

Title 419 WAC

SAVINGS AND LOAN ASSOCIATIONS, DIVISION OF (GENERAL ADMINISTRATION, DEPT. OF)

Chapters

- 419-04** Working understanding for processing of applications for new facilities between the federal home loan bank board and the Washington division of savings and loan associations.
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DISPOSITION OF CHAPTERS FORMERLY CODIFIED IN THIS TITLE

Chapter 419-12

EXAMINATION FEES FOR SAVINGS AND LOAN ASSOCIATIONS

- 419-12-010 Examination fees. [Order 2, § 419-12-010, filed 7/7/72.] Repealed by Order 77-3, filed 10/5/77.

Chapter 419-16

EXAMINATION AND SUPERVISION FEES FOR CREDIT UNIONS

- 419-16-010 Examination and supervision fees. [Order 4, § 419-16-010, filed 10/16/72.] Repealed by Order 77-4, filed 10/5/77.

Chapter 419-04 WAC

WORKING UNDERSTANDING FOR PROCESSING OF APPLICATIONS FOR NEW FACILITIES BETWEEN THE FEDERAL HOME LOAN BANK BOARD AND THE WASHINGTON DIVISION OF SAVINGS AND LOAN ASSOCIATIONS

WAC

- 419-04-010 Processing of applications for new facilities—Introduction.
- 419-04-020 Processing of applications for new facilities—Priority of decision.
- 419-04-030 Processing of applications for new facilities—Pre-emption following approval.

WAC 419-04-010 Processing of applications for new facilities—Introduction. It appears that a working understanding between the Federal Home Loan Bank Board and the Washington Division of Savings and Loan Associations is desirable to coordinate the treatment of applications filed during the same time period and in the same general area in both jurisdictions. It also appears desirable to provide equal availability for applications in both jurisdictions and the same extent of protection during an agreed-upon start-up period after approval. Such agreement does not alter the understanding that the internal methods of processing and the criteria used vary between the two jurisdictions by virtue of both law and regulation. This set of guidelines is intended to establish a method of procedural coordination which will be both fair and workable.

All new facilities approved prior to the effective date of this working understanding shall be governed both as to time period and area of pre-emption by the provisions hereinafter set forth; and all applications pending on the effective date will be processed in accordance with these provisions. [Order 74-3, § 419-04-010, filed 5/13/74.]

WAC 419-04-020 Processing of applications for new facilities—Priority of decision. (1) Priority.

(a) When an application is filed with the Division of Savings and Loan, for a period of five months no favorable decision shall be made by the Federal Home Loan Bank Board on a subsequent application for that location or one within the area of potential pre-emption surrounding it.

(b) When an application is filed with the Federal Home Loan Bank Board, for a period of five months no

favorable decision shall be made by the Division of Savings and Loan on a subsequent application for that location or one within the area of potential pre-emption surrounding it.

(c) The state's statutory period for consideration RCW 33.08.070 (six months) is not altered by these guidelines.

(2) Filing Date.

(a) Filing date and processing (publication and notice) would be effective upon receipt of the complete application. It is understood that in order to qualify for priority, applications must be complete in accordance with the standards established by each jurisdiction. A so-called "letter of intent" will carry no weight in establishing such priority.

(b) In the event that applications are filed in both jurisdictions on the same date, creating a tie, then the respective jurisdictions may both proceed to a decision on such application.

(3) **Consolidation.** Either jurisdiction may, however, consolidate two or more pending applications for consideration at the same time, leading to a set of decisions on the same date. The procedure for consolidation to be followed by the Division of Savings and Loan is:

(a) The first applicant to file at a given location shall have the application processed to establish a decision no more than five months after the date of filing.

(b) An application filed after the first application but before the deadline for decision may be consolidated for consideration with the first application if:

(i) The second application is for a location within the potential area of pre-emption of the first application; and

(ii) The application, at the time of filing, does not fall within the potential radius of pre-emption of a previously filed application in other jurisdiction.

(4) **Location.** It is important that the recipients of the notice of application be able readily to ascertain its specific location. Each application should, if possible, disclose the street address of the proposed location and/or the street intersection nearest to the location. Locations in or adjacent to shopping centers should be clearly identified by naming the existing or proposed center. [Order 74-3, § 419-04-020, filed 5/13/74.]

WAC 419-04-030 Processing of applications for new facilities—Pre-emption following approval. (1) **Period of Pre-emption.** A new association approved by either jurisdiction shall have pre-emption protection for a period of two years from the date of approval. A newly authorized branch shall have pre-emption protection for a span of one year from the date of approval.

(2) **Area of Pre-emption.** The area covered during the pre-emption period shall be:

(a) A distance of one-eighth mile in any direction for a location within the central business districts of Seattle, Spokane, or Tacoma.

(b) A distance of one-half mile in any direction for a location within a standard metropolitan statistical area. (SMSA).

(c) Elsewhere in the state including urban and suburban areas, within a one-mile radius of the approved new location (unless special geographic conditions prevail).

(3) **Special Treatment Clause.** Should either authority receive a particular application which appears to require special treatment, there will be notification to the other with opportunity for response. Should there not be mutual agreement that such treatment is warranted (within a reasonable time), the authority indicating the need may proceed accordingly, upon notification to the other. [Order 74-3, § 419-04-030, filed 5/13/74.]

Chapter 419-14 WAC

EXAMINATION AND SUPERVISION FEES FOR SAVINGS AND LOAN ASSOCIATIONS

WAC

419-14-010 Examination and supervision fees.

WAC 419-14-010 Examination and supervision fees. Pursuant to RCW 33.28.020, each savings and loan association chartered by the state of Washington shall pay the following charges for examination and supervision under RCW 33.04.020:

[(1)] [(a)] A fee not to exceed \$135 per day of actual examination time, calculated at the rate of \$16.88 per hour per examiner; and

[(2)] [(b)] an annual asset fee to cover further costs of examination and supervision [and] not to exceed five cents per \$1,000 in assets, to be calculated and billed [: *Provided*, That this subsection shall be effective only until September 30, 1979, unless earlier re-adopted or amended.] on July 1 and on January 1 of each calendar year. [Statutory Authority: RCW 33.04.025 and 33.08.020. 79-01-024 (Order 78-2), § 419-14-010, filed 12/18/78; Order 77-3, § 419-14-010, filed 10/5/77.]

Reviser's Note: RCW 34.04.058 requires the use of underlining and deletion marks to indicate amendments to existing rules, and deems ineffectual changes not filed by the agency in this manner. The bracketed material in the above section does not appear to conform to the statutory requirement.

Chapter 419-18 WAC

EXAMINATION AND SUPERVISION FEES FOR CREDIT UNIONS

WAC

419-18-010 Examination and supervision fees.

