

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1939



ENROLLED

HOUSE BILL No. 212

(By Mr. White)



PASSED March 4, 1939

In Effect ninety days from Passage

212

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.

E. Wiseman
Chairman Senate Committee

Paul Baker
Chairman House Committee

Originated in the *House of Delegates*

Takes effect *ninety days from* passage.

Charles Under
Clerk of the Senate

Wm. S. Hall
Clerk of the House of Delegates

Wm. S. Hall
President of the Senate

James Ray Thomas
Speaker House of Delegates

The within *approved* this the *13th*

day of *March*, 1939.

Amos A. Ish
Governor.

Filed in the office of the Secretary of State
of West Virginia. **MAR 14 1939**

Wm. S. O'BRIEN,
Secretary of State