

TITLE 13  
BANKS, BANKING AND FINANCE

CHAPTER 1  
GENERAL PROVISIONS

ARTICLE 1  
DEFINITIONS

**13-1-101. Definitions.**

(a) As used in this act, unless another definition is specifically provided for a section, article or chapter of this act:

(i) "Bank" means any corporation, excluding national banks, having a place of business within this state which engages in banking business, and includes a special purpose depository institution, subject to the limitations set forth in W.S. 13-12-101 through 13-12-126;

(ii) "Banking business" means opening credits by the deposit or collection of money or negotiable paper subject to be paid upon draft, receipt, check or order;

(iii) "Bank holding company" means a company that is a bank holding company under the federal Bank Holding Company Act of 1956, as amended, 12 U.S.C. 1841, et seq., and unless the context requires otherwise, for purposes of W.S. 13-2-802 through 13-2-810 and 13-9-306 through 13-9-316 includes a Wyoming bank holding company, an out-of-state bank holding company and a foreign bank holding company;

(iv) "Board" means the state banking board;

(v) "Commissioner" means the state banking commissioner;

(vi) "Customer" means any person having an account with a bank or for whom a bank has agreed to collect items including a bank carrying an account with another bank;

(vii) "Director" means the director of the state department of audit;

(viii) "Executive officer" means a person who participates or has authority to participate, other than in the

capacity of a director, in major policymaking functions of the company or bank, whether or not the officer has an official title, the title designates the officer an assistant, or the officer is serving without salary or other compensation. The chairman of the board, the president, every vice president, the cashier, the secretary and the treasurer of a company or bank are considered executive officers, unless the officer is excluded, by resolution of the board of directors or by the bylaws of the bank or company, from participation, other than in the capacity of a director, in major policymaking functions of the bank or company, and the officer does not actually participate therein. An executive officer of a bank includes an executive officer of a bank holding company of which the bank is a subsidiary and any other subsidiary of that bank holding company, unless the executive officer of the subsidiary is excluded, by name or by title, from participation in major policymaking functions of the bank by resolutions of the boards of directors of both the subsidiary and the bank, and does not actually participate in such major policymaking functions;

(ix) "Financial institution" means a bank, savings and loan association, trust company or state chartered credit union;

(x) "Instrument" means a negotiable instrument as defined by W.S. 34.1-3-104;

(xi) "Legal holiday" means:

(A) Any day of public thanksgiving, mourning or disaster proclaimed or appointed by the governor or president of the United States;

(B) A day designated a holiday by W.S. 8-4-101;

(C) Sundays; and

(D) Any day on which the federal reserve banks are closed for business.

(xii) "National banking association" or "national bank" means a banking association chartered by the United States;

(xiii) "Officer" means any person designated an officer by the bylaws of a bank including any executive officer, the chairman of the board of directors, the chairman of the

executive committee, the president, vice-president, cashier and any trust officer, assistant vice-president, assistant treasurer, assistant cashier, assistant comptroller or any person who performs the duties appropriate to those offices;

(xiv) "This act" unless otherwise indicated means W.S. 13-1-101 through 13-11-101;

(xv) "Trust business" means the holding out by a person to the public at large by advertising, solicitation or other means that such person is available to act as an executor, administrator, guardian, conservator or trustee in this state and accepting and undertaking to perform the duties in such a capacity in the regular course of his business;

(xvi) "Special purpose depository institution" means a corporation operating pursuant to W.S. 13-12-101 through 13-12-126.

## ARTICLE 2 APPLICABILITY

### **13-1-201. General applicability.**

(a) Subject to W.S. 13-12-102, this act applies to all banks in this state organized under this act and to national banks where specifically provided by the text.

(b) The Financial Technology Sandbox Act shall apply to this act.

### **13-1-202. Foreign corporations.**

(a) A foreign corporation does not transact banking business in Wyoming by reason of the following activities:

(i) Purchasing evidences of debt, mortgages or liens on property;

(ii) Securing or collecting debts or enforcing any rights in property securing the debts.

### **13-1-203. Compliance required.**

No person or entity shall carry on a banking business except in compliance with this act or W.S. 13-12-101 through 13-12-126.

**13-1-204. Use of terms or names.**

(a) No person or entity shall advertise, issue or circulate any paper or exhibit any sign using any of the terms "bank", "banker", "banking", "special purpose depository institution", or words of similar import, or use the name of any other financial institution as defined by W.S. 13-1-101(a)(ix) until they have fully complied with this act or W.S. 13-12-101 through 13-12-126.

(b) Consistent with subsection (a) of this section, a special purpose depository institution may refer to itself as a bank.

**13-1-205. Financial institutions; consumer reports; encumbrance of assets; immunity.**

(a) Any financial institution as defined in W.S. 13-1-101(a)(ix), national chartered credit union, benefit association, insurance company, safe deposit company, money market mutual fund or similar entity authorized to do business in the state shall:

(i) Enter into an agreement with the department of family services to provide identifying information for each noncustodial parent who maintains an account at the institution and who the department of family services identifies as owing past due child support, provided:

(A) Any financial institution entering into agreement with the department pursuant to this section shall be entitled to recover its reasonable and necessary charges for researching or providing information pursuant to a request;

(B) Each financial institution shall have an agreement with the department setting a time schedule for developing an agreement for providing the information required pursuant to this section.

(ii) In response to a notice of lien or levy, encumber and, pursuant to court order, surrender assets of a noncustodial parent who is identified by the department of family services as owing past due child support which are maintained at the financial institution or national chartered credit union in a demand deposit account, checking or other negotiable withdrawal order account, savings or share account, time deposit account or money market mutual fund account. Any

assets in an account protected under the federal Employee Retirement Income Security Act shall be subject to a lien under this section, but shall not be surrendered by the financial institution or national chartered credit union.

(b) Any financial institution as defined in W.S. 13-1-101(a)(ix), national chartered credit union, benefit association, insurance company, safe deposit company, money market mutual fund or similar entity authorized to do business in the state shall not be liable to any person for:

(i) Any disclosure of information provided to the department of family services under this section;

(ii) Encumbering pursuant to notice from the department, or surrendering pursuant to court order, any assets held by the institution or credit union in response to a notice of lien or levy issued by the department of family services; or

(iii) Any other action taken in good faith to comply with the provisions of this section.

### ARTICLE 3 OPERATING HOURS

#### **13-1-301. Banks.**

(a) Any bank may close on legal holidays and Saturday. Each day the bank is closed is not a business day. Any act required or permitted to be performed by a bank on Saturday may be performed on the next succeeding business day and no liability or loss of rights shall result.

(b) If the state banking commissioner believes that an emergency exists affecting any bank, he may authorize the bank to close and shall make a public announcement of the authorization. As used in this subsection "emergency" includes any condition which may interfere with the conduct or the normal operations of a bank or poses a threat to the safety or security of employees or property of a bank.

(c) If the officers of a bank believe that conditions exist which pose a threat to the safety or security of bank personnel or property, they may close the bank.

(d) A bank may close temporarily if the convenience and need of the local community in which the bank is located would

best be served by the closing. A bank shall not be closed for more than twenty-four (24) consecutive hours pursuant to this subsection.

(e) As used in this section, "bank" includes the main office and any branches.

(f) Any transaction by a bank performed outside regular banking hours is not invalid solely because of that fact.

ARTICLE 4  
CHECKING ACCOUNTS DISCLOSURES

**13-1-401. Definitions.**

(a) For purposes of this article:

(i) "Consumer deposit account" means a demand or other similar deposit account established and maintained by a natural person with a financial institution and operated primarily for personal, family or household purposes;

(ii) "Financial institution" means any bank, savings and loan association, trust company or credit union having a place of business in Wyoming, whether chartered or organized under the laws of Wyoming or the laws of the United States. "Financial institution" includes a Wyoming branch of an out-of-state bank resulting from an interstate merger pursuant to article 8 of chapter 2 of this title.

**13-1-402. Disclosure of date when account opened; exception; penalty.**

(a) All checks, drafts or similar negotiable or nonnegotiable instruments or orders of withdrawal which are drawn against funds held by a financial institution located in Wyoming in a consumer deposit account shall, for a period of not less than twelve (12) months, clearly display on the face thereof the month and year in which the account was opened. This section does not apply to temporary checks, drafts or similar negotiable or nonnegotiable instruments or orders of withdrawal, or to a consumer deposit account where the applicant either demonstrates through the production of monthly statements or represents in a writing, certified under sworn oath or affirmation, that for twelve (12) months immediately preceding his application he has had an account at the same or another

financial institution. A written representation made to avoid this section is subject to W.S. 6-5-303.

(b) No liability or penalty shall be imposed on any depositor, financial institution or printer for an unintentional failure to comply with this section.

ARTICLE 5  
REMOTE ELECTRONIC BANKING FACILITIES

**13-1-501. Definitions.**

(a) As used in this article:

(i) "Wyoming financial institution" means any bank, savings and loan association or trust company chartered or organized under the laws of Wyoming;

(ii) "Financial institution" means any bank, savings and loan association, trust company or credit union chartered or organized under the laws of any state other than Wyoming or chartered or organized under the laws of the United States;

(iii) Repealed By Laws 1999, ch. 42, § 3.

(iv) "Person" means an individual, partnership, corporation, or any other entity, but excludes a Wyoming financial institution and a financial institution;

(v) "Remote electronic terminal" means an electronic device, wherever located, through which a consumer may initiate an electronic funds transfer or may order, instruct or authorize a Wyoming financial institution or financial institution to debit or credit an account and includes an automated teller machine, an automated loan machine or any other machine or device which may be used to carry out electronic banking business. "Remote electronic terminal" does not include point of sale terminals or telephones or personal computers operated by a consumer.

**13-1-502. Remote electronic terminals.**

(a) A Wyoming financial institution may operate remote electronic terminals without geographic restriction, subject to the requirements and limitations of this article. A financial institution or person may operate remote electronic terminals in

this state without geographic restriction, subject to the requirements and limitations of this article.

(b) Repealed by Laws 1992, ch. 46, § 2.

(c) Repealed By Laws 1999, ch. 42, § 3.

(d) A Wyoming financial institution shall not use a remote electronic terminal to replace a branch bank unless the branch bank is to be closed in accordance with the laws of this state and unless the state banking commissioner has approved the closure.

(e) Repealed By Laws 1999, ch. 42, § 3.

(f) A Wyoming financial institution, financial institution or person operating remote electronic terminals in this state may impose a transaction fee for the use of the remote electronic terminal. The amount of the transaction fee shall be disclosed by electronic display at a time and manner that allows a user to terminate or cancel the transaction without incurring the transaction fee.

(g) Repealed By Laws 1999, ch. 42, § 3.

(h) Repealed By Laws 1999, ch. 42, § 3.

(j) No person shall operate a remote electronic terminal in this state unless the commissioner has approved a written sponsorship agreement between the person and a Wyoming financial institution or a financial institution having a place of business in this state. Every sponsorship agreement shall include the following information:

(i) The name, address and telephone number of the owner of the remote electronic terminal;

(ii) The name and address of the institution;

(iii) The names of the network systems that will be utilized;

(iv) A list of the location and address where each remote electronic terminal covered by the agreement will be located.



(k) An owner of a remote electronic terminal shall operate the terminal in compliance with applicable federal, state and local laws governing the management, operation and safety of the terminal. No agreement to operate or share a remote electronic terminal shall prohibit, limit or restrict the right of a Wyoming financial institution or other financial institution having a place of business in this state to charge a customer any fee not prohibited by state or federal law. No agreement to operate or share a remote electronic terminal shall require a Wyoming financial institution or other financial institution having a place of business in this state to limit or waive its rights or obligations under this article.

(m) Repealed by Laws 2017, ch. 23, § 2.

(n) A Wyoming financial institution or person operating a remote electronic terminal in this state who, after receiving notice from the commissioner, fails to comply with any of the provisions of this section or rule or regulation adopted pursuant to this section, is guilty of a misdemeanor punishable by a fine of not less than one hundred dollars (\$100.00) nor more than five thousand dollars (\$5,000.00), imprisonment for not more than one (1) year, or both.

(o) The attorney general, upon request from the commissioner, may bring an action in a court of competent jurisdiction for an injunction to enjoin a Wyoming financial institution, a financial institution or person from violating any of the provisions of this article or any rule adopted pursuant to this article. No injunction shall be granted unless the commissioner, prior to seeking the injunction, provided written notice of the violation to the institution or person sought to be enjoined.

(p) A Wyoming financial institution, financial institution or person operating a remote electronic terminal in this state may enter into an agreement with the department of state parks and cultural resources to provide users a voluntary opportunity to donate funds for the operation and maintenance of state parks, historic sites and recreation areas. The opportunity for donation shall be disclosed visually by electronic display in a manner that suggests an amount of donation, allows a user to designate the amount of the donation desired, or make no donation if so desired by the user. No additional charges for making the donation shall be charged to the user by the Wyoming financial institution, financial institution or person operating the remote electronic terminal. The department of state parks

and cultural resources and the Wyoming financial institution, financial institution or person operating the remote electronic terminal may include in the agreement provisions for retention of a portion of the donated funds as an administrative fee in an amount not to exceed ten percent (10%) of the donations collected or five dollars (\$5.00) per transaction, whichever is less.

ARTICLE 6  
ADMINISTRATION

**13-1-601. State banking commissioner; designation; appointment; removal.**

The supervisor of the division of banking within the department of audit shall be designated the state banking commissioner. The commissioner shall be appointed by the director of the state department of audit, and shall serve at the pleasure of the director. The commissioner may be removed from office by the director in the same manner as the governor may remove a gubernatorial appointee as provided by W.S. 9-1-202. The director shall advise and consult with the state banking board before appointing or removing the commissioner.

**13-1-602. State banking commissioner; qualifications; compensation.**

(a) The commissioner shall have not less than seven (7) years experience in the commercial banking industry, or seven (7) years experience as an examiner or administrative officer with the federal deposit insurance corporation, federal reserve system, office of the comptroller of the currency or a state banking regulatory department, or a combination thereof, with continually increasing administrative authority and responsibility throughout the period of experience.

(b) The salary of the commissioner shall be fixed by the director, after consultation with the state banking board, and within limits prescribed by the appropriation from the legislature.

**13-1-603. State banking commissioner; powers and duties.**

(a) The commissioner shall administer the laws and regulations governing the organization, operation, examination, reorganization or dissolution of banks in Wyoming. The commissioner is directly responsible to and subject to the

direction of the director. The commissioner may employ one (1) or more deputy commissioners, who, in the absence or disability of the commissioner, shall exercise all powers of the commissioner.

(b) Repealed By Laws 1999, ch. 42, § 3.

(c) Without limiting the other powers, duties and responsibilities conferred upon the commissioner by law, the commissioner may:

(i) Conduct an investigation if the commissioner has reasonable cause to believe that a financial institution, a bank holding company or person has violated, is violating or is about to violate a state statute or rule relating to financial institutions or bank holding companies, or has engaged, is engaging or is about to engage in an unsafe and unsound practice;

(ii) Administer oaths and affirmations, subpoena witnesses and compel their attendance and testimony, adduce evidence and require by subpoena the production of any books, papers, records, files, correspondence, documents and other evidence the commissioner deems relevant to any examination or investigation authorized by this act;

(iii) Request the attorney general to bring an action in any court of competent jurisdiction to enforce and administer the provisions of this act, to seek an award of any civil penalty authorized by law and any other appropriate relief at law and equity including an order requiring compliance with any subpoena or order issued by the commissioner pursuant to this act;

(iv) Consult with the board regarding the administration and operation of the dual banking system and the banking business in Wyoming;

(v) Adopt rules to implement and administer the laws governing financial institutions and bank holding companies in this state;

(vi) Recommend to the legislature the amendment or enactment of laws to foster competition between banks and federally chartered financial institutions within this state and to promote the dual banking system within the state; and

(vii) Perform any acts and make any decisions incidental to or necessary for carrying out any powers, duties or responsibilities expressly conferred upon the commissioner by law.

(d) The commissioner shall establish any fee by rule and regulation if this act authorizes the fee to be established by rule and regulation of the commissioner. The fee shall be established in accordance with the Wyoming Administrative Procedure Act and shall be set in an amount to ensure that, to the extent practicable, the total amount generated from the fee approximates the direct and indirect costs incurred by the commissioner in carrying out his duties as a result of the submission or supervisory activity for which a fee is authorized.

**13-1-604. State banking board created; purpose; membership; appointment; qualifications; term of office.**

(a) There is created within the division of banking in the department of audit a state banking board. The board shall consult with and provide advice and counsel to the commissioner and the director as requested regarding the administration and operation of the dual banking system and the banking business in Wyoming.

(b) The state banking board shall consist of seven (7) members who shall be appointed by the governor. The director shall serve as an ex officio member of the board. Of the appointed members, four (4) shall be officers or directors of state banks chartered under the laws of Wyoming, one (1) shall be an officer or director of national banks chartered under the laws of the United States and authorized to do business in Wyoming, and two (2) members shall be residents of Wyoming who are not an officer or director of any bank. No member of the banking board shall have any interest, directly or indirectly, in a bank in which any other member of the banking board has any interest. Any member of the board who ceases to have the qualifications for which the member was appointed shall be disqualified to serve and a vacancy shall occur.

(c) Of the initial appointments to the banking board, one (1) member representing a state bank and one (1) member representing a national bank shall be appointed for a one (1) year term, one (1) member representing a state bank and one (1) member who is not an officer or director of any bank shall be appointed for a two (2) year term, and the remaining members

shall be appointed for a three (3) year term. After the initial appointments, all appointments shall be for a three (3) year term. All appointments shall commence on July 1 of the year of appointment. Vacancies occurring because of disqualification, death, resignation, or for any reason, shall be filled by appointment for the unexpired portion of the term.

**13-1-605. State banking board; meetings; compensation; purpose.**

(a) The board shall meet when called by the commissioner or when requested by a majority of the members of the board. Members of the board shall receive the same salary, mileage and per diem for attending and traveling to and from board meetings in the same manner and amount as members of the Wyoming legislature.

(b) The banking board shall:

(i) Consult with and assist the director in the appointment or the removal of the state banking commissioner;

(ii) Consult with and advise the commissioner on strengths and weaknesses in the banking industry in Wyoming, and in the general economy of the state as reflected by the banking business;

(iii) Recommend to the commissioner such changes in laws or regulations governing the banking industry as may be necessary to meet changes in the financial services industry;

(iv) Assist the commissioner and the director in providing information to the legislature to support statutory reform necessary to maintain a strong, healthy banking industry;

(v) Perform such other functions as requested by the commissioner to promote and maintain the dual banking system;

(vi) Perform the duties prescribed in W.S. 13-2-207 through 13-2-215;

(vii) Perform the duties prescribed in W.S. 13-12-101 through 13-12-126.

**13-1-606. State banking board; procedures and practices.**

In addition to other powers conferred by law, the board may regulate its own procedures and practices as provided by the Wyoming Administrative Procedure Act.

CHAPTER 2  
ORGANIZATION OF BANKS

ARTICLE 1  
POWERS

**13-2-101. Generally.**

- (a) Each bank may:
- (i) Make contracts in its corporate name;
  - (ii) Sue and be sued;
  - (iii) Lend money on real and personal securities;
  - (iv) Buy, sell and discount bills of exchange, notes and all other written evidence of debt except as otherwise provided;
  - (v) Receive notes, buy and sell gold and silver coins and bullion where permitted by federal law;
  - (vi) Collect and pay over money;
  - (vii) Transact all other business pertaining to banking subject to the provisions and restrictions of this act;
  - (viii) Operate a savings department;
  - (ix) Operate a trust department and exercise all powers enumerated by W.S. 13-5-510(b) and 34-29-104;
  - (x) Act as executor, administrator, trustee, receiver, assignee or guardian of any estate, minor, incompetent or other persons subject to guardianship, and accept appointments by any court in connection with any of the foregoing. In the case of such appointment, or in case the bank shall be named as executor in any will or assignee of any assignment for the benefit of creditors, the bank shall not be required to give any bond or security unless directed by an order of the court making such appointment, or having jurisdiction of such will or assignment;

(xi) Sell insurance or annuities, provided however, all bank-related sales of insurance and annuities shall be in accordance with the Wyoming Insurance Code and subject to all other applicable state and federal laws and rules and regulations governing bank-related sale of insurance or annuities;

(xii) Engage in any activity that is usual or incidental to the business of banking, subject to the prior written approval of the commissioner. The commissioner shall not approve a request to engage in an incidental activity if he finds that the requested activity will adversely affect the safety and soundness of the bank; and

(xiii) Engage in any activity in which a federally chartered insured depository institution as defined by W.S. 13-2-802(a)(ix) operating within this state is authorized to engage, as approved by rule by the commissioner.

(b) Insurance underwriting shall not be approved as usual or incidental to the business of banking under this act, whether for a bank or an operating subsidiary, unless permitted for a federally chartered insured depository institution as defined by W.S. 13-2-802(a)(ix).

#### **13-2-102. Perpetual duration.**

A bank shall have perpetual duration except as otherwise provided by the articles of incorporation.

#### **13-2-103. Federal deposit insurance.**

(a) All banks, except special purpose depository institutions, shall obtain insurance of their deposits by the United States and shall subscribe for insurance of deposit accounts by the federal deposit insurance corporation (FDIC).

(b) Nothing in this section shall be construed as prohibiting a special purpose depository institution from obtaining FDIC insurance, if available.

### ARTICLE 2 CHARTERING

#### **13-2-201. Organization and application.**

Five (5) or more adult persons may organize a corporation for the purpose of carrying on general banking business in a place in this state designated in the articles of incorporation subject to the conditions prescribed by law. The incorporators shall subscribe and verify triplicate originals of the articles of incorporation and transmit them to the state banking commissioner.

**13-2-202. Articles of incorporation.**

(a) The articles of incorporation shall include the following information:

(i) The corporate name;

(ii) The object for which the corporation is organized;

(iii) The term of its existence which may be perpetual;

(iv) The place where its office shall be located and its operations conducted;

(v) The amount of capital stock and the number of shares;

(vi) The name and residence of each shareholder subscribing to more than ten percent (10%) of the stock and the number of his shares;

(vii) The number of directors and the names of those who shall manage the affairs of the corporation for the first year; and

(viii) A statement that the articles of incorporation are made to enable the incorporators to avail themselves of the advantages of the banking laws of the state.

(b) Copies of all amended articles of incorporation shall be filed in the same manner as the original articles of incorporation.

**13-2-203. Repealed by Laws 1988, ch. 59, §§ 1,2.**

**13-2-204. Repealed by Laws 1991, ch. 175, § 3.**



**13-2-205. Repealed by Laws 1991, ch. 175, § 3.**

**13-2-206. Renumbered as § 13-1-606 by Laws 1993, ch. 115, § 2.**

**13-2-207. Procedure upon filing of articles of incorporation, application and other information.**

Upon filing with the state banking commissioner the articles of incorporation as required by W.S. 13-2-201 and 13-2-202, an application and any other information required by the rules and regulations of the board, the state banking commissioner shall notify the applicants in writing within thirty (30) calendar days of any deficiency in the required information or that the application has been accepted for filing. When the state banking commissioner is satisfied that all required information has been furnished, he shall notify the chairman of the board who shall establish a time and place within the county of the proposed financial institution location for a public hearing which shall be not less than sixty (60) days nor more than one hundred twenty (120) days after notice from the state banking commissioner that the application is in order. Within thirty (30) days after receipt of notice of the time and place of the public hearing, the applicant shall cause notice of filing of the application and of the hearing to be published at applicant's expense in a newspaper of general circulation within the county where the proposed financial institution is to be located. Publication shall be made at least once a week for three (3) consecutive weeks before the hearing stating the proposed location of the financial institution, the names of the proposed applicants for a charter, the nature of the activities to be conducted by the proposed institution and other information as the board shall prescribe from time to time by rules and regulations. The applicant shall furnish proof of publication to the state banking commissioner not more than ten (10) days prior to the hearing. The state banking commissioner shall send notice of the hearing to state and national banks, federal savings and loan associations and other financial institutions in the state who have requested notice from the state banking commissioner and to the appropriate federal financial institution regulatory authorities.

**13-2-208. Application filing fee.**

The application filed with the state banking commissioner shall be accompanied by a fee established by rule and regulation of the state banking commissioner to cover the expense of the

investigation by the state banking commissioner, the expense of the public hearing and other related expenses. The fee shall be deposited by the state banking commissioner with the state treasurer into the financial institutions administration account. Expenditures shall be made from the account by warrants drawn by the state auditor, upon vouchers issued and signed by the director or commissioner. Funds from the account shall be expended only to carry out the duties of the commissioner and the state banking board under this article and for chartering trust companies under chapter 5 of this title. If an application for a financial institution charter is withdrawn by the applicant at any time prior to the hearing on the application, the statutory application filing fee, less the amount of any expense authorized above and actually incurred, shall be refunded to the applicant. If the application expenses are less than the application fee collected the unexpended amount shall remain within the account.

**13-2-209. Procedure for hearings on charter applications.**

The hearing for a charter application shall be conducted as a contested case under the Wyoming Administrative Procedure Act and shall comply with the requirements of that act.

**13-2-210. Emergency charters; fees.**

(a) Notwithstanding any other provisions contained in this act, a financial institutions charter may be granted by the state banking commissioner without a hearing in any case determined by the state banking commissioner to be an emergency arising from the insolvency, or to prevent the failure, of an existing financial institution, but the granting of any emergency charter under this section is contingent upon the state banking commissioner determining that findings required by W.S. 13-2-212(a) have been satisfied.

