

RCW 32.16.090 Removal of a board director, officer, or employee

—Prohibition from participation in conduct of affairs—Grounds—

Notice. The director may issue and serve a board director, officer, or employee of a savings bank with written notice of intent to remove the person from office or employment or to prohibit the person from participating in the conduct of the affairs of the savings bank or any other depository institution, trust company, bank holding company, thrift holding company, or financial holding company doing business in this state whenever, in the opinion of the director:

(1) (a) Reasonable cause exists to believe the person has committed a material violation of law, an unsafe and unsound practice, or a violation or practice involving a breach of fiduciary duty, personal dishonesty, recklessness, or incompetence; and

(b) The bank, trust company, or holding company has suffered or is likely to suffer substantial financial loss or other damage; or

(c) The interests of depositors or trust beneficiaries could be seriously prejudiced by reason of the violation or practice.

(2) The director may issue and serve a board director, officer, or employee of a holding company of a savings bank with written notice of intent to remove the person from office or employment or to prohibit the person from participating in the conduct of the affairs of the holding company, its subsidiary bank, or any other depository institution, trust company, bank holding company, thrift holding company, or financial holding company doing business in this state whenever, in the opinion of the director:

(a) Reasonable cause exists to believe the person has committed a material violation of law, an unsafe and unsound practice, or a violation or practice involving a breach of fiduciary duty, personal dishonesty, recklessness, or incompetence; and

(b) The subsidiary savings bank has suffered or is likely to suffer substantial financial loss or other damage; or

(c) The interests of depositors or trust beneficiaries of the subsidiary savings bank could be seriously prejudiced by reason of the violation or practice. [2010 c 88 s 51; 1994 c 92 s 331; 1979 c 46 s 7; 1955 c 13 s 32.16.090. Prior: 1931 c 132 s 2; RRS s 3364a.]

Effective date—2010 c 88: See RCW 32.50.900.

Severability—1979 c 46: See note following RCW 32.04.250.