WAC 419-18-010 Examination and supervision fees. Pursuant to RCW 31.12.320 each credit union chartered by the State of Washington shall pay the following charges for examination and supervision under RCW 31.12.320:

[(1)] [(a)] An examination fee not to exceed \$135 per day of actual examination, calculated at the rate of \$16.88 per hour per examiner; and

[(1)] [(b)] an annual asset fee to cover additional costs of examination and supervision, not to exceed five cents for every \$1,000 worth of assets, calculated and billed: *Provided*, That this subsection shall be effective only until September 30, 1979, unless earlier, readopted or amended.] on July 1 and on January 1 of each calendar year. [Statutory Authority: RCW 31.12.320. 79-01-025 (Order 78-3), § 419-18-010, filed 12/18/78; Order 77-4, § 419-18-010, filed 10/5/77.]

Reviser's Note: RCW 34.04.058 requires the use of underlining and deletion marks to indicate amendments to existing rules, and deems ineffectual changes not filed by the agency in this manner. The bracketed material in the above section does not appear to conform to the statutory requirement.

Chapter 419-20 WAC

OPERATION AND PROCEDURES OF THE DIVISION OF SAVINGS AND LOAN AND ACCESS TO PUBLIC RECORDS—FORM

WAC

419-20-010	Purpose.
419-20-020	Definitions.
419-20-030	Description of central and field organization of division of savings and loan.
419-20-040	Operations and procedures.
419-20-050	Public records available.
419-20-060	Public records officer.
419-20-070	Office hours.
419-20-080	Requests for public records.
419-20-090	Copying.
419-20-100	Exemptions.
419-20-110	Review of denials of public records requests.
419-20-120	Protection of public records.
419-20-130	Records index.
419-20-140	Communications with division.
419-20-150	Adoption of form.
419-20-900	Appendix 1—Request for public record.

WAC 419-20-010 Purpose. The purpose of this chapter shall be to ensure compliance by the Department of General Administration, Division of Savings and Loan, with the provisions of chapter 1, Laws of 1973 (Initiative 276), Disclosure-Campaign-Finances-Lobbying Records; and in particular with sections 25-32 of that act, dealing with public records. [Order 73-2, § 419-20-010, filed 7/13/73.]

WAC 419-20-020 Definitions. (1) Public Records. "Public Record" includes any writing containing information relating to the conduct of governmental or the performance of any governmental or proprietary function prepared, owned, used or retained by any state or local agency regardless of physical form or characteristics.

(2) Writing. "Writing means handwriting, typewriting, printing, photostating, photographing and every other means of recording any form of communication or representation, including letters, words, pictures, sounds; or symbols, or combination thereof, and all papers, maps, magnetic or paper tapes, photographic films and prints, magnetic or punched cards, discs, drums and other documents."

(3) Division of Savings and Loan. The Supervisor of Savings and Loan is appointed by the Director of the Department of General Administration. The Division of Savings and Loan shall hereinafter be referred to as the "Division of Savings and Loan." Where appropriate, the term Supervisor of Savings and Loan also refers to the staff and employees of the Division of Savings and Loan. [Order 73-2, § 419-20-020, filed 7/13/73.]

WAC 419-20-030 Description of central and field organization of division of savings and loan. The Division is an administrative, supervisory, licensing and chartering agency. The administrative office of the Division of Savings and Loan and its staff is located at Room 111A, General Administration Building, Olympia, Washington. [Order 73-2, § 419-20-030, filed 7/13/73.]

WAC 419-20-040 Operations and procedures. The primary purpose of the Division of Savings and Loan is the maintenance of a sound home financing system within the State of Washington; and the maintenance of a sound and viable credit union system to serve eligible persons within the State of Washington in the area of consumer loans; the prevention of irresponsible acts by members of the two systems and the insuring that these systems serve the needs and convenience of the public and eligible memberships through the fostering of appropriate competition and operating efficiency. In order to accomplish this purpose, the Division of Savings and Loan's duties are divided into two major areas, i.e., examination and chartering.

The Supervisor of Savings and Loan is required by law to examine the operation of all state chartered savings and loan associations and credit unions. These duties are carried out through a staff of field examiners employed by the Division of Savings and Loan. The examiners examine the books and records of an institution in order to detect any violations of the relevant statutes and to determine if good industry practices are being followed. After receipt of the examination reports the Supervisor communicates the results to the managing group of the institution examined and requires any violations of law to be corrected.

The other main function of the Division of Savings and Loan is processing of applications by various groups to establish a financial institution or to change an existing one. Some of the functions are as follows:

- (1) To charter new savings and loan associations and new credit unions;
- (2) To authorize branches of existing savings and loan associations;
- (3) To authorize mergers of savings and loans and of credit unions.
- (4) Conversion to Federal charter applications.

Operations are channeled and actions determined, and the public may obtain information, submit requests, or obtain copies of public records from the above listed office of the Supervisor of Savings and Loan in Olympia. In general, the public may obtain information, make submittals or requests, or obtain copies of Division of

Savings and Loan decisions through application to personnel in Room 111A of the General Administration Building. [Order 73-2, § 419-20-040, filed 7/13/73.]

WAC 419-20-050 Public records available. All public records of the Division of Savings and Loan as defined in WAC 419-20-020 are deemed to be available for public inspection and copying pursuant to these rules, except as otherwise provided by sections 26 and 31, chapter 1, Laws of 1973 and WAC 419-20-100 and 419-20-120. Substantive rules of general applicability adopted by the Supervisor of Savings and Loan can be found in Title 419 WAC, and are incorporated herein by reference as though fully set forth. [Order 73-2, § 419-20-050, filed 7/13/73.]

WAC 419-20-060 Public records officer. The Division of Savings and Loan public records shall be in the charge of the public records officer designated by the Division of Savings and Loan. The person so designated shall be located in the administrative office of the Division of Savings and Loan. The public records officer shall be responsible for the following: the implementation of the Division of Savings and Loan rules and regulations regarding release of public records, coordinating the staff of the Division of Savings and Loan in this regard, and generally insuring compliance by the staff with the public records disclosure requirements of chapter 1, Laws of 1973. [Order 73-2, § 419-20-060, filed 7/13/73.]

WAC 419-20-070 Office hours. Public records shall be available for inspection and copying during the customary office hours of the Division of Savings and Loan. For the purposes of this chapter, the customary office hours shall be from 8:00 a.m. to noon, and from 1:00 p.m. to 5:00 p.m., Monday through Friday, excluding legal holidays. [Order 73-2, § 419-20-070, filed 7/13/73.]