(b) The application fee for an emergency charter shall be established by rule and regulation of the state banking commissioner. The fee shall be deposited by the state banking commissioner with the state treasurer and credited to the financial institutions administration account. Expenditures shall be made from the account by warrants drawn by the state auditor, upon vouchers issued and signed by the director or commissioner. Funds from the account shall be expended to carry out the duties of the commissioner or the state banking board.

**13-2-211. Investigation and examination by banking commissioner.**

(a) Upon receiving the articles of incorporation, application and other information required, the state banking commissioner shall make a careful investigation and examination of the following:

(i) The character, reputation, financial standing and ability of the organizers;

(ii) The character, financial responsibility, banking or savings and loan or other financial experience and business qualifications of those proposed as officers;

(iii) The character and standing in the community and state of those proposed as directors, stockholders or owners;

(iv) The need in the community where the institution would be located giving particular consideration to the adequacy of existing financial facilities and the effect that the proposed institution would have upon existing financial institutions in the community;

(v) The ability of the community to support the proposed institution, including existing competition, the economic history of the community and the opportunity for profitable employment of financial institution funds; and

(vi) Such other facts and circumstances bearing on the proposed financial institution as the banking commissioner may deem relevant.

(b) The state banking commissioner shall submit his findings verbally and in writing at the public hearing on the application and shall be subject to cross-examination by any interested party. No relevant information shall be excluded by the board as hearsay.

**13-2-212. Approval or disapproval of application; criteria for approval; action upon application; interim bank charter; fee.**

(a) Within ninety (90) days after receipt of the transcript of the public hearing, the board shall in its discretion approve, conditionally approve or disapprove the

application, but it shall not approve the application until it has ascertained to its satisfaction:

(i) The public need and convenience will be promoted by the establishment of the proposed financial institution;

(ii) Conditions in the community in which the proposed financial institution would transact business afford reasonable promise of successful operation;

(iii) The financial institution is being formed for no other purpose than the legitimate objects contemplated by the laws of the state;

(iv) The proposed capital and surplus are not less than the required minimum and are adequate in light of current and prospective conditions;

(v) The proposed officers and directors have sufficient experience, ability and standing to afford reasonable promise of successful operation;

(vi) The name of the proposed financial institution does not resemble so closely as to cause confusion the name of any other financial institution transacting business in the county; and

(vii) The applicants have complied with all applicable provisions of law.

(b) The board shall take action upon the application by stating its findings of fact and conclusions of law. If the board approves the application, the state banking commissioner shall endorse upon the articles of incorporation the approval and shall file one (1) copy with the secretary of state, retain one (1) copy in his files and return one (1) copy to the applicants within twenty (20) days after the date of the decision of the board approving the application. If the board conditionally approves an application by requiring increased capital or surplus, retention of additional qualified officers or directors, or change of name to avoid confusion, and upon compliance by the applicant, the state banking commissioner shall proceed as provided in the preceding sentence. If the board disapproves the application, the state banking commissioner shall mail notice of the disapproval to the applicants within twenty (20) days after the board's negative action.

(c) The board may waive the public hearing required under W.S. 13-2-207 if the application is for an interim bank charter to be used as a vehicle for merger with an existing bank which is currently serving the public need and convenience of the community, operating profitably, adequately capitalized, has officers and directors of proven ability and is to be chartered solely for the purpose of facilitating the merger and the change in ownership of the existing bank in accordance with W.S. 13-4-108. The application fee for an interim bank charter for which a public hearing is waived shall be established by rule and regulation of the commissioner. The fee shall be deposited by the state banking commissioner with the state treasurer and credited to the financial institutions administration account. Expenditures shall be made from the account by warrants drawn by the state auditor, upon vouchers issued and signed by the director or commissioner. Funds from the account shall be expended only to carry out the duties of the commissioner or the state banking board.

**13-2-213. Certificate of authority to commence business required; application; approval or denial; failure to commence business.**

If the application is approved and a charter granted by the board, the financial institution shall not commence business before receiving a certificate of authority to operate from the state banking commissioner. The application for a certificate of authority shall be made to the state banking commissioner and shall certify that the capital and surplus have been paid in, the address at which the institution will operate and that all of the bylaws adopted have been attached as an exhibit to the application. The application shall state who the officers, directors and stockholders are at that time and have attached evidence that appropriate federal insurance of deposits has been obtained, where applicable. The state banking commissioner shall approve or deny an application for a certificate of authority within thirty (30) days after the application has been filed, but the authority of the state banking commissioner to disapprove any application is restricted solely to noncompliance with this section. If the state banking commissioner approves the application, he shall issue a certificate of authority to the organizers within twenty (20) days. If the state banking commissioner denies the application, he shall mail a notice of denial to the organizers within twenty (20) days, stating the reasons for denying the application, and grant to the organizers a maximum period of ninety (90) days to resubmit the application

with the necessary corrections. If the applicant fails to comply with requirements of the notice of denial within ninety (90) days from the receipt of the notice, the approval of the application and articles of incorporation previously issued to the applying institution shall be revoked by the state banking commissioner. The failure of the state banking commissioner to act upon an application for a certificate of authority within thirty (30) days shall be deemed an approval. If the approved institution fails to commence business in good faith within one (1) year after the issuance of a certificate of authority by the state banking commissioner or any required federal approval, whichever is later, the charter and certificate of authority shall expire.

**13-2-214. Decisions by board appealable; grounds.**

Any decision of the board in approving or disapproving any charter or the issuance or denial of a certificate of authority is appealable to the district court of the county in which the institution is to be located in accordance with the provisions of the Wyoming Administrative Procedure Act. In addition to the grounds for appeal contained in the Wyoming Administrative Procedure Act, the appellant may appeal if the board or the state banking commissioner fails to make any of the findings required.

**13-2-215. Report of interests in financial institutions by state banking commissioner and board members.**

On or before January 10 of each calendar year the state banking commissioner and each member of the board shall submit to the governor a list of all assets and liabilities of any nature that he has in any financial institution in the state of Wyoming or elsewhere. The list shall be certified under oath and a copy shall be furnished to the chairman of the board.

ARTICLE 3  
CAPITAL REQUIREMENTS,  
STOCK, NOTES AND DEBENTURES

**13-2-301. Requirements as to capital.**

(a) The capital stock of each bank organized under this act shall be subscribed for as fully paid stock. No bank shall organize with a capital stock less than five million dollars (\$5,000,000.00).

(b) No bank shall commence business until the full amount of its authorized capital is subscribed and all capital stock is fully paid in. No bank may organize without a paid up surplus fund of at least twenty percent (20%) of its legally authorized capital stock, and undivided profits in sufficient amount for the expense of operation the first year as determined by the state banking commissioner.

**13-2-302. Issue of stock.**

(a) A bank shall not issue any share of stock until the par value of the share has been actually paid in cash.

(b) Pursuant to appropriate authority granted in its articles of incorporation, a bank may issue any type of capital stock, including nonvoting shares, authorized under title 17 of the Wyoming statutes. Consistent with subsection (c) of this section, the articles of incorporation of a bank may specify any form of shareholder voting rights.

(c) If the articles of incorporation of a bank provide shareholder voting rights that are different than those provided under W.S. 13-2-307, 13-2-308(a), 13-2-309(a), 13-2-402(e), 13-4-101(a) or 13-4-701(b) or (d), the articles of incorporation of the bank shall control, subject to any approval of the commissioner required under those sections.

**13-2-303. Increase or reduction of capital stock.**

Any bank may increase or reduce the capital stock of the bank after receiving the written approval of the state banking commissioner and by the vote of the shareholders owning two-thirds (2/3) of the stock in the bank at a stockholders' meeting called for that purpose.

**13-2-304. Transfer of stock and other ownership interests.**

(a) The shares of stock of banks are personal property and shall be transferred on the books of the bank in such manner as the bylaws may provide. A transfer of stock in a bank is invalid until any impairment of its capital stock has been restored.

(b) Transfers of voting ownership interests of a bank or of a bank holding company shall be reported to the commissioner not less than ten (10) days prior to being made if the transfer:

(i) Equals or exceeds ten percent (10%) of the bank's or the bank holding company's voting ownership interests; or

(ii) Is made to a person owning or controlling ten percent (10%) or more and less than eighty percent (80%) of the bank's or the bank holding company's voting ownership interests.

(c) The state banking commissioner may disapprove any transfer of stock required to be reported if he finds that the transferee:

(i) Repealed by Laws 1993, ch. 115, § 3.

(ii) Has been convicted of a felony; or

(iii) Has been removed from a position as director, officer or employee of a bank or other financial institution pursuant to an order of the state banking commissioner or appropriate federal regulatory authority.

**13-2-305. Purchase or acceptance of own capital stock.**

A bank shall not accept as collateral or purchase its own capital stock unless the taking of the collateral or purchase is necessary to prevent loss upon a debt previously contracted in good faith. The stock shall be sold by the bank within six (6) months from the date it was received as collateral or acquired by purchase unless the debt is paid in full.

**13-2-306. Stock register; inspection.**

A bank shall keep a record of shareholders that is open for inspection during business hours to officers, directors and shareholders of the bank. As used in this section, "record of shareholders" means as defined in W.S. 17-16-140(a)(xlix).

**13-2-307. Voting by shareholders generally; balloting for directors.**

(a) Except as otherwise provided by W.S. 13-2-302, each share entitles the owner to one (1) vote on all elections of directors and all other questions submitted at meetings of shareholders. Shareholders may vote by proxies executed in writing but no officer, clerk, teller or bookkeeper of the bank shall act as proxy. The presence in person or by proxy of the owners of at least fifty-one percent (51%) of the issued and outstanding capital stock at any meeting of stockholders



constitutes a quorum. No shareholder whose liability to the bank is past due and unpaid shall be allowed to vote.

(b) In balloting for directors each qualified shareholder may vote the number of shares owned by him for as many directors as are to be elected or may cumulate his votes by giving one (1) candidate the number of votes equal to the number of directors to be elected multiplied by the number of his shares and he may distribute his votes cumulatively on the same principle among any number of candidates. The persons having the highest number of votes shall be declared elected as the board of directors for the ensuing corporate year.

### **13-2-308. Preferred stock.**

(a) A bank may issue one (1) or more classes of preferred stock upon the approval of two-thirds (2/3) of the stockholders pursuant to this section and the approval of the state banking commissioner.

(b) Copies of the directors' and stockholders' minutes approving the issuance bearing the approval of the state banking commissioner shall be filed in the office of the secretary of state and treated as an amendment to the articles of incorporation.

(c) At a board of directors' meeting called on not less than one (1) days notice, the directors may adopt a resolution calling for the issuance of preferred shares. The directors shall then call a meeting of the stockholders of the corporation, giving not less than five (5) days notice for the purpose of stockholder approval.

(d) The voting rights and manner of retirement of preferred shares shall be as adopted in the resolution of the stockholders authorizing their issuance subject to the provisions of the articles of incorporation and the approval of the state banking commissioner.

(e) The holders of the preferred stock of the highest class shall be entitled to cumulative dividends of up to six percent (6%) per year before dividends are paid on any other stock. The holders of preferred stock of subsequent classes shall next be entitled to cumulative dividends of up to six percent (6%) in order of preference before dividends are paid to the holders of common stock. In any liquidation no payment shall be made to the holders of common stock until the holders of

preferred stock have been paid the full par value of their stock and accumulated dividends in order of preference.

(f) The preferred stock and holders of preferred stock are not liable for assessments to restore impairment of capital or for any liability imposed by law on common stock or the holders of common stock.

(g) No issue of preferred stock is valid until the entire par value of the shares has been paid in cash or until arrangements satisfactory to the state banking commissioner have been made for payment.

(h) The par value of preferred stock shall be included in any determination of required capital under this act.

**13-2-309. Issuance of capital notes or debentures; generally.**

(a) A bank may issue, sell or pledge its capital notes or debentures if the bank has first obtained the written or voting approval of the shareholders holding a majority of the shares of the bank and the written approval of the state banking commissioner.

(b) The board of directors shall determine the terms of its capital notes or debentures subject to the provisions of W.S. 13-2-311 and subsection (c) of this section.

(c) The amount of outstanding capital notes or debentures of any bank shall not exceed fifty percent (50%) of the amount of the capital stock and surplus fund of the bank at the date of issue. The periods of maturities with respect to any issue shall not exceed twenty-five (25) years as prescribed by the state banking commissioner. Capital notes and debentures shall be subject to a schedule of prepayments or to an appropriate sinking fund for the amortization of the indebtedness.

**13-2-310. Issuance of capital notes or debentures; approval by state banking commissioner.**

The state banking commissioner may approve the issue of capital notes or debentures by any bank. Applications for approval shall be in writing and contain information which he requests including a full explanation of the need for and proposed use of the funds. The state banking commissioner shall consider whether the issuance would constitute sound banking practice and would

be in the best interests of the public, depositors, creditors and stockholders of the bank.

**13-2-311. Capital notes or debentures; provisions to be stated.**

(a) The following provisions shall be stated in the capital notes or debentures:

(i) That the notes or debentures are an unsecured indebtedness of the bank and subordinate to the claims of creditors and depositors;

(ii) In the event of liquidation of the bank all depositors and creditors are entitled to be paid in full with interest provided by law prior to payment on the notes or debentures;

(iii) No payment will be made on the principal of the notes or debentures unless following the payment the aggregate of the capital, surplus and undivided profits of the bank is at least equal to the amount of the capital, surplus and undivided profits at the date of issue unless otherwise authorized by the state banking commissioner.

**13-2-312. Capital notes or debentures; conversion into common or preferred stock.**

Capital notes and debentures may be converted into shares of common or preferred stock in accordance with the provisions of the capital notes or debentures. If capital notes or debentures are converted the president or vice-president shall subscribe and verify triplicate originals of a certificate stating the amount of conversion and other information as required by the state banking commissioner. The certificates shall be delivered to and approved by the state banking commissioner who shall file one (1) of the certificates in his office, one (1) in the office of the secretary of state and return one (1) to the subscribing officer of the bank.

**13-2-313. Capital notes or debentures; no assessment or liability.**

Capital notes, debentures and the holders thereof are not subject to any assessment nor are holders of the notes or debentures liable for any debts or contracts of the bank.

**13-2-314. Capital notes or debentures; proceeds not part of capital or surplus.**

(a) The proceeds from the sale of capital notes or debentures shall not be considered a portion of the capital or surplus of the issuing bank nor treated as meeting any requirements, restrictions or conditions relating to the capital or surplus of a bank.

(b) The proceeds from the sale of notes or debentures issued may not be used to reduce or retire outstanding capital stock or surplus.

ARTICLE 4  
DIRECTORS

**13-2-401. Authority to manage banks; qualifications.**

The affairs of a bank shall be managed by not less than five (5) directors. Shareholders or the board of directors if provided by the articles of incorporation may adopt and amend bylaws for the management of the bank. Each director shall take an oath that he will faithfully and diligently perform the duties of his office and will not violate or knowingly permit the violation of any of the laws of this state relating to the banking business. Within thirty (30) days after being elected or appointed each director of a bank shall sign the oath required by this section on a form prescribed by the commissioner and it shall be part of the record of the meeting and included in the bank's minutes. Within thirty (30) days after initially being elected or appointed each director of a bank shall file with the commissioner a sworn financial statement on a form prescribed by the state banking commissioner.

**13-2-402. Election; term; vacancies; number.**

(a) The initial and elected directors of any bank shall hold office for one (1) year and until their successors are elected and qualified except in cases of death, resignation or removal under the laws of this state. All elections shall be held annually on a day designated by the directors on or before April 30.

(b) If the annual election of directors is not held at the time designated an election may be held within sixty (60) days thereafter following notice by publication in three (3) consecutive issues of a weekly newspaper printed in the county

in which the bank is located, or if no newspaper is printed in the county then in a newspaper of general circulation in the state.

(c) Any director who during his tenure as a director becomes insolvent or makes a general assignment of his property for the benefit of creditors shall vacate his office.

(d) Vacancies which reduce the board to less than five (5) members shall be filled within ninety (90) days of the vacancy by appointment by the remaining directors for the unexpired term. The board shall notify the banking commissioner of any vacancy on the board within thirty (30) days of the vacancy.

(e) Changes in the number of directors shall be authorized by a majority vote of the stockholders to be effective upon expiration of the current corporate year. The change may become effective immediately with the consent of the directors and written notification to the state banking commissioner.

**13-2-403. Meetings; record of proceedings and business.**

(a) The board of directors of a bank shall hold a regular meeting every quarter of the calendar year. At each meeting a detailed report showing every loan and investment in excess of one percent (1%) of the bank's capital and surplus made since the last report and the aggregate liability, direct or contingent, to the bank of each officer and director shall be submitted. The board of directors shall review the report and make it a part of the record of the meeting. The record shall show their approval or disapproval of the report.

(b) A record of the proceedings and business of all meetings shall be included in the bank's minutes. The record shall show the gross earnings of the bank and their disposition by indicating expenses and taxes paid, worthless items charged off, depreciation in assets, amount carried to surplus fund and amount of dividend and amount of undivided profits remaining.

**13-2-404. Liability.**

Any director who participates in or consents to any action of a bank in making loans in excess of or contrary to law or regulations shall be liable in his individual capacity for damages proximately sustained by the bank, its stockholders or other persons.

13-2-405. Repealed by Laws 1992, ch. 46, § 2.

ARTICLE 5  
RESERVE REQUIREMENTS

13-2-501. Repealed by Laws 1981, ch. 29, § 1.

13-2-502. Repealed by Laws 1981, ch. 29, § 1.

13-2-503. Repealed by Laws 1981, ch. 29, § 1.

ARTICLE 6  
BRANCH BANKS GENERALLY

13-2-601. Repealed By Laws 1997, ch. 75, § 3.

13-2-602. Repealed By Laws 1997, ch. 75, § 3.

13-2-603. Repealed By Laws 1997, ch. 75, § 3.

13-2-604. Repealed By Laws 1997, ch. 75, § 3.

13-2-605. Repealed By Laws 1997, ch. 75, § 3.

13-2-606. Repealed By Laws 1997, ch. 75, § 3.

13-2-607. Repealed By Laws 1997, ch. 75, § 3.

ARTICLE 7  
STATEWIDE BRANCH BANKING

13-2-701. Definitions.

(a) As used in this act:

(i) "Branch" means any manned branch bank, branch office, branch agency, additional office, separate office or any branch or separate place of business operated by a parent bank in this state which offers any or all of the banking services conducted at a parent bank, but excludes a remote electronic terminal as defined in W.S. 13-1-501(a)(v) and loan production offices operated in accordance with W.S. 13-2-709;

(ii) Repealed by Laws 1995, ch. 62, § 2.

(iii) Repealed by Laws 1993, ch. 115, § 3.

(iv) "Parent bank" means a state or national bank which operates or has applied to operate a branch in this state;

(v) "This act" means W.S. 13-2-701 through 13-2-708.

**13-2-702. Authorization; application; fee; activities; examination; criteria.**

(a) With prior approval of the state banking commissioner a bank may establish and operate one (1) or more branches at any location in this state or in a state other than Wyoming.

(i) Repealed By Laws 1999, ch. 41, § 2.

(ii) Repealed By Laws 1999, ch. 41, § 2.

(b) All applications for establishing and operating a branch shall be filed with the commissioner and be accompanied by a filing fee established by rule and regulation of the commissioner. The application shall be signed by the chief executive officer of the applicant bank and contain and be accompanied by the following information:

(i) Name and address of the applicant bank;

(ii) Exact location of the proposed branch;

(iii) Certification of publication of notice of the application at least once in a newspaper of general circulation in the county in which the proposed branch will be located;

(iv) Repealed By Laws 1999, ch. 41, § 2.

(v) Certification that the applicant bank is well capitalized, as defined by rule of the commissioner;

(vi) Certification of compliance with the provisions of W.S. 13-3-201 relating to investment limitations in bank premises;

(vii) Certification that the establishment of the branch does not involve a prohibited insider transaction or management interlock;

(viii) Discussion of any planned variances in the applicant bank's lending policy, procedures or services at the proposed branch;

(ix) Other information as the commissioner may require in order to determine if the requirements of this section are met.

(c) The commissioner shall issue a certificate of authority for the branch to the applicant bank within twenty (20) days after receipt of the complete application and fee unless he finds:

(i) Establishment or operation of the proposed branch would pose undue risk to the capital or surplus requirements of the applicant bank;

(ii) The name of the proposed branch does not reasonably identify the branch as a branch of the applicant bank or is likely to unduly confuse the public; or

(iii) Repealed by Laws 1995, ch. 62, § 2.

(iv) The applicant bank has failed to substantially comply with applicable law governing its operation.

(d) The certificate of authority expires one (1) year after its issuance unless the branch has opened and business has begun in good faith.

(e) The application fee provided by subsection (b) of this section shall be deposited by the state banking commissioner with the state treasurer and credited to the financial institutions administration account. Expenditures shall be made from the account by warrants drawn by the state auditor, upon vouchers issued and signed by the director or commissioner. Funds from the account shall be expended only to carry out the duties of the commissioner or the state banking board. If the application expenses are less than the amount of the fee, the unexpended amount shall remain within the account.

(f) Repealed By Laws 1999, ch. 42, § 3.

(g) Every branch bank in this state shall be licensed by the commissioner before operating, engaging in or conducting a banking business.

(h) The commissioner shall fix the amount of the initial license fee and annual renewal fee by rule and regulation.



(j) An application for an initial branch license shall be submitted to the commissioner in writing in the form and containing the information required by the commissioner. Each licensed branch of a bank chartered under the laws of this state or of any other state is subject to compliance examinations as the commissioner deems necessary.

(k) The activities and operations of a branch are attributable to the applicant bank for purposes of determining qualification for authority to do business in this state.

(m) An out-of-state bank which has established a Wyoming branch may establish and operate one (1) or more branches at any location in this state, subject to the requirements of subsections (g) through (k) of this section.

**13-2-703. Amendment to articles of incorporation.**

Before opening a branch under this act, the applicant bank shall deliver an amendment to its articles of incorporation reflecting the branch to the commissioner in the same manner provided in W.S. 13-4-102. W.S. 13-4-102 applies to all amendments to articles of incorporation delivered under this section.

**13-2-704. Closing of a branch.**

No branch shall be closed unless the parent bank certifies to the commissioner that all persons with an account at that branch have been notified of the date of closure not less than sixty (60) days before the date of closure and that a notice indicating the branch will be closed will be published in a newspaper of general circulation in the county in which the branch is located at least weekly for three (3) consecutive weeks prior to the calendar week in which the date of closure will occur.

**13-2-705. Bank facility not a branch.**

(a) Notwithstanding any other provision of this act, a bank may establish and operate a facility which shall not be considered a branch, but an extension or expansion of an existing parent bank or branch if the facility is:

(i) Within the boundary lines of a single contiguous area of property owned or leased and occupied as a place of business by a parent bank or branch bank, whether or not the

facility is physically connected to the bank or place of business; or

(ii) Across a street, alley, railroad right-of-way or thoroughfare from the existing parent bank or branch bank when such facility is physically connected to the bank or place of business by a private, enclosed, secure overhead passageway, underground tunnel or pneumatic tube system; or

(iii) Within one thousand (1,000) yards of the parent bank or branch bank, whether or not such facility is physically connected to the bank or place of business, after being granted prior written approval of the department stating that the facility qualifies for this exemption.

**13-2-706. No limits on authority of existing branches and banks.**

Nothing in this act shall limit the authority of any existing branch or bank operating at the time this act takes effect.

**13-2-707. Prohibition on foreign bank branching.**

Nothing in this act shall be construed as permitting a bank to establish a branch in any state other than Wyoming. Except as provided in W.S. 13-2-702(m) and 13-2-901 through 13-2-904, a bank not authorized or organized to do business under the laws of this state, or a bank organized under the laws of a country other than the United States, shall not establish or operate a branch in the state of Wyoming.

**13-2-708. Antitrust laws.**

If, but for this act, any action by any one (1) or more banks would be in violation of the laws of this state or of the United States, commonly referred to as the antitrust laws, then this act shall be construed so as to permit or require only actions that shall not be in violation of the laws.

**13-2-709. Loan production offices; activities; notification; examination; name.**

(a) After notifying the commissioner, a bank may establish and operate one (1) or more loan production offices. A loan production office may conduct any of the following activities:

(i) Solicit loans on behalf of the bank or a branch of the bank;

(ii) Assemble credit information;

(iii) Make property inspections and appraisals;

(iv) Secure title information;

(v) Prepare applications for loans, including making recommendations with respect to action;

(vi) Solicit investors to purchase loans from the bank and to contract with the bank for servicing of such loans; and

(vii) Any other activity that federal authorities have approved for a loan production office operated by a national bank.

(b) A bank shall not accept deposits, originate deposits or savings or checking accounts, approve loans or disburse loan funds at a loan production office established pursuant to this section.

(c) The notification to the commissioner shall include the following information:

(i) The street address of the loan production office;

(ii) A general description of the area where the loan production office will be located;

(iii) The proposed activities to be conducted at the loan production office and the types of loans to be solicited at the office.

(d) Each loan production office shall be subject to examination and supervision by the commissioner in the same manner and to the same extent as the bank. If the commissioner determines that the loan production office is violating any applicable law or that the operation of the loan production office is adversely affecting the safety and soundness of the bank, the commissioner may take any appropriate administrative action authorized in this act.

(e) Nothing in this section shall prohibit a bank from establishing and operating a loan production office in a state other than Wyoming, provided that the bank complies with all applicable provisions of Wyoming law, the law of the state where the loan production office will be located and federal law.

(f) Every loan production office operating in this state, including a loan production office operated by a federally chartered financial institution or an out-of-state bank, shall include the words "loan production office" in its title, official documents, letterhead, advertisements, signs and any other communications with its customers or the general public.

