

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1959



ENROLLED

HOUSE BILL No. 58

(By Mr. Garrett + Seifert)



PASSED Feb 13 1959

In Effect 90 days from Passage



Filed in Office of the Secretary of State  
of West Virginia FEB 21 1959

JOE R. BURDETT  
SECRETARY OF STATE

**ENROLLED**

**House Bill No. 58**

(By MR. GARRETT and MR. SEIBERT)

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[Passed February 13, 1959; in effect ninety days from passage.]

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AN ACT to amend and reenact section six, article seven, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the evidences and certificates of indebtedness of industrial loan companies.

*Be it enacted by the Legislature of West Virginia:*

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

Section 6. *Powers.*—In addition to the general powers  
2 conferred upon corporations by the laws of this state,  
3 each industrial loan company shall have power to exercise  
4 by its board of directors or duly authorized officers or  
5 agents, subject to law, all such powers as shall be neces-  
6 sary to:

7 (a) Lend money to any person, firm or corporation,  
8 secured by the obligation of such person, firm or cor-  
9 poration, or otherwise; and, in addition, to receive and  
10 require uniform periodical installments for the repayment  
11 of the loan;

12 (b) Sell or offer for sale its secured or unsecured evi-  
13 dences or certificates of indebtedness, and such secured  
14 or unsecured evidences or certificates of indebtedness are  
15 hereby defined as money for the purpose of taxation;

16 (c) Buy and sell bonds or choses in action of any  
17 person, firm or corporation;

18 (d) Impose a charge of five cents for each default in  
19 the payment of one dollar, or fraction thereof, at the  
20 time at which any periodical installment for the repay-  
21 ment of a loan becomes due;

22 (e) Demand and receive for loans or for notes, bills  
23 of evidences of debt discounted or purchased, such rate  
24 of interest as may be agreed upon by the parties, not  
25 exceeding the lawful rate of interest, and it shall be lawful  
26 to receive such interest in advance;

27 (f) Charge for a loan made pursuant to this section,

28 one dollar for each fifty dollars, or fraction thereof, loaned,  
29 for expenses including any examination or investigation  
30 of the character and circumstances of the borrower, co-  
31 maker or surety, and the drawing and taking the acknowl-  
32 edgment of necessary papers, or other expenses, incurred  
33 in making the loan. No additional charge shall be made  
34 except to reimburse the corporation for money actually  
35 expended for additional service actually rendered the  
36 borrower. No charge shall be collected unless a loan shall  
37 have been made as the result of such examination or  
38 investigation;

39 (g) Purchase, hold and convey real estate as follows:

40 (1) Such as shall be necessary for the convenient  
41 transaction of its business, including with its office other  
42 apartments or offices to rent as a source of income, which  
43 investment shall not exceed twenty-five per cent of its  
44 paid-in capital stock and surplus;

45 (2) Such as is mortgaged to it in good faith by way  
46 of security for loans made by or money due to such indus-  
47 trial loan company;

48 (3) Such as is conveyed to it in satisfaction of debts  
49 previously contracted in the course of its dealings;

50 (4) Such as it acquired by sale on execution or judg-  
51 ment or decree of any court in its favor.

52 Industrial loan companies shall not purchase, hold or  
53 convey any real estate in any other case or for any other  
54 purpose whatever. Real estate shall be conveyed only  
55 by authority of the board of directors of such industrial  
56 loan company. No real estate acquired in the cases con-  
57 templated in the second, third and fourth paragraphs of  
58 subdivision (g) shall be held for a longer time than five  
59 years, unless such period shall be extended by the com-  
60 missioner of banking.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

*Wm Gasper*  
Chairman Senate Committee

*Eudora Andrews*  
Chairman House Committee

Originated in the House of Delegates.

Takes effect *90 days from* passage.

*J. Hoover Myers*  
Clerk of the Senate

*C. A. Blankenship*  
Clerk of the House of Delegates

*Ralph Bean*  
President of the Senate

*J. R. Lueley*  
Speaker House of Delegates

The within *approved* this the *20th*

day of *February* 1959.

*W. H. Underwood*  
Governor

