

CHAPTER 127.

[H. B. 221.]

BANKS AND BANKING.

AN ACT relating to banks and banking; authorizing the acceptance by banks of drafts and/or bills of exchange drawn thereon; and amending Section 23 of Chapter 80 of the Laws of 1917 as amended by Section 8 of Chapter 209 of the Laws of 1919.

Be it enacted by the Legislature of the State of Washington:

SECTION 1. That section 23 of chapter 80 of the Laws of 1917 as amended by section 8 of chapter 209 of the Laws of 1919 be amended to read as follows: Amends § 23, ch. 80, Laws of 1917; § 8, ch. 209, Laws of 1919.

Section 23. Upon the issuance of a certificate of authority to a bank, the persons named in the articles of incorporation and their successors shall thereupon become a corporation and shall have power: Certificate issued.

(1) To adopt and use a corporate seal. Corporation. Powers. Seal.

(2) To have succession for the term of years mentioned in its articles of incorporation. Term.

(3) To make contracts. Contracts.

(4) To sue and be sued, the same as a natural person. Suits.

(5) To elect directors who, subject to the provisions of the corporation's by-laws, shall have power to appoint such officers as may be necessary or convenient, to define their powers and duties and to dismiss them at pleasure, and who shall also have general supervision and control of the affairs of such corporation. Elect directors.

(6) To prescribe by its stockholders by-laws not inconsistent with law, regulating the manner in which its stock shall be transferred, its directors and officers elected or appointed, its stockholders convened for general or special meetings, its property transferred, its general business conducted and the Stock issue.

privileges granted to it by law exercised and enjoyed.

Promissory
notes.

(7) To discount and negotiate promissory notes, drafts, bills of exchange and other evidences of debt, to receive deposits of money and commercial paper, to lend money on real or personal security, to buy and sell bullion, coins and bills of exchange.

Bailee.

(8) To take and receive as bailee for hire upon terms and conditions to be prescribed by the corporation, for safekeeping and storage, jewelry, plate, money, specie, bullion, stocks, bonds, mortgages, securities and valuable paper of any kind and other valuable personal property, and to rent vaults, safes, boxes and other receptacles for safekeeping and storage of personal property.

Insurance
agent.

(9) If the bank be located in a city of not more than five thousand inhabitants, to act as insurance agent.

Drafts,
bills of ex-
change, six
months sight.

(10) To accept drafts or bills of exchange drawn upon it having not more than six months sight to run, which grow out of transactions involving the importation or exportation of goods; or which grow out of transactions involving the domestic shipment of goods, provided shipping documents conveying or securing title are attached at the time of acceptance; or which are secured at the time of acceptance by a warehouse receipt or other such document conveying or securing title to readily marketable staples. No bank shall accept, either in a foreign or a domestic transaction, for any one person, company, firm or corporation, to an amount equal at any one time in the aggregate to more than ten per centum of its paid up and unimpaired capital stock and surplus unless the bank is secured by attached documents or by some other actual security growing out of the same transaction as the acceptance; and no bank shall accept such bills to an amount equal at any time in the aggregate to more than one-half of its

paid up and unimpaired capital stock and surplus. *Provided, however,* That the supervisor of banking, under such general regulations applicable to all banks irrespective of the amount of capital or surplus, as he may prescribe may authorize any bank to accept such bills to an amount not exceeding at any time in the aggregate one hundred per centum of its paid up and unimpaired capital stock and surplus: *Provided, further,* That the aggregate of acceptances growing out of domestic transactions shall in no event exceed fifty per centum of such capital stock and surplus.

(11) To accept drafts or bills of exchange drawn upon it, having not more than three months sight to run, drawn under regulations to be prescribed by the supervisor of banking by banks or bankers in foreign countries or dependencies or insular possessions of the United States for the purpose of furnishing dollar exchange as required by the usages of trade in the respective countries, dependencies or insular possessions. Such drafts or bills may be acquired by banks in such amounts and subject to such regulations, restrictions and limitations as may be provided by the supervisor of banking. *Provided, however,* That no bank shall accept such drafts or bills of exchange referred to in this subdivision for any one bank to an amount exceeding in the aggregate ten per centum of the paid up and unimpaired capital and surplus of the accepting bank unless the draft or bill of exchange is accompanied by documents conveying or securing title or by some other adequate security, and that no such drafts or bills of exchange shall be accepted by any bank in an amount exceeding at any time the aggregate of one-half of its paid up and unimpaired capital and surplus: *Provided, further,* That compliance by any bank which is a member of the federal reserve system of the United States with the rules, regulations

Drafts, bills
of exchange,
three months
sight.

and limitations adopted by the federal reserve board thereof with respect to the acceptance of drafts or bills of exchange by members of such federal reserve system shall be a sufficient compliance with the requirements of this subdivision or paragraph relating to rules, regulations and limitations prescribed by the supervisor of banking.

Act
retroactive.

(12) This act is retroactive and the powers hereby conferred shall inure to the benefit of any bank now holding such certificate, the persons named in the articles of incorporation of said bank and their successors.

Passed the House March 2, 1931.

Passed the Senate March 10, 1931.

Approved by the Governor March 21, 1931.

CHAPTER 128.

[H. B. 344.]

CONVEYANCE OF LANDS TO ANDREW NEWHALL AND SARAH NEWHALL.

AN ACT relating to and authorizing the conveyance of certain lands.

Be it enacted by the Legislature of the State of Washington:

University of
Washington
lands.

SECTION 1. The University of Washington having ceased to use the lands hereinafter described, for the purposes for which the same were conveyed by the deed of Andrew Newhall and Sarah Newhall, his wife, dated the nineteenth day of April, 1910, and having no further use for such lands, the authority is hereby conferred upon the governor to reconvey, by quit claim deed, to Andrew Newhall and Sarah Newhall, his wife, the survivor of them, and their executors, administrators and assigns, the following tract, lot, or parcel of land, situate, lying and being in the county of San Juan, State of Wash-