

RCW 33.12.140 Expense and contingent funds. Before any association is authorized to receive deposits or transact any business, its incorporators shall create an expense fund, in such amount as the director may determine, from which the expense of organizing the association and its operating expenses may be paid until such time as its earnings are sufficient to pay its operating expenses, and the incorporators shall enter into an undertaking with the director to make such further contributions to the expense fund as may be necessary to pay its operating expenses until such time as it can pay them from its earnings.

Before any mutual association is authorized to receive deposits or transact any business, its incorporators shall create a contingent fund for the protection of its members against investment losses, in an amount to be determined by the director.

The contingent fund shall consist of payments in cash made by the incorporators as provided in this section and of all sums credited thereto from the earnings of the association as hereinafter required.

Prior to the liquidation of any mutual association the contingent fund shall not be encroached upon in any manner except for losses and for the repayment of contributions made by the incorporators.

No repayment of the contribution of incorporators to the contingent fund shall be made until the net balance credited to the contingent fund from earnings of the association, after such repayment, equals five percent of the amount due members.

The incorporators may receive interest upon the amount of their contributions to the contingent fund at the same rate as is paid, from time to time, to savings members.

The amounts contributed to the contingent fund by the incorporators shall not constitute a liability of the association except as hereinafter provided, and any loss sustained by the association in excess of that portion of the contingent fund created from earnings may be charged against such contributions pro rata. [1994 c 92 s 438; 1982 c 3 s 26; 1945 c 235 s 13; Rem. Supp. 1945 s 3717-132. Prior: 1933 c 183 s 77; 1925 ex.s. c 144 s 7; 1919 c 169 s 8; 1913 c 110 ss 13, 14; 1903 c 106 ss 3, 5; 1890 p 56 ss 6, 15, 31.]

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