

WAC 208-436-080 Modification or revocation of investment practices previously authorized. The director may find that an investment or deposit practice previously authorized is no longer a safe and prudent practice for credit unions generally to engage in, or has become inconsistent with applicable state or federal law, or has ceased to be a safe and prudent practice in one or more particular credit unions in light of their financial condition or management. Upon such a finding, the director may in writing inform the board of directors of any or all of the credit unions engaging in such a practice that the authority to engage in the practice has been revoked or modified. When the director so notifies any credit union, its directors and officers shall forthwith take steps to liquidate the investments in question (if authority to engage in the practice has been revoked) or to make such modifications as the director requires. The director may for cause shown grant a credit union some definite period of time in which to arrange its affairs to comply with the director's orders. Credit unions which continue to engage in investment practices where their authority to do so has been revoked or modified will be treated as if the authority to engage in the practice had never been granted, and their actions may be deemed an unsound credit union practice and a wilful violation of an order of the director and may be grounds for appropriate supervisory action against the credit union, its directors or officers.

[Statutory Authority: RCW 42.320.040 [43.320.040] and 31.12.535. WSR 96-17-071, § 208-436-080, filed 8/20/96, effective 9/20/96. WSR 96-06-011, recodified as § 208-436-080, filed 2/23/96, effective 6/1/96. Statutory Authority: RCW 31.12.260(g). WSR 79-07-002 (Order 79-1), § 419-36-080, filed 6/7/79.]