SENATE BILL NO. 242

(By Senator Minard, et al.)

PASSED March 7, 2006

In Effect 90 days from Passage
ENROLLED

Senate Bill No. 242

(By Senators Minard, Jenkins and McCabe)

[Passed March 7, 2006; in effect ninety days from passage.]

AN ACT to amend and reenact §31A-4-3 of the Code of West Virginia, 1931, as amended, relating to the authority of a state banking institution to issue more than one class of stock.

Be it enacted by the Legislature of West Virginia:

That §31A-4-3 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 4. BANKING INSTITUTIONS AND SERVICES GENERALLY.

§31A-4-3. Minimum capital stock; classes of stock; par value; capitalization of surplus.

1 (a) No banking institution may hereafter be incorporated unless it shall have bona fide subscribed capital stock and capital surplus equal to at least four million dollars. The West Virginia Board of Banking and Financial Institutions shall require capital in excess of four million dollars if, in
its judgment, economic conditions or the operating environment of the proposed banking institution make such a requirement necessary.

(b) Notwithstanding any provision of subsection (a) of this section, the Commissioner or the West Virginia Board of Banking and Financial Institutions may approve the incorporation of a bank newly organized solely for the purpose of facilitating the acquisition of another bank if the proposed newly organized bank has a bona fide subscribed capital stock and capital surplus of at least sixty thousand dollars.

(c) Banking institutions shall issue shares of one or more classes of stock and the shares shall have a nominal or par value of not less than one dollar nor more than one hundred dollars each and, as to each banking institution, each share shall be equal in all respects with any other share within each class of stock.

(d) Any banking institution may change the par value of its shares when and to the extent that any such action may be authorized in writing by the commissioner.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

In 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................................ this the 22nd
Day of........................................ 2006.

Governor