ARTICLE 8  
INTERSTATE BRANCHING AND BANK MERGERS

**13-2-801. Repealed By Laws 2013, Ch. 24, § 2.**

**13-2-802. Definitions.**

(a) As used in this article:

(i) "Affiliate" has the meaning set forth in the Bank Holding Company Act, 12 U.S.C. section 1841(k);

(ii) "Bank" has the meaning set forth in 12 U.S.C. section 1813(h), provided that the term "bank" shall include a foreign bank only if organized under the laws of a territory of the United States, Puerto Rico, Guam, American Samoa or the Virgin Islands and the deposits of which are insured by the federal deposit insurance corporation;

(iii) "Bank supervisory agency" means any of the following:

(A) Any agency of another state with primary responsibility for chartering and supervising banks; and

(B) The office of the comptroller of the currency, the federal deposit insurance corporation, the board of governors of the federal reserve system and any successor to these agencies.

(iv) "Branch" means any manned branch bank, branch office, branch agency, additional office, separate office or any branch or separate place of business operated by a bank in this state which offers any or all of the banking services conducted

at a parent bank, but excludes a remote electronic terminal as defined in W.S. 13-1-501(a)(v);

(v) "Control" shall be construed consistently with the provisions of 12 U.S.C. section 1841(a)(2);

(vi) "Home state" means:

(A) With respect to a state bank, the state by which the bank is chartered;

(B) With respect to a national bank, the state in which the main office of the bank is located;

(C) With respect to a foreign bank, the state determined to be the home state of the foreign bank under 12 U.S.C. section 3103(c).

(vii) "Home state supervisor" means, with respect to an out-of-state state bank, the bank supervisory agency of the state in which the bank is chartered;

(viii) "Host state" means a state, other than the home state of a bank, in which the bank maintains or seeks to establish and maintain a branch;

(ix) "Insured depository institution" means any institution included for any purpose within the definitions of "insured depository institution" as set forth in 12 U.S.C. section 1813(c)(2) and (3);

(x) "Interstate merger transaction" means:

(A) The merger or consolidation of banks with different home states, and the conversion of branches of any bank involved in the merger or consolidation into branches of the resulting bank; or

(B) The purchase of all or substantially all of the assets, including all of the branches, of a bank whose home state is different from the home state of the acquiring bank.

(xi) "Out-of-state bank" means a bank whose home state is a state other than Wyoming;

(xii) "Out-of-state state bank" means a bank chartered under the laws of any state other than Wyoming;

(xiii) "Resulting bank" means a bank that has resulted from an interstate merger transaction under this article;

(xiv) "State" means any state, territory or other possession of the United States, including the District of Columbia;

(xv) "Wyoming bank" means a bank whose home state is the state of Wyoming;

(xvi) "Wyoming state bank" means a bank chartered under the laws of the state of Wyoming.

**13-2-803. Authority of state banks to establish interstate branches.**

With the prior approval of the commissioner, a Wyoming state bank may establish, maintain and operate one (1) or more branches in a state other than Wyoming. Not later than the date on which the required application for the establishment of a branch is filed with the responsible federal bank supervisory agency, the applicant Wyoming state bank shall file an application on a form prescribed by the commissioner and pay the fee established pursuant to W.S. 13-2-702(b). The applicant shall also comply with the applicable provisions of W.S. 13-4-101 through 13-4-114.

**13-2-804. Interstate merger transactions and branching permitted.**

(a) One (1) or more Wyoming banks may enter into an interstate merger transaction with one (1) or more out-of-state banks under this article, and an out-of-state bank resulting from the transaction may maintain and operate the branches in Wyoming of a Wyoming bank that participated in the transaction, provided that the conditions and filing requirements of this article are met.

(b) An interstate merger transaction shall not be permitted under this article, if, upon consummation of the transaction, the resulting bank, including all insured depository institutions that would be affiliates, would control thirty percent (30%) or more of the total amount of deposits held by all insured depository institutions in this state. Nothing in this subsection prohibits an out-of-state bank from

merging with a Wyoming bank which, prior to the merger, controls thirty percent (30%) or more of the total amount of deposits held by all insured depository institutions in this state, if the out-of-state bank has not maintained a branch bank in Wyoming prior to the merger.

(c) Repealed By Laws 2013, Ch. 24, § 2.

**13-2-805. Notice and filing requirements; license fee.**

(a) Any out-of-state bank that will be the resulting bank pursuant to an interstate merger transaction involving a Wyoming bank shall notify the commissioner of the proposed merger not later than the date on which it files an application for an interstate merger transaction with the responsible federal bank supervisory agency, and shall submit a copy of that application to the commissioner together with a filing fee established by rule and regulation of the commissioner. Except as prohibited by federal law, any Wyoming state bank which is a party to the interstate merger transaction shall comply with the applicable provisions of W.S. 13-4-101 through 13-4-114 and with other applicable state and federal laws. Any out-of-state bank which will be the resulting bank in an interstate merger transaction shall provide satisfactory evidence to the commissioner of compliance with applicable requirements of W.S. 17-16-1503, 17-16-1506 and 17-16-1507.

(b) Every branch bank in this state shall be licensed by the commissioner before operating, engaging in or conducting a banking business. The license shall be renewed annually, not more than sixty (60) nor less than thirty (30) days before the anniversary date upon which the initial license is issued.

(c) The commissioner shall fix the amount of the initial license fee and annual renewal fee by rule and regulation. Annual renewal fees may be assessed on a graduated or progressive scale based on deposits, assets, business volume, loans or a combination of these or other factors as determined by the commissioner.

**13-2-806. Powers; additional branches.**

(a) An out-of-state state bank which establishes and maintains one (1) or more branches in Wyoming under this article may conduct any activities at the branch or branches that are authorized under the laws of this state for branches of Wyoming state banks.

(b) A Wyoming state bank may conduct any activities at any branch outside Wyoming that are permissible for a bank chartered by the host state where the branch is located, except to the extent the activities are expressly prohibited by the laws of this state or by any regulation or order of the commissioner applicable to the Wyoming state bank; provided, however, the commissioner may waive the prohibition if he determines, by order or regulation, that the involvement of out-of-state branches of Wyoming state banks in particular activities would not threaten the safety or soundness of the banks.

(c) An out-of-state bank that has established or acquired a branch in Wyoming under this article may establish or acquire branches in Wyoming to the same extent that any Wyoming bank may establish or acquire a branch in Wyoming under applicable federal and state law.

**13-2-807. Examinations; periodic reports; cooperative agreements; assessment of fees.**

(a) To the extent consistent with subsection (c) of this section, the commissioner may make such examinations of any branch established and maintained in this state pursuant to this article by an out-of-state bank as the commissioner may deem necessary to determine whether the branch is being operated in compliance with the laws of this state and in accordance with safe and sound banking practices. All operations of the licensed branch in this state are subject to the same laws, rules, regulations, restrictions and requirements that apply to a branch of a bank chartered under the laws of this state. Licensed branches are subject to the same requirements for examinations, and shall be assessed the same examination and service fees, as provided for branches of a bank chartered in this state.

(b) Records of the activities and operations in this state of a branch operating pursuant to this article shall be made available upon request of the commissioner. The commissioner may prescribe requirements for periodic reports regarding any out-of-state bank that operates a branch in Wyoming pursuant to this article. The required reports shall be provided by such banks or by the bank supervisory agency having primary responsibility for the bank. Any reporting requirement prescribed by the commissioner under this subsection shall be:



(i) Consistent with the reporting requirement applicable to Wyoming state banks; and

(ii) Appropriate for the purpose of enabling the commissioner to carry out his responsibilities under this article.

(c) The commissioner may enter into cooperative, coordinating or information-sharing agreements with any other bank supervisory agency or any organization affiliated with or representing one (1) or more bank supervisory agencies with respect to the periodic examination or other supervision of any branch in Wyoming of an out-of-state state bank, or any branch of a Wyoming state bank in any host state, and the commissioner may accept such parties' reports of examination and reports of investigation in lieu of conducting his own examinations or investigations.

(d) The commissioner may enter into contracts with any bank supervisory agency having concurrent jurisdiction over a Wyoming state bank or an out-of-state state bank operating a branch in this state pursuant to this article to engage the services of the agency's examiners at a reasonable rate of compensation, or to provide the services of the commissioner's examiners to the agency at a reasonable rate of compensation. Any such contract shall not be subject to the provisions of W.S. 9-2-1016(b).

(e) The commissioner may enter into joint examinations with any other bank supervisory agency having concurrent jurisdiction over any branch in Wyoming of an out-of-state bank or any branch of a Wyoming state bank in any host state.

(f) Each out-of-state state bank that maintains one (1) or more branches in this state may be assessed and, if assessed, shall pay supervisory and examination fees in accordance with the laws of this state and regulations of the commissioner. Notwithstanding any other provision of this title, the fees may be shared with other bank supervisory agencies or any organization affiliated with or representing one (1) or more bank supervisory agencies in accordance with agreements between the parties and the commissioner. All fees collected pursuant to this article shall be remitted to the state treasurer as collected and credited to the financial institutions administration account. Expenditures shall be made from the account by warrants drawn by the state auditor, upon vouchers issued and signed by the director or commissioner. Funds

collected pursuant to this article shall be expended only to carry out the duties of the commissioner, the state banking board or as otherwise authorized under this article.

(g) By entering into an agreement pursuant to this section, the state of Wyoming does not waive its sovereign immunity.

**13-2-808. Enforcement.**

The commissioner may take joint enforcement actions with any other bank supervisory agency having concurrent jurisdiction over any branch in Wyoming of an out-of-state bank or any branch of a Wyoming state bank in any host state or may take such action independently if the commissioner deems the actions to be necessary or appropriate to carry out his responsibilities under this article or to ensure compliance with the laws of this state. In the case of an out-of-state state bank, the commissioner shall recognize the exclusive authority of the home state supervisor over corporate governance matters and the primary responsibility of the home state supervisor with respect to safety and soundness matters. If the commissioner determines that a branch maintained by an out-of-state state bank in this state, or a branch of a Wyoming bank operating in another state, is being operated in violation of any provision of the laws of this state, or that the branch is being operated in an unsafe and unsound manner, the commissioner shall have the authority to take all the enforcement actions as he would be empowered to take if the branch were a Wyoming state bank; provided, that the commissioner shall promptly give notice to the home state supervisor or host state supervisor, as applicable, of each enforcement action taken against an out-of-state bank and, to the extent practicable, shall consult and cooperate with the home state supervisor in pursuing and resolving the enforcement action.

**13-2-809. Repealed By Laws 1999, ch. 42, § 3.**

**13-2-810. Notice of subsequent merger.**

Each out-of-state state bank that has established and maintains a branch in this state pursuant to this article, or the home state supervisor of the bank, shall give at least thirty (30) days prior written notice (or, in the case of an emergency transaction, any shorter notice that is consistent with applicable state or federal law) to the commissioner of any merger, consolidation, or other transaction that would cause a

change of control with respect to the bank or any bank holding company that controls the bank, with the result that an application would be required to be filed pursuant to the federal Change in Bank Control Act of 1978, as amended, 12 U.S.C. section 1817(j), or the federal Bank Holding Company Act of 1956, as amended, 12 U.S.C. section 1841 et seq., or any successor statutes thereto.

ARTICLE 9  
FOREIGN BRANCH BANKING

**13-2-901. Purpose.**

(a) This article is intended generally to ensure that:

(i) Interstate state branches of out-of-state foreign banks may be established and operated in this state:

(A) To the extent consistent with the provisions of 12 U.S.C. section 3103; and

(B) Under terms and conditions that are comparable to and no less favorable than those applicable to the establishment of interstate federal branches in this state by out-of-state foreign banks.

(ii) The laws and regulations of this state applicable to the establishment of interstate state branches in this state by out-of-state banks do not, in a manner inconsistent with the laws and policies of the United States, discriminate against the establishment of interstate state branches in this state by out-of-state domestic banks that are owned or controlled by foreign banks or other foreign persons.

**13-2-902. Definitions.**

(a) As used in this article:

(i) "Foreign bank" means any company organized under the laws of a foreign country, a territory of the United States, Puerto Rico, Guam, American Samoa or the Virgin Islands, that engages directly in the business of banking. The term includes foreign commercial banks, foreign merchant banks and other foreign institutions that engage in banking activities usual in connection with the business of banking in countries where the foreign institutions are organized or operating;

(ii) "Home state" means as defined in W.S. 13-2-802(a)(vi);

(iii) "Interstate federal branch" means a branch of an out-of-state foreign bank established pursuant to 12 U.S.C. section 3103(a)(1);

(iv) "Interstate Wyoming state branch" means a branch of an out-of-state foreign bank that is established in this state pursuant to 12 U.S.C. section 3103(a)(2);

(v) "Out-of-state foreign bank" means a foreign bank, the home state of which is a state other than Wyoming;

(vi) "Out-of-state bank" means a bank, the home state of which is a state other than Wyoming;

(vii) "State" means as defined in W.S. 13-2-802(a)(xiv).

**13-2-903. Establishment of interstate branches by out-of-state foreign banks.**

An out-of-state foreign bank may establish an interstate Wyoming state branch in the same manner as, and subject to the same criteria, standards, conditions, requirements and procedures applicable to the establishment of interstate branches in this state by an out-of-state bank having the same home state in the United States.

**13-2-904. Establishment of interstate branches by out-of-state domestic banks owned or controlled by foreign banks or other foreign persons.**

An out-of-state domestic bank owned or controlled by a foreign bank or other foreign person may establish an interstate Wyoming state branch in the same manner as, and subject to the same criteria, standards, conditions, requirements and procedures applicable to the establishment of interstate branches in this state by an out-of-state bank having the same home state in the United States.

CHAPTER 3  
BANKING OPERATIONS

ARTICLE 1  
GENERALLY

**13-3-101. Bond required of officers and employees.**

The state banking commissioner may require all active officers and employees of banks to furnish a fidelity bond in duplicate in an amount to be fixed by the state banking commissioner and written by a surety company authorized to do business in Wyoming. One (1) copy of the bond shall be filed with the state banking commissioner.

**13-3-102. Loans to executive officers, directors, principal shareholders or others with ownership interests.**

No bank shall loan any of its funds to executive officers, directors or to any person owning or controlling ten percent (10%) or more of the bank's or its bank holding company's voting ownership interests, or to any person in which any of the executive officers, directors or owners or controllers are interested except upon the written application of the person and then only with the prior approval of a majority of the board of directors. The approval of the loan, if allowed, shall be made a part of the records of the directors' meeting.

**13-3-103. Preference to depositors or creditors prohibited; exceptions.**

A bank shall not give preference to any depositor or creditor by pledging the assets of the bank as security except that the bank may qualify as depository for United States deposits, postal savings funds or other public funds by deposit of the securities required by law and except as otherwise permitted by this act.

**13-3-104. Repealed By Laws 1999, ch. 42, § 3.**

ARTICLE 2  
RESTRICTED OPERATIONS

**13-3-201. Acquisition of real estate.**

(a) No bank shall purchase, hold, convey or lease real estate except for the following purposes:

(i) Real estate and buildings necessary to transact the business of a bank including its banking offices and other premises in the same buildings to rent as a source of income. The property shall not be carried on the books of the bank as an asset in an amount in excess of one hundred percent (100%) of

the bank's capital and surplus and, with the prior approval of the state banking commissioner, undivided profits and reserve accounts. When any bank ceases to use the real estate and improvements for banking purposes, it shall, within five (5) years from the date of vacation of the premises, sell the property;

(ii) Real estate which is purchased by or conveyed to the bank in satisfaction of or on account of debts previously contracted in the course of its business;

(iii) Real estate which is purchased at execution sale or acquired by decree under securities held by it.

(b) Any real estate acquired as provided in subsections (a) (ii) and (iii) of this section shall be entered on the books as other real estate at not more than acquisition cost, or appraised fair market value, whichever is less, shall be appraised at least every twenty-four (24) months, and shall be sold within ten (10) years after title to the property is acquired. Any real estate acquired prior to July 1, 1992 shall be carried on the bank's books at the lower of the bank's book value for that property as of July 1, 1992 or appraised value.

(i) Repealed by Laws 1992, ch. 46, § 2.

(ii) Repealed by Laws 1992, ch. 46, § 2.

(c) If any real estate is not sold within the time required in this section, it shall not thereafter be carried as an asset of the bank. This section shall not apply to real estate purchased with funds other than the capital and resources of the banking business nor to real estate held in trust.

(d) Any bank acquiring any real estate in any manner other than as provided by this section shall immediately charge it to a reserve for losses or to undivided profits.

(e) Any appraisal required under subsection (b) of this section for property which is carried on the bank's books at a value equal to or exceeding two hundred fifty thousand dollars (\$250,000.00) shall be conducted by a real estate appraiser certified or licensed by the state in which the property is located, who is not an officer or director of the bank and whose reports are acceptable to the state banking commissioner.

(f) Any appraisal required under subsection (b) of this section may be waived by the state banking commissioner upon written application from the bank.

**13-3-202. Investment in stock of other corporations.**

(a) No bank shall invest any of its assets in the capital stock of any other corporation except as follows:

(i) In the capital stock of a federal reserve bank;

(ii) In stock acquired to save a loss on a preexisting debt which shall be sold within twelve (12) months from the date acquired unless a longer period of time is permitted by the state banking commissioner;

(iii) In the stock of a small business investment company as defined by the federal Small Business Investment Act of 1958 as amended;

(iv) In the stock of the federal national mortgage association;

(v) In the stock of a corporation formed solely for the purpose of making agricultural loans and borrowing or discounting loans from banks and associations of the farm credit system as authorized in the Farm Credit Act of 1971 (P.L. 92-181), subject to such conditions and limitations as the state banking commissioner may prescribe;

(vi) In the stock of a bank service corporation pursuant to W.S. 13-9-101;

(vii) In mutual fund shares whose underlying securities consist solely of obligations of the United States treasury or other federal agency obligations;

(viii) In the stock of a federal home loan bank established under the Federal Home Loan Bank Act;

(ix) In the stock of an operating subsidiary in accordance with W.S. 13-3-204;

(x) In the stock of a bank engaged exclusively in providing services to state or national banks or their subsidiary corporations, bank holding companies or their subsidiary corporations, or other financial institutions,

hereinafter referred to as a "banker's bank," subject to the following limitations:

(A) The investing bank may not acquire or retain ownership, control or power to vote more than five percent (5%) of any class of voting stock or securities of a banker's bank; and

(B) The investing bank may not invest in a banker's bank more than ten percent (10%) of its capital stock and paid in and unimpaired surplus.

**13-3-203. Borrowing.**

(a) A bank may borrow on and pledge assets of the bank as security for temporary purposes. If it appears that any bank is habitually borrowing for the purpose of reloading the state banking commissioner may require the bank to pay off the borrowed money. A bank is not prevented from rediscounting in good faith and endorsing any of its negotiable notes.

(b) Repealed by Laws 1992, ch. 46, § 2.

(c) No bank shall sell or rediscount "without recourse" any notes or other negotiable securities on which the bank is in any way liable under purchase or guarantee agreements and any purchaser of notes or negotiable securities purchased "without recourse" shall look to the maker or guarantor of the notes or negotiable securities only for payment.

(d) Any bank may borrow money from a federal reserve bank or federal home loan bank in the manner required by the rules, laws and regulations of the federal reserve banks or federal home loan bank, as applicable. A bank borrowing pursuant to this section may pledge assets of the bank as security for the borrowing.

(e) Repealed by Laws 1992, ch. 46, § 2.

(f) State chartered banks may engage in other borrowing activities subject to approval of the commissioner.

**13-3-204. Operating subsidiaries; application; fee; new activities.**

(a) With prior written approval of the commissioner, a bank may purchase for its own account the stock in a corporation



to perform functions that are authorized for the bank or that are usual or incidental to the business of banking, subject to the following conditions:

(i) The bank shall own or control eighty percent (80%) or more of the voting stock of the subsidiary corporation;

(ii) No officer, director or shareholder of the bank or any person in a substantially similar controlling or governing position of its bank holding company shall otherwise have a direct or indirect pecuniary interest in the subsidiary corporation;

(iii) All transactions between the bank and the subsidiary shall be subject to any limitations and restrictions applicable under the laws of this state and the United States;

(iv) All provisions of banking law applicable to the operations of the bank shall apply equally to the operations of the subsidiary;

(v) Each subsidiary shall be subject to examination and supervision by the commissioner in the same manner and to the same extent as the bank. If the commissioner determines the subsidiary is violating any applicable law or that operation of the subsidiary is adversely affecting the safety and soundness of the bank, the commissioner may order the bank to dispose of all or any part of the subsidiary upon such terms as the commissioner deems appropriate or take any other appropriate administrative action authorized in this act.

(b) The bank shall file an application for permission to operate a subsidiary with the commissioner, together with an application fee established by rule and regulation of the commissioner. The fee shall be deposited as provided in W.S. 13-2-210(b) and may be expended as provided in that subsection. The application shall include:

(i) The name and location of the subsidiary and the date the subsidiary will commence operations;

(ii) A description of the activities and nature of the business to be conducted at the subsidiary; and

(iii) A description of the nature of the bank's investment in the subsidiary.

(c) The commissioner shall approve the application and issue a certificate of authority to operate the subsidiary to the bank within twenty (20) days after receipt of the completed application and fee unless the commissioner finds:

(i) The proposed activity or activities to be performed at the subsidiary are not activities the bank is authorized to perform and are not activities that are usual or incidental to the business of banking; or

(ii) Operation of the subsidiary will adversely affect the safety and soundness of the bank.

(d) With the prior approval of the commissioner, an approved subsidiary of a bank may engage in a new activity. The bank shall file a written application for approval of the new activity with the commissioner in the form prescribed by the commissioner. The commissioner shall approve the application in writing no later than twenty (20) days after receipt of the application if the commissioner finds that the proposed new activity is an activity that is authorized for the bank or is usual or incidental to the business of the bank and the proposed new activity will not adversely affect the safety and soundness of the bank.

(e) Nothing in this section shall prohibit a bank from establishing and operating a subsidiary in a state other than Wyoming, provided that the bank complies with all applicable provisions of Wyoming law, the law of the state where the subsidiary will be located and federal law.

### ARTICLE 3 ACCOUNTING PRACTICES

#### **13-3-301. Losses to be charged to surplus fund.**

Any losses sustained by a bank in excess of its undivided profits shall be charged to its surplus fund. The surplus fund shall subsequently be reimbursed from earnings. No dividends shall be declared or paid by any bank in excess of one-half (1/2) of its net earnings until the surplus fund is fully restored to its former amount or an amount equal to one hundred percent (100%) of the paid up capital.

#### **13-3-302. Bad debts.**

All demand and matured debts due to any bank on which interest has not been paid for a period of at least twelve (12) months, unless in the judgment of the state banking commissioner the debts are well secured or are in the process of collection, are bad debts and shall be charged in whole or in part to the reserve for losses or to undivided profits upon instructions of the state banking commissioner or any duly appointed examiner.

**13-3-303. Value of stocks held.**

All investments in any bank in stocks of any corporation authorized by W.S. 13-3-202 shall be entered on the books of the bank at a sum not to exceed the actual cost to the bank. The state banking commissioner may require an asset to be charged down to its actual value.

**13-3-304. Dividends.**

(a) The board of directors may, quarterly, semiannually or annually, declare a dividend of so much of the net profits of the bank as they judge proper, except that no dividends shall be declared until the surplus fund of the bank equals its common capital unless there has been carried to the surplus fund not less than ten percent (10%) of the bank's net profits of the preceding six (6) consecutive months in the case of quarterly or semiannual dividends, or not less than ten percent (10%) of its net profits of the preceding twelve (12) consecutive months in the case of annual dividends. For the purposes of this section, any amounts paid into a fund for the retirement of any preferred stock of any bank out of its net profits for such period are deemed to be additions to its surplus fund if, upon retirement of the preferred stock, the amounts paid into the retirement fund may then properly be carried to surplus. In such case, the bank is obligated to transfer to surplus the amounts paid into the retirement fund on account of the preferred stock as the stock is retired.

(b) The approval of the state banking commissioner is required if the total of all dividends declared by the bank in any calendar year shall exceed the total of its net profits of that year combined with its retained net profits of the preceding two (2) years, less any required transfers to surplus or a fund for the retirement of any preferred stock.

(c) For the purpose of this section:

(i) "Net profits" means the net income or loss reported by a bank in its report of condition and income;

(ii) "Retained net profits" for any period shall be equal to the net income or loss reported in the report of condition and income less any common or preferred stock dividends declared or otherwise charged to the undivided profits of the period for which the retained net profits are computed.

(d) No dividend shall be declared by the board of directors of any bank which is operating under any form of regulatory action without prior written approval of the state banking commissioner.

#### ARTICLE 4 RESTRICTED TRANSACTIONS

##### **13-3-401. Real estate loans.**

(a) Any bank may make real estate loans upon real estate secured by a mortgage, deed of trust or other instrument of similar security which comprises a lien upon the secured property. A bank may make a real estate loan or purchase these obligations in whole or in part at any time prior to the maturity of the obligation if the participation interest of the bank is adequately protected by the terms of the participation agreement.

(b) Repealed By Laws 1983, Ch. 20, §§ 1 & 2; 2014, Ch. 32, § 1.

(c) Repealed By Laws 2014, Ch. 32, § 1.

(d) Repealed By Laws 1996, ch. 54, § 1.

(e) Repealed by Laws 1992, ch. 46, § 2.

(f) Repealed By Laws 2014, Ch. 32, § 1.

##### **13-3-402. Individual indebtedness limitations; generally.**

(a) Except as otherwise provided, no bank shall permit any person, firm, partnership, association or corporation to become indebted at origination to the bank in an amount exceeding twenty percent (20%) of the amount of the capital stock of the bank actually paid in and unimpaired plus twenty percent (20%)

of its unimpaired surplus fund plus twenty percent (20%) of its unimpaired undivided profits.

