

(d) That such resolution was duly adopted by the board of directors.

(5) Such statement shall be executed in triplicate by the corporation by its president or a vice-president and by its secretary or an assistant secretary, and verified by one of the officers signing such statement, and shall be delivered to the secretary of state. If the secretary of state finds that such statement conforms to law, he shall, when all fees have been paid as in this title prescribed:

(a) Endorse on each of such triplicate originals the word "Filed," and the month, day, and year of the filing thereof.

(b) File one of such originals in his office.

(c) Return the other two such originals to the corporation or its representative.

(6) One of such other originals shall then be filed in the office of the auditor of the county in which the registered office of the corporation is located and the other shall be retained by the corporation.

(7) Upon the filing of such statement by the secretary of state, the resolution establishing and designating the series and fixing and determining the relative rights and preferences thereof shall become effective and shall constitute an amendment of the articles of incorporation.

Passed the Senate April 8, 1975.

Passed the House June 7, 1975.

Approved by the Governor June 30, 1975.

Filed in Office of Secretary of State June 30, 1975.

CHAPTER 265

[Substitute Senate Bill No. 2469]

MUTUAL SAVINGS BANKS—TRUST POWERS

AN ACT Relating to mutual savings banks; and amending section 12, chapter 55, Laws of 1969 and RCW 32.08.210.

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

Section 1. Section 12, chapter 55, Laws of 1969 and RCW 32.08.210 are each amended to read as follows:

A mutual savings bank shall have the power to act as trustee under:

(1) ~~((A retirement plan established pursuant to the provisions of the act of Congress entitled "Self-Employed Individuals Tax Retirement Act of 1962", as now constituted or hereafter amended. If a retirement plan, which in the judgment of the mutual savings bank, constituted a qualified plan under the provisions of that act at the time accepted by the mutual savings bank, is subsequently determined not to be a qualified plan or subsequently ceases to be a qualified plan in whole or in part, the mutual savings bank may, nevertheless, continue to act as trustee of any deposits theretofore made under the plan and to dispose of the same in accordance with the directions of the trustor and the beneficiaries thereof.~~

(2)) A trust established by an inter vivos trust agreement or under the will of a deceased person ~~((but only if all the trust assets are required by the terms of the trust to be invested in accounts with mutual savings banks. The trustee shall deposit the trust assets in savings accounts with itself as soon as practical after establishment of the trust)).~~

~~((3))~~ (2) A trust established in connection with any collective bargaining agreement or labor negotiation wherein the beneficiaries of the trust include the employees concerned under the agreement or negotiation, or a trust established in connection with any pension, profit sharing, or retirement benefit plan of any corporation, partnership, association, or individual, including but not limited to retirement plans established pursuant to the provisions of the act of congress entitled "Self-Employed Individuals Tax Retirement Act of 1962", as now constituted or hereafter amended, or plans established pursuant to the provisions of the act of congress entitled "Employee Retirement Income Security Act of 1974", as now constituted or hereafter amended.

A mutual savings bank may be appointed to and accept the appointment of ((~~executor~~)) personal representative of the last will and testament, or administrator with will annexed, of the estate of any deceased person ((~~wherein the will establishes a trust wherein the mutual savings bank may act as trustee~~)) and to be appointed and to act as guardian of the estate of minors and incompetent and disabled persons.

The restrictions, limitations and requirements in Title 30 RCW shall apply to a mutual savings bank exercising the powers granted under this section insofar as the restrictions, limitations, and requirements relate to exercising the powers granted under this section. The incidental trust powers to act as agent in the management of trust property and the transaction of trust business in Title 30 RCW shall apply to a mutual savings bank exercising the powers granted under this section insofar as the incidental powers relate to exercising the powers granted under this section.