WAC 419-20-080 Requests for public records. In accordance with requirements of chapter 1, Laws of 1973, that agencies prevent unreasonable invasions of privacy, protect public records from damage or disorganization, and prevent excessive interference with essential functions of the agency, public records may be inspected or copies of such records may be obtained by members of the public, upon compliance with the following procedures:

(1) A request shall be made in writing upon a form prescribed by the Division of Savings and Loan which shall be available at its administrative office. The form shall be presented to the public records officer; or to any member of the Division of Savings and Loan staff, if the public records officer is not available, at the administrative office of the Division of Savings and Loan during customary office hours. The request shall include the following information:

- (a) The name of the person requesting the records;
- (b) The time of day and calendar date on which the request was made;

(c) The nature of the request;

(d) If the matter requested is referenced within the current index maintained by the records officer, a reference to the requested record as it is described in such current index;

(e) If the requested matter is not identifiable by reference to the Division of Savings and Loan current index, an appropriate description of the record requested.

(f) In all cases in which a member of the public is making a request, it shall be the obligation of the public records officer or staff member to whom the request is made, to assist the member of the public in appropriately identifying the public record requested. [Order 73-2, § 419-20-080, filed 7/13/73.]

WAC 419-20-090 Copying. No fee shall be charged for the inspection of public records. The Division of Savings and Loan shall charge a fee of twenty-five (25) cents per page of copy for the first twenty pages and ten (10) cents per page for every copy thereafter for providing copies of public records and for use of the Division of Savings and Loan copy equipment. This charge is the amount necessary to reimburse the Division of Savings and Loan for its actual costs incident to such copying. The Division of Savings and Loan will charge additional amounts based on employee salaries if a particular request requires an unusual amount of time to be spent by the Division. The copying fee shall be paid in cash, certified check, cashier's check, or money order. [Order 73-2, § 419-20-090, filed 7/13/73.]

WAC 419-20-100 Exemptions. (1) The Division of Savings and Loan reserves the right to determine that a public record requested in accordance with the procedures outlined in WAC 419-20-080 is exempt under the provisions of section 31, chapter 1, Laws of 1973.

(2) RCW 43.19.120 provides as a general rule that all information received by the Supervisor and his office from any savings and loan or credit union is confidential and may not be disclosed to any person other than certain other government officials, on penalty of a gross misdemeanor.

(3) In addition, pursuant to section 26, chapter 1, Laws of 1973, the Division of Savings and Loan reserves the right to delete identifying details when it makes available or publishes any public record, in any cases when there is reason to believe that disclosure of such details would be an invasion of personal privacy protected by chapter 1, Laws of 1973. The public records officer will fully justify such deletion in writing.

(4) All denials of requests for public records will be accompanied by a written statement specifying the reason for the denial, including a statement of the specific exemption authorizing the withholding of the record and a brief explanation of how the exemption applies to the record withheld. [Order 73-2, § 419-20-100, filed 7/13/73.]

WAC 419-20-110 Review of denials of public records requests. (1) Any person who objects to the denial

of a request for a public record may petition the Supervisor for prompt review of such decision by tendering a written request for review. The written request shall specifically refer to the written statement by the public records officer or other staff member which constitutes or accompanied the denial.

(2) Immediately after receiving a written request for review of a decision denying a public record, the public records officer or other staff member denying the request shall refer it to the Supervisor of the Division of Savings and Loan. The Supervisor shall immediately consider the matter and either affirm or reverse such denial. In any case, the petition shall be returned with a final decision, within two business days following the original denial.

(3) Administrative remedies shall not be considered exhausted until the Division of Savings and Loan has responded to the petition with a decision or until the close of the second business day following denial of inspection, whichever occurs first. [Order 73-2, § 419-20-110, filed 7/13/73.]

WAC 419-20-120 Protection of public records. (1) Public records shall be available for public inspection during regular office hours as provided for by regulation at the office of the Division of Savings and Loan, Room 111A, General Administration Building, Olympia. No person shall be allowed to remove any records made available to him for inspection from the place designated for inspection by the public records officer. If copies are desired the person so desiring them shall inform the public records officer who shall then either have the copies made or make the copying facilities of the Division of Savings and Loan available for copying. [Order 73-2, § 419-20-120, filed 7/13/73.]

WAC 419-20-130 Records index. The Division of Savings and Loan has available to all persons a current index which provides identifying information as to the following records issued, adopted or promulgated since June 30, 1972:

(a) final opinions, including concurring and dissenting opinions as well as orders, made in the adjudication of cases;

(b) those statements of policy and interpretations of policy, statute and the Constitution which have been adopted by the Division;

(c) administrative staff manuals and instructions to staff that affect a member of the public;

(d) planning policies and goals, and interim and final planning decisions;

(e) factual staff reports and studies, factual consultant's reports and studies, scientific reports and studies, and any other factual information derived from tests, studies, reports or surveys, whether conducted by public employees or others; and

(f) correspondence, and materials referred to therein, by and with the Division relating to any regulatory, supervisory or enforcement responsibilities of the Division, whereby the Division determines, or opines upon, or is

asked to determine or opine upon, the rights of the state, the public, a subdivision of state government, or of any private party.

(2) Availability. The current index promulgated by the Division of Savings and Loan shall be available to all persons under the same rules and on the same conditions as are applied to public records available for inspection. [Order 73-2, § 419-20-130, filed 7/13/73.]

WAC 419-20-140 Communications with division. All communications with the Division of Savings and Loan including but not limited to the submission of materials pertaining to its operations and/or the administration or enforcement of chapter 1, Laws of 1973 and these rules, requests for copies of the Division of Savings and Loan's decisions and other matters, shall be addressed as follows:

Division of Savings and Loan
Records Officer
Room 111A
General Administration Building
Olympia, Washington 98504

[Order 73-2, § 419-20-140, filed 7/13/73.]

WAC 419-20-150 Adoption of form. The Division of Savings and Loan hereby adopts for use by all persons requesting inspection and/or copying or copies of its records, the form attached hereto as WAC 419-20-900, entitled "Request for Public Record." [Order 73-2, § 419-20-150, filed 7/13/73.]

WAC 419-20-900 Appendix 1—Request for public record.

"REQUEST FOR PUBLIC RECORD"

TO: The Division of Savings and Loan:

(a) Name of person requesting public record(s)

----- (-----)
Signature

(-----)
Name of organization, if applicable

Mailing address Phone
of Applicant Number

(b) -----
Date request made at Time of
Division of Savings day
and Loan, Olympia request
made

(c) Nature of request -----

- (d) Identification Reference on Current Index (please describe) -----

- (e) Description of record, or matter, requested if not identifiable by reference to the Division of Savings and Loan's current index:

[Order 73-2, Appendix 1 (codified as WAC 419-20-900), filed 7/13/73.]

