

RCW 30A.04.127 Formation, incorporation, or investment in corporations or other entities authorized—Approval—Exception. (1) A bank, alone or in conjunction with other entities, may form, incorporate, or invest in corporations or other entities, whether or not such other corporation or entity is related to the bank's business. The aggregate amount of funds invested, or used in the formation of corporations or other entities under this section shall not exceed ten percent of the assets or fifty percent of the net worth, whichever is less, of the bank. For purposes of this subsection, "net worth" means the aggregate of capital, surplus, undivided profits, and all capital notes and debentures which are subordinate to the interest of depositors.

(2) A bank may engage in an activity permitted under this section only with the prior authorization of the director and subject to such requirements, restrictions, or other conditions as the director may adopt by rule, order, directive, standard, policy, memorandum, or other written communication with regard to the activity. In approving or denying a proposed activity, the director shall consider the financial and management strength of the institution, the convenience and needs of the public, and whether the proposed activity should be conducted through a subsidiary or affiliate of the bank. The director may not authorize under this section and no bank may act as an insurance or travel agent unless otherwise authorized by state statute. [2014 c 37 s 113; 2010 c 88 s 11; 1994 c 92 s 15; 1987 c 498 s 1. Formerly RCW 30.04.127.]

Effective date—2010 c 88: See RCW 32.50.900.