

Chapter 33.08 RCW
ORGANIZATION—ARTICLES—BYLAWS

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RCW 33.08.010 Compliance required—Use of words in name or advertising—Penalty—Saving. No person, firm, company, association, fiduciary, co-partnership, or corporation, either foreign or domestic, shall organize as, carry on or conduct the business of an association except in conformity with the terms and provisions of this title or unless incorporated as a savings and loan association under the laws of the United States or use in name or advertising any of the following:

Any collocation employing either or both of the words "building" or "loan" with one or more of the words "saving", "savings", "thrift", or words of similar import except in conformity with this title;

Any collocation employing one or more of the words "saving", "savings", "thrift" or words of similar import, with one or more of the words "association", "institution", "society", "company", "corporation", or words of similar import, or abbreviations thereof except in conformity with this title or unless authorized to do business under the laws of this state or of the United States relating to savings and loan associations, banks, or mutual savings banks; nor shall the word "federal" be used as a part of such name unless the user is incorporated as a savings and loan association under the laws of the United States.

Neither shall the words "saving", or "savings", be used in any name or advertising or to represent in any manner to indicate that the business is of the character or kind of business carried on or transacted by an association or which is calculated to lead any person to believe that the business is that of an association unless authorized to do business under the laws of this state or of the United States relating to savings and loan associations, banks, or mutual savings banks.

Every person who, and every director and officer of every corporation which, to the knowledge of such director or officer, violates any provision of this section, shall be guilty of a gross

misdemeanor. Such conduct shall also be deemed a nuisance and subject to abatement in the manner prescribed by law at the instance of the director of financial institutions or any other public body or officer authorized to do so.

The provisions of this section shall have no application to use of any word or collocation of words or to any representation or advertising which had been adopted and lawfully used by any person, firm, company, association, fiduciary, co-partnership or corporation lawfully engaged in business on March 24, 1959. [1994 c 92 s 426; 1959 c 280 s 1; 1945 c 235 s 2; Rem. Supp. 1945 s 3717-121. Prior: 1933 c 183 ss 84, 100; 1919 c 169 s 1; 1913 c 110 ss 2, 25; 1890 p 56 ss 2, 22, 37.]

RCW 33.08.020 Who may form association. Any individuals desiring to transact a business of an association may, by complying with this chapter, become a body corporate for that purpose. [1982 c 3 s 13; 1945 c 235 s 3; Rem. Supp. 1945 s 3717-122. Prior: 1933 c 183 s 3; 1925 ex.s. c 144 s 1; 1913 c 110 s 1; 1903 c 116 s 1; 1890 p 56 s 1.]

Severability—1982 c 3: See note following RCW 33.04.002.

RCW 33.08.030 Domestic association as stock or mutual association—Articles of incorporation. A domestic association shall be incorporated either as a stock or a mutual association. The articles of incorporation shall specifically state:

- (1) The name of the association, which shall include the words:
 - (a) "Savings association";
 - (b) "Savings and loan association"; or
 - (c) "Savings bank";
- (2) The city or town and county in which it is to have its principal place of business;
- (3) The name, occupation, and place of residence of all incorporators, the majority of whom shall be Washington residents;
- (4) Its purposes;
- (5) Its duration, which may be for a stated number of years or perpetual;
- (6) The amount of paid-in savings with which the association will commence business;
- (7) The names, occupations, and addresses of the first directors;
- (8) Whether the association is organized as a stock or mutual association and who has membership rights and the relative rights of different classes of members of the association; and
- (9) Any provision the incorporators elect to so set forth which is permitted by RCW 23B.17.030.

The articles of incorporation may contain any other provisions consistent with the laws of this state and the provisions of this title pertaining to the association's business or the conduct of its affairs. [1994 c 256 s 117; 1983 c 42 s 1; 1982 c 3 s 14; 1949 c 20 s 1; 1945 c 235 s 4; Rem. Supp. 1949 s 3717-123. Prior: 1933 c 183 s 4; 1925 ex.s. c 144 s 1; 1919 c 169 s 5; 1913 c 110 ss 1, 6; 1903 c 116 s 1; 1890 p 56 s 1.]

Findings—Construction—1994 c 256: See RCW 43.320.007.

Severability—1982 c 3: See note following RCW 33.04.002.

RCW 33.08.040 Bylaws. The incorporators shall prepare bylaws for the government of the association, which shall include:

(1) The offices of the association and the respective duties assigned to them;

(2) Policies and procedures for the conduct of the business of the association;

(3) Any other matters deemed necessary or expedient.

Such bylaws must conform in all respects to the provisions of this title and the laws of this state. [1982 c 3 s 15; 1945 c 235 s 5; Rem. Supp. 1945 s 3717-124. Prior: 1933 c 183 s 5; 1919 c 169 s 1; 1913 c 110 s 2; 1890 p 56 s 3.]