Chapter 419-24 WAC NOTIFICATION BY SUPERVISOR OF APPLICATIONS FOR OFFICES

WAC

419-24-010	Purpose.
419-24-020	Definitions.
419-24-030	Operations and procedures.

WAC 419-24-010 Purpose. The purpose of this regulation shall be to ensure compliance by the Department of General Administration, Division of Savings and Loan, with RCW 33.08.120 relating to notice to savings and loan association offices within a fifty-mile area of applications for new associations or branches by establishing a definition of "offices" that will affect needed and due notice without unnecessary expense. [Order 74-4, § 419-24-010, filed 5/21/74.]

WAC 419-24-020 Definitions. Offices in the context of notice pursuant to RCW 33.08.120 "to all savings and loan association offices" shall be defined as home, principal, or head offices of savings and loan associations both state and federally chartered within the fifty-mile area cited in RCW 33.08.120 and to home, principal, or head offices of savings and loan associations both state and federally chartered which home, principal, or head offices are not located within the fifty-mile area but which have an interest in notification through operation of branch offices in the area. This definition will therefore exclude any direct notification to branch offices. [Order 74-4, § 419-24-020, filed 5/21/74.]

WAC 419-24-030 Operations and procedures. A radius of 50 miles from the proposed location will be established on each application for a new association or branch office and a notification will be mailed directly to each home office of a state or federally chartered association located within the radius and to each home office of an association affected by the proposed office by reason of having a branch located within the radius.

The Supervisor, may at his discretion, send information copies of the notification to officials of the Federal Home Loan Bank of Seattle, trade organizations of the savings and loan industry, and interested divisions of state government. [Order 74-4, § 419-24-030, filed 5/21/74.]

Chapter 419-28 WAC APPLICATIONS FOR SATELLITE FACILITIES— FORMS—FEES

WAC

419-28-010	Applications for satellite facilities—Form.
419-28-020	Applications for satellite facilities—Fee.
419-28-030	Applications for satellite facilities—Additional information.
419-28-040	Public convenience.
419-28-050	Definitions.
419-28-990	Appendix 1—Application to provide satellite facility.

WAC 419-28-010 Applications for satellite facilities—Form. Pursuant to RCW 33.04.025 the official form for use in making application to the division of savings and loan for a satellite facility is hereby adopted. The form is attached hereto as Appendix 1 [419-28-990], entitled "Application to Provide Satellite Facility." Copies of this form may be obtained at Room 111A, General Administration Building, Olympia, Washington. [Order 74-5, § 419-28-010, filed 6/3/74.]

WAC 419-28-020 Applications for satellite facilities—Fee. The applicant shall, upon making application for a satellite facility, enclose a check for one hundred dollars to apply to the cost of the investigation by the division. If the actual cost of such investigation exceeds that amount, the applicant shall pay the excess amount upon being billed by the supervisor. The supervisor shall not grant final approval of the application until the entire cost has been paid. The fee shall be collected for all applications or investigations made on and after July 25, 1974. [Order 74-5, § 419-28-020, filed 6/3/74.]

WAC 419-28-030 Applications for satellite facilities—Additional information. The applicant shall submit the following information with the application form:

1. Types of transactions to be conducted.
2. Names of other financial institutions expected to share in the use of the facility.
3. Arrangements for sharing costs in connection with its installation and operation, including estimates of actual cost to applicant.
4. Details as to ownership and operation of the facility. [Order 74-5, § 419-28-030, filed 6/3/74.]

WAC 419-28-040 Public convenience. As an aid in the supervisor's determination of whether the public convenience will be served by the proposed satellite facility, the applicant shall provide an analysis of the area to be served by the proposed facility. Included within this analysis shall be a study of the number of customers

of the applicant likely to be served by the proposed satellite facility and the likelihood of those customers using the facility. [Order 74-5, § 419-28-040, filed 6/3/74.]

WAC 419-28-050 Definitions. As used in these regulations, the phrase "provided satellite facility(ies)" shall mean to establish a satellite facility or share a satellite facility with other financial institutions. [Order 74-5, § 419-28-050, filed 6/3/74.]

WAC 419-28-990 Appendix 1--Application to provide satellite facility.

**APPENDIX 1
APPLICATION TO PROVIDE
SATELLITE FACILITY
(NOT TO BE CONSTRUED TO BE THE ESTABLISHMENT OF
A BRANCH)**

To the supervisor of the division of savings & loan.

Washington,
(savings & loan hereinafter (city)
referred to as the applicant)

hereby initiates application for approval to provide satellite facilities at

(include street designation or approximate
location in terms of nearest intersection)

(city of town, indicate direction (county)
if outside city limits)

Washington.

The location of the proposed satellite facility would be
----- miles distant from the main office and -----
miles distant from the nearest branch
(name) of the Applicant.

We enclose a verified copy of a resolution adopted
(date) by the board of directors or board of
trustees of the applicant, duly authorizing the under-
signed to make this application, and obligate the appli-
cant for necessary costs. Also enclosed is a check for
\$100 to apply upon the statutory costs of investigation.
If the cost of investigation to be made exceeds the mini-
mum of \$100, the applicant will pay such excess in ac-
cordance with WAC 419-28-010.

We also enclose the supporting data required by
WAC 419-28-030 and 419-28-040.

SUBSCRIBED AT -----, Washington, this
----- day of -----, 197---

(Please type name and
position under
signature)

[Order 74-5, Appendix 1 (codified as WAC 419-28-990), filed 6/3/74.]

(1980 Ed.)

Chapter 419-32 WAC

REGULATIONS ON MOBILE HOME LENDING BY SAVINGS AND LOAN ASSOCIATIONS

WAC

419-32-010	Definitions.
419-32-020	Flooring loans.
419-32-030	Flooring loans--Dealer application.
419-32-040	Register of loans originated by dealers required.
419-32-050	Floor plan inventories.
419-32-060	Flooring plans--Geographical limits.
419-32-070	Flooring loans--Maximum amount.
419-32-080	Flooring loans--Maximum term.
419-32-090	Retail loans.
419-32-100	Retail loans--Maximum amount.
419-32-110	Retail loans--Maximum term.
419-32-120	Retail loans--Appraisal.
419-32-130	Mobile home loans--Secondary market.
419-32-140	Retail loans--Security agreement.
419-32-150	Retail mobile home loans--Application.
419-32-160	Mobile home loans--Insurance coverage.
419-32-170	Mobile home loans--Accounting principles.

