioner of banking may direct. Any director voting to pay any
13 dividend, in violation of the provisions of this section, shall
14 be personally liable to the creditors of such banking institu-
15 tion for any loss occasioned thereby, and shall be guilty of a
16 misdemeanor.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the House of Delegates

Takes effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within approved this the 13th day of March, 1933.

Governor.

Filed in the office of the Secretary of State of West Virginia MAR. 14 1933

Wm. S. O'Brien,
Secretary of State