Severability—1982 c 3: See note following RCW 33.04.002.

RCW 33.08.050 Articles and bylaws to director. The incorporators shall deliver to the director triplicate originals of the articles of incorporation and duplicate copies of its proposed bylaws. [1994 c 92 s 427; 1982 c 3 s 16; 1981 c 302 s 30; 1945 c 235 s 6; Rem. Supp. 1945 s 3717-125. Prior: 1933 c 183 s 6; 1890 p 56 s 3.]

Severability—1982 c 3: See note following RCW 33.04.002.

Severability—1981 c 302: See note following RCW 19.76.100.

RCW 33.08.055 Certificate of incorporation—Application, contents—Filing fee. When the incorporators of a domestic association deliver the articles of incorporation and bylaws to the director, the incorporators shall submit an application for a certificate of incorporation, signed and verified by the incorporators, together with the filing fee. The application shall set forth:

(1) The names and addresses of the incorporators and proposed directors and officers of the association;

(2) A statement of the character, financial responsibility, experience, and fitness of the directors and officers to engage in the association business;

(3) Statements of estimated receipts, expenditures, earnings, and financial condition of the association for the first two years or such longer period as the director may require;

(4) A showing that the association will have a reasonable chance to succeed in the market area in which it proposes to operate;

(5) A showing that the public convenience and advantage will be promoted by the formation of the proposed association; and

(6) Any other matters the director may require. [1994 c 92 s 428; 1982 c 3 s 17.]

Severability—1982 c 3: See note following RCW 33.04.002.

RCW 33.08.060 Investigation—Fee. Upon receipt of the articles of incorporation and bylaws, the director shall proceed to determine, from all sources of information and by such investigation as he or she may deem necessary, whether:

(1) The proposed articles and bylaws comply with all requirements of law;

(2) The incorporators and directors possess the qualifications required by this title;

(3) The incorporators have available for the operation of the business at the specified location sufficient cash assets;

(4) The general fitness of the persons named in the articles of incorporation are such as to command confidence and warrant belief that the business of the proposed association will be honestly and efficiently conducted in accordance with the intent and purposes of this title;

(5) The public convenience and advantage will be promoted by allowing such association to be incorporated and engage in business in the market area indicated; and

(6) The population and industry of the market area afford reasonable promise of adequate support for the proposed association.

For the purpose of this investigation and determination, the incorporators, when delivering the articles and bylaws to the director, shall pay to the director an investigation fee, the amount of which shall be established by rule of the director. [1994 c 92 s 429; 1982 c 3 s 18; 1969 c 107 s 1; 1963 c 246 s 1; 1945 c 235 s 7; Rem. Supp. 1945 s 3717-126. Prior: 1933 c 183 s 6; 1925 ex.s. c 144 s 2; 1919 c 169 s 2; 1913 c 110 s 3; 1890 p 56 s 3.]

Severability—1982 c 3: See note following RCW 33.04.002.

RCW 33.08.070 Approval or refusal—Appellate review. The director, not later than six months after receipt of the proposed articles and bylaws shall endorse upon each copy thereof the word "approved" or "refused" and the date thereof. In case of refusal, he or she shall forthwith return one copy of the articles and bylaws to the incorporators, and the refusal shall be final unless the incorporators, or a majority of them, within thirty days after the refusal, appeal to the superior court of Thurston county. The appeal may be accomplished by the incorporators preparing a notice of appeal, serving a copy of it upon the director, and filing the notice with the clerk of the court, whereupon the clerk, under the direction of the judge, shall give notice to the appellants and to the director of a date for the hearing of the appeal. The appeal shall be tried de novo by the court. At the hearing a record shall be kept of the evidence adduced, and the decision of the court shall be final unless appellate review is sought as in other cases. [1994 c 92 s 430; 1988 c 202 s 33; 1971 c 81 s 85; 1953 c 71 s 1; 1945 c 235 s 8; Rem. Supp. 1945 s 3717-127. Prior: 1933 c 183 s 7; 1925 ex.s. c 144 s 2; 1919 c 169 s 2; 1913 c 110 s 3; 1890 p 56 s 3.]

Severability—1988 c 202: See note following RCW 2.24.050.

RCW 33.08.080 Articles and bylaws filed—Certificate of incorporation issued—Revocation of right to engage in business, when.

