

CHAPTER 132.

[H. B. 34.]

MUTUAL SAVINGS BANKS.

AN ACT relating to and regulating mutual savings banks, amending Section 3375 of and adding Sections 3354 A, 3364 A, 3369 A, 3375 A, 3375 B, 3375 C, 3375 D, 3375 E, 3379 A, 3379 B and 3379 C to Remington's Compiled Statutes of Washington and defining certain crimes.

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

SECTION 1. That there be added to Remington's Compiled Statutes of Washington a new section to be known as section 3354 A to read as follows:

Adds § 3354A
to Rem.
Comp. Stat.

Section 3354 A. Any debt due a mutual savings bank on which interest is one year or more past due and unpaid, unless such debt be well secured and in course of collection by legal process or probate proceedings, shall be considered a bad debt, and shall be charged off of the books of such mutual savings bank. A judgment held by a mutual savings bank shall not be considered an asset of the corporation after two years from the date of its rendition, unless with the written permission of the supervisor of banking specifying an additional period: *Provided*, That time consumed by any appeal shall be excluded.

Debts, bad.

Judgment,
uncollected.

Adds § 3364A
to Rem.
Comp. Stat.

SEC. 2. That there be added to Remington's Compiled Statutes of Washington a new section to be known as section 3364 A to read as follows:

Dishonest
employees.

Section 3364 A. Whenever the supervisor of banking shall find that any trustee, officer or employee of any mutual savings bank is dishonest, reckless or incompetent, or fails to perform any duty of his office, he shall notify the board of trustees of such mutual savings bank, in writing, of his objections to any such trustee, officer or employee, and such board shall within twenty days after receiving

such notification meet and consider such objections, first giving notice to the supervisor of banking of the time and place of such meeting. If the board shall find the objections to be well founded, such trustee, officer or employee shall be immediately removed.

SEC. 3. That there be added to Remington's Compiled Statutes of Washington a new section to be known as section 3369 A to read as follows:

Adds § 3369A
to Rem.
Comp. Stat.

Section 3369 A. Neither the supervisor of banking nor any person connected with his office shall disclose any information obtained from any mutual savings bank to any person not connected with such office except to proper officials legally empowered to investigate criminal charges, or except as is otherwise required by law. Every person who shall violate any provision of this section shall forfeit his office or employment and shall also be guilty of a gross misdemeanor.

Disclosure of
information.

SEC. 4. That section 3375 of Remington's Compiled Statutes of Washington be amended to read as follows:

Amends
§ 3375, Rem.
Comp. Stat.

Section 3375. When the trustees, acting under the provisions of the preceding section, shall have paid the sums due respectively to all creditors and depositors, who, after such notice as the supervisor of banking shall prescribe, claim the money due and their deposits, the trustees shall make a transcript or statement from the books in the bank of the names of all depositors and creditors who have not claimed or have not received the balance of the credit due them, and of the sums due them, respectively, and shall file such transcript with the supervisor of banking and pay over and transfer all such unclaimed and unpaid deposits, credits and moneys to the supervisor of banking. The trustees shall then report their proceedings, duly verified, to the

Voluntary
liquidation.

Creditors.

Statement.

Court
proceedings.

superior court of the county wherein the bank is located, and upon such report and the petition of the trustees, and after notice to the attorney general and the supervisor of banking, and such other notice as the court may deem necessary, the court shall adjudge the franchise surrendered and the existence of the corporation terminated, certified copies of which judgment shall be filed in the offices of the secretary of state, supervisor of banking and auditor of the county wherein the bank is located where the same shall be filed, and in the office of the secretary of state recorded.

Adds § 3375A
to Rem.
Comp. Stat.

SEC. 5. That there be added to Remington's Compiled Statutes of Washington a new section to be known as section 3375 A to read as follows:

Consolida-
tion, volun-
tary liquida-
tion.

Section 3375 A. A mutual savings bank may for the purpose of consolidation or voluntary liquidation transfer its assets and liabilities to another mutual savings bank, by the affirmative vote or with the written consent of two-thirds of the whole number of its trustees, but only with the written consent of the supervisor of banking and upon such terms and conditions as he may prescribe. Upon any such transfer being made, or upon the liquidation of any such mutual savings bank for any cause whatever, or upon its being no longer engaged in the business of a mutual savings bank, the supervisor of banking shall terminate its certificate of authority, which shall not thereafter be revived or renewed. When the certificate of authority of any such corporation shall have been revoked, it shall forthwith collect and distribute its remaining assets, and when that is done, the supervisor of banking shall certify the fact to the secretary of state, whereupon the corporation shall cease to exist and the secretary of state shall note the fact upon his records.

Assets,
liabilities
transferred.

Certificate
of authority
terminated.

In case of the consolidation with or voluntary liquidation of a mutual savings bank by another

mutual savings bank, as herein provided, any sums advanced by its incorporators, or others, to create or maintain its guaranty fund or its expense fund shall not be liabilities of such mutual savings bank unless the mutual savings bank, so assuming its liabilities shall specifically undertake to pay the same, or a stated portion thereof.

Guaranty
fund, ex-
pense fund.

SEC. 6. That there be added to Remington's Compiled Statutes of Washington a new section to be known as section 3375 B to read as follows:

Adds § 3375B
to Rem.
Comp. Stat.

Section 3375 B. Whenever it shall appear to the supervisor of banking that any mutual savings bank is conducting its business in an unsafe manner or that it refuses to submit its books, papers or concerns to lawful inspection, or that any trustee or officer thereof refuses to submit to examination on oath touching its concerns, or that it has failed to carry out any authorized order or direction of the supervisor of banking, such supervisor may give notice to the mutual savings bank so offending or delinquent or whose trustee or officer is thus offending or delinquent to correct such offense or delinquency, and if such mutual savings bank fails to comply with the terms of such notice within thirty days from the date of its issuance, or within such further time as said supervisor of banking may allow, then the supervisor of banking may take possession of such mutual savings bank as in the case of insolvency.

Business
unsafe.

Examination
refused.

Notice.

Possession
by super-
visor.

SEC. 7. That there be added to Remington's Compiled Statutes of Washington a new section to be known as section 3375 C to read as follows:

Adds § 3375C
to Rem.
Comp. Stat.

Section 3375 C. Whenever it shall appear to the supervisor of banking that any offense or delinquency referred to in the preceding section renders a mutual savings bank in an unsound or unsafe condition to continue its business, or that it has sus-

Unsound,
unsafe.

Suspended
payment,
possession by
supervisor.

pending payment of its obligations, or is insolvent, such supervisor of banking may take possession thereof without notice.

Liquidation.

Upon taking possession of any mutual savings bank, the supervisor of banking shall forthwith proceed to liquidate the business, affairs and assets thereof and such liquidation shall be had in accordance with the provisions of law governing the liquidation of insolvent banks and trust companies.

Adds § 3375D
to Rem.
Comp. Stat.

SEC. 8. That there be added to Remington's Compiled Statutes of Washington a new section to be known as section 3375 D to read as follows:

Possession
by super-
visor, court
proceedings.

Section 3375 D. Within ten days after the supervisor of banking takes possession thereof, a mutual savings bank may serve notice upon such supervisor to appear before the superior court in the county wherein such corporation is located, at a time to be fixed by said court, which shall not be less than five nor more than fifteen days from the date of the service of such notice, to show cause why such corporation should not be restored to the possession of its assets. Upon the return day of such notice, or such further day as the matter may be continued to, the court shall summarily hear said cause and shall dismiss the same, if it be found that possession was taken by the supervisor of banking in good faith and for cause, but if it find that no cause existed for the taking possession of such corporation, it shall require the supervisor of banking to restore such mutual savings bank to the possession of its assets and enjoin him from further interference therewith without cause.

Notice.

Repossession
ordered.

Adds § 3375E
to Rem.
Comp. Stat.

SEC. 9. That there be added to Remington's Compiled Statutes of Washington a new section to be known as section 3375 E to read as follows:

Receiver,
assignment.

Section 3375 E. No receiver shall be appointed by any court for any mutual savings bank, nor shall any assignment of any such bank for the benefit of

creditors be valid, excepting only that a court otherwise having jurisdiction may in case of imminent necessity appoint a temporary receiver to take possession of and preserve the assets of such mutual savings bank. Immediately upon any such appointment, the clerk of such court shall notify the supervisor of banking by telegram and mail of such appointment and the supervisor of banking shall forthwith take possession of such mutual savings bank, as in case of insolvency, and such temporary receiver shall upon demand of the supervisor of banking surrender up to him such possession and all assets which shall have come into the hands of such receiver. The supervisor of banking shall in due course pay such receiver out of the assets of such mutual savings bank such amount as the court shall allow.

Temporary receiver.

Supervisor notified.

SEC. 10. That there be added to Remington's Compiled Statutes of Washington a new section to be known as section 3379 A to read as follows:

Adds § 3379A to Rem. Comp. Stat.

Section 3379 A. Every transfer of its property or assets by any mutual savings bank in this state, made in contemplation of insolvency, or after it shall have become insolvent, with the view to the preference of one creditor over another, or to prevent the equal distribution of its property and assets among its creditors, shall be void. Every trustee, officer or employee making any such transfer shall be guilty of a felony.

Transfer of assets when insolvent.

Felony.

SEC. 11. That there be added to Remington's Compiled Statutes of Washington a new section to be known as section 3379 B to read as follows:

Adds § 3379B to Rem. Comp. Stat.

Section 3379 B. Every person who shall knowingly subscribe to or make or cause to be made any false statement or false entry in the books of any mutual savings bank, or shall knowingly subscribe to or exhibit any false or fictitious security, document or paper, with the intent to deceive any person

False entry in books.

False
statements.

authorized to examine into the affairs of any mutual savings bank, or shall make or publish any false statement of the amount of the assets or liabilities of any such mutual savings bank shall be guilty of a felony.

Felony.

Adds § 3379C
to Rem.
Comp. Stat.

SEC. 12. That there be added to Remington's Compiled Statutes of Washington a new section to be known as section 3379 C to read as follows:

Conceal,
destroy
evidence.

Section 3379 C. Every trustee, officer, employee, or agent of any mutual savings bank who for the purpose of concealing any fact shall suppress any evidence against himself, or against any other person, abstracts, removes, mutilates, destroys or secretes any paper, book or record of any mutual savings bank, or of the supervisor of banking, or anyone connected with his office shall be guilty of a felony.

Felony.

Passed the House March 11, 1931.

Passed the Senate March 11, 1931.

Approved by the Governor March 21, 1931.

CHAPTER 133.

[H. B. 388.]

COLUMBIA RIVER FISHING.

AN ACT relating to fisheries, and amending Section 3, Chapter 90, Laws of 1923, and adding a new section to Chapter 31, Laws of 1915.

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

Amends § 3,
ch. 90, Laws
of 1923.

SECTION 1. That section 3, chapter 90, Laws of 1923 be amended to read as follows:

Salmon,
sturgeon.

Section 3. It shall be unlawful to take or fish for salmon or sturgeon or other anadromous or food fish in the Columbia river, its tributaries and in any of the waters or sloughs thereof, west of the north and south line between sections 14 and 15, township