

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1965



ENROLLED

HOUSE BILL No. 990

(By Mr. Frager)



PASSED March 12, 1965

In Effect twenty days from Passage



FILED IN THE OFFICE OF
JES. P. BREBET
SECRETARY OF STATE
THIS DATE 3-19-65

#990

ENROLLED

House Bill No. 990

(By MR. FRAZER)

[Passed March 13, 1965; in effect ninety days from passage.]

AN ACT to amend and reenact section six-b, article four, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the sale of capital notes or debentures by banking institutions.

Be it enacted by the Legislature of West Virginia:

That section six-b, article four, 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:

Article 4. Banking Institutions.

Section 6-b. Sale of Capital Notes or Debentures.—

2 With the approval of the state banking commissioner any

3 banking institution may at any time through action of its
4 board of directors and without requiring any action of its
5 stockholders issue and sell its capital notes or debentures.

6 Such capital notes or debentures shall be subordinate
7 and subject to the claims of depositors and may be sub-
8 ordinated and subjected to the claims of other creditors.

9 The term "capital" as used in the laws of this state
10 relating to banking shall be construed to embrace the
11 amount of outstanding capital notes and debentures leg-
12 ally issued by any banking institution. The capital stock
13 of any such banking institution may be deemed to be
14 unimpaired when the amount of such capital notes and
15 debentures as represented by cash or sound assets exceeds
16 the impairment as found by the state banking commis-
17 sioner. Before any such capital notes or debentures are
18 retired or paid by the bank any existing deficiency of its
19 capital (disregarding the notes or debentures to be re-
20 tired) must be paid in cash, to the end that the sound
21 capital assets shall at least equal the capital stock of the
22 bank.

23 Such capital notes or debentures shall in no case be

24 subject to any assessment. The holders of such capital
25 notes or debentures shall not be held individually re-
26 sponsible as such holders for any debts, contracts, or en-
27 gagements of such institution, and shall not be held liable
28 for assessments to restore impairments in the capital of
29 such institution.

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

O. Ray Parker
Chairman Senate Committee

James W. Loop
Chairman House Committee

Originated in the House.

Takes effect ninety days from passage.

Thomas H. Myers
Clerk of the Senate

C. A. Blankenship
Clerk of the House of Delegates

Harold M. Hanson
President of the Senate

H. Robert White
Speaker House of Delegates

The within *approved* this the *19*
day of *March*, 1965.

Hullett C. Smith
Governor