WAC 419-32-010 Definitions. (1) "Supervisor" refers to the supervisor of savings and loan associations or the lawfully designated successor to his powers and duties;

(2) "Association" or "Savings and Loan Association" includes any savings and loan association chartered under the laws of the state of Washington, or any other savings and loan association which maintains offices or branches subject to the authority of the supervisor;

(3) "Mobile Home" means all trailers which are "mobile homes" as defined in RCW 82.50.010, but for purposes of this chapter the term "mobile home" shall also include any modular unit designed and built to be attached as one or more additional rooms to a "mobile home" defined in RCW 82.50.010.

(4) "Mobile Home Dealers" means any person, partnership, association or corporation which is in the business of selling mobile homes;

(5) "Flooring Loans" refers to any arrangement whereby a savings and loan association finances or refinances the purchase by a mobile home dealer of one or more mobile homes. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-010, filed 11/13/78.]

WAC 419-32-020 Flooring loans. Any association may make flooring loans to mobile home dealers so long as the association complies with all of the requirements of this chapter. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-020, filed 11/13/78.]

**WAC 419-32-030 Flooring loans--Dealer applica-
tion.** An association shall not make any loans or other-
wise do business with any mobile home dealer without
formal approval by the board of directors of the associa-
tion. Before granting approval for any loan or other fi-
nancing arrangement with a mobile home dealer, the
board of directors of the association, or a committee ap-
pointed for that purpose, shall conduct a careful analysis
of the dealership and shall require the following written
documentation from the dealer:

(a) A dealer application on a form approved by the association, which application must state the name of the mobile home dealer and its corporate or business status, the dealer's primary business address, the location of all sales and storage lots operated by the dealer, the manufacturers represented by the dealer, and a general description of the units sold by the dealer; in addition, the dealer shall state in the application whether each of the manufacturers represented by that dealer subscribes to the uniform invoicing code adopted by the Mobile Home Manufacturer's Association;

(b) A current financial statement of the dealer, a profit and loss statement covering the last complete semiannual period and a credit report on the dealer submitted by a recognized credit reporting agency. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-030, filed 11/13/78.]

WAC 419-32-040 Register of loans originated by dealers required. An association must maintain a continuous register of loans originated through a dealer in order to have readily available status with that dealer. The list should contain at least the following information:

- (a) The loan number
- (b) Amount of the loan
- (c) Date of loan or date of purchase
- (d) Borrower's name
- (e) Dealer's name
- (f) Whether recourse provision included in assignment
- (g) Whether repurchase provision included in assignment
- (h) The interest rate on the loan
- (i) The term of the loan
- (j) The date the loan was repaid and the method of repayment.

Loans which have been repaid may be removed from the register after the next succeeding state examination of the association following full repayment of the loan. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-040, filed 11/13/78.]

WAC 419-32-050 Floor plan inventories. Any savings and loan association which makes flooring loans must maintain at all times a current floor plan inventory listing the mobile home units covered by the flooring arrangement. Every such association shall make a physical inventory at least once in each thirty days to insure that merchandise covered by the flooring arrangement is not sold out of trust. The association shall not inform the dealer in advance when the physical inventory will be taken. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-050, filed 11/13/78.]

WAC 419-32-060 Flooring plans--Geographical limits. No association shall make a flooring loan to a mobile home dealer unless the inventory covered by the loan is held for sale in the ordinary course of business by the mobile home dealer within the association's regular lending area. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-060, filed 11/13/78.]

WAC 419-32-070 Flooring loans--Maximum amount. (a) An association may make flooring loans on new mobile home units in an amount not to exceed one hundred percent of the factory inventory price, including freight charges, plus one hundred percent of the invoice price (also including freight charges) of the manufacturer on any new equipment to be installed by the dealer in a mobile home unit covered by the flooring loan;

(b) Flooring loans on used mobile home units may be made by an association in an amount not to exceed ninety percent of the wholesale value of the unit as established by appraisal or acquisition cost, whichever is lower. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-070, filed 11/13/78.]

WAC 419-32-080 Flooring loans--Maximum term. Flooring loans may be granted for a term not to exceed ninety days and may be renewed for not more than three additional ninety day terms. Upon the first two renewals of a flooring loan, not covered by a manufacturer's repurchase agreement, the borrower must pay all interest due and must reduce the principal by at least five percent; upon the third renewal, the borrower must pay all interest and must reduce the principal by at least ten percent. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-080, filed 11/13/78.]

WAC 419-32-090 Retail loans. Any savings and loan association may make retail loans to the ultimate purchaser of a mobile home, whether such a loan be "direct" or "dealer originated," provided that the association complies with any provisions of this chapter relating to retail loans on mobile home units. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-090, filed 11/13/78.]

WAC 419-32-100 Retail loans--Maximum amount. Retail loans on new mobile homes may be granted in an amount not to exceed one hundred fifteen percent of the invoice price, including freight charges and including the cost of any additional equipment installed at the time of purchase. Retail loans on used mobile homes may be granted in an amount not to exceed ninety percent of the sale price of the unit, excluding sales tax and license. Provided, that these limits shall not apply to loans insured by an agency of the federal government. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-100, filed 11/13/78.]

WAC 419-32-110 Retail loans--Maximum term. No association shall make a retail loan on any mobile home unit for a term in excess of fifteen years on a "singlewide" unit or in excess of twenty-five years on a "doublewide" unit. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-110, filed 11/13/78.]

WAC 419-32-120 Retail loans--Appraisal. No savings and loan association shall make a retail loan on an existing owner occupied mobile home without obtaining a written appraisal relating the amount of the loan to

the value of the mobile home. To meet the requirements of this section, a written appraisal must be made by a qualified appraiser who has no direct or indirect financial interest in the unit being appraised. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-120, filed 11/13/78.]

WAC 419-32-130 Mobile home loans—Secondary market. No savings and loan association may buy or sell mobile home paper in the secondary market except in accordance with prudent business practice. An association participating in the secondary market on mobile home loans shall be deemed to have met the requirements of this section if the association is following the current regulations and guidelines promulgated by the Federal Home Loan Bank Board for federally chartered savings and loan associations, except where those regulations and guidelines are specifically superseded by regulations adopted or hereafter to be adopted by the state supervisor of savings and loan associations. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-130, filed 11/13/78.]

WAC 419-32-140 Retail loans—Security agreement. No loan may be made for the purchase of a mobile home unit unless the association obtains adequate security as evidenced by a written security agreement enforceable in the jurisdiction of the association whereby the association can acquire title to the security property in the event of default. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-140, filed 11/13/78.]

