WEST VIRGINIA LEGISLATURE
SECOND REGULAR SESSION, 1992

ENROLLED

HOUSE BILL No. 14424

(By Delegates Rutledge and Williams)

Passed March 7, 1992

In Effect Ninety Days From Passage
AN ACT to amend and reenact section nine, article four, chapter thirty-one-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to fidelity bonds and insurance for state-chartered banking institutions.

Be it enacted by the Legislature of West Virginia:

That section nine, article four, chapter thirty-one-a 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 AND SERVICES GENERALLY.

§31A-4-9. Fidelity bonds and insurance.

(a) The directors of a state bank shall direct and require good and sufficient fidelity bonds on all active officers and employees, whether or not they draw salary or compensation, which bonds shall provide for indemnity to such bank on account of any losses sustained by it as the result of any dishonest, fraudulent or criminal act or omission committed or omitted by them acting independently or in collusion or combination with any person or persons. Such bonds may be in individual, schedule or blanket form, and the premiums therefor shall be paid by the bank.

(b) The directors shall also direct and require suitable insurance protection to the bank against burglary,
robbery, theft and other similar insurable hazards to
which the bank may be exposed in the operations of its
business on the premises or elsewhere.

(c) The directors shall be responsible for prescribing
at least once in each year the amount or penal sum of
such bonds or policies and the sureties or underwriters
thereon, after giving due and careful consideration to all
known elements and factors constituting such risk or
hazard. Such action shall be recorded in the minutes of
the board of directors.

(d) A state bank which is a subsidiary of a bank
holding company as defined in section three, article
eight-a of this chapter may fulfill the requirements of
subsections (a) and (b) above if such fidelity bonds and
insurance protection are obtained on its behalf by the
bank holding company: Provided, That the evidence of
the existence of such bonds and insurance protection for
the state bank must be maintained at the main office
of the state bank and the directors of the state bank shall
be responsible for reviewing the adequacy of such bonds
and insurance protection annually and for recording
such review in the minutes of the board.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

[Signature]
Chairman Senate Committee

[Signature]
Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

[Signature]
Clerk of the Senate

[Signature]
Clerk of the House of Delegates

[Signature]
President of the Senate

[Signature]
Speaker of the House of Delegates

The within is approved this the 30th day of __________, 1992.

[Signature]
Governor
PRESENTED TO THE
GOVERNOR

Date 3/25/92
Time 12:04 pm