

Chapter 30A.36 RCW
CAPITAL NOTES OR DEBENTURES

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RCW 30A.36.010 Definitions. Capital notes or debentures, where used in this chapter, shall mean notes or other obligations issued by a bank or mutual savings bank, for money obtained and used as additional capital or to replace impaired capital stock: PROVIDED, Such notes or other obligations are subordinate to the rights of depositors and other creditors.

The term "capital" where used in this chapter shall mean capital stock and/or capital notes. [2014 c 37 s 204; 1955 c 33 s 30.36.010. Prior: 1935 c 42 s 1; RRS s 3295-1. Formerly RCW 30.36.010.]

RCW 30A.36.020 Issuance and sale—Status—Conversion rights.

With the approval of the director, any bank or mutual savings bank may at any time, through action of its board of directors or trustees, issue and sell its capital notes or debentures. Such capital notes or debentures shall be subordinate to the claims of depositors and other creditors. The holders of capital notes or debentures issued by a bank shall have such conversion rights as may be provided in the articles of incorporation with the approval of the director. [2014 c 37 s 205; 1994 c 92 s 76; 1979 c 106 s 5; 1955 c 33 s 30.36.020. Prior: 1935 c 42 s 2; RRS 3295-2. Formerly RCW 30.36.020.]

RCW 30A.36.030 Stock at less than par—Impairment.

Where any bank or mutual savings bank has issued and has outstanding capital notes or debentures, it may carry its capital stock on its books at a sum less than par, and it shall not be considered impaired so long as the amount of such capital notes or debentures equals or exceeds the impairment as found by the director. [2014 c 37 s 206; 1994 c 92 s 77; 1955 c 33 s 30.36.030. Prior: 1935 c 42 s 3; RRS s 3295-3. Formerly RCW 30.36.030.]

RCW 30A.36.040 Impairment to be corrected before retirement of notes or debentures. Before such capital notes or debentures are retired or paid by the bank or mutual savings bank, any existing impairment of its capital stock must be overcome or corrected to the satisfaction of the director. [2014 c 37 s 207; 1994 c 92 s 78; 1955 c 33 s 30.36.040. Prior: 1935 c 42 s 4; RRS s 3295-4. Formerly RCW 30.36.040.]

RCW 30A.36.050 Not subject to assessments—Liability of holders.

Such capital notes or debentures shall in no case be subject to any

assessment. The holders of such capital notes or debentures shall not be held individually responsible, as such holders, for any debts, contracts or engagements of such institution, and as such holders, shall not be held liable for assessments to restore impairments in the capital of such institution. [1955 c 33 s 30.36.050. Prior: 1935 c 42 s 5; RRS s 3295-5. Formerly RCW 30.36.050.]