(b) As used in this section, W.S. 13-3-403 and 13-3-404, "loans or extensions of credit", "indebted" and "obligations" means the direct liability of the maker or acceptor of paper discounted with or sold to a bank and includes, but are not limited to, outstanding letters of credit and unfunded commitments. Indebtedness of a partnership includes the obligations of the several members thereof individually and indebtedness of a corporation includes all obligations of all subsidiaries thereof in which the corporation owns or controls a majority interest.

(c) The board of directors shall review and give prior approval for all combinations of indebtedness of affiliated persons, firms, partnerships, associations or corporations which exceed the limits permitted by subsection (a) of this section. For purposes of this section "affiliated" means that twenty-five percent (25%) or more of each entity is owned or controlled by a common principal.

**13-3-403. Individual indebtedness limitations; exceptions generally.**

(a) The limitation of W.S. 13-3-402 does not apply to the following:

(i) Repealed by Laws 1992, ch. 46, § 2.

(ii) Repealed by Laws 1992, ch. 46, § 2.

(iii) Repealed by Laws 1992, ch. 46, § 2.

(iv) Obligations in the form of banker's acceptances of other banks;

(v) Loans or extensions of credit secured by a segregated deposit account in the lending bank, if a security interest has been perfected in the assigned account and, in the case of a deposit eligible for withdrawal prior to the maturity of the secured loan, the bank has established internal procedures which will prevent the release of the security;

(vi) Loans or extensions of credit secured by certificates of indebtedness, bonds, notes or treasury bills of the United States or by other debts fully guaranteed as to

principal and interest by the United States government. Collateral values shall fully secure the loan or extension of credit at current market value, provided that should market value decline below that of the loan or extension of credit, that within ten (10) days of that decline, the limitations of W.S. 13-3-402 will then apply;

(vii) Loans or extensions of credit made in connection with a lender credit card, as defined in W.S. 40-14-140(a)(ix) not exceeding five thousand dollars (\$5,000.00).

(b) Repealed by Laws 1992, ch. 46, § 2.

(c) Repealed by Laws 1992, ch. 46, § 2.

(d) Repealed By Laws 1998, ch. 106, § 2.

**13-3-404. Individual indebtedness limitations; exceptions generally; federal obligations.**

(a) W.S. 13-3-402 and 13-3-403 do not restrict the making of loans in excess of the limitations to the extent that the repayment of principal and interest is:

(i) An obligation of the United States;

(ii) An obligation of entities in which national banks are authorized to invest as established by rule and regulation of the commissioner; or

(iii) Guaranteed or insured by any agency of the federal government for the payment of the obligations of which the full faith and credit of the United States is pledged. These commitments shall be unconditional and shall be performed by payment of cash or its equivalent within three (3) months after demand.

**13-3-405. Acceptance of drafts and bills of exchange.**

(a) Drafts or bills of exchange, drawn upon a bank having not more than six (6) months' sight to run, may be accepted by a bank. Letters of credit may be issued by a bank only if they are based upon actual commercial or agricultural transactions.

(b) No bank shall accept drafts or bills of exchange or issue letters of credit for any one (1) person or entity to an

amount equal at any time in the aggregate to more than twenty percent (20%) of its paid up and unimpaired capital and surplus plus twenty percent (20%) of its unimpaired undivided profits unless the bank is secured either by attached documents or by some other actual security growing out of the same transaction. The aggregate amount of acceptances of letters of credit to any one (1) person or entity shall not at any time exceed the paid-up unimpaired capital and surplus and unimpaired undivided profits of the bank.

ARTICLE 5  
RECORDS

**13-3-501. Retention generally.**

Each bank in this state shall retain its business records for the periods prescribed by W.S. 13-3-501 through 13-3-507. W.S. 13-3-501 through 13-3-507 apply to national banks and trust companies where not in conflict with federal law, rule or regulation.

**13-3-502. Permanent records.**

Each bank shall permanently retain the minute books of meetings of its stockholders and directors, its capital stock ledger and capital stock certificate ledger or stubs, its general ledger (or the record kept by the bank in lieu thereof), its daily statements of condition and all records which the state banking commissioner requires to be retained permanently.

**13-3-503. Records retained 3 years.**

All bank records pertaining to other parties such as safekeeping and escrow records shall be retained for three (3) years after the completion of the transactions pertaining to the records.

**13-3-504. Requirements of state banking commissioner.**

All other bank records shall be retained for the periods prescribed by the state banking commissioner.

**13-3-505. State banking commissioner to issue rules.**

(a) The state banking commissioner shall issue rules classifying records kept by banks and prescribing the periods for which records of each class shall be retained. The rules shall be reviewed and considered for revision at least once

every five (5) years. When issuing rules the state banking commissioner shall consider:

(i) Actions and administrative proceedings in which the production of bank records might be necessary or desirable;

(ii) State and federal statutes of limitation applicable to actions or proceedings;

(iii) The availability of information contained in bank records from other sources;

(iv) Other matters pertinent to the interests of bank customers, shareholders and the people of the state of Wyoming.

**13-3-506. Duty to produce.**

After the period prescribed for the retention of records of its class the bank has no duty to produce the record in any action or proceeding if the records have been disposed of.

**13-3-507. Reproduction.**

Any bank may cause any of its records including those held by it as a fiduciary, to be photographed, microfilmed or otherwise reproduced in permanent form. Any photograph or reproduction has the same effect as the original and shall be admitted in evidence in lieu of the original.

ARTICLE 6

CERTIFIED CHECKS; NONPAYMENT OF INSTRUMENT

**13-3-601. Renumbered as § 2-1-203 by Laws 1979, ch. 142, § 3.**

**13-3-602. Certified checks.**

The amount of any check certified shall immediately be charged to the drawer's account and credited to a certified check account from which the check is payable.

**13-3-603. Nonpayment of instrument when person influenced by alcohol or drugs.**

Any bank may refuse to pay any check, draft or order upon it if the officers or owners of the bank have reason to believe that the person signing or endorsing the instrument is or was so



under the influence of alcohol or drugs as to make it doubtful whether the person is or was capable of transacting business at the time of signing or endorsing the instrument. No cause of action accrues against the bank by reason of the refusal of a bank or officer to pay an instrument under this section.

ARTICLE 7  
REPORTS AND EXAMINATIONS

**13-3-701. Reports to state banking commissioner.**

(a) Repealed By Laws 1998, ch. 64, § 2.

(b) Repealed By Laws 1998, ch. 64, § 2.

(c) Repealed By Laws 1998, ch. 64, § 2.

(d) The state banking commissioner may call for special reports verified under oath from any bank at any time as necessary to inform the state banking commissioner of the condition of the bank.

(e) All reports required of financial institutions by the commissioner under this act and all materials relating to examinations of financial institutions under this act shall be subject to the provisions of W.S. 9-1-512.

**13-3-702. Inspection of banks; fees.**

(a) Every bank is subject to the inspection of the state banking commissioner. The state banking commissioner or a duly appointed examiner shall visit and examine each bank as often as the commissioner deems necessary and at least as frequently as required by the federal deposit insurance corporation, with or without previous notice to the officers of or anyone interested in the bank. The state banking commissioner or a duly appointed examiner shall make a complete and careful examination of the condition and resources of the bank, the mode of managing bank affairs and conducting its business, the action of bank officers and directors in the investment and disposition of bank funds, the safety and prudence of bank management, the security afforded to those by whom bank engagements are held, whether the requirements of this act are being complied with and such other matters as the state banking commissioner may prescribe. If the state banking commissioner examines a bank more than twice in any calendar year, the bank shall pay to the state banking

commissioner an additional fee established by rule and regulation of the commissioner.

(b) Repealed by Laws 1994, ch. 14, § 2.

(c) On or before January 31 and July 31 each bank shall compute and pay supervisory fees to the state banking commissioner based on the total asset base of the bank as of the preceding December 31 and June 30 respectively. The supervisory fees are to provide for the general administration and operating costs of the office of the state banking commissioner for the administration of the laws and regulations governing the banking industry generally. Such fees shall be established by regulation of the state banking commissioner and shall be adjusted by regulations issued by the state banking commissioner to assure consistency with the cost of supervision and the fees paid by national banks. Other fees assessed for administrative services caused by applications or activities attributable to a specific financial institution or entity, shall be used to defray the cost of the special services and, to the extent possible, shall be recovered from the financial institution or entity which requires the special service.

**13-3-703. Exchange with federal deposit insurance corporation and federal reserve system authorized.**

(a) The state banking commissioner may accept examinations of banks by or reports to the federal deposit insurance corporation or federal reserve system in lieu of examinations or reports required by this act.

(b) The state banking commissioner may furnish copies of reports from and examinations of banks under state supervision and information possessed by the state banking commissioner with reference to the conditions of affairs of banks to the federal deposit insurance corporation or federal reserve system.

(c) The provisions of this section are in addition to other provisions of this act which authorize the commissioner to receive examination or other reports or share examination or other reports with other bank supervisory agencies.

**13-3-704. Repealed By Laws 1999, ch. 42, § 3.**

ARTICLE 1  
MERGER, CONVERSION, CHANGE IN PLACE OF BUSINESS

**13-4-101. Change in place of business.**

(a) Any bank may apply in writing to the state banking commissioner for permission to change its place of business to any other municipality in the state. The application shall be accompanied by a fee established by rule and regulation of the commissioner and shall state the reasons for the proposed change, be signed by a majority of its board of directors and accompanied by the written assent to the application by the stockholders owning at least two-thirds (2/3) of its stock. The application fee shall be deposited by the state banking commissioner with the state treasurer and credited to the financial institutions administration account. Expenditures shall be made from the account by warrants drawn by the state auditor, upon vouchers issued and signed by the director or commissioner. Funds from the account shall be expended only to carry out the duties of the commissioner or the state banking board.

(b) If the state banking commissioner determines that the change may be desirable, he shall hold a hearing upon the application pursuant to the Wyoming Administrative Procedure Act.

(c) The applicant shall publish notice of the hearing once a week for three (3) consecutive weeks in a newspaper of general circulation in all municipalities affected by the change. At the conclusion of the hearing if the state banking commissioner finds that a change of location is desirable and in the best interests of the bank and the municipality to which the bank is proposing to move, he shall grant a certificate authorizing the change of location.

**13-4-102. Amendment to articles of incorporation.**

(a) A bank may amend its articles of incorporation pursuant to the requirements of W.S. 17-16-1001 through 17-16-1009. The articles of amendment shall be executed in triplicate with an executive officer executing in the place of the corporate secretary. Notice of the shareholders' meeting to vote on a proposed amendment shall be given as provided by the bylaws of the bank.

(b) Triplicate originals of the articles of amendment shall be delivered to the state banking commissioner together with a fee required for filing documents with the secretary of state. If the state banking commissioner finds that the articles of amendment do not conform to law he shall return them to the corporation. If the state banking commissioner finds that the articles of amendment conform to the law he shall endorse on the articles of amendment his certificate of approval together with the word "filed" and the month, day and year of filing, and he shall file one (1) of the triplicate originals in his office and one (1) in the office of the secretary of state. The state banking commissioner shall issue a certificate of amendment, affix it to the third triplicate original of the articles of amendment and return it to the corporation or its representatives.

(c) Upon the issuance of the certificate of amendment by the state banking commissioner, the amendment is effective and the articles of incorporation shall be amended accordingly.

**13-4-103. Cancellation of charter.**

(a) The charter of any bank organized under this act is forfeited and cancelled in any of the following cases:

(i) Upon completion of a liquidation;

(ii) Merger which makes unnecessary the continued use of the charter of a bank due to the loss of its corporate identity to another banking institution;

(iii) If a regular place of business has not been maintained by any bank for two (2) years.

**13-4-104. Merger or conversion into state bank; branch banking by merger or consolidation; application fees.**

(a) Upon approval by the state banking commissioner, banks may be merged to result in a state bank or a national bank may convert into a state bank. The action by a national bank is subject to the laws of the United States.

(b) Any state or national bank that consolidates or merges in accordance with subsection (a) of this section may upon the completion of the consolidation or merger retain, operate and maintain the banking houses or offices of the merged or consolidated entities and provide other services or functions as

would be permitted had the consolidation or merger not occurred. When a merger or consolidation application from a state bank results in maintaining the merged banking house or office as a branch, the application for merger shall be accompanied by an application fee established by rule and regulation of the state banking commissioner. For each additional bank being merged into the same bank, the application fee shall be increased by an amount established by rule and regulation of the state banking commissioner. All fees shall be deposited by the state banking commissioner with the state treasurer and credited to the financial institutions administration account. Expenditures shall be made from the account by warrants drawn by the state auditor, upon vouchers issued and signed by the director or commissioner. Funds from the account shall be expended only to carry out the duties of the commissioner or the state banking board.

(c) Repealed By Laws 2013, Ch. 24, § 2.

**13-4-105. Approval of merger by directors and state banking commissioner; disapproval.**

(a) A majority of the members of the board of directors of each merging bank shall approve a merger agreement which shall contain:

(i) The name of each merging bank and location of each office;

(ii) With respect to the resulting bank:

(A) Its name and the location of its principal office which shall be a place that was the preexisting office of any merging bank;

(B) The name and residence of each director to serve until the next annual meeting of the stockholders;

(C) The name and residence of each executive officer;

(D) The amount of capital, the number of shares and the par value of each share;

(E) Whether preferred stock is to be issued and the amount, terms and preferences;

(F) The designation of the continuing bank, the charter of which is to be the charter of the resulting bank, together with the amendments to the continuing charter and to the continuing bylaws.

(iii) Provisions governing the manner of converting the shares of the merging banks into shares of the resulting bank;

(iv) A statement that the agreement is subject to approval by the state banking commissioner and by the stockholders of each merging bank;

(v) Provisions governing the manner of disposing of the shares of the resulting bank not taken by dissenting stockholders of merging banks;

(vi) Other provisions required by the state banking commissioner.

(b) After approval by the board of directors of each merging bank, the merger agreement shall be submitted to the state banking commissioner for approval, together with certified copies of the authorizing resolutions of each board of directors showing approval by a majority of the entire board and evidence of proper action by the board of directors of any merging national bank.

(c) Within thirty (30) days after receipt by the state banking commissioner of the papers specified in subsections (a) and (b) of this section, the state banking commissioner shall approve or disapprove the merger agreement. The state banking commissioner shall approve the agreement if it appears that:

(i) The resulting bank meets with the requirements of state law as to the formation of a new bank;

(ii) The agreement provides an adequate capital structure, including surplus, in relation to the deposit liabilities of the resulting bank and its other activities which are to continue or are to be undertaken;

(iii) The agreement is fair;

(iv) The merger is not contrary to the public interest.

(d) Where a resulting state bank is not to exercise trust powers, the state banking commissioner shall not approve a merger or conversion until satisfied that adequate provision has been made for successors to fiduciary positions held by the merging banks or the converting bank.

(e) If the state banking commissioner disapproves an agreement, he shall state his objections and give an opportunity to the merging banks to amend the merger agreement to obviate the objections.

**13-4-106. Approval of merger by stockholders.**

(a) A merger which is to result in a bank shall be approved by the stockholders of each merging bank by a vote of two-thirds (2/3) of the outstanding voting stock of each class at a meeting called to consider the action which vote shall constitute the adoption of the charter and bylaws of the continuing bank, including the amendments in the merger agreement, as the charter and bylaws of the resulting bank.

(b) Notice of the meeting of the stockholders shall be given by publication in a newspaper of general circulation in the county where the principal office of each merging bank is located, at least once a week for three (3) successive weeks, and by mail, at least fifteen (15) days before the date of the meeting, to each stockholder of record of each merging bank at his address on the books of his bank, who has not waived notice in writing. No notice by publication need be given if written waivers are received from the holders of two-thirds (2/3) of the outstanding shares of each class of voting stock. The notice shall state that dissenting stockholders will be entitled to payment of the value of only those shares which are voted against approval of the plan.

**13-4-107. Publication of merger notice.**

Upon approval of a merger agreement by the stockholders of each merging bank, the elements of the agreement shall be incorporated in a notice of the proposed merger with the effective date of the merger. The notice shall be published once each week for three (3) successive weeks in a newspaper of general circulation in each of the counties in which the merging banks are located.

**13-4-108. When merger effective; certificate of merger.**

(a) A merger which is to result in a state bank, unless otherwise specified in the agreement becomes effective upon filing the executed agreement, copies of the resolutions of the stockholders of each merging bank approving it, an affidavit evidencing the publication and a copy of the publication with the state banking commissioner.

(b) The state banking commissioner shall issue in triplicate to the resulting bank a certificate of merger which constitutes a continuing charter specifying the name of each merging bank and the name of the resulting bank. The certificate is conclusive evidence of the merger and of the correctness of all proceedings and shall be filed by the resulting bank in the office of the secretary of state and in the office of the county clerk in each of the counties in which the merging banks were located.

**13-4-109. Conversion of national bank, federally chartered savings bank or state savings and loan into state bank.**

(a) A national bank, including a federally chartered savings and loan and a federally chartered savings bank, located in this state which follows the procedure prescribed by the laws of the United States to convert into a state bank may be granted a state charter by the state banking commissioner if the state banking commissioner finds that adequate provision has been made for successors to fiduciary positions held by the converting bank, the national bank, federally chartered savings and loan or federally chartered savings bank is legally in operation and that the resulting bank complies with the laws of the state of Wyoming. A state savings and loan chartered under chapter 6 of this act may convert into a state chartered bank in accordance with the provisions of this section. A state bank resulting from the conversion of a national bank, federally chartered savings and loan, federally chartered savings bank or state savings and loan pursuant to this section may retain, operate and maintain the banking houses or offices of the converting national bank, federally chartered savings and loan, federally chartered savings bank or state savings and loan.

(b) A financial institution seeking to convert under subsection (a) of this section may apply for a charter by filing with the state banking commissioner:

(i) A certificate signed by its president or vice president, secretary or cashier, and a majority of the entire board of directors setting forth the corporate action taken in



compliance with the provisions of the laws of the United States, or this state as appropriate, confirming the conversion of a national to a state bank; and

(ii) The plan of conversion and the proposed articles of incorporation approved by the stockholders for the operation of the bank or savings and loan as a state bank.

(c) Before issuance of a charter notice of a conversion with its effective date shall be published once each week for three (3) successive weeks in a newspaper of general circulation in the county in which the financial institution is located.

(d) An affidavit evidencing the publication with a copy of the notice attached shall be filed with the state banking commissioner. The charter shall issue to become effective upon the effective date named in the notice.

(e) The articles of incorporation of the resulting state bank shall be filed with the secretary of state and the county clerk of the county by the resulting bank.

(f) The state banking commissioner shall collect from each financial institution applying for a charter under this section an amount sufficient to pay costs and expenses of processing the application, including all investigation, examination and hearing costs. The monies collected shall be remitted to the state treasurer and credited to the financial institutions administration account. Expenditures shall be made from the account only by warrants drawn by the state auditor upon vouchers issued and signed by the director or the commissioner. Funds from the account shall be expended only to carry out the duties of the commissioner or the state banking board.

**13-4-110. Dissenting shareholders.**

(a) The owner of shares of a state bank which were voted against a merger to result in a state bank, or against the conversion of a state bank into a national bank, are entitled to receive their fair market value in cash, if and when the merger or conversion becomes effective, upon written demand, made to the resulting state or national bank at any time within thirty (30) days after the effective date of the merger or conversion accompanied by the surrender of the stock certificates. The value of the shares shall be determined, as of the date of the stockholders' meeting approving the merger or conversion, by three (3) appraisers, one (1) to be selected by the owners of

two-thirds (2/3) of the dissenting shares involved, one (1) by the board of directors of the resulting state or national bank, and the third by the two (2) so chosen. The valuation agreed upon by any two (2) appraisers shall govern. If the appraisal is not completed within ninety (90) days after the merger or conversion becomes effective the state banking commissioner shall cause an appraisal to be made.

(b) The expenses of appraisal shall be paid by the resulting bank.

(c) The resulting state or national bank may fix an amount which it considers to be not more than the fair market value of the shares of a merging or the converting bank at the time of the stockholders' meeting approving the merger or conversion, which it will pay dissenting shareholders of the bank entitled to payment in cash. The amount due under the accepted offer or under the appraisal shall constitute a debt of the resulting bank.

**13-4-111. Effect of merger or conversion.**

(a) A resulting bank shall be considered the same entity as each merging bank or as the converting bank with all the property, rights, powers, duties and obligations of each merging bank or the converting bank, except as provided by state law in the case of a resulting state bank or federal law in the case of a resulting national bank and by the charter and bylaws of the resulting bank.

(b) A resulting bank may use the name of any merging bank or of the converting bank.

(c) Any reference to a merging or converting bank in writing is a reference to the resulting bank if not inconsistent with the other provisions of the writing.

**13-4-112. Time for conforming to state law.**

If a merging or converting bank has assets which do not conform to the requirements of state law for the resulting bank or carries on business activities which are not permitted for the resulting bank, the state banking commissioner may permit a reasonable time to conform with state law.

**13-4-113. Transfer of assets and liabilities.**

(a) A bank which is in the process of consolidating with another bank may transfer its assets and liabilities to the other bank upon written consent of the state banking commissioner.

(b) Without approval by the state banking commissioner assets shall not be carried on the books of the resulting bank at a valuation higher than that on the books of a merging or converting bank at the time of its last examination by a state or national bank examiner before the effective date of the merger or conversion.

**13-4-114. Changing of state to national bank.**

(a) A bank may merge with, convert into or reorganize as a national bank. The action to be taken by a merging or converting bank and its rights and liabilities and those of its stockholders shall be the same as those prescribed for national banks except that a vote of the holders of two-thirds (2/3) of each class of voting stock of a state bank is required for the merger or conversion. On conversion, the rights of dissenting stockholders shall be those specified in W.S. 13-4-110.

(b) Upon the completion of the merger or conversion, the franchise of any merging or converting state bank automatically terminates.

ARTICLE 2  
INSOLVENCY

**13-4-201. Conditions.**

(a) A bank is insolvent when any of the following conditions exist:

(i) When the actual cash market value of its assets is less than its liabilities;

(ii) When it fails to make good its reserve as may be required by this act, or the federal reserve board; or

(iii) When it fails to pay, in the manner commonly accepted by business practices including draft or cashier's check, its legal obligations to depositors on demand or to discharge any certificates of deposit, promissory notes or other indebtedness when due.

**13-4-202. Transactions deemed void.**

(a) The following transactions subsequent to any act of insolvency or in contemplation of insolvency with a view to prevent the application of bank assets in the manner prescribed by this act or with a view to the preference of one creditor over another are void:

(i) All transfers of notes, bonds, bills of exchange or other evidence of debt owing to any bank or of deposits to its credit;

(ii) All assignments of mortgages, securities or real estate or of judgments or decrees in its favor;

(iii) All deposits of money or other valuables for its use or for the use of any of its shareholders or creditors; and

(iv) All payments of money to either shareholders or creditors.

**13-4-203. Impairment of capital; generally.**

(a) If the state banking commissioner has reason to believe that the capital of any bank is impaired he shall examine the bank and ascertain the facts. If he finds an impairment of capital, he shall provide written notice to each director of the bank and require the bank to restore the deficiency within sixty (60) days after the date of the notice. Written notice under this section may be provided by electronic transmission, consistent with W.S. 17-16-141(c).

(b) After the directors of a bank have received written notice to restore a deficiency under subsection (a) of this section, the directors shall, within fifteen (15) days from the date of the notice, levy an assessment upon the common stock of the bank to repair the deficiency. Written notice of the deficiency and the amount of the assessment shall be provided to each shareholder, and may be provided by electronic transmission, consistent with W.S. 17-16-141(c). If any shareholder fails to pay the assessment within thirty (30) days of receiving notice, the directors of the bank may sell the stock of the shareholder to the highest bidder at public auction. Notice of the sale shall be published for ten (10) days in a newspaper of general circulation published in the county where the bank is located and a copy of the notice of sale shall

be served on the owner of the stock personally or by mail at his last known address ten (10) days before the day of sale. The stock may be sold at private sale without public notice. Before a private sale an offer in writing shall first be obtained and a copy of the offer served upon the owner of record of the stock either personally or by mailing a copy of the offer to his last known address. If, after service of the offer, the owner still fails to pay the assessment within two (2) weeks from the time of the service of the offer, the directors may accept the private offer or a larger offer. The stock shall not be sold for less than the amount of the assessment and cost of sale. Out of the proceeds of the sale the directors shall pay the assessment and the cost of sale and the balance shall be paid to the person whose stock has been sold. A sale of stock cancels the outstanding certificate evidencing the stock sold. A new certificate shall be issued by the bank to the purchaser.

(c) Repealed by Laws 1991, ch. 135, § 2; ch. 146, § 2.

(d) Repealed by Laws 1991, ch. 135, § 2; ch. 146, § 2.

(e) Repealed by Laws 1991, ch. 135, § 2; ch. 146, § 2.

**13-4-204. Impairment of capital; reduction of capital.**

The stockholders of any bank may remove an impairment of capital by reducing the stated capital of the bank if the reductions do not place the capital below the amount required by law to be maintained.

**13-4-205. Impairment of capital; failure to restore.**

If any board of directors fails to comply with any request to restore an impairment of capital for a period of more than thirty (30) days after a request is made by the state banking commissioner, the bank is conclusively presumed to be insolvent and the state banking commissioner shall immediately take possession of the bank and proceed to liquidate it as provided by law.

**13-4-206. Voluntary liquidation.**

By prior notification to the state banking commissioner the board of directors of a bank may place its assets under the control of the state banking commissioner for liquidation.