If the director approves the incorporation of the proposed association, the director shall forthwith return two copies of the articles of incorporation and one copy of the bylaws to the incorporators, retaining the others as a part of the files of the director's office. The incorporators, thereupon, shall file one set of the articles with the secretary of state and retain the other set of the articles of incorporation and the bylaws as a part of its minute records, paying to the secretary of state such fees and charges as are required by law. Upon receiving an original set of the approved articles of incorporation, duly endorsed by the director as herein provided, together with the required fees, the secretary of state shall issue the secretary of state's certificate of incorporation and deliver the same to the incorporators, whereupon the corporate existence of the association shall begin. Unless an association whose articles of incorporation and bylaws have been approved by the director shall engage in business within two years from the date of such approval, its right to engage in business shall be deemed revoked and of no effect. In the director's discretion, the two-year period in which the association must commence business may be extended for a reasonable period of time, which shall not exceed one additional year. [1994 c 92 s 431; 1982 c 3 s 19; 1981 c 302 s 31; 1945 c 235 s 9; Rem. Supp. 1945 s 3717-128. Prior: 1933 c 183 s 8; 1925 ex.s. c 144 s 2; 1919 c 169 s 2; 1913 c 110 s 3; 1890 p 56 s 1.]

Severability—1982 c 3: See note following RCW 33.04.002.

Severability—1981 c 302: See note following RCW 19.76.100.

RCW 33.08.090 Amendment of articles. The members, at any meeting called for the purpose, may amend the articles of incorporation of the association by a majority vote of the members present, in person or in proxy. The amended articles shall be filed with the director and be subject to the same procedure of approval, refusal, appeal, and filing with the secretary of state as provided for the original articles of incorporation. Proposed amendments of the articles of incorporation shall be submitted to the director at least thirty days prior to the meeting of the members.

If the amendments include a change in the association's corporate name, the association shall give notice by mail to each association doing business within this state at its principal place of business of the filing of the amended articles. Persons interested in protesting an amendment changing the association's corporate name may contact the director in person or by writing prior to a date which shall be given in the notice. [1994 c 92 s 432; 1982 c 3 s 20; 1981 c 302 s 32; 1979 c 113 s 2; 1945 c 235 s 10; Rem. Supp. 1945 s 3717-129. Prior: 1933 c 183 ss 9, 10; 1925 ex.s. c 144 s 1; 1913 c 110 s 1; 1903 c 116 s 1; 1890 p 56 ss 16, 17.]

Severability—1982 c 3: See note following RCW 33.04.002.

Severability—1981 c 302: See note following RCW 19.76.100.

Severability—1979 c 113: See note following RCW 33.04.020.

RCW 33.08.100 Amendment of bylaws. The bylaws adopted by the incorporators and approved by the director shall be the bylaws of the association. The members, at any meeting called for the purpose, may amend the bylaws of the association on a majority vote of the members present, in person or by proxy, or the directors at any regular or special meeting called under the provisions of RCW 33.16.090 may amend the bylaws of the association on a two-thirds majority vote of the directors. Amendments of the bylaws shall become effective after being adopted by the board or the members. [1994 c 256 s 118; 1994 c 92 s 433; 1967 c 49 s 1; 1945 c 235 s 11; Rem. Supp. 1945 s 3717-130. Prior: 1933 c 183 ss 9, 10; 1890 p 56 s 3.]

Reviser's note: This section was amended by 1994 c 92 s 433 and by 1994 c 256 s 118, each without reference to the other. Both amendments are incorporated in the publication of this section pursuant to RCW 1.12.025(2). For rule of construction, see RCW 1.12.025(1).

Findings—Construction—1994 c 256: See RCW 43.320.007.

RCW 33.08.110 Branch association—Authorized—Procedure—Limitations—Discontinuance of branch, procedure. An association with the written approval of the director, may establish and operate branches in any place within the state.

An association desiring to establish a branch shall file a written application therefor with the director, who shall approve or disapprove the application within four months after receipt.

The director's approval shall be conditioned on a finding that the resources in the market area of the proposed location offer a reasonable promise of adequate support for the proposed branch and that the proposed branch is not being formed for other than the legitimate purposes under this title. A branch shall not be established or permitted if the contingent fund, loss reserves and guaranty stock are less than the aggregate paid-in capital which would be required by law as a prerequisite to the establishment and operation of an equal number of branches in like locations by a commercial bank. If the application for a branch is not approved, the association shall have the right to appeal in the same manner and within the same time as provided by RCW 33.08.070 as now or hereafter amended. The association when delivering the application to the director shall transmit to the director a check in an amount established by rule to cover the expense of the investigation. An association shall not move any office more than two miles from its existing location without prior approval of the director.

The board of directors of an association, after notice to the director, may discontinue the operation of a branch. The association shall keep the director informed in the matter and shall notify the director of the date operation of the branch is discontinued. [1994 c 92 s 434; 1982 c 3 s 21; 1974 ex.s. c 98 s 1; 1969 c 107 s 2; 1959 c 280 s 7.]

Severability—1982 c 3: See note following RCW 33.04.002.