WAC 419-32-150 Retail mobile home loans—Application. Every association before making a retail mobile home loan must require a written application from the borrower, accompanied by a copy of the sales agreement on the mobile home unit or units which are the subject to the loan, and a current credit report on the borrower. Each written document mentioned in this section shall be retained by the association in its file until at least one year after the loan is repaid in full or six months after the supervisor's next examination of the association following repayment of the loan, whichever occurs later. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-150, filed 11/13/78.]

WAC 419-32-160 Mobile home loans—Insurance coverage. No association shall make any retail loan or flooring loan on mobile home units without requiring appropriate insurance protection, such protection to be continuously in force and covering all units financed. As a minimum, insurance coverage shall include either (a) a comprehensive mobile home policy or equivalent with loss payable to the association for the full amount of the association's investment in the loan, or (b) a vendor's single interest policy in an amount at least equal to the association's investment in the loan and naming the association as insured. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-160, filed 11/13/78.]

WAC 419-32-170 Mobile home loans—Accounting principles. In connection with mobile home loans, every association shall follow current accounting principles as prescribed by the Federal Home Loan Bank Board. [Statutory Authority: RCW 33.04.020. 78-12-016 (Order 78-1), § 419-32-170, filed 11/13/78.]

Chapter 419-36 WAC

RULES GOVERNING SUPERVISORY APPROVAL OF CREDIT UNION INVESTMENT PRACTICES

WAC

419-36-010	Application to make investments not otherwise permitted by law.
419-36-020	Supplementary application information.
419-36-030	Investments previously approved for other state chartered credit unions.
419-36-040	Investment practice permitted to federally chartered credit unions.
419-36-050	Investment practice not previously permitted to any credit union.
419-36-060	Supervisor action on application.
419-36-070	Engagement in unauthorized investment practice prohibited.
419-36-080	Modification or revocation of investment practices previously authorized.

WAC 419-36-010 Application to make investments not otherwise permitted by law. If any credit union wishes to deposit or invest its capital, deposits, or surplus funds in a manner not specifically permitted to credit unions by chapter 31.12 RCW, the credit union shall, before engaging in the proposed investment practice, make written application to the Supervisor of Savings and Loan Associations for authority to make the proposed investment. The application shall contain at least the following information:

- (a) The name of the credit union;
- (b) The proposed source or sources of the funds to be deposited or invested;
- (c) A detailed description of the type of deposit or investment the credit union proposes to make, including the names of any natural persons, corporations, financial institutions or government agencies serving as banker, trustee, management agent, broker, guarantor, seller of securities, or purchaser of securities;
- (d) References, if known to the applicant, showing that other state chartered credit unions have been permitted to make the same type of investment or deposit;
- (e) Copies of statutes, regulations, rulings, official correspondence or other information showing that federally chartered credit unions doing business within the State of Washington are permitted to make the type of investment or deposit proposed in the application;
- (f) Such other information as the applicant credit union wishes to offer in evidence that the proposed investment or deposit would be a safe and prudent one for the applicant credit union to engage in. [Statutory Authority: RCW 31.12.260(g). 79-07-002 (Order 79-1), § 419-36-010, filed 6/7/79.]

WAC 419-36-020 Supplementary application information. Upon receiving an application from a credit union to engage in an investment or deposit practice pursuant to this chapter, the supervisor may request such additional information as he deems necessary for the informed disposition of the application. If supplementary application information is requested by the supervisor, the application will not be deemed complete until the supplementary information is supplied. [Statutory Authority: RCW 31.12.260(g). 79-07-002 (Order 79-1), § 419-36-020, filed 6/7/79.]

WAC 419-36-030 Investments previously approved for other state chartered credit unions. If the supervisor finds that the applicant credit union proposes to make the same type of investment or deposit which one or more other state chartered credit unions have previously received permission to make, the supervisor shall grant the application unless he finds that the financial position or the state of management of the applicant credit union is such that the proposed investments or deposits would not be sound or prudent investment practices for the applicant credit union, in which case the supervisor may instead grant the application conditionally, grant it in modified form or deny the application. [Statutory Authority: RCW 31.12.260(g). 79-07-002 (Order 79-1), § 419-36-030, filed 6/7/79.]

WAC 419-36-040 Investment practice permitted to federally chartered credit unions. If the supervisor finds that the applicant credit union proposes to make the same type of investment or deposit which one or more other federally chartered credit unions doing business in the state of Washington have previously received permission to make, the supervisor shall grant the application unless he finds that the financial position or the state of management of the applicant credit union is such that the proposed investments or deposits would not be sound or prudent investment practices for the applicant credit union, in which case the supervisor may instead grant the application conditionally, grant it in modified form or deny the application. [Statutory Authority: RCW 31.12.260(g). 79-07-002 (Order 79-1), § 419-36-040, filed 6/7/79.]

WAC 419-36-050 Investment practice not previously permitted to any credit union. If the supervisor shall find that the proposed investment or deposit practice has not previously been permitted to any state chartered or federally chartered credit union doing business in Washington, he shall make inquiry as to whether the proposed investment or deposit practice would be consistent with Washington law and as to whether the proposed investment or deposit practice would be a sound and prudent practice for the applicant credit union. In connection with his inquiry, the supervisor may consider the general nature and functions of credit unions and he may also consider the specific financial condition and management of the applicant credit union, as revealed in the application, the supervisor's periodic examinations, or such other information as he may have at hand. If the

supervisor finds that the investment or deposit practice as proposed would be contrary to or inconsistent with the laws of the state of Washington, or would not be a sound investment practice, he shall deny the application. If the supervisor finds that proposed investment or deposit practice would be a sound and prudent practice for the applicant credit union, he shall grant the application. Alternatively, the supervisor may, for cause, grant the application conditionally, grant it in modified form or deny it in whole or in part. [Statutory Authority: RCW 31.12.260(g). 79-07-002 (Order 79-1), § 419-36-050, filed 6/7/79.]

WAC 419-36-060 Supervisor action on application. After receiving an application from a credit union to engage in an investment or deposit practice not otherwise permitted by law, and after having considered it as provided in this chapter, the supervisor shall grant, grant conditionally, grant in modified form, or deny the application and shall inform the applicant credit union in writing of his action and of the reasons therefor. Any application not acted upon within six months after its receipt by the supervisor shall be deemed denied unless the supervisor, in writing, informs the applicant credit union that he is holding the application for further review. [Statutory Authority: RCW 31.12.260(g). 79-07-002 (Order 79-1), § 419-36-060, filed 6/7/79.]