**13-4-207. Repealed by Laws 1988, ch. 59, § 1,2.**

ARTICLE 3  
LIQUIDATION

**13-4-301. Notice to state banking commissioner.**

No receiver shall be appointed by any court nor shall any assignment for the benefit of creditors be filed in any court within this state for any bank doing business under the laws of this state without notice to the state banking commissioner unless the court finds it necessary to preserve the assets of the bank. The state banking commissioner may take possession of the bank within five (5) days after the service of notice upon him and further proceedings shall cease. The state banking commissioner shall administer the assets of the bank as provided in this act.

**13-4-302. Federal deposit insurance corporation as receiver, liquidator or subrogee.**

(a) The state banking commissioner may designate the federal deposit insurance corporation to act without bond as receiver or liquidator of any bank whose deposits are insured by the corporation and which has been closed for the purpose of liquidation without adequate provision being made for the payment of its depositors. The corporation may exercise all the powers of the state banking commissioner in connection with the liquidation of banks.

(b) If any bank closes and the federal deposit insurance corporation pays the insured deposit liabilities of the bank, the corporation is subrogated to all rights against the closed bank of each owner of a claim for deposit to the extent necessary to enable the federal deposit insurance corporation, under federal law, to make insurance payments available to depositors of closed insured banks. The subrogation is limited to the amount paid to each depositor by the federal deposit insurance corporation.

**13-4-303. When bank taken possession of; resumption of business.**

(a) After taking possession of any bank, the state banking commissioner shall record a certificate that the bank has been taken over by him with the county clerk of the county in which the bank is located. The certificate is notice that the state banking commissioner has authority to exercise all the powers

given him by this act. The state banking commissioner shall record a like certificate in each county in which the bank owns any interest in property. The state banking commissioner shall immediately give written notice to anyone holding assets of the bank.

(b) No one knowing that the state banking commissioner has taken possession of the bank shall have a lien or charge for any liability subsequently incurred against any of the assets of the bank.

(c) The bank may resume business upon such conditions as may be approved by the state banking commissioner. In case of a resumption of business a written notice of the resumption shall be recorded with the same parties with whom notice of taking over was filed and shall act as an absolute release of the first notice and all rights under it.

**13-4-304. Application by bank for injunction.**

If any bank deems itself aggrieved by the state banking commissioner taking possession of the bank, it may within ten (10) days after the takeover apply to the district court of the judicial district in which the office of the bank was located to enjoin further proceedings. The court may dismiss the application or enjoin the state banking commissioner from further proceedings and direct him to surrender the business and property to the bank.

**13-4-305. Appointment of deputy examiners.**

The state banking commissioner may appoint special deputy state banking commissioners as agents to assist him in the duty of liquidation and distribution. A certificate of appointment shall be filed in the office of the county clerk of the county in which the bank was located. The state banking commissioner may require surety for the faithful discharge of their duties.

**13-4-306. When bank permitted to continue business.**

(a) If the state banking commissioner discovers upon taking possession of a bank that the bank is only temporarily embarrassed for want of available funds and that the bank's assets are sufficient to pay its liabilities leaving its capital unimpaired, or if the stockholders of the bank make good its capital, he may permit the officers and directors of the bank to

arrange with the depositors and creditors for resumption of business by the bank.

(b) The bank when permitted to continue business shall pay all expenses of the state banking commissioner in taking charge of the bank and looking after its affairs while under his control including a per diem of ten dollars (\$10.00).

ARTICLE 4  
COLLECTIONS OF ASSETS

**13-4-401. General powers and duties of commissioner.**

After taking possession of the bank the state banking commissioner may collect money due the bank, perform acts necessary to preserve its assets and business and shall proceed to liquidate the bank's affairs except as otherwise provided. The state banking commissioner shall collect all claims belonging to the bank. Upon the order of the district court in the judicial district in which the bank is located the state banking commissioner may sell or compound all doubtful debts and may sell all the real estate and personal property of the bank on the terms the court directs. The state banking commissioner shall execute and deliver to the purchaser of bank property the instruments necessary to evidence the passing of the title. If the real estate is situated outside the county in which the office of the bank was located a certified copy of the order authorizing the sale shall be filed in the office of the county clerk of the county in which the property is situated. The state banking commissioner may enforce the individual liability of the stockholders.

**13-4-402. Notice to creditors.**

The state banking commissioner shall give notice in newspapers as he may direct weekly for three (3) consecutive months, notifying persons who may have claims against the bank to present them to the state banking commissioner and to make legal proof of the claims at a place and a time not earlier than the last day of publication specified in the notice. The state banking commissioner shall mail a similar notice to all persons whose names appear as creditors upon the books of the bank.

**13-4-403. Reports; inspection and filing.**



(a) After taking possession of the assets of a bank, the state banking commissioner shall make and file the following reports:

(i) An inventory of the assets of the bank;

(ii) After the deadline for the presentation of claims, a complete list of the claims presented and indicating the claims rejected;

(iii) Supplemental lists showing all claims presented subsequent to the filing of the first list to be filed at least fifteen (15) days before the declaration of any dividend and at intervals not exceeding six (6) months.

(b) The inventory and list of claims shall be open at all reasonable times for inspection. One (1) copy of the inventory and list of claims shall be filed in the office of the state banking commissioner and one (1) copy filed in the office of the clerk of the district court for the county where the bank was located.

**13-4-404. Rejection of claims; allowance of late claims.**

If the state banking commissioner doubts the validity of any claim he may reject it and serve notice of the rejection upon the claimants either by mail or personally. An affidavit of the service of the notice, which is prima facie evidence of the service, shall be filed in his office. An action upon a rejected claim must be brought within six (6) months after the service. Claims presented and allowed after the expiration of the time fixed in the notice to creditors shall be paid the amount of all prior dividends if there are sufficient funds and share equitably in the distribution of the remaining assets in the hands of the state banking commissioner.

**13-4-405. Objection to claims not rejected.**

Objection to any claim not rejected by the state banking commissioner may be made by any interested party by filing a copy of the objection with the state banking commissioner, who shall present the objection to the district court after giving written notice to the party filing the objection setting forth the time and place of the presentation. The court shall hear the objections to the claim, refer it to a referee or direct that the issues be tried before a jury. The court may make proper provision for unproved or unclaimed deposits.

**13-4-406. Deposit of money collected.**

Moneys collected by the state banking commissioner shall be deposited in one (1) or more banks subject to his order and protected by bond in the same manner as deposits of public funds.

ARTICLE 5

PREFERENCES, DISPOSITION OF ASSETS, REORGANIZATION

**13-4-501. Expenses of liquidation first priority.**

The expenses incurred by the state banking commissioner in the liquidation of a bank include the expenses of examiners employed in the liquidation and reasonable attorney fees incurred in the course of the liquidation. Compensation for these services shall be fixed by the state banking commissioner. The expenses shall be paid out of the property of the bank and shall be paid first in the order of priority.

**13-4-502. Preference to negotiable instruments.**

(a) Negotiable instruments issued by a bank as drawee in payment of checks or drafts deposited in any other bank for collection are entitled to preferred payment upon the insolvency of the issuing bank.

(b) Negotiable instruments issued by any collecting bank in exchange for checks or drafts deposited with or forwarded to the bank for payment by the bank on which the negotiable instruments are drawn are entitled to preferred payment upon the insolvency of the collecting bank.

(c) Negotiable instruments issued by a collecting bank in exchange for notes and other evidences of indebtedness deposited with or forwarded to the bank for collection are entitled to preferred payment upon the insolvency of the bank.

(d) The provisions of this section do not affect other claims entitled by law to preference against insolvent banks.

**13-4-503. Rights of secured creditors, depositors or creditors.**

The rights of secured creditors in the security pledged or in the capital stock assessment are not affected nor are the rights

of depositors or creditors affected on bonds or other contracts with third parties by W.S. 13-4-505.

**13-4-504. Reorganization.**

(a) Any bank reorganization requiring the consent of depositors, stockholders and other creditors becomes effective only:

(i) When the state banking commissioner is satisfied that the plan of reorganization is fair and equitable to all depositors, stockholders and other creditors and is in the public interest; and

(ii) When, after reasonable notice of the reorganization, the following have given their consent in writing to the reorganization:

(A) Depositors and other creditors of the bank representing at least seventy-five percent (75%) of its total deposits and other liabilities; and

(B) Stockholders owning at least two-thirds (2/3) of its outstanding capital stock.

(b) The claims of depositors or other creditors which will be satisfied in full under the provisions of the plan of reorganization shall not be included among the total deposits and other liabilities of the bank in determining the consent requirements.

(c) When a reorganization becomes effective, all books, records and assets of the bank shall be disposed of in accordance with the provisions of the plan and the affairs of the bank shall be conducted by its board of directors in the manner provided by the state banking commissioner and the plan.

(d) All depositors, creditors and stockholders of the bank, whether or not they have consented, shall be fully bound by the provisions of an approved plan of reorganization. Claims of depositors and other creditors shall be treated as if the depositors, creditors and stockholders had consented to the plan of reorganization.

**13-4-505. Hearing to be set; order for distribution of assets.**

(a) Prior to ordering any distribution of the assets of a bank, the district court shall set a hearing, with notice to all creditors and stockholders as the court may direct.

(b) The district court upon application of the state banking commissioner may order the distribution of the assets of any bank which have come into the hands of the state banking commissioner for liquidation. The disposition shall be in conformity to any agreement of reorganization or sale of assets agreed to by the holders of seventy-five percent (75%) of the unsecured direct obligations of the bank. The court may make any modifications necessary to insure the equitable distribution of the assets of the bank.

**13-4-506. Dividends; borrowing to pay dividends; court approval needed.**

(a) After the expiration of the time for the presentation of claims, the state banking commissioner may declare dividends out of any remaining funds after payment of expenses. One (1) year from the first publication of notice to creditors he may declare a final dividend as directed by the district court.

(b) The state banking commissioner when he deems the payment of dividends without further delay to be advisable may borrow money from any governmental agency. As security for the loan, the state banking commissioner may pledge assets of the insolvent bank as necessary.

(c) The authority of this section shall be exercised only with the approval of the district court of the county in which the bank is located. The court shall determine the amount that may be borrowed, the rate of interest that may be paid, the maturity of the proposed loan and the assets that may be pledged as collateral.

ARTICLE 6  
CONSERVATORSHIP

**13-4-601. Appointment; duty of commissioner.**

(a) The state banking commissioner may appoint a conservator for a bank in order to conserve the assets of the bank for depositors and creditors. He may require a sufficient bond and security of the conservator. The conservator shall receive a fixed salary in an amount to be determined by the state banking commissioner.

(b) The conservator shall take possession of all assets of the bank and take action necessary to conserve the assets of the bank. The conservator may employ help necessary to perform his duties. The rights of all parties with respect to a bank in the possession of a conservator shall be the same as if the state banking commissioner had possession of the bank. All expenses of conservatorship shall be paid out of the assets of the bank and shall be a lien on the bank which is prior to any other liens.

(c) The state banking commissioner shall examine the affairs of banks under conservatorship as necessary to keep him informed of the financial condition of the bank.

**13-4-602. Withdrawal and deposits.**

(a) The state banking commissioner may require a conservator of a bank to make available for withdrawal by depositors and payment on a ratable basis to other creditors amounts that may safely be used for this purpose.

(b) The state banking commissioner may permit the conservator to receive deposits. Deposits received while the bank is in the hands of the conservator shall not be subject to any limitation as to payment or withdrawal, shall be segregated and shall not be used to liquidate any existing indebtedness of the bank or any subsequent indebtedness incurred for the purpose of liquidating any existing indebtedness. Deposits received while the bank is in the hands of the conservator shall be kept on hand in cash, invested in the direct obligations of the United States, or deposited with a federal reserve bank or a bank within the state approved by the state banking commissioner.

**13-4-603. Termination; authority of commissioner.**

The state banking commissioner may terminate the conservatorship and permit the bank to resume the transaction of its business subject to limitations which he may prescribe in the public interest.

**13-4-604. Termination; effect on payments and notice.**

(a) Fifteen (15) days after the affairs of a bank have been turned back to its board of directors by the conservator the provisions of W.S. 13-4-602 shall no longer be effective.

(b) Before the conservator turns back the affairs of the bank to its board of directors he shall give notice in a newspaper of general circulation in the community in which the bank is located. The notice shall state the date on which the affairs of the bank will be returned to its board of directors and that the provisions of W.S. 13-4-602 will not be effective fifteen (15) days after that date. On the date of the publication of the notice, the conservator shall send to every depositor under W.S. 13-4-602 a copy of the notice by registered mail addressed to his last known address on the records of the bank and a notice to every person making a deposit in the bank under W.S. 13-4-602 after the date of the newspaper publication and before the affairs of the bank are returned to its directors.

ARTICLE 7  
COMPLETION OF LIQUIDATION

**13-4-701. Payment of stockholders.**

(a) If the state banking commissioner has paid the full amount of the claim to each depositor and creditor of the bank whose claims have been allowed, has made provision for unpaid deposits and has paid all the expenses of the liquidation, he shall call a meeting of the stockholders of the bank by giving notice for thirty (30) days in a newspaper published in the county in which the bank was located.

(b) At the meeting the stockholders shall determine whether the state banking commissioner shall continue to administer its assets and wind up the affairs of the bank or whether an agent shall be elected for that purpose. The stockholders shall vote by ballot, each share having one (1) vote. An affirmative vote by the majority of the stock is necessary for a determination.

(c) If it is determined to continue the liquidation under the state banking commissioner, he shall complete the liquidation of the affairs of the bank. After paying the expenses of the liquidation, he shall distribute the proceeds among the stockholders in proportion to the holdings of stock as directed by the district court.

(d) If it is determined to appoint an agent to liquidate, the stockholders shall select the agent by ballot. A majority of the stock present and voting is necessary for a choice. The agent shall file with the state banking commissioner a bond

approved by the state banking commissioner to the state of Wyoming for the faithful performance of all the duties of his trust. The state banking commissioner shall then transfer assets of the bank to the agent. The state banking commissioner is discharged from all further liability to the bank and its creditors.

(e) The agent shall perform his duties as would the state banking commissioner except that the expenses of liquidation are subject to the control of the district court.

(f) In case of failure to act by any agent the stockholders may elect a successor.

**13-4-702. Assets discovered after liquidation.**

If assets are discovered after the liquidation proceeding has closed and in the opinion of the state banking commissioner the cost of distributing the assets would prevent the payment of a dividend exceeding one-half of one percent (0.5%), the assets shall be converted into money and paid to the commissioner.

**13-4-703. Unclaimed dividends and deposits.**

(a) Dividends and deposits remaining in the hands of the state banking commissioner six (6) months after the order for final distribution shall be deposited with the state treasurer who shall hold the dividends in a separate account. The state banking commissioner may order the money to be paid to the persons entitled thereto upon satisfactory evidence of their right. In case of doubt he may apply to the court for an order directing the payment. He may apply any interest earned by the money toward defraying the expenses of distribution of the unclaimed deposits or dividends to the depositors and creditors entitled to receive it.

(b) Dividends remaining in the hands of any receiver other than the state banking commissioner or in any account established pursuant to this subsection and unclaimed for five (5) years after the order for final distribution shall escheat to the state as provided by law.

CHAPTER 5  
TRUST COMPANIES

**13-5-101. Repealed by Laws 2019, ch. 13, § 2.**

- 13-5-102. Repealed by Laws 2019, ch. 13, § 2.
- 13-5-103. Repealed by Laws 2019, ch. 13, § 2.
- 13-5-104. Repealed by Laws 2019, ch. 13, § 2.
- 13-5-105. Repealed by Laws 2019, ch. 13, § 2.
- 13-5-106. Repealed by Laws 2015, ch. 22, § 3.
- 13-5-107. Repealed by Laws 1993, ch. 51, § 3.
- 3. 13-5-108. Renumbered as 13-5-401 by Laws 2019, ch. 13, §
- 3. 13-5-109. Renumbered as 13-5-409 by Laws 2019, ch. 13, §
- 3. 13-5-110. Renumbered as 13-5-410 by Laws 2019, ch. 13, §
- 3. 13-5-111. Renumbered as 13-5-415 by Laws 2019, ch. 13, §
- 3. 13-5-112. Renumbered as 13-5-416 by Laws 2019, ch. 13, §
- 3. 13-5-113. Renumbered as 13-5-417 by Laws 2019, ch. 13, §
- 3. 13-5-114. Renumbered as 13-5-418 by Laws 2019, ch. 13, §
- 3. 13-5-115. Renumbered as 13-5-413 by Laws 2019, ch. 13, §
- 3. 13-5-116. Renumbered as 13-5-419 by Laws 2019, ch. 13, §
- 3. 13-5-117. Renumbered as 13-5-412 by Laws 2019, ch. 13, §
- 3. 13-5-118. Renumbered as 13-5-420 by Laws 2019, ch. 13, §

ARTICLE 2  
CHARTERED FAMILY TRUST COMPANY ACT



- 13-5-201. Repealed by Laws 2019, ch. 13, § 2.
- 13-5-202. Repealed by Laws 2019, ch. 13, § 2.
- 13-5-203. Repealed by Laws 2019, ch. 13, § 2.
- 13-5-204. Repealed by Laws 2019, ch. 13, § 2.
3. 13-5-205. Renumbered as 13-5-603 by Laws 2019, ch. 13, §
4. 13-5-206. Renumbered as 13-5-604 by Laws 2019, ch. 13, §
3. 13-5-207. Renumbered as 13-5-302 by Laws 2019, ch. 13, §
4. 13-5-208. Renumbered as 13-5-605 by Laws 2019, ch. 13, §
3. 13-5-209. Renumbered as 13-5-606 by Laws 2019, ch. 13, §
3. 13-5-210. Renumbered as 13-5-601 by Laws 2019, ch. 13, §
3. 13-5-211. Renumbered as 13-5-602 by Laws 2019, ch. 13, §
- 13-5-212. Repealed by Laws 2019, ch. 13, § 2.
- 13-5-213. Repealed by Laws 2019, ch. 13, § 2.
3. 13-5-214. Renumbered as 13-5-411 by Laws 2019, ch. 13, §
3. 13-5-215. Renumbered as 13-5-607 by Laws 2019, ch. 13, §
3. 13-5-216. Renumbered as 13-5-414 by Laws 2019, ch. 13, §
3. 13-5-217. Renumbered as 13-5-608 by Laws 2019, ch. 13, §

13-5-218. Renumbered as 13-5-522 by Laws 2019, ch. 13, §  
3.

13-5-219. Renumbered as 13-5-424 by Laws 2019, ch. 13, §  
3.

ARTICLE 3  
GENERAL PROVISIONS

**13-5-301. Definitions.**

(a) As used in this chapter:

(i) "Charter" means the commissioner's grant of authority to any supervised trust company to act and operate in that capacity;

(ii) "Chartered family trust company" means a family trust company that has been granted a charter by the commissioner to act and operate pursuant to this chapter;

(iii) "Collateral kinship" means a relationship that is not lineal, but stems from a common ancestor;

(iv) "Commissioner" means the state banking commissioner;

(v) "Designated relative" means:

(A) With respect to a chartered family trust company, the individual, whether living or deceased, who is listed as the designated relative in a charter application for a charter under this chapter. A chartered family trust company may have no more than two (2) designated relatives;

(B) With respect to a private family trust company, the person, whether living or deceased, who is listed as the designated relative in a written document by the private family trust company that is maintained with the private family trust company records. A private family trust company may have no more than one (1) designated relative.

(vi) "Family affiliate" means a corporation, partnership, limited liability company or other entity with respect to which one (1) or more family members own, directly or indirectly, more than fifty percent (50%) of the entity or possess, directly or indirectly, the power to direct or cause

the direction of the entity's management and policies, whether through the ownership of voting securities, by contract, power of direction or otherwise;

(vii) "Family member" means:

(A) Each designated relative;

(B) Any person within the tenth degree of lineal kinship of a designated relative;

(C) Any person within the ninth degree of collateral kinship of a designated relative;

(D) The spouse and any former spouse of the designated relative or of any person qualifying as a family member pursuant to subparagraph (B) or (C) of this paragraph;

(E) Any person within the fifth degree of lineal kinship of a spouse or former spouse specified in subparagraph (D) of this paragraph;

(F) A family affiliate and the officers, managers and directors of a family affiliate;

(G) A key employee of a family affiliate or former key employee of a family affiliate;

(H) A trust established or funded by any one (1) or more family members or any trustee, advisor or other person assisting with the administration of the trust;

(J) A trust established or funded by a person who is not a family member if the noncharitable beneficiaries consist entirely of one (1) or more family members;

(K) A charitable trust, entity or other organization of which one (1) or more family members is a settlor, incorporator, organizer, member of the board of directors, trustee or a donor of a substantial portion of its assets;

(M) For purposes of this definition:

(I) A legally adopted person shall be treated as a natural child of the adoptive parents;

(II) A stepchild shall be treated as a natural child of the family member who is or was the stepparent of that child;

(III) A foster child or an individual who was a minor when a family member became his or her legal guardian shall be treated as a natural child of the family member appointed as foster parent or guardian;

(IV) Children of a spouse of a family member shall be treated as a natural child of that family member;

(V) Each key employee, spouse of a key employee, former key employee and spouse of a former key employee shall be treated as a natural child of the ninth degree of lineal kinship of the designated relative; and

(VI) Degrees are calculated by adding the number of steps from the designated relative through each person to the family member either directly, in case of lineal kinship, or through the common ancestor, in the case of collateral kinship.

(viii) "Family trust company" means a chartered family trust company or a private family trust company that engages in trust company business exclusively for one (1) or more family members and does not engage in trust company business with the general public;

(ix) "Fiduciary" means acting as executor, administrator, guardian or conservator of an estate or as an assignee, receiver or trustee or acting in any other fiduciary or representative capacity;

(x) "Key employee" means a natural person, including any spouse of an officer, manager or director who holds a joint, community property or other similar shared ownership interest with that officer, manager or director, who is an executive officer, director, manager, trustee, general partner or person serving in a similar capacity for a family affiliate who, in connection with his regular functions or duties, participates in the investment activities of a family affiliate, provided that the person has been performing functions and duties for or on behalf of a family trust company for at least twelve (12) months. For purposes of this definition, a family trust company may designate as a key employee an individual who is a former

employee of the family trust company; provided, however, that the number of persons designated as key employees shall not exceed twenty (20) within the trust;

(xi) "Lineal kinship" means a family member who is in the direct line of ascent or descent from a designated relative;

(xii) "Organizational instrument" means the articles of incorporation for a corporation or the articles of organization for a limited liability company;

(xiii) "Private family trust company" means a family trust company that is not a chartered family trust company and is not subject to regulation by the Wyoming division of banking;

(xiv) "Public trust company" means a trust company that has been granted a charter by the commissioner to engage in trust company business with the general public;

(xv) "Supervised trust company" means any public trust company or chartered family trust company but does not include a private family trust company;

(xvi) "Trust company" means a corporation or limited liability company that is organized or qualified to do business in this state as a trust company and that is engaged in trust company business;

(xvii) "Trust company branch" means a place of business within this state that engages in trust company business;

(xviii) "Trust company business" means the holding out by a person, by advertising, solicitation or other means, that such person is available to act as a fiduciary in this state and accepting and undertaking to act as a fiduciary in the regular course of its business. For purposes of this chapter, a person or entity does not engage in trust company business solely by:

(A) Rendering services as an attorney-at-law in the performance of his duties;

(B) Acting as trustee under a deed of trust made only as security for the payment of money or for the performance of another act;

(C) Acting as a trustee in bankruptcy or as a receiver;

(D) Holding trusts of real estate for the primary purpose of subdivision, development or sale or to facilitate any business transaction with respect to such real estate, provided the person is not regularly engaged in the business of acting as a trustee for such trusts;

(E) Holding assets as trustee of trusts created for charitable purposes;

(F) Receiving rents and proceeds of sale as a licensed real estate broker on behalf of a principal;

(G) Engaging in securities transactions as a dealer or salesman registered under W.S. 17-4-101 through 17-4-701;

(H) Acting as guardian, conservator, special conservator, trustee or personal representative pursuant to a court order or other statutory authority;

(J) Acting as trustee of a statutory trust created under the Wyoming Statutory Trust Act;

(K) Acting as a custodian, unless the activities involve a substantial exercise of discretion as determined by the commissioner; or

(M) Acting as a trust advisor or trust protector, as defined in W.S. 4-10-103(a).

(xix) "Trust service office" means any other office or other place of business where the supervised trust company exercises its administrative duties but does not conduct trust company business.

**13-5-302. Naming convention; advertisement of trust company.**

(a) Except as provided in subsection (b) of this section, no person or entity shall advertise, issue or circulate any paper or exhibit any sign, using the term "trust company" unless the person or entity has fully complied with this chapter and has qualified as a supervised trust company.

(b) No person or entity wishing to organize as a private family trust company shall use the term "trust company" in its name without further specifying in its name that the entity is a "private family trust company."

(c) Neither a private family trust company nor a chartered family trust company formed and doing business under the laws of this state or any other state shall advertise its services to the public.

**13-5-303. Trust company organized as limited liability company; applicability.**

A trust company organized as a limited liability company shall be subject to all of the same laws and regulations that relate to a trust company organized as a corporation. All managers, officers and employees of a trust company organized as a limited liability company shall be subject to the same duties and liabilities that apply to directors, officers and employees of a trust company organized as a corporation. Any reference made in this chapter only to a corporation, director or shareholder shall also apply to a limited liability company, manager or member.

**13-5-304. Applicability of chapter.**

The Financial Technology Sandbox Act shall apply to this chapter.

