

WAC 208-512-100 Leasing bank premises—Limitations. (1) A bank may lease part of the premises in which it conducts its day-to-day business to persons engaged in nonbanking business activities subject to the following limitations:

(a) No director, officer, or employee of such bank may have any direct or indirect financial interest exceeding ten percent of the lessee's business activities conducted on the premises leased, unless the transaction is made on substantially the same terms as those prevailing at the same time for comparable transactions by the bank with other persons who are not affiliated with the institution, and the transaction has been approved in advance by a majority of the board of the directors of the institution;

(b) No bank may receive commissions or other revenues from the lessee other than periodic rental payments received under terms that are usual and customary in leasing space used for similar commercial purposes, as determined by the director;

(c) No lessee may have access to secure areas of the bank's premises and a lessee may not conduct business activities on the secure areas of the bank's premises other than during regular banking hours;

(d) No bank may exercise managerial control over the lessee's business activities or assume, guarantee, or otherwise become obligated for the lessee's debts or legal obligations;

(e) No bank may advertise a lessee's business activities conducted on such bank's premises as a service provided by the bank, or otherwise represent that the lessee's business activities are not independently owned and operated;

(f) No bank may use tying arrangements involving the sale of a lessee's goods or services offered on such bank's premises or in any other way require purchase of a lessee's goods or services as a condition for granting credit or performing services.

(2) For purposes of this section, the term "bank" means any person or corporation operating under the provisions of Title 30A, 32, or 33 RCW directly or indirectly affiliated with the lessor.

[Statutory Authority: WAC is RCW 43.320.040, 43.320.050, 30A.04.030, 30A.12.060, 30A.04.140, 30A.04.210, 30A.04.212, 30A.60.010 - [30A.60.]901, 30A.08.140, 30A.08.150, 30A.04.125 and section 939A of the Dodd-Frank Act. WSR 17-24-053, § 208-512-100, filed 12/1/17, effective 1/1/18. Statutory Authority: RCW 30.04.030 and 43.320.040. WSR 00-17-141, recodified as § 208-512-100, filed 8/22/00, effective 9/22/00. Statutory Authority: RCW 30.12.060. WSR 85-19-052 (Order 62), § 50-12-100, filed 9/13/85.]