WAC 419-36-070 Engagement in unauthorized investment practice prohibited. No state chartered credit union shall engage in any investment or deposit practice not authorized by a specific provision of Washington state law or by the supervisor in accordance with this chapter. Unless the supervisor, in writing, informs an applicant credit union that it may engage in an investment or deposit practice provisionally while he reviews the application, no credit union shall make deposits or investments pursuant to an application made under this chapter until it has received written authority to do so as provided herein. Failure of a credit union to comply with the terms of this chapter shall be deemed an unsound credit union practice and a wilful violation of an order of the supervisor and may be grounds for appropriate supervisory action against the credit union, its directors or officers. [Statutory Authority: RCW 31.12.260(g). 79-07-002 (Order 79-1), § 419-36-070, filed 6/7/79.]

WAC 419-36-080 Modification or revocation of investment practices previously authorized. The supervisor may find that an investment or deposit practice previously authorized by him 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 supervisor 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 supervisor 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 supervisor requires. The supervisor may for cause shown grant a credit union some definite period of time in which to arrange its affairs to comply with the supervisor'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 supervisor and may be grounds for appropriate supervisory action against the credit union, its directors or officers. [Statutory Authority: RCW 31.12.260(g). 79-07-002 (Order 79-1), § 419-36-080, filed 6/7/79.]

Chapter 419-40 WAC

RULES ON CREDIT UNION PARTICIPATION IN COMMERCIAL BUSINESS ACTIVITIES

WAC

419-40-010	Credit union financial interest in commercial enterprise.
419-40-020	Endorsements of commercial products or services.
419-40-030	Offering of gifts, prizes and premiums.
419-40-040	Use of credit union space to advertise commercial products and services.
419-40-050	Commercial programs offered to credit union members.

WAC 419-40-010 Credit union financial interest in commercial enterprise. No credit union shall have any direct financial interest in a commercial enterprise by way of stock or other ownership interest in a commercial corporation, by way of partnership interest or participation in a joint venture in a general business enterprise or by way of exchanging money or services for a share of the proceeds of any commercial business enterprise except as provided below:

(1) Any credit union may make loans to commercial enterprises and investments in commercial enterprises to the extent permitted by statute;

(2) Any credit union may engage in the business of renting, leasing or sub-leasing portions of the land and building(s), in which the credit union carries on its business, to the extent that such land and buildings are not needed for credit union operations;

(3) The supervisor may upon written application grant permission to a credit union to participate in a business enterprise not otherwise authorized by law or by this section, where the supervisor is satisfied that the business enterprise is appropriate and adjunct to ordinary credit union operations and would not be contrary to law. [Statutory Authority: RCW 31.12.360. 79-08-047 (Order 79-2), § 419-40-010, filed 7/19/79.]

WAC 419-40-020 Endorsements of commercial products or services. No credit union shall endorse or vouch for the quality of the products or services offered

by any other commercial business, nor shall the directors of a credit union spend any credit union money for the purpose of endorsing or advertising the products or services of another commercial business. [Statutory Authority: RCW 31.12.360. 79-08-047 (Order 79-2), § 419-40-020, filed 7/19/79.]

WAC 419-40-030 Offering of gifts, prizes and premiums. No credit union may offer any commercial product or service as an inducement to membership or other participation in credit union activities: *Provided*, That this section shall not be construed to prohibit a credit union from offering share accounts in nominal amounts or other items of nominal value to members or prospective members of the credit union, in connection with general promotional activities of the credit union or in connection with the opening of a new credit union, a new credit union office, or the relocation of a credit union office. The supervisor may from time to time issue written guidelines defining the terms "nominal amounts" and "nominal value" as used in this section. [Statutory Authority: RCW 31.12.360. 79-08-047 (Order 79-2), § 419-40-030, filed 7/19/79.]

WAC 419-40-040 Use of credit union space to advertise commercial products and services. Any credit union may permit the use of its property for the advertisement of goods and services offered by other commercial establishments, providing that the space or property devoted to such purposes constitutes a small proportion of the total property occupied by the credit union, and providing that no product or service is displayed or advertised in such a manner as to imply that the product or service is offered for sale directly by the credit union or is endorsed or vouched for by the credit union. [Statutory Authority: RCW 31.12.360. 79-08-047 (Order 79-2), § 419-40-040, filed 7/19/79.]

WAC 419-40-050 Commercial programs offered to credit union members. The board of directors of any credit union may by resolution permit any business enterprise to contact its membership for the purpose of offering some product or service to the membership, or the board of directors of any credit union may authorize the use of its own facilities for the purpose of communicating the offer of some commercial product or service to the membership, so long as no funds of the credit union are spent in connection with such an offer, so long as the offer neither states nor implies endorsement of the product or service offered, so long as every such offer states plainly that the product or service offered is not endorsed or vouched for by the credit union and that the credit union will accept no liability in connection with the use of the product or service offered, and so long as the credit union obtains from the business enterprise making the offer a written agreement to hold the credit union harmless from any claim arising out of the sale or use of the product or service concerned. [Statutory Authority: RCW 31.12.360. 79-08-047 (Order 79-2), § 419-40-050, filed 7/19/79.]

Chapter 419-48 WAC
REGULATIONS ON EXERCISE OF FEDERAL
CREDIT UNION POWERS

WAC

419-48-010	Grant of federal credit union powers to state chartered credit unions.
419-48-020	Application to exercise federal credit union powers.
419-48-030	Supervisor action on application.
419-48-040	Applicability of federal statutes, regulations and case law.
419-48-051	Loans to members.
419-48-052	Self-replenishing line of credit.
419-48-053	Loans to other credit unions.
419-48-054	Loans to credit union organizations.
419-48-055	Participation loans.
419-48-060	Receipt of payments on shares from members and nonmember governmental units.
419-48-070	Investments.
419-48-080	Deposits.
419-48-090	Borrowing by a credit union.
419-48-100	Levying of late charges.
419-48-110	Lien on shares and dividends.
419-48-120	Check selling and cashing.
419-48-130	Purchase of obligations.
419-48-140	Sale and purchase of assets.
419-48-150	Other federal credit union powers.

WAC 419-48-010 Grant of federal credit union powers to state chartered credit unions. Any credit union chartered under the laws of the state of Washington may exercise the powers granted by federal law to a federal credit union operating within the state of Washington, to the extent permitted by state statute and to the extent permission is granted by the supervisor in accordance with this chapter. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-010, filed 9/13/79.]

WAC 419-48-020 Application to exercise federal credit union powers. Before any state chartered credit union proceeds to exercise any power granted to a federally chartered credit union doing business in Washington (except powers already conferred by state law on state chartered credit unions), the credit union shall make written application to the supervisor for permission to amend its by-laws to exercise federal credit union powers. The application shall state the name of the applicant credit union, shall list the powers the credit union wishes to exercise, with citations to this chapter or to federal law, and shall contain any information the credit union wishes to offer which tends to show that the exercise of the federal power would serve the convenience and advantage of the credit union members and would maintain the quality of competition between state chartered credit unions and federally chartered credit unions. The supervisor may request additional information from the credit union, and it shall be supplied to the supervisor before he acts on the application. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-020, filed 9/13/79.]

WAC 419-48-030 Supervisor action on application. Upon receiving an application by a credit union to exercise the powers of a federally chartered credit union, the

supervisor shall use the information contained in the application and any other information he may have at hand to determine whether the exercise of the federal powers applied for would serve the convenience and advantage of credit union members and whether it would maintain the quality of competition between state chartered credit unions and federally chartered credit unions in Washington. Depending on his determination, the supervisor may grant the application, grant it in part, grant it subject to special conditions, or deny the application. If any part of the application is granted, the supervisor shall in writing set forth those powers which the applicant credit union may exercise, by reference to this chapter, by reference to federal statutes and regulations, and/or by detailing any conditions which the supervisor places on the granting of the application. Upon receipt of the supervisor's letter granting permission to exercise powers of a federally chartered credit union, the credit union may proceed to amend its by-laws to exercise the powers permitted. If a credit union's by-laws have already been amended to permit the exercise of federal credit union powers in general terms, the credit union may apply for and exercise specific powers as permitted under this chapter without further amending its by-laws. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-030, filed 9/13/79.]

WAC 419-48-040 Applicability of federal statutes, regulations and case law. When the supervisor grants permission to a credit union to exercise any of the powers of a federally chartered credit union, his grant shall be presumed to have reference to the powers granted by federal statute as of April 1, 1979, to a federal credit union doing business in Washington. To the extent that powers granted under federal statute have been limited or modified by decisions of federal courts, or by regulations promulgated by the National Credit Union Administration, either before or after April 1, 1979, such limitations and modifications shall likewise operate to limit or modify the extent to which a state chartered credit union may exercise the same powers. However, the supervisor may in writing modify the effect of a federal regulation to the extent he finds that such a modification would serve the convenience and advantage of credit union members and maintain the quality of competition between state chartered credit unions and federally chartered credit union. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-040, filed 9/13/79.]

WAC 419-48-051 Loans to members. To the extent the supervisor permits under this chapter, a credit union may make loans to its members upon the same terms and conditions as a federally chartered credit union may make loans to its members under federal law. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-051, filed 9/13/79.]

WAC 419-48-052 Self-replenishing line of credit. To the extent the supervisor permits under this chapter, a credit union may offer self-replenishing line of credit

to a borrower to the same extent such a line of credit could be offered to a borrower by a federally chartered credit union. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-052, filed 9/13/79.]

WAC 419-48-053 Loans to other credit unions. To the extent the supervisor permits under this chapter, a credit union may make loans to other credit unions to the same extent such loans could be made by federally chartered credit unions. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-053, filed 9/13/79.]

WAC 419-48-054 Loans to credit union organizations. To the extent the supervisor permits under this chapter, a credit union may make loans to credit union organizations to the extent such loans could be made by a federally chartered credit union in this state. This section shall not be construed as authority for the creation or operation of a credit union organization. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-054, filed 9/13/79.]

WAC 419-48-055 Participation loans. To the extent the supervisor permits under this chapter, a credit union may enter into participation loans with other credit unions, credit union organizations, or financial organizations to the same extent permitted to federally chartered credit unions. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-055, filed 9/13/79.]

WAC 419-48-060 Receipt of payments on shares from members and nonmember governmental units. To the extent the supervisor permits under this chapter, a credit union may receive payments on shares and payments on share certificates from members or nonmember governmental units on the same terms such payments could be received on April 1, 1979, by federally chartered credit unions. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-060, filed 9/13/79.]

WAC 419-48-070 Investments. Any credit union wishing to make an investment not specifically permitted by chapter 31.12 RCW, may apply for permission to make further investments under chapter 419-36, Washington Administrative Code. Alternatively, the supervisor may grant specific investment powers to a credit union to the extent such powers are enjoyed by federally chartered credit unions, pursuant to this chapter. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-070, filed 9/13/79.]

WAC 419-48-080 Deposits. To the extent the supervisor permits under this chapter, a credit union may make deposits in banks and other financial institutions to the extent such deposits may be made by federally chartered credit unions. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-080, filed 9/13/79.]

WAC 419-48-090 Borrowing by a credit union. To the extent the supervisor permits under this chapter, a credit union may borrow from any source to the extent a federally chartered credit union can borrow. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-090, filed 9/13/79.]

WAC 419-48-100 Levying of late charges. To the extent the supervisor permits under this chapter, a credit union may levy late charges on its members to the extent such charges can be levied by federally chartered credit unions. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-100, filed 9/13/79.]

WAC 419-48-110 Lien on shares and dividends. To the extent the supervisor permits under this chapter, a credit union can impress and enforce a lien upon the shares and dividends of any member, to the extent such a lien can be impressed and enforced by a federally chartered credit union. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-110, filed 9/13/79.]

WAC 419-48-120 Check selling and cashing. To the extent the supervisor permits under this chapter, a credit union may sell to members negotiable checks (including travelers checks) and money orders, and may cash checks and money orders for members, to the extent such powers are granted to federally chartered credit unions. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-120, filed 9/13/79.]

WAC 419-48-130 Purchase of obligations. To the extent the supervisor permits under this chapter, a credit union may purchase, sell, pledge, or discount or otherwise receive or dispose of, in whole or in part, any eligible obligations of its members and may purchase from any liquidating credit union notes made by individual members of the liquidating credit union, to the extent such powers are granted to federally chartered credit unions. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-130, filed 9/13/79.]

WAC 419-48-140 Sale and purchase of assets. To the extent the supervisor permits under this chapter, a credit union may sell all or part of its assets to another credit union, purchase all or part of the assets of another credit union and assume the liabilities of the selling credit union and its members, to the extent such powers are granted to federally chartered credit unions. [Statutory Authority: 1979 1st ex.s. c 98. 79-10-043 (Order 79-3), § 419-48-140, filed 9/13/79.]

WAC 419-48-150 Other federal credit union powers. If a credit union wishes to exercise any power exercised by federally chartered credit unions in this state, but not specifically mentioned in this chapter, the credit union may apply pursuant to this chapter to exercise the power, describing the power and supplying the supervisor with citations to federal and state law, and with legal memoranda if appropriate, showing that the power is in fact granted to federally chartered credit unions in

Washington and that its exercise would not be contrary to state law. Such an application may be granted, modified or denied on the same grounds as any other application made under this chapter may be acted upon. [Statutory Authority: 1979 1st ex.s. c 98, 79-10-043 (Order 79-3), § 419-48-150, filed 9/13/79.]