ARTICLE 4  
SUPERVISED TRUST COMPANIES

**13-5-401. Laws applicable; matters of contract.**

(a) In the exercise by a supervised trust company of its powers as guardian, executor, trustee, administrator or conservator, or of any office or duty imposed by any court, the supervised trust company shall be subject to the same responsibilities, liabilities and penalties as an individual acting in like capacity, and the supervised trust company shall have the same powers and shall receive the same compensation as fixed by law for individuals acting in like capacity.

(b) The exercise of the other powers and the performance of the other duties by the supervised trust company may be as contracted for by the parties interested.

(c) In performing its duties under a trust, a supervised trust company shall be subject to the provisions of W.S. 4-10-801 through 4-10-817.

**13-5-402. Records; retention generally.**

Each supervised trust company in this state shall retain its business records for the periods prescribed by W.S. 13-5-403 through 13-5-408.

**13-5-403. Records; permanent records.**

Each supervised trust company shall permanently retain the minute books of meetings of its stockholders and directors, its capital stock ledger and capital stock certificate ledger or stubs, its general ledger, or the record kept by the supervised trust company in lieu of a general ledger, its daily statements of condition, if any, and all records which the commissioner requires to be retained permanently.

**13-5-404. Records; records retained three years.**

All supervised trust company records pertaining to other parties such as transactional records shall be retained for three (3) years after the completion of the transactions pertaining to the records.

**13-5-405. Records; requirements of state banking commissioner.**

All other supervised trust company records shall be retained for the periods prescribed by the commissioner.

**13-5-406. Records; state banking commissioner to issue rules.**

(a) The commissioner shall issue rules classifying records kept by supervised trust companies and prescribing the periods for which records of each class shall be retained. The rules shall be reviewed and considered for revision at least once every five (5) years. When issuing rules the commissioner shall consider:

(i) Actions and administrative proceedings in which the production of supervised trust company records might be necessary or desirable;



(ii) State and federal statutes of limitation applicable to actions or proceedings;

(iii) The availability of information contained in supervised trust company records from other sources;

(iv) Other matters pertinent to the interests of supervised trust company customers, shareholders and the people of the state of Wyoming.

**13-5-407. Records; duty to produce records.**

After the period prescribed for the retention of records of its class the supervised trust company has no duty to produce the record in any action or proceeding if the supervised trust company has disposed of the records.

**13-5-408. Records; reproduction.**

Any supervised trust company may cause any of its records including those held by it as a fiduciary, to be photographed, microfilmed, scanned or otherwise reproduced in permanent form. Any photograph, scan or reproduction has the same effect as the original and shall be admitted in evidence in lieu of the original.

**13-5-409. Financial transactions.**

(a) Every supervised trust company shall keep all trust funds and investments separate and apart from the assets of the supervised trust company and all investments made by the supervised trust company as a fiduciary shall be designated so that the trust or estate to which such investments belong may be clearly identified.

(b) Every supervised trust company holding trust funds awaiting investment or distribution may deposit or leave on deposit such funds with a state or nationally chartered bank or savings and loan association or invest the funds in other cash equivalent investments, including but not limited to uninsured money market funds or United States treasury bills with a duration of twelve (12) months or less. The funds shall not be deposited or left with the same corporation or association depositing or leaving on deposit such funds, nor with a corporation or association holding or owning a majority of the capital stock of the supervised trust company making or leaving the deposit, unless the corporation or association shall first

pledge, as security for the deposit, securities eligible for investment by state banks that have a market value equal to that of the deposited funds. No security shall be required with respect to any portion of such deposits which are insured under the provisions of any law of the United States.

(c) Every supervised trust company acting in any capacity under a trust, unless the instrument creating the trust provides otherwise, may cause any securities or other property held by it in its representative capacity to be registered in the name of a nominee or nominees of the supervised trust company.

(d) Every supervised trust company when acting as depositary or custodian for the fiduciary of a trust, unless the instrument creating the trust provides otherwise, may with the consent of the fiduciary of the trust, cause any securities or other property held by it to be registered in the name of a nominee or nominees of the supervised trust company.

(e) Every supervised trust company shall be liable for any loss occasioned by the acts of any of its nominees with respect to securities or other property registered under subsections (c) and (d) of this section.

(f) No corporation or the registrar or transfer agent thereof shall be liable for registering or causing to be registered on the books of the corporation any securities in the name of any nominee of a supervised trust company or for transferring or causing to be transferred on the books of the corporation any securities theretofore registered by the corporation in the name of any nominee of a supervised trust company, as provided in this section, when the transfer is made on the authorization of the nominee.

**13-5-410. Powers of the commissioner.**

(a) In addition to other powers conferred by this chapter, the commissioner shall:

(i) Supervise and examine all supervised trust companies organized under the provisions of this chapter and all supervised trust companies shall be subject to the laws of this state governing banks and other financial institutions in all cases where the laws do not conflict with the provisions of this chapter. The commissioner or a duly appointed examiner shall visit and examine each supervised trust company pursuant to the provisions of this chapter. All supervised trust companies shall

file with the commissioner an annual report of the supervised trust company's assets in a form prescribed by the commissioner and other reports as required by the commissioner;

(ii) In the exercise of the power to make orders and regulations to implement the provisions of this chapter, the commissioner shall act in the interests of promoting and maintaining a sound trust company system, the security of assets and trust accounts, and the protection of other customers;

(iii) Collect from each supervised trust company an amount equal to the total cost of examinations conducted under the authority of this section. The fees and expenses collected shall be remitted to the state treasurer and deposited as provided in subsection (b) of this section and may be expended as provided in that subsection;

(iv) On or before January 31 of each year, each supervised trust company shall compute and pay supervisory fees to the commissioner as set forth in the rules and regulations of the commissioner. Except as provided in subsection (b) of this section, the supervisory fees shall provide for the general administration of the laws and regulations governing the supervised trust company industry. The fees shall be established by regulation of the commissioner and shall be adjusted by regulations issued by the commissioner to assure consistency with the cost of supervision. Other fees assessed for administrative services related to activities attributable to a specific supervised trust company shall be used to pay the costs of special services rendered by or at the direction of the commissioner and shall be recovered from the supervised trust company which required the special services.

(b) A trust company resolution fund account is established. A portion of each supervisory fee paid pursuant to paragraph (a)(iv) of this section shall be paid to the resolution fund account and shall be used by the commissioner in the event of an involuntary dissolution of a supervised trust company. The amount paid to the resolution fund account shall be established by regulation of the commissioner. All amounts paid shall be remitted to the state treasurer and deposited and credited to the trust company resolution fund account. Expenditures from the account shall be made using warrants drawn by the state auditor, upon vouchers issued and signed by the director of the department of audit or commissioner. Funds from the account shall be expended only to carry out the duties of

the commissioner in the involuntary dissolution of a supervised trust company.

**13-5-411. Reports to commissioner.**

(a) The commissioner may call for special reports verified under oath from any supervised trust company at any time as necessary to inform the commissioner of the condition of the supervised trust company.

(b) All reports required of supervised trust companies by the commissioner under this chapter and all materials relating to examinations of supervised trust companies under this chapter shall be subject to the provisions of W.S. 9-1-512.

**13-5-412. Failure to submit required report; fees; regulations.**

(a) If a supervised trust company fails to submit any report required pursuant to this chapter or any regulation adopted pursuant thereto within the prescribed period, the commissioner may impose and collect a fee for each day the report is overdue as established by rule of the commissioner.

(b) The commissioner shall adopt rules establishing the amount of the fee imposed pursuant to this section.

**13-5-413. Surety bond; pledged investments; investment income; bond or pledge increases; hearings.**

(a) Any supervised trust company shall, before transacting any business, pledge or furnish a surety bond to the commissioner to cover costs likely to be incurred by the commissioner in a receivership or liquidation of the supervised trust company should it become unsafe or unsound pursuant to W.S. 13-5-417. The amount of the pledge or the surety bond shall be determined by the commissioner in an amount sufficient to defray the costs of a receivership or liquidation, but shall have a market value of not less than one million dollars (\$1,000,000.00). In lieu of a bond, the supervised trust company may irrevocably pledge its capital account to the commissioner. Any investments pledged to the commissioner shall be held in a state or nationally chartered bank or savings and loan association having a principal or branch office in this state and all costs associated with pledging and holding such investments are the responsibility of the supervised trust company.

(b) Investments pledged to the commissioner shall be of the same nature and quality as those required for state financial institutions in W.S. 9-4-805.

(c) Surety bonds shall run to the state of Wyoming, and shall be approved under the terms and conditions required by W.S. 9-4-804(b) and (c).

(d) The commissioner may promulgate rules pursuant to W.S. 13-1-603 to establish additional investment guidelines or investment options for purposes of the pledge or surety bond required by this section.

(e) In the event of a receivership of a supervised trust company as provided in W.S. 13-5-417, the commissioner may, without regard to priorities, preferences or adverse claims, reduce the pledged investments to cash as soon as practicable with court approval, and utilize the cash to defray the costs associated with the receivership.

(f) Income from investments pledged under this section shall be paid to the supervised trust company unless the court places the supervised trust company in receivership.

(g) Upon evidence that the current bond or investment pledge is insufficient, the commissioner may require any supervised trust company to increase its investment pledge or surety by providing no less than thirty (30) days written notice to the supervised trust company. The supervised trust company to which notice is given may request a hearing in writing no more than thirty (30) days after receiving notice of the proposed increase. Any hearing before the commissioner shall be held pursuant to the Wyoming Administrative Procedure Act.

**13-5-414. Fidelity bonds; insurance.**

(a) The directors or managers of a supervised trust company shall obtain fidelity bonds of not less than one million dollars (\$1,000,000.00) providing coverage for any active officers, managers, members acting in a managerial capacity and employees, whether or not they receive a salary or other compensation from the supervised trust company, to indemnify the supervised trust company against loss because of any dishonest, fraudulent or criminal act or omission by any of the persons bonded, acting alone or in combination with any other person.

The bonds may be in any form and may be paid for by the supervised trust company.

(b) A supervised trust company may also procure property and casualty insurance of a nature and with such coverage amounts as the supervised trust company deems advisable.

**13-5-415. Suspension or revocation of charter.**

(a) The commissioner may suspend or revoke the charter of a supervised trust company if, after notice and opportunity for a hearing, the commissioner determines that:

(i) The supervised trust company has failed or refused to comply with any order issued pursuant to W.S. 13-10-201 through 13-10-209;

(ii) The supervised trust company's application for charter contained a false representation or omission of a material fact; or

(iii) Any officer or agent of the supervised trust company, in connection with an application for a charter knowingly made a false representation of a material fact or failed to disclose a material fact to the state banking board, the commissioner or the duly authorized agent of the board or commissioner.

**13-5-416. Continuing jurisdiction.**

If the certificate of a supervised trust company is surrendered, suspended or revoked, the supervised trust company shall continue to be subject to the provisions of this chapter for so long as it acts as a fiduciary with respect to any trust business previously undertaken.

**13-5-417. Insolvency; unsafe condition; receivership.**

(a) If the commissioner finds a deficiency in capital or other unsafe or unsound condition of a supervised trust company that has not been remedied within the time prescribed under an order of the commissioner issued pursuant to W.S. 13-10-201 through 13-10-209, or if the supervised trust company is insolvent, the commissioner shall apply to the district court, in the county in which the principal office of the supervised trust company is located, to be appointed receiver for the liquidation or rehabilitation of the supervised trust company.

The expense of the receivership shall be paid out of the assets of the supervised trust company.

(b) A supervised trust company is insolvent when any of the following conditions exist:

(i) When the actual cash market value of a supervised trust company's assets is less than its liabilities;

(ii) When a supervised trust company fails to pay, in the manner commonly accepted by business practices, its obligations when due.

(c) A supervised trust company is operating in an unsafe and unsound condition when any of the following conditions exist:

(i) A supervised trust company fails to safely manage its operations and provide fair and equitable services to its trust customers;

(ii) It fails to effectively manage and monitor its operational and financial risks.

(d) Title to all of the supervised trust company's assets shall vest in the commissioner upon appointment by the court pursuant to subsection (a) of this section of the commissioner as receiver, without the execution of any instrument of conveyance, assignment, transfer or endorsement.

(e) Subject to the approval of the appointing court, as receiver, the commissioner shall have all of the following powers:

(i) To take possession of all books, records of account and assets of the supervised trust company;

(ii) To collect debts, claims and judgments belonging to the supervised trust company and to take any other action necessary to preserve and liquidate the assets of the supervised trust company;

(iii) To appoint a special assistant to take charge of the affairs of the supervised trust company. The special assistant shall qualify, give bond, and receive compensation in the same manner as the commissioner acting as a receiver, but

compensation for the special assistant shall be paid by the supervised trust company being liquidated or rehabilitated;

(iv) To execute in the name of the supervised trust company any instrument necessary or proper to effectuate the receiver's powers or perform its duties as receiver;

(v) To initiate, pursue, compromise and defend litigation involving any right, claim, interest or liability of the supervised trust company;

(vi) To exercise all fiduciary functions of the supervised trust company as of the date of appointment as receiver;

(vii) To borrow money as necessary in the liquidation of the supervised trust company and to secure those borrowings by the pledge or mortgage of assets of the supervised trust company;

(viii) To sell any and all assets, to compromise any debt, claim, obligation or judgment due to the supervised trust company, to discontinue any pending action or other proceeding and to sell or otherwise transfer all or any portion of the asset or liabilities of the supervised trust company;

(ix) To establish ancillary receivership in any jurisdiction the receiver determines necessary;

(x) To distribute assets of the supervised trust company in accordance with court approval after notice to all claimants, beneficiaries, shareholders or members. Subject to the approval of the court, the receiver may make periodic and interim liquidating dividends or payments; and

(xi) To take any other action incident to the powers set forth above.

**13-5-418. Order declaring supervised trust company properly wound up and dissolved.**

(a) Upon the completion of the liquidation of a trust company pursuant to W.S. 13-5-417, the commissioner shall petition the court for an order declaring the supervised trust company properly wound up and dissolved.



(b) After notice and hearing, as ordered by the court, if any, the court shall enter an order declaring the supervised trust company wound up and dissolved. The order shall, to the extent applicable, declare the following:

(i) The supervised trust company has been properly wound up;

(ii) All known assets of the supervised trust company have been distributed pursuant to W.S. 13-5-417;

(iii) The supervised trust company is dissolved;

(iv) If there are known debts or liabilities of the supervised trust company, describe the provision made for their payment, setting forth all information necessary to enable the creditor or other person to whom payment is to be made to appear and claim payment of the debt or liability.

(c) The order shall confirm a plan by the commissioner for the disposition or maintenance of any remaining real or personal property or other supervised trust company assets. The plan shall include written notice to all known owners or beneficiaries of the supervised trust company's assets, to be sent by first class mail to each person's or entity's address as shown on the records of the supervised trust company.

(d) The court may enter additional orders and grant further relief as it determines appropriate upon the evidence submitted.

(e) Upon the issuance of the order declaring the supervised trust company dissolved, the existence of the supervised trust company as either a corporation or a limited liability company shall cease, except for purposes of any necessary additional winding up. The commissioner shall promptly file a copy of the order, certified by the clerk of the court, with the secretary of state.

**13-5-419. Voluntary dissolution of supervised trust company; liquidation; reorganization; application for dissolution; filing fee; filing with secretary of state; revocation of charter.**

(a) A supervised trust company may voluntarily dissolve in the manner provided herein. Voluntary dissolution shall be accomplished by either liquidating the supervised trust company

or reorganizing the supervised trust company into a domestic or foreign corporation, limited liability company, limited partnership or limited liability partnership that does not engage in trust company business. Upon complete liquidation or completion of the reorganization, the commissioner shall revoke the supervised trust company's charter and thereafter the company may not use the word "trust" in its business name or in connection with its business and may not conduct trust company business.

(b) A supervised trust company seeking to dissolve its charter either by liquidation or reorganization shall file an application for dissolution with the commissioner accompanied by a filing fee established by rule and regulation of the commissioner. The application shall include a comprehensive plan for dissolution setting forth the proposed disposition of all assets and liabilities, in reasonable detail to effect a liquidation or reorganization. The plan of dissolution shall provide for the discharge or assumption of all of the supervised trust company's known and unknown claims and liabilities and for the transfer of all of its responsibilities as a trustee to a successor trustee or trustees. Additionally, the application for dissolution shall include other evidence, certifications, affidavits, documents or information as the commissioner may require demonstrating how assets and liabilities will be disposed, the timetable for effecting disposition of the assets and liabilities and the applicant's proposal for addressing any claims that are asserted after the dissolution has been completed. The commissioner shall examine the application for completeness and compliance with the requirements of this section, the business entity laws applicable to the required type of dissolution and applicable rules and regulations. The commissioner may conduct a special examination of the applicant for purposes of evaluating the application.

(c) If the commissioner finds that the application is incomplete, the commissioner shall return it for completion not later than sixty (60) days after it is filed. If the application is found to be complete by the commissioner, not later than thirty (30) days after it is filed, the commissioner shall approve or disapprove the application. If the commissioner approves the application, the applicant may proceed with the dissolution pursuant to the plan outlined in the application, subject to any conditions the commissioner may prescribe. If the applicant subsequently determines that the plan of dissolution needs to be amended to complete the dissolution, it shall file an amended plan with the commissioner and obtain approval to

proceed under the amended plan. If the commissioner does not approve the application or amended plan, the applicant may appeal the decision to the board pursuant to the Wyoming Administrative Procedure Act.

(d) Upon completion of all actions required under the plan of dissolution and satisfaction of all conditions prescribed by the commissioner, the applicant shall submit a written report of its actions to the commissioner. The report shall contain a certification made under oath that the report is true and correct. Following receipt of the report, the commissioner, no later than sixty (60) days after the filing of the report, shall examine the supervised trust company to determine whether the commissioner is satisfied that all required actions have been taken in accordance with the plan of dissolution and any conditions prescribed by the commissioner. If all requirements and conditions have been met, the commissioner shall notify the applicant in writing that the dissolution has been completed and issue a certificate of dissolution. Upon receiving a certificate of dissolution, the applicant shall surrender its charter to the commissioner. The applicant shall then file articles of dissolution and other documents required by W.S. 17-16-1401 through 17-16-1440 for a corporation or required by W.S. 17-29-701 through 17-29-708 for a limited liability company, in the office of the secretary of state. In the case of reorganization, the applicant shall also file the documents required by the secretary of state to finalize the reorganization.

(e) If the commissioner is not satisfied that all required actions under the plan for dissolution or as required by the commissioner have been taken, the commissioner shall notify the applicant not later than thirty (30) days after the examination pursuant to subsection (d) of this section in writing what additional actions shall be taken to be eligible for a certificate of dissolution. The commissioner shall establish a reasonable deadline for the submission of evidence that the additional actions have been taken. The commissioner may extend the deadline for good cause shown. If the applicant fails to file a supplemental report showing that the additional actions have been taken before the deadline, or submits a report that is found not to be satisfactory by the commissioner, the commissioner shall notify the applicant in writing that its voluntary dissolution is not approved, and the applicant may appeal the decision to the board pursuant to the Wyoming Administrative Procedure Act.

(f) The commissioner may adopt rules pursuant to W.S. 13-1-603 to carry out the requirements of this section.

**13-5-420. Willful neglect to perform duties imposed by law or failure to conform to material lawful requirement made by commissioner; removal.**

(a) Each officer, director, manager, member, employee or agent of a supervised trust company, following written notice from the commissioner sent by certified mail, is subject to removal upon order of the commissioner if he knowingly or willfully fails:

(i) To perform any duty required by this chapter or other applicable law; or

(ii) To conform to any rule, regulation or requirement of the commissioner.

**13-5-421. Change in place of business.**

(a) Any supervised trust company may apply in writing to the commissioner for permission to change its place of business to any other municipality in the state. The application shall be accompanied by a fee established by rule of the commissioner and shall state the reasons for the proposed change, be signed by a majority of its board of directors and accompanied by the written assent to the application by the stockholders owning at least two-thirds (2/3) of its stock. The application fee shall be deposited by the commissioner with the state treasurer and credited to the financial institutions administration account. Expenditures shall be made from the account by warrants drawn by the state auditor, upon vouchers issued and signed by the director or commissioner. Funds from the account shall be expended only to carry out the duties of the commissioner under this chapter.

(b) If the commissioner finds that the change of location may be desirable and in the supervised trust company's best interests, he shall grant a certificate authorizing the change of location.

**13-5-422. Amendment to organizational instrument.**

(a) A supervised trust company may amend its organizational instrument pursuant to the requirements of W.S. 17-16-1001 through 17-16-1009 for a corporation or W.S. 17-29-

202 for a limited liability company. The articles of amendment shall be executed in triplicate with an executive officer executing in the place of the corporate secretary. Notice of the shareholders' meeting to vote on a proposed amendment shall be given as provided by the bylaws of the supervised trust company.

(b) Triplicate originals of the articles of amendment shall be delivered to the commissioner together with a fee required for filing documents with the secretary of state. If the commissioner finds that the articles of amendment do not conform to law he shall return them to the corporation. If the commissioner finds that the articles of amendment conform to the law he shall endorse on the articles of amendment his certificate of approval together with the word "filed" and the month, day and year of filing, and he shall file one (1) of the triplicate originals in his office and one (1) in the office of the secretary of state. The commissioner shall issue a certificate of amendment, affix it to the third triplicate original of the articles of amendment and return it to the corporation or its representatives.

(c) Upon the issuance of the certificate of amendment by the commissioner, the amendment is effective and the organizational instrument shall be amended accordingly.

**13-5-423. Liability of directors, managers and officers.**

(a) Except as provided in this section, no director, manager or officer of any supervised trust company may be held individually liable to any person for participating in or consenting to any act or failure to act in the conduct of trust company business unless the act or failure to act:

(i) Constitutes misconduct, a breach of duty or a failure to perform that is:

(A) Criminal, unless the director, manager or officer had a good faith and reasonable belief that the conduct was lawful; or

(B) Willful, reckless or undertaken in bad faith that resulted in fraud, self-dealing or unlawful personal benefit.

(ii) Is a proximate cause of the damage incurred; and

(iii) Is established by clear and convincing evidence.

(b) No director, manager or officer of any supervised trust company shall incur any individual liability that exceeds subsection (a) of this section unless that individual liability is expressly authorized under the organizational instrument, governing documents, resolutions of the supervised trust company or by a valid written agreement between the director, manager or officer incurring individual liability and the parties in controversy.

(c) This chapter shall not supersede, modify or supplement the standards of conduct and indemnity provisions for directors, managers and officers under the Wyoming Business Corporation Act and the Wyoming Limited Liability Company Act.

**13-5-424. Establishment of trust service offices; application.**

(a) After first applying for and obtaining the approval of the commissioner, one (1) or more trust service offices may be established and operated by a supervised trust company organized under the laws of this state. An application to establish and operate a trust service office or to relocate an existing trust service office shall be submitted and approved by way of the procedure set forth in W.S. 13-5-508.

(b) A supervised trust company may establish a trust service office in another state, territory or district and may conduct any activities at that office that are permissible for a supervised trust company under the laws of that state, territory or district, subject to the laws of this state and subject to the rules and regulations of the commissioner.

(c) After giving notice to the commissioner, a trust company, established and chartered under the laws of another state and which qualifies as a supervised trust company for the purposes of this chapter, may establish and operate a trust service office in this state if the company's home state does not prohibit a Wyoming supervised trust company from establishing a trust service office in that state.

**13-5-425. Establishment of trust company branches; application; fee; activities; examination; criteria.**

(a) With prior approval of the commissioner a supervised trust company may establish and operate one (1) or more branches at any location in this state.

(b) All applications for establishing and operating a branch shall be filed with the commissioner and be accompanied by a filing fee established by rule of the commissioner. The application shall be signed by the chief executive officer of the applicant supervised trust company and contain and be accompanied by the following information:

(i) Name and address of the applicant supervised trust company;

(ii) Exact location of the proposed branch;

(iii) Certification of publication of notice of the application at least one (1) time in a newspaper of general circulation in the county in which the proposed branch will be located;

(iv) Other information as the commissioner may require in order to determine if the requirements of this section are met.

(c) The commissioner shall issue a certificate of authority for the branch to the applicant supervised trust company within twenty (20) days after receipt of the complete application and fee unless he finds:

(i) Establishment or operation of the proposed branch would pose undue risk to the safety and soundness of the supervised trust company;

(ii) The name of the proposed branch does not reasonably identify the branch as a branch of the applicant supervised trust company or is likely to unduly confuse the public; or

(iii) The applicant supervised trust company has failed to substantially comply with applicable law governing its operation.

(d) The certificate of authority expires one (1) year after its issuance unless the branch has opened and business has begun in good faith.

(e) The application fee provided by subsection (b) of this section shall be deposited by the commissioner with the state treasurer and credited to the financial institutions administration account. Expenditures shall be made from the account by warrants drawn by the state auditor, upon vouchers issued and signed by the commissioner. Funds from the account shall be expended only to carry out the duties of the commissioner under this chapter. If the application expenses are less than the amount of the fee, the unexpended amount shall remain within the account.

(f) Every branch of a supervised trust company in this state shall be licensed by the commissioner before operating, engaging in or conducting trust company business.

(g) The commissioner shall fix the amount of the initial license fee and annual renewal fee by rule.

(h) An application for an initial branch license shall be submitted to the commissioner in writing in the form and containing the information required by the commissioner. Each licensed branch of a supervised trust company chartered under the laws of this state or of any other state is subject to compliance examinations as the commissioner deems necessary.

(j) The activities and operations of a branch are attributable to the applicant supervised trust company for purposes of determining qualification for authority to do business in this state.