Before engaging in trust business, a mutual savings bank shall apply to the supervisor of banking on such form as he shall determine and pay the same fee as required for a state bank to engage in trust business. In considering such application the supervisor shall ascertain from the best source of information at his command and by such investigation as he may deem necessary whether the management and personnel of the mutual savings bank are such as to command confidence and warrant belief that the trust business will be adequately and efficiently conducted in accordance with law, whether the resources in the neighborhood of such place and in the surrounding country afford a reasonable promise of adequate support for the proposed trust business and whether the resources of the mutual savings bank are sufficient to support the conduct of such trust business, and that the mutual savings bank has and maintains, in addition to its guaranty fund, undivided profits against which the depositors have no prior claim in an amount not less than would be required of a state bank or trust company, which undivided profits shall be eligible for investment in the same manner as the guaranty fund of a mutual savings bank. Within sixty days after receipt of such application, the supervisor shall either approve or refuse the same and forthwith return to the mutual savings bank a copy of the application upon which his decision has been endorsed. The supervisor shall not be required to approve or refuse an application until thirty days after any appropriate approval has been obtained from a federal regulatory agency. The applicant shall have the right to appeal from an unfavorable determination in accordance with the procedures of the Administrative Procedure Act, chapter 34.04 RCW, as now or hereafter amended. A mutual

savings bank shall not use the word "trust" in its name, but may use the word "trust" in its business or advertising.

Passed the Senate May 14, 1975.

Passed the House June 7, 1975.

Approved by the Governor June 30, 1975.

Filed in Office of Secretary of State June 30, 1975.

CHAPTER 266

[Substitute House Bill No. 198]

INSURANCE

AN ACT Relating to insurance; amending section 11, chapter 212, Laws of 1959 and RCW 31.08.175; amending section .01.01, chapter 79, Laws of 1947 and RCW 48.01.010; amending section 3, chapter 70, Laws of 1965 ex. sess. and RCW 48.05.185; amending section .07.09, chapter 79, Laws of 1947 as amended by section 3, chapter 197, Laws of 1953 and RCW 48.07.090; amending section .10.07, chapter 79, Laws of 1947 as amended by section 5, chapter 195, Laws of 1963 and RCW 48.10.070; amending section .15.09, chapter 79, Laws of 1947 as last amended by section 10, chapter 241, Laws of 1969 ex. sess. and RCW 48.15.090; amending section .17.06, chapter 79, Laws of 1947 as amended by section 9, chapter 303, Laws of 1955 and RCW 48.17.060; amending section .17.56, chapter 79, Laws of 1947 as amended by section 25, chapter 150, Laws of 1967 and RCW 48.17.560; amending section 5, chapter 119, Laws of 1974 ex. sess. and RCW 48.21.190; amending section .24.03, chapter 79, Laws of 1947 as last amended by section 23, chapter 70, Laws of 1965 ex. sess. and RCW 48.24.030; amending section 6, chapter 229, Laws of 1951 as last amended by section 4, chapter 152, Laws of 1973 1st ex. sess. and RCW 48.20.052; amending section 9, chapter 219, Laws of 1961 RCW 48.34.090; amending section 4, chapter 119, Laws of 1974 ex. sess. and RCW 48.44.240; adding new sections to chapter 48.20 RCW; adding a new section to chapter 48.21 RCW; and adding a new section to chapter 48.44 RCW.

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

Section 1. Section 11, chapter 212, Laws of 1959 and RCW 31.08.175 are each amended to read as follows:

(1) No licensee shall require the purchasing of property insurance from the licensee or any employee, affiliate, or associate of the licensee or from any agent, broker, or insurance company designated by the licensee as a condition precedent to the making of a loan nor shall any licensee decline existing insurance which meets or exceeds the standards set forth in this section.

The licensee may require a borrower to insure tangible property offered as security for a loan hereunder against any substantial risk of loss, damage, or destruction for an amount not to exceed the reasonable value of the property insured or the amount of the loan and for the customary term approximating the term of the loan contract: PROVIDED, That no licensee hereunder may require such insurance on loans in an amount less than three hundred dollars. It shall be optional with the borrower to obtain such insurance in an amount greater than the amount of the loan or for a longer term. The premium for such insurance shall not exceed that fixed by current applicable manual of a recognized standard insurance rating bureau and such insurance shall be written by or through a duly licensed insurance agent or broker.

(2) A licensee may insure the life of one borrower, but only one of them if there are two or more obligors, for the unpaid principal balance scheduled to be outstanding; and regardless of the the premium paid by the licensee, the licensee may charge not more than sixty cents per one hundred dollars per year computed