## ARTICLE 5 PUBLIC TRUST COMPANIES

### **13-5-501. Formation and organizational instrument.**

(a) One (1) or more adult persons may organize a corporation or limited liability company for the purpose of forming a public trust company at a place in this state designated in the organizational instrument subject to the conditions prescribed by law. The organizer shall subscribe and verify triplicate originals of the organizational instrument and the application required under W.S. 13-5-502 and transmit them to the commissioner together with any other documents or information required by rule of the commissioner.

(b) The organizational instrument shall include the following information:



- (i) The legal name of the public trust company;
- (ii) The object for which the public trust company is organized;
- (iii) The term of its existence which may be perpetual;
- (iv) The place where its office shall be located and its operations conducted;
- (v) The amount of capital stock and the number of shares or the amount of membership interest;
- (vi) The name and residence of each shareholder subscribing to more than ten percent (10%) of the stock and the number of his shares or the name and residence of each member owning more than ten percent (10%) of the membership interest and percentage of his membership interest;
- (vii) The number of directors and the names of those who shall manage the affairs of the corporation for the first year or the number and names of managers appointed to manage the affairs of the limited liability company for the first year; and
- (viii) A statement that the organizational instrument is made to enable the organizer to form a public trust company within this state.

(c) The organizational instrument shall comply with W.S. 17-16-202 for corporations and W.S. 17-29-201 for limited liability companies. The commissioner may establish by rule other documents and materials a public trust company must file.

(d) Copies of all amended organizational instruments shall be filed in the same manner as the original organizational instrument.

**13-5-502. Procedure upon filing of organizational instrument, application and other information.**

(a) The organizer shall apply to the commissioner for a charter. The application shall be on forms prescribed by the commissioner and shall contain such information as required by rule of the commissioner.

(b) Upon filing with the commissioner the organizational instrument as required by W.S. 13-5-501, an application and any other information required by the rules and regulations of the board, the commissioner shall notify the applicants in writing within thirty (30) calendar days of any deficiency in the required information or that the application has been accepted for filing. When the commissioner is satisfied that all required information has been furnished, he shall notify the chairman of the board who shall establish a time and place for a public meeting or hearing if the application is contested which shall be not less than sixty (60) days nor more than one hundred twenty (120) days after notice from the commissioner that the application is in order. Within thirty (30) days after receipt of notice of the time and place of the public meeting or hearing, the applicant shall cause notice of filing of the application and of the meeting or hearing to be published at the applicant's expense in a newspaper of general circulation within the county where the proposed public trust company is to be located. Publication shall be made at least once a week for three (3) consecutive weeks before the meeting or hearing stating the proposed location of the public trust company, the names of the proposed applicants for a charter, the nature of the activities to be conducted by the proposed institution and other information as the commissioner shall prescribe by rule. The applicant shall furnish proof of publication to the commissioner not more than ten (10) days prior to the public meeting or hearing.

**13-5-503. Application filing fee.**

The application for a charter filed with the commissioner shall be accompanied by a fee established by rule of the commissioner to cover the expense of the investigation by the commissioner, the expense of the public hearing or meeting and other related expenses. The fee shall be deposited by the commissioner with the state treasurer into the financial institutions administration account. If an application for a public trust company charter is withdrawn by the applicant at any time prior to the meeting or hearing on the application, the application filing fee, less the amount of any expense authorized in this section and actually incurred, shall be refunded to the applicant. If the application is approved and expenses are less than the application fee collected the unexpended amount shall remain within the account.

**13-5-504. Procedure for hearings or meetings on charter applications.**

If a party with a bona fide interest contests the charter application, the hearing held shall be a contested case under the Wyoming Administrative Procedure Act and shall comply with the requirements of that act. If the application is not contested, a majority of the board members shall hold a public meeting to consider the application. The public meeting shall not be subject to the contested case procedures of the Wyoming Administrative Procedure Act, W.S. 16-3-107 through 16-3-112.

**13-5-505. Emergency charters; fees.**

(a) Notwithstanding any other provisions contained in this chapter, a public trust company charter may be granted by the commissioner without a public meeting or hearing in any case determined by the commissioner to be an emergency arising from the insolvency, or to prevent the failure, of an existing public trust company. The granting of any emergency charter under this section is contingent upon the commissioner determining that findings required by W.S. 13-5-507 have been satisfied.

(b) The application fee for an emergency charter shall be established by rule of the commissioner. The fee shall be deposited by the commissioner with the state treasurer and credited to the financial institutions administration account.

**13-5-506. Investigation and examination by banking commissioner.**

(a) Upon receiving the organizational instrument, application and other information required to be submitted under W.S. 13-5-501 and 13-5-502, the commissioner shall make a careful investigation and examination of the following:

(i) The character, reputation, financial standing and ability of the organizers and those proposed as directors, managers, members, stockholders or owners of the public trust company;

(ii) The character, financial responsibility, trust administration or other financial experience and business qualifications of those proposed as officers or managers; and

(iii) Such other facts and circumstances bearing on the proposed public trust company as the commissioner may deem relevant.

(b) The commissioner or his designee shall submit his findings at the public meeting or hearing on the application and shall be subject to cross-examination or questioning by any interested party. No relevant information shall be excluded by the board as hearsay.

**13-5-507. Approval or disapproval of application; criteria for approval; action upon application; interim charter; fee.**

(a) Within ninety (90) days after receipt of the transcript of the public meeting or hearing, the board shall in its discretion approve, conditionally approve or disapprove the application, but it shall not approve the application until it has ascertained to its satisfaction:

(i) The proposed public trust company is only being formed for legitimate objects contemplated by the laws of the state;

(ii) The proposed capital and surplus are not less than the required minimum established in W.S. 13-5-511 and are adequate in light of current and prospective conditions;

(iii) The proposed officers and directors or managers have sufficient experience, ability and professional reputation to afford reasonable promise of successful operation;

(iv) The name of the proposed public trust company does not resemble so closely as to cause confusion the name of any other financial institution transacting business in the county; and

(v) The applicants have complied with all applicable provisions of law.

(b) The board shall take action upon the application by stating its findings of fact and conclusions of law. If the board approves the application, the commissioner shall endorse upon the organizational instrument the approval and shall file one (1) copy with the secretary of state, retain one (1) copy in his files and return one (1) copy to the applicants within twenty (20) days after the date of the decision of the board approving the application. If the board conditionally approves an application by requiring increased capital or surplus, retention of additional qualified officers or directors or change of name to avoid confusion, and upon compliance by the applicant, the commissioner shall proceed as provided in the

preceding sentence. If the board disapproves the application, the commissioner shall mail notice of the disapproval to the applicants within twenty (20) days after the board's negative action.

(c) The board may waive the public meeting or hearing required under W.S. 13-5-502(b) if the application is for an interim public trust company charter to be used as a vehicle for merger with an existing public trust company that is currently serving the public need and convenience of the community, operating profitably, adequately capitalized, has officers and directors or managers of proven ability and is to be chartered solely for the purpose of facilitating the merger and the change in ownership of the existing public trust company. The application fee for an interim public trust company charter for which a public meeting or hearing is waived shall be established by rule and regulation of the commissioner. The fee shall be deposited by the commissioner with the state treasurer and credited to the financial institutions administration account.

**13-5-508. Certificate of authority to commence business required; application; approval or denial; failure to commence business.**

If the application is approved and a charter granted by the board, the public trust company shall not commence business before receiving a certificate of authority to operate from the commissioner. An application for a certificate of authority shall be made to the commissioner and shall certify that all required capital and surplus have been paid in. The application shall list the address at which the public trust company will operate and shall attach the organizational instrument or all adopted bylaws. The application shall state who the officers, directors and stockholders or the members and managers are at that time. The commissioner shall approve or deny an application for a certificate of authority within thirty (30) days after the application has been filed, but the authority of the commissioner to disapprove any application is restricted solely to noncompliance with this section. If the commissioner approves the application, he shall issue a certificate of authority to the organizers within twenty (20) days. If the commissioner denies the application, he shall mail a notice of denial to the organizers within twenty (20) days, stating the reasons for denying the application, and grant to the organizers a maximum period of ninety (90) days to resubmit the application with the necessary corrections. If the applicant fails to comply with requirements of the notice of denial within ninety (90) days

from the receipt of the notice, the approval of the application and charter previously issued to the applying public trust company shall be revoked by the commissioner. The failure of the commissioner to act upon an application for a certificate of authority within thirty (30) days shall be deemed an approval. If the approved public trust company fails to commence business in good faith within one (1) year after the issuance of a certificate of authority by the commissioner or any required federal approval, whichever is later, the charter and certificate of authority shall expire.

**13-5-509. Decisions by board appealable; grounds.**

Any decision of the board in approving or disapproving any charter or the issuance or denial of a certificate of authority is appealable to the district court of the county in which the public trust company is to be located in accordance with the provisions of the Wyoming Administrative Procedure Act. In addition to the grounds for appeal contained in the Wyoming Administrative Procedure Act, the appellant may appeal if the board or the commissioner fails to make any of the findings required.

**13-5-510. Powers of public trust companies; limitations; prohibitions; conflicts of interest; exemptions.**

(a) Public trust companies may exercise the powers permitted by subsection (b) of this section and the powers and rights granted to other corporations and limited liability companies under general law except as provided by this chapter.

(b) Each public trust company may:

(i) Act or be appointed by any court to act in like manner as an individual or as a fiduciary for any purpose permitted by law;

(ii) Act as transfer agent or registrar of corporate stocks and bonds;

(iii) Purchase, invest in and sell stocks, bonds, mutual funds, mortgages and other securities for the account of trusts;

(iv) Accept and execute any trust company business permitted by any law of this or any other state or of the United States to be taken, accepted or executed by an individual;

(v) Take oaths and execute affidavits by the oath or affidavit of its directors, managers, managing members, officers, agents or employees;

(vi) Make any lawful fiduciary investment as permitted by W.S. 2-3-301;

(vii) Do and perform all acts necessary to exercise the powers enumerated in this chapter.

(c) A public trust company shall not engage in any banking business by accepting general deposits or issuing demand instruments.

(d) A public trust company may invest its capital and surplus in stocks, bonds, mortgages, mutual funds and other securities. A public trust company may invest in, purchase, hold, convey and lease real estate in accordance with W.S. 13-3-201(a) (i).

(e) A public trust company shall consider the following when undertaking a transaction or other action authorized under subsection (b) of this section:

(i) The interests of the beneficiaries of the trust for which the public trust company is acting as fiduciary, if applicable;

(ii) Whether the transaction or action complies with the terms of the governing instrument establishing the fiduciary relationship, any applicable judgments, judicial decrees or court orders and any applicable consent agreements or releases.

(f) Except as provided in this chapter, no person shall act as a public trust company or engage in trust company business without first obtaining a charter from the commissioner under this chapter.

(g) A bank or savings and loan authorized under the laws of the United States or this state to engage in trust company business in this state, may engage in such business as a bank or savings and loan association without obtaining a charter under this chapter, but shall be subject to the provisions of this chapter relating to the administration of its trust accounts.

(h) Insurance companies licensed to write life insurance policies and annuity or endowment contracts in this state and subject to the regulation and control of the state insurance commissioner shall not be subject to the provisions of this chapter.

(j) Except as otherwise provided in subsection (e) of this section, nothing in this section prohibits a public trust company from transacting business with or investing in any asset of:

(i) A trust, estate, guardianship or conservatorship for which the public trust company is a fiduciary;

(ii) Any other company, agent, entity or person for which a conflict of interest may exist.

(k) If a potential conflict of interest exists as to a particular transaction or action between the public trust company in its capacity as a fiduciary and the public trust company in its individual capacity, the transaction or action is not voidable if it complies with this section or occurred before the public trust company entered into the fiduciary relationship.

(m) A transaction by or action of a public trust company is not voidable if:

(i) The transaction or action was authorized by the terms of the organizational instrument;

(ii) The transaction or action was approved by a court pursuant to a judgment, judicial decree or court order;

(iii) The transaction or action was authorized by a valid consent agreement or release signed by all interested persons to the transaction or action;

(iv) No interested person commenced a legal action relating to the transaction in accordance with subsection (n) of this section; or

(v) The transaction or action occurred before the public trust company entered into the fiduciary relationship.

(n) A legal action by an interested person alleging that a transaction or action by a public trust company is voidable



because of the existence of a conflict of interest must be commenced within one (1) year of the date on which the interested person discovered, or by the exercise of reasonable diligence should have discovered, the facts in support of his claim.

(o) Notwithstanding any other provision of this chapter, a public trust company is not required to obtain court approval for any transaction that otherwise complies with the provisions of this section.

**13-5-511. Requirements as to capital or membership interest.**

(a) The capital stock or membership interest of each public trust company shall be subscribed for as fully paid stock or fully paid membership interests. No public trust company shall organize with a capital stock or membership interest less than one million dollars (\$1,000,000.00).

(b) No public trust company shall commence business until the full amount of its authorized capital or membership interest is subscribed and fully paid in. No public trust company may organize without a paid up surplus fund of at least twenty percent (20%) of its legally authorized capital stock or membership interest, and undivided profits in sufficient amount for the first year expenses of operation as determined by the commissioner.

**13-5-512. Issue of stock or membership interest.**

A public trust company shall not issue any share of stock or any percentage of membership interest until the par value of the share or the capital contribution has been actually paid in cash.

**13-5-513. Increase or reduction of capital stock.**

A public trust company may increase or reduce the capital stock or membership interest of the public trust company after receiving the written approval of the commissioner and by the vote of the shareholders or members owning two-thirds (2/3) of the stock or membership interest in the public trust company at a stockholders' or members' meeting called for that purpose.

**13-5-514. Transfer of stock, membership interests and other ownership interests.**

(a) The shares of stock or membership interests of public trust companies are personal property and shall be transferred on the books of the public trust company in such manner as the bylaws or operating agreement may provide. A transfer of stock or membership interest in a public trust company is invalid until any impairment of its capital stock or membership interest has been restored.

(b) Transfers of voting stock or membership interests of a public trust company shall be reported to the commissioner not less than ten (10) days prior to being made if the transfer:

(i) Equals or exceeds ten percent (10%) of the public trust company's voting ownership interests; or

(ii) Is made to a person owning or controlling ten percent (10%) or more and less than eighty percent (80%) of the public trust company's voting ownership interests.

(c) The commissioner may disapprove any transfer of stock or membership interest required to be reported if he finds that the transferee:

(i) Has been convicted of a felony; or

(ii) Has been removed from a position as director, manager, officer or employee of a public trust company or other financial institution pursuant to an order of the commissioner or federal regulatory authority.

**13-5-515. Stock or membership interest register; inspection.**

A public trust company shall keep a stock or membership interest register that is open for inspection during business hours to officers, directors and stockholders or members and managers of the public trust company. The register shall contain the name, residence and number of shares of each stockholder or the percentage of membership interest of each member and all transfers of stock or membership interest, stating the time made, the number of shares or percentage of membership interest transferred and to whom transferred.

**13-5-516. Voting by shareholders and members generally; balloting for directors and managers.**

(a) Unless the public trust company's governing documents provide otherwise:

(i) Each share or membership interest entitles the owner to one (1) vote on all elections of directors or managers and all other questions submitted at meetings of shareholders or members. Shareholders or members may vote by proxies executed in writing but no officer, clerk, teller or bookkeeper of the public trust company shall act as proxy. The presence in person or by proxy of the owners of at least fifty-one percent (51%) of the issued and outstanding capital stock or membership interest at any meeting of stockholders or members constitutes a quorum;

(ii) In balloting for directors or managers each qualified shareholder or member may vote the number of shares or amount of membership interest owned by him for as many directors or managers as are to be elected or may cumulate his votes by giving one (1) candidate the number of votes equal to the number of directors or managers to be elected multiplied by the number of his shares or percentage of membership interest and he may distribute his votes cumulatively on the same principle among any number of candidates. The persons having the highest number of votes shall be declared elected as the board of directors or as managers for the ensuing corporate year.

### **13-5-517. Preferred stock.**

(a) Unless the organizational instrument of a public trust company is more restrictive, a public trust company may issue one (1) or more classes of preferred stock or membership interest upon the approval of two-thirds (2/3) of the stockholders or members and the approval of the commissioner under this section.

(b) Copies of the directors' and stockholders' or members' and managers' minutes approving the issuance and bearing the approval of the commissioner shall be filed in the office of the secretary of state and treated as an amendment to the organizational instrument.

(c) At a board of directors' or managers' meeting called on not less than one (1) day's notice, the directors or managers may adopt a resolution calling for the issuance of preferred shares or classes of membership interest. The directors shall then call a meeting of the stockholders or members, giving not less than five (5) days' notice and stating the purpose of the meeting.

(d) The voting rights and manner of retirement of preferred shares or membership interest shall be as adopted in the resolution of the stockholders or members authorizing their issuance subject to the provisions of the organizational instrument and the approval of the commissioner.

(e) The holders of the preferred stock or membership interest of the highest class shall be entitled to cumulative dividends or distributions of up to six percent (6%) per year before dividends are paid on any other stock or before distributions are made to members of any other class. The holders of preferred stock or membership interest of subsequent classes shall next be entitled to cumulative dividends or distributions of up to six percent (6%) in order of preference before dividends are paid to the holders of common stock or before distributions are made to members of any other class. In any liquidation no payment shall be made to the holders of common stock or membership interest until the holders of preferred stock or highest priority membership interest have been paid the full par value of their stock and accumulated dividends or the full value, up to the amount of their capital contribution and accumulated profits, in order of preference.

(f) The preferred stock and holders of preferred stock and preferred membership interest and the owners of preferred membership interest are not liable for assessments to restore impairment of capital or for any liability imposed by law on common stock or the holders of common stock or on the lowest priority membership class or the owners of the lowest priority of membership interest.

(g) No issue of preferred stock or membership interest is valid until the entire par value of the shares or membership interest has been paid in cash or until arrangements satisfactory to the commissioner have been made for payment.

(h) The par value of preferred stock or membership interest shall be included in any determination of required capital under this chapter.

**13-5-518. Authority to manage public trust companies; qualifications.**

The affairs of a public trust company shall be managed by not less than five (5) directors or managers. Shareholders or the board of directors or members or the managers, if provided by

the organizational instrument, may adopt and amend bylaws for the management of the public trust company. Each director and manager shall take an oath that he will faithfully and diligently perform the duties of his office and will not violate or knowingly permit the violation of any of the laws of this state relating to trust company business. Within thirty (30) days after being elected or appointed each director and manager of a public trust company shall sign the oath required by this section on a form prescribed by the commissioner and it shall be part of the record of any meeting and included in the public trust company's minutes. Within thirty (30) days after initially being elected or appointed each director and manager of a public trust company shall file with the commissioner a sworn financial statement on a form prescribed by the commissioner.

**13-5-519. Election; term; vacancies; number.**

(a) The initial and elected directors or managers of any public trust company shall hold office for one (1) year and until their successors are elected and qualified except in cases of death, resignation or removal under the laws of this state. All elections shall be held annually on a day designated by the directors or managers on or before April 30.

(b) If the annual election of directors or managers is not held at the time designated, an election may be held within sixty (60) days thereafter following notice by publication in three (3) consecutive issues of a weekly newspaper printed in the county in which the public trust company is located, or if no newspaper is printed in the county then in a newspaper of general circulation in the state.

(c) Any director or manager who during his tenure as a director becomes insolvent or makes a general assignment of his property for the benefit of creditors shall vacate his office.

(d) Vacancies which reduce the board or the total number of managers to less than five (5) members shall be filled within ninety (90) days of the vacancy by appointment by the remaining directors or managers for the unexpired term. The board or managers shall notify the commissioner of any vacancy on the board or of any manager within thirty (30) days of the vacancy.

(e) Changes in the number of directors or managers shall be authorized by a majority vote of the stockholders or members to be effective upon expiration of the current corporate year. The change may become effective immediately with the consent of

the directors or managers and written notification to the commissioner.

**13-5-520. Meetings; record of proceedings and business.**

(a) The board of directors or managers of a public trust company shall hold a regular meeting at least once every quarter of the calendar year. At each meeting a detailed report showing all trust business shall be submitted. The board of directors or managers shall review the report and make it a part of the record of the meeting. The record shall show their approval or disapproval of the report.

(b) A record of the proceedings and business of all meetings shall be included in the public trust company's minutes.

**13-5-521. Inspection of public trust company; confidentiality.**

(a) Every public trust company is subject to inspection by the commissioner. The commissioner or a duly appointed examiner shall visit and examine each public trust company as often as the commissioner deems necessary and at least once every two (2) years, with or without previous notice to the officers or managers of or anyone interested in the public trust company. The commissioner or a duly appointed examiner shall make a complete and careful examination of the condition and resources of the public trust company, the mode of managing the company's affairs and conducting its business, all records, transactions and other data or documents pertaining to the actions of the public trust company, the action of its officers and directors or managers in the investment and disposition of trust funds, the safety and prudence of the company's management, the security afforded to those by whom trust company engagements are held, whether the requirements of this chapter are being complied with and such other matters as the commissioner may prescribe.

(b) All information, reports or applications obtained by the commissioner from an applicant or public trust company are confidential.

**13-5-522. Conversion from chartered family trust company to public trust company.**

A chartered family trust company that complies with the requirements outlined in W.S. 13-5-501 through 13-5-509, and upon approval of the new public trust company charter and surrender of the chartered family trust company charter, may be granted a charter as a public trust company.

ARTICLE 6  
FAMILY TRUST COMPANIES

**13-5-601. Powers of family trust companies; prohibitions.**

(a) A family trust company may, but only for family members:

(i) Act or be appointed by any court within and outside this state to act as a fiduciary for family members for any purpose permitted by law;

(ii) Act as transfer agent or registrar of corporate stocks and bonds of family affiliates;

(iii) Purchase, invest in and sell stocks, bonds, mutual funds, mortgages and other securities for the account of family members;

(iv) Accept and execute any trust company business of family members permitted by any law of this or any other state or of the United States to be taken, accepted or executed by an individual;

(v) Take oaths and execute affidavits by the oath or affidavit of its corporate officers or managing members;

(vi) Make any lawful fiduciary investment as permitted by Wyoming Uniform Prudent Investor Act;

(vii) Perform all acts necessary to exercise the powers enumerated in this section.

(b) A family trust company shall not engage in:

(i) Any banking business by accepting general deposits or issuing demand instruments; or

(ii) Trust company business with the public.

**13-5-602. Family trust companies; authorized actions and transactions; conflicts of interest.**

(a) In addition to the actions authorized by W.S. 13-5-601 and notwithstanding the other provisions of this chapter, while acting as a fiduciary a family trust company may:

(i) Invest in a security of an investment company or investment trust for which the family trust company, or a family affiliate, provides services in a capacity other than as a fiduciary;

(ii) Place a security transaction using a broker that is a family affiliate;

(iii) Invest in an investment contract that is purchased from an insurance company or carrier owned by or affiliated with the family trust company or a family affiliate;

(iv) Enter into an agreement with a beneficiary or settlor of a trust with respect to the appointment or compensation of the family trust company or a family affiliate;

(v) Transact business with another trust, estate, guardianship or conservatorship for which the family trust company is a fiduciary or in which a beneficiary of a trust for which the family trust company is a fiduciary has an interest;

(vi) Make an equity investment in a closely held entity that may or may not be marketable and that is owned or controlled, either directly or indirectly, by one (1) or more family members or family affiliates;

(vii) Deposit money in a financial institution that is owned or operated by a family affiliate;

(viii) Delegate the authority to conduct any transaction or action pursuant to this section to an agent of the family trust company or a family affiliate;

(ix) Purchase, sell, hold or invest in any security, bond, real or personal property, stock or other asset of a family affiliate;

(x) Loan money to or borrow money from:



(A) A beneficiary or settlor of a trust for which the family trust company is acting as fiduciary;

(B) Another trust for which the family trust company is acting as fiduciary; or

(C) A family affiliate.

(xi) Act as proxy in voting any shares of stock which are assets of a trust for which the family trust company is acting as fiduciary;

(xii) Exercise any powers of control with respect to any interest in an entity that is an asset of a trust for which the family trust company is acting as fiduciary, including, without limitation, the appointment of officers or directors of entities who are family affiliates; and

(xiii) Receive reasonable compensation for its services or the services of a family affiliate.

(b) A family trust company shall consider the following when undertaking a transaction or action authorized pursuant to subsection (a) of this section:

(i) The interests of the beneficiaries of the trust for which the family trust company is acting as fiduciary if applicable; and

(ii) Whether the transaction or action complies with the terms of the governing documents of the family trust company establishing the fiduciary relationship, any applicable judgments, judicial decrees or court orders and any applicable consent agreements or releases.

(iii) Repealed by Laws 2019, Ch. 13, § 5.

(c) Except as otherwise provided in subsection (b) of this section, nothing in this section prohibits a family trust company from transacting business with or investing in any asset of:

(i) A trust, estate, guardianship or conservatorship for which the family trust company is a fiduciary;

(ii) A family affiliate; or

(iii) Any other company, agent, entity or person for which a conflict of interest may exist.

(d) If a potential conflict of interest exists as to a particular transaction between the family trust company, in its capacity as a fiduciary and the family trust company in its individual capacity, the transaction or action is not voidable if it:

(i) Complies with the provisions of this section; or

(ii) Occurred before the family trust company entered into the fiduciary relationship.

(e) A transaction by or action of a family trust company authorized by this section is not voidable if:

(i) The transaction or action was authorized by the terms of the governing documents of the family trust company;

(ii) The transaction or action was approved by a court or was taken pursuant to a judicial decree or court order;

(iii) No interested person commenced a legal action relating to the transaction or action pursuant to subsection (f) of this section;

(iv) The transaction or action was authorized by a valid consent agreement or release signed by all interested persons to the transaction or action; or

(v) The transaction or action occurred before the family trust company entered into the fiduciary relationship.

(f) A legal action by an interested person alleging that a transaction or action by a family trust company is voidable because of the existence of a conflict of interest must be commenced within one (1) year of the date on which the interested person discovered, or by the exercise of reasonable diligence should have discovered, the facts in support of his or her claim.

(g) Notwithstanding any other provisions of this chapter, a family trust company is not required to obtain court approval for any transaction that otherwise complies with the provisions of this section.

**13-5-603. Organization of a chartered family trust company.**

(a) One (1) or more persons may subscribe to an organizational instrument in writing for the purpose of forming a chartered family trust company, subject to the conditions prescribed by law.

(b) The articles of incorporation for a chartered family trust company organized as a corporation shall set forth all of the information required by W.S. 17-16-202 and the following:

(i) The corporate name, which shall comply with W.S. 13-5-302 and 17-16-401;

(ii) A statement that the articles of incorporation are made to enable the shareholders to avail themselves of the advantages of this chapter;

(iii) A statement that the corporation will act as a fiduciary exclusively for one (1) or more family members and will not engage in trust company business with the general public.

(c) The articles of organization for a chartered family trust company organized as a limited liability company shall include the following information:

(i) The name of the limited liability company, which must comply with W.S. 13-5-302 and 17-29-108;

(ii) A statement that the articles of organization are made to enable the members to avail themselves of the advantage of this chapter;

(iii) A statement that the limited liability company will act as a fiduciary exclusively for one (1) or more family members and will not engage in trust company business with the general public.

(d) Repealed by Laws 2019, Ch. 13, § 5.

**13-5-604. Requirements for chartered family trust company.**

(a) A chartered family trust company shall maintain:

(i) A physical office in this state where original or true copies, including electronic copies, of all material business records and accounts of the chartered family trust company may be accessed and readily available for examination by the commissioner; and

(ii) A bank account with a state or nationally chartered bank or savings and loan association having a principal or branch office in this state.

**13-5-605. Minimum capital requirements; investment of capital.**

The initial capital required to organize a chartered family trust company shall be not less than five hundred thousand dollars (\$500,000.00). The full amount of the initial capital must be paid in cash to the governing body of the chartered family trust company, exclusive of all organization expenses, before the chartered family trust company is authorized to commence business as a chartered family trust company. Once organized, a chartered family trust company shall maintain a minimum level of capital required by the commissioner to operate in a safe and sound manner based upon the commissioner's examination of the company, provided that the level of capital in a chartered family trust company shall not be less than five hundred thousand dollars (\$500,000.00).

**13-5-606. Procedures upon filing of organizational instruments, application and other information; application fee; approval or disapproval of application; criteria for approval; action upon application.**

(a) An applicant for a chartered family trust company charter must file an application with the commissioner on forms prescribed by the commissioner. The application must contain or be accompanied by such information as required pursuant to rules and regulations of the commissioner.

(b) The application filed with the commissioner shall be accompanied by a fee established by rule and regulation of the commissioner to cover the expense of the investigation by the commissioner. If an application to become a chartered family trust company is withdrawn by the applicant at any time prior to the granting of the charter, the statutory application filing fee, less the amount of any expense authorized above and actually incurred, shall be refunded to the applicant.

(c) The failure of the applicant to furnish required information, data, other material or the required fee within thirty (30) days after a written request from the commissioner may be considered a withdrawal of the application.

(d) Within sixty (60) days after receipt of a completed application, the commissioner shall, in his discretion, approve, conditionally approve or disapprove the application. Prior to taking action on an application, the commissioner shall determine that:

(i) The chartered family trust company is being formed for no other purpose than contemplated by the laws of this state;

(ii) The proposed capital and surplus are not less than the required minimum amount in W.S. 13-5-605 and are adequate in light of current and prospective conditions as determined by the commissioner;

(iii) The applicants, proposed officers and directors or managers have sufficient character, reputation, experience, ability and financial standing to afford reasonable promise of successful operation;

(iv) The name of the proposed chartered family trust company does not resemble the name of any other chartered family trust company or financial institution transacting business in the state so closely as to cause confusion;

(v) The applicants have complied with all applicable provisions of law and such other facts and circumstances bearing on the proposed family trust company as the commissioner may reasonably deem relevant.

(e) The commissioner shall take action upon the application by stating findings of fact and conclusions of law.

(f) Upon approval of an application, the commissioner shall endorse upon the organizational instrument his approval and shall file one (1) copy of the application with the secretary of state, retain one (1) copy in his files and return one (1) copy to the applicant within twenty (20) days after the date of the decision of the commissioner approving the application. If the commissioner conditionally approves an application and the applicant complies with the conditions

imposed by the commissioner, the commissioner shall approve the application and proceed in accordance with this section.

(g) Notice of the entry of an order refusing a charter or imposing conditions upon approval of the charter to a family trust company must be given in writing, served personally or sent by certified mail, return receipt requested, to the applicant. If the commissioner disapproves or imposes conditions upon the application, the commissioner shall mail notice of the action to the applicants within twenty (20) days after the commissioner's negative action. The company, upon appeal, is entitled to a hearing before the board pursuant to the Wyoming Administrative Procedure Act. If no such appeal is made within thirty (30) days after the entry of an order refusing a charter or imposing conditions upon the charter to any applicant, the commissioner shall enter a final order.

**13-5-607. Inspection of chartered family trust company; fees; resolution fund account; confidentiality.**

(a) Every chartered family trust company is subject to inspection by the commissioner. The commissioner or a duly appointed examiner shall visit and examine each chartered family trust company as often as the commissioner deems necessary and at least once every three (3) years, with or without previous notice to the officers or managers of or anyone interested in the chartered family trust company. The commissioner or a duly appointed examiner shall make a complete and careful examination of the condition and resources of the chartered family trust company, the mode of managing the company's affairs and conducting its business, all records, transactions and other data or documents pertaining to the actions of the family trust company, the action of its managers or officers and directors in the investment and disposition of trust funds, the safety and prudence of the company's management, the security afforded to those by whom trust company engagements are held, whether the requirements of this chapter are being complied with and such other matters as the commissioner may prescribe.

(b) Repealed by Laws 2019, Ch. 13, § 5.

(c) Repealed by Laws 2019, Ch. 13, § 5.

(d) All information, reports or applications obtained by the commissioner from an applicant or chartered family trust company are confidential.

(e) Repealed by Laws 2019, Ch. 13, § 5.

**13-5-608. Conversion from public trust company to chartered family trust company.**

(a) A public trust company that meets the requirements of W.S. 13-5-301(a)(viii), 13-5-604 and 13-5-605 may merge with, convert into or reorganize as a chartered family trust company upon application to the commissioner on forms approved by the commissioner.

(b) For public trust companies established after July 1, 2019, seeking to convert from a public trust company to a chartered family trust company, the application filed with the commissioner shall be accompanied by a fee established by rule and regulation of the commissioner.

(c) Within thirty (30) days after receipt of a completed application, a trust company that meets the requirements of this section and is in good standing with the commissioner, shall be issued a charter as a chartered family trust company.

(d) The applicant shall be notified when the application is approved. Within twenty (20) days after notification, the applicant shall furnish the bonds required by W.S. 13-5-414(a).

ARTICLE 7

PRIVATE FAMILY TRUST COMPANIES

**13-5-701. Establishment of a private family trust company.**

(a) One (1) or more persons may subscribe to an organizational instrument in writing for the purpose of forming a private family trust company, subject to the provisions of this chapter.

(b) The articles of incorporation for a private family trust company organized as a corporation shall include all of the information required by W.S. 17-16-202 and the following:

(i) The corporate name, which shall comply with W.S. 13-5-302 and 17-16-401;

(ii) A statement that the articles of incorporation are made to enable the corporation to act as a fiduciary for the family members; and

(iii) A statement that the corporation will act as a fiduciary exclusively for one (1) or more family members and will not engage in trust company business with the general public.

(c) The articles of organization for a private family trust company organized as a limited liability company shall include all of the information required by W.S. 17-29-201 and the following:

(i) The name of the limited liability company, which shall comply with W.S. 13-5-302 and 17-29-108;

(ii) A statement that the articles of organization are made to enable the corporation to act as a fiduciary for the family members; and

(iii) A statement that the limited liability company will act as a fiduciary exclusively for one (1) or more family members and will not engage in trust company business with the general public.

(d) Upon the approval of the organizational instrument of a private family trust company by the secretary of state, the directors or managers of the private family trust company shall execute and deliver a signed waiver to the commissioner acknowledging that the private family trust company is not supervised by the commissioner and that at all times the private family trust company will not transact trust company business with the general public.

**13-5-702. Inspection of private family trust companies; authority of commissioner.**

(a) If the commissioner has reasonable cause to believe that a private family trust company proposes to transact or has transacted trust company business with the general public, then the commissioner may conduct any inspections of the private family trust company as he deems necessary to ensure compliance with the provisions of this chapter.

(b) If the commissioner discovers that a private family trust company has proposed to transact or has transacted trust company business with the general public, then the commissioner may take any action authorized under W.S. 13-10-201 through 13-10-209 with respect to the private family trust company to ensure compliance with the provisions of this chapter.



**13-5-703. Private family trust companies; applicability of chapter.**

Except as otherwise provided in this chapter, the provisions of this chapter applicable to supervised trust companies and family trust companies shall not apply to private family trust companies.

CHAPTER 6  
SAVINGS AND LOAN ASSOCIATIONS

ARTICLE 1  
GENERALLY

**13-6-101. Authority to charter.**

The state banking board as provided by W.S. 13-1-606 and 13-2-207 through 13-2-214 is authorized to charter state savings and loan associations.

**13-6-102. Articles of incorporation; bylaws; definition.**

(a) Not less than five (5) natural persons may associate for the purpose of carrying on a savings and loan business by making and acknowledging in triplicate and by filing articles of incorporation specifying:

(i) The name of the proposed association indicating the character of business to be conducted by the association;

(ii) The city and county where the principal place of business of the association is to be located, which must be within the state of Wyoming;

(iii) The number of its directors, which shall not be less than five (5);

(iv) The names, occupation and post office addresses of its first directors;

(v) The names, occupation and post-office addresses of the subscribers to the articles of incorporation, and a statement of the number of shares which each has agreed to take;

(vi) The amount of capital actually paid in.

(b) The articles shall be filed in the office of the state banking commissioner for his approval. The association shall at the same time file its bylaws.

(c) The articles of incorporation may be amended by a vote of at least two-thirds (2/3) of the shareholders voting at any meeting. A copy of the resolution making the amendment shall be certified in triplicate by the president and secretary and filed the same as original articles. The amendment is effective from the time of filing.

(d) Each association shall adopt bylaws which shall be in conformity with the laws of this state. Bylaws shall be open to the inspection of the state banking commissioner and the members of the association at its home office. All bylaws shall be approved by the state banking commissioner before becoming effective.

(e) Bylaws shall specify the terms and plans of becoming and continuing a member and of withdrawal, the plan of making loans, distributing profits, equalizing losses, providing for payment of expenses and for a fund with which to pay losses and other rules as are proper for the conduct of the business of the association not inconsistent with the laws of this state.

(f) As used in this chapter:

(i) "Mutual savings and loan association" means a savings and loan association or savings and loan bank without stock in which the borrowers and depositors are members of the savings and loan association or savings and loan bank and have voting rights as members of the association or bank;

(ii) "Shareholder" includes a member of a mutual savings and loan association.

## ARTICLE 2 ORGANIZATIONAL REQUIREMENTS

### **13-6-201. Insurance.**

The state banking commissioner shall require as a condition of approval that associations be approved and their savings insured by the federal deposit insurance corporation.

### **13-6-202. Capitalization.**

(a) Except as otherwise provided in this subsection, associations shall have permanent nonwithdrawable capital stock of one hundred dollars (\$100.00) per share and this stock shall be subscribed for as fully paid stock. An association other than a mutual savings and loan association shall not organize with a capital stock less than five hundred thousand dollars (\$500,000.00). In a mutual savings and loan association without capital stock, the association shall not organize with less than five hundred thousand dollars (\$500,000.00) in initial capital.

(b) If an association has par value capital stock outstanding of less than one percent (1%) of its savings and investment accounts outstanding, it shall either increase its capital stock to at least one percent (1%) of such outstanding savings accounts or discontinue the acceptance of savings and investment accounts until this amount of capital is provided. This subsection shall not apply to a mutual savings and loan association.

**13-6-203. Stock.**

(a) The capital stock shall all be of one (1) class and shall be fully paid and nonassessable in all events.

(b) The owners of the stock shall be members of the association and entitled to one (1) vote for each share for election of directors and all other purposes.

(c) Repealed by Laws 1993, ch. 115, § 3.

(d) No preferred stock shall be issued, nor shall any shares be issued which are exempt from bearing their pro rata portion of loss.

**13-6-204. Reserves.**

(a) State savings and loan associations, in addition to the par value of their capital, shall set up and maintain reserves as follows:

(i) Except as provided in W.S. 13-7-102, before the declaration of a dividend for any period an association shall transfer an amount equal to at least five percent (5%) of its net earnings to a separate reserve account which shall be set up and maintained for the sole purpose of absorbing losses until the general reserve is equal to at least twelve percent (12%) of the savings liability. In the event that any credit to the

general reserve is made in excess of the minimum five percent (5%) requirement, the dollar amount of the excess may be carried over as a credit toward the minimum requirement of any subsequent period. If the general reserve is not equal to at least twelve percent (12%) of its savings liability, credits, as above provided, shall again be made to the general reserve until it equals at least twelve percent (12%) of its savings liability. The board of directors may make additional transfers to other reserve accounts.

**13-6-205. Repealed By Laws 1998, ch. 64, § 2.**

**13-6-206. Bond of officers and agents.**

Each officer or agent having the custody of money or securities of any association shall give a bond to the association in an amount to be determined by the board of directors of the association commensurate with his liability. The bond shall be approved by the state banking commissioner.

### ARTICLE 3 REORGANIZATION

**13-6-301. Procedure generally.**

(a) Any association organized under the laws of this state, including a mutual savings and loan association, may reorganize the association and provide for the carrying on of its business under the laws of this state by a vote of two-thirds (2/3) of the shares of the members of the association who vote at the meeting. No meeting shall be called unless the plan has first been approved by the state banking commissioner, the federal deposit insurance corporation and the comptroller of the currency. Notice of the meeting shall contain a statement of the time, place and purpose of the meeting and an outline of the reorganization plan. Notice shall be given by mailing a copy to each shareholder at least thirty (30) days prior to the date of the meeting, addressed to the shareholder at his address shown by the books of the association. Shareholders may vote at the meeting in person or by proxy and all voting shall be by ballot. The plan of reorganization may provide for reincorporation under the existing corporate name or under a different name, may provide for the exchange of shares in the association for shares of the same or a different class in the reorganized association and may fix the time or times prior to which notice of withdrawal of shares issued in exchange for shares in the association being reorganized shall not be given, and, if the

withdrawal of the shares is so postponed, this fact shall be printed or stamped on the face of the certificates evidencing shares so to be issued. All obligations to any prior association shall inure to the benefit of the reorganized association and be enforceable by it and in its name, and demands, claims and rights of action against any prior association may be enforced against the reorganized association as fully and completely as they might have been enforced before reorganization.

(b) Associations that are in the course of liquidation may reorganize. No reorganization is effective until approved by the state banking commissioner and the appropriate federal banking regulatory agency and until the members holding three-fourths (3/4) of the outstanding shares have approved the plan in writing.

(c) A copy of the articles of incorporation of the association as reorganized, certified by the secretary of the association, shall be filed with the state banking commissioner in the same manner provided for amendments to articles of incorporation. All pending withdrawal applications shall be cancelled.

#### **13-6-302. Conversion to federal association; procedure.**

(a) Any state savings and loan association, including a mutual savings and loan association, or any other home financing association, eligible to become a federal savings and loan association may convert itself into a federal savings and loan association by the following procedure:

(i) At any meeting of the shareholders of the association called to consider a conversion and held in accordance with the laws governing the association, the shareholders by an affirmative vote of the majority of the shareholders present in person or by proxy may vote to convert the association into a federal savings and loan association;

(ii) A copy of the minutes of the meeting verified by the affidavit of the president and the secretary of the meeting shall be filed within ten (10) days in the state banking commissioner's office and the appropriate federal banking regulatory agency;

(iii) After the adjournment of the meeting of shareholders, the association shall take the necessary action to make it a federal savings and loan association. Within ten (10)

days of receipt of the federal charter a copy of the charter issued to the association by the appropriate federal banking regulatory agency or a certificate showing the organization of the association as a federal savings and loan association certified by, or on behalf of the appropriate federal banking regulatory agency shall be filed in the state banking commissioner's office and upon filing the association ceases to be a state association and becomes a federal savings and loan association.

**13-6-303. Conversion to federal association; effect.**

(a) When a conversion becomes effective as provided by W.S. 13-6-302, an association ceases to be supervised by this state and all of the property of the association shall continue to be vested in the association under its new name and style as a federal savings and loan association.

(b) The federal savings and loan association at the time of the conversion is responsible for all of the obligations of the state association to the same extent as though the conversion had not taken place.

**13-6-304. Conversion to state association; procedure.**

(a) Any savings and loan association organized under the federal laws and doing business in this state pursuant to W.S. 13-4-109 through 13-4-112, including a mutual savings and loan association, may convert itself into a state savings and loan association under the laws of this state by the following procedure:

(i) At any meeting of the shareholders and members of any association called to consider a conversion and held in accordance with the laws governing the association, the shareholders and members by an affirmative vote of a majority of shares represented may vote to convert the association into a guaranty savings and loan association organized under the laws of this state. At this meeting directors of the converted association shall be chosen, and either the meeting shall adopt or the directors chosen shall adopt bylaws for the converted association;

(ii) A copy of the minutes of the meeting of the shareholders and members, verified by the affidavit of the president or vice president and the secretary of the meeting, shall be filed within ten (10) days after the meeting with the

appropriate federal banking regulatory agency and in the state banking commissioner's office. The verified copy of the minutes of the meeting, when filed, is presumptive evidence of the holding and the action of the meeting;

(iii) The association shall then organize itself as a state savings and loan association under the laws of this state, including the filing of appropriate articles of incorporation, adoption of bylaws and election of officers and full compliance with the provisions of W.S. 13-2-201, 13-2-202 and 13-2-207 through 13-2-215. Upon completion of its organization, the association ceases to be a federal savings and loan association and becomes a state savings and loan association subject to the supervision of the state banking commissioner and the appropriate federal banking regulatory agency.

**13-6-305. Repealed by Laws 2015, ch. 68, § 2.**

**13-6-306. Conversion to state association; effect.**

When a conversion is effective, all the property of the federal savings and loan association continues to be vested in the association as a state savings and loan association. The state savings and loan association shall remain responsible for all the obligations of the federal association.

#### ARTICLE 4 LIQUIDATION

**13-6-401. When state banking commissioner to take charge; refusal to so permit.**

(a) If it appears to the state banking commissioner that the affairs of any savings and loan association are in an unsound condition or that it is conducting its business in an unsafe or unlawful manner, the state banking commissioner may take possession of all books, records and assets of the association and hold them pending further proceedings.

(b) If the person in charge of the association refuses to permit the state banking commissioner to take possession, the state banking commissioner shall inform the attorney general who shall take whatever action is necessary to place the state banking commissioner in immediate possession of the property of the association.

**13-6-402. Directors to relieve unsound condition; duty.**

If it appears that the affairs of the association are in fact in an unsound condition, the state banking commissioner shall at once notify in writing the board of directors of the association of his decision, giving them twenty (20) days in which to restore the affairs of the association to a sound condition. Meanwhile, the state banking commissioner shall remain in charge of all books, records and assets of the association. He shall attend or be represented at all directors' and stockholders' meetings and suggest steps necessary to restore the association to a sound condition.

**13-6-403. Directors to relieve unsound condition; failure.**

If the affairs of the association are not restored within the twenty (20) days, the state banking commissioner shall report the facts to the attorney general, who shall institute proceedings in the district court of the proper county for the appointment of a receiver and for the dissolution of the association or other proceedings as may be required.

**13-6-404. Losses exceeding reserves or earnings.**

Whenever the losses of an association exceed the reserve account they may be charged against the undivided earnings, if any, and if they also exceed undivided earnings, the state banking commissioner may proceed to wind up the affairs of such association.

**13-6-405. Banking commissioner to be appointed receiver; assistants; bonding requirements.**

The state banking commissioner shall be appointed the receiver for any savings and loan association. No fee shall be allowed the state banking commissioner as the receiver, but he may appoint, upon the approval of the court, persons to assist him in any receivership proceedings as may be required. The compensation or fees of persons appointed by the state banking commissioner shall be fixed by the court and shall be paid, together with all other costs and expenses of the receivership, out of the assets of the association. The state banking commissioner may require each of the persons appointed to execute to him a bond as he may deem necessary. The state banking commissioner may designate the federal deposit insurance corporation to act without bond as receiver or liquidator of any savings and loan association whose assets are insured by the



corporation and which has been closed for the purpose of liquidation.

**13-6-406. Priority of claims.**

(a) The claim of the owners of guaranty capital stock in an association is junior to the claim of savings and investment account holders and no part of the guaranty capital shall be withdrawn or retired until all savings and investment account holders have been paid in full at par with interest and all other claims have been paid and the corporation is liquidated.

(b) The claim of savings and investment account holders against the association is senior to the guaranty capital stockholders but junior to the claims of general creditors of the association. Savings and investment accounts shall be issued upon a uniform basis and without discrimination.

CHAPTER 7  
SAVINGS AND LOAN OPERATIONS

ARTICLE 1  
POWERS

**13-7-101. Generally.**

(a) Except as otherwise provided any association shall have the powers provided for in the general laws of this state relating to the creation and regulation of private corporations and in addition thereto shall have power, subject to the terms and conditions contained in the articles of incorporation and bylaws to:

(i) Issue stock to its members, to assess and collect from its members reasonable membership fees, withdrawal fees, dues, premiums and fines;

(ii) Permit its members to withdraw any or all of their stock deposits upon equitable terms;

(iii) Hold and convey such property as is necessary for its accommodation and the transaction of its business, mortgaged in good faith by way of security for debts duly contracted, conveyed to it in satisfaction of debts previously contracted in the course of its dealings, purchased at sales under judgments, decrees or mortgages held by it, or purchased to secure debts due to it;

(iv) Make loans to its members upon ample real estate or personal property security, unencumbered except by prior loans from the association, or upon the stock of the association to the extent of its withdrawal value;

(v) Make annual or semiannual distributions of its earnings; and

(vi) Do all other things that may be necessary to effect its purposes and conduct its authorized business.

**13-7-102. Organization of savings and loan associations.**

(a) It is the purpose of this section to authorize the organization and operation of state savings and loan associations according to the laws of the state of Wyoming which have the same powers and are subject to the restrictions provided for by the laws of the United States and the rules, regulations and requirements of the appropriate federal banking regulatory agency.

(b) Repealed by Laws 1993, ch. 115, § 3.

**13-7-103. Reports; examinations; membership in federal home loan bank.**

(a) Repealed by Laws 2015, ch. 68, § 2.

(b) A state savings and loan association may do all things necessary to obtain and to continue membership in the federal home loan bank and to obtain advances from it.

**13-7-104. Real estate and personal property.**

(a) Except as provided in W.S. 13-7-102, any association may acquire, hold, encumber and convey real estate and personal property necessary for the transaction of its business or necessary to enforce or to protect its securities but it shall not otherwise acquire or deal in real estate. No association shall use more than ten percent (10%) of its assets at any time in acquiring real estate for its business location.

(b) All real estate, except that used for its business location, shall be entered on the books as other real estate at not more than acquisition cost or appraised fair market value, whichever is less, and shall be sold within five (5) years after

title to the property is acquired except that the association may:

(i) Hold real estate, other than agricultural real estate, for a period not to exceed ten (10) years from the date of acquisition if the association charges off the real estate at a rate not less than that required to annually amortize the balance over fifteen (15) years or less;

(ii) Hold agricultural real estate for more than five (5) years after the date of acquisition only if a written waiver is granted by the state banking commissioner. A waiver may be granted under this paragraph for not more than one (1) year at a time and not more than three (3) times.

(c) No exchange of real estate shall be made by any association unless authorized by a vote of two-thirds (2/3) of its directors.

(d) Any appraisal required under subsection (b) of this section shall be conducted by a qualified appraiser who is not an officer or director of the association and whose reports are acceptable to the state banking commissioner.

## ARTICLE 2 INTEREST AND DIVIDENDS

### **13-7-201. "Member" defined.**

A member of a state savings and loan association is any person owning a savings account or investment certificate or any person borrowing from or assuming a loan held by an association or obligated upon a loan held by an association through purchase. Savings and investment account holders have no vote in the operations of the association.

### **13-7-202. Interest and earnings.**

Interest receivable on all loans shall be accrued monthly and an interest due and accrued account shall be maintained equivalent to all accrued and uncollected interest. By each closing date, after payment or provision for all expenses and appropriate transfers to reserves, the remainder of net earnings for the period shall be credited to the undivided profits account or to an unallocated reserve account.

### **13-7-203. Dividends.**

(a) Guaranty capital stock is not entitled to any dividend until all expenses and losses have been paid and reserves have been provided as required by law and all interest has been paid on all savings and investment accounts.

(b) Following compliance with subsection (a) of this section all liabilities, earnings and undivided profits are available for dividends on the guaranty capital stock. In liquidation, after payment of all liabilities and savings and investment account holders at par with interest, any excess shall be paid to the guaranty capital stockholders pro rata.

ARTICLE 3  
OPERATIONS

**13-7-301. Savings and investment accounts.**

State savings and loan associations may accept savings and issue savings account books or investment certificates as evidence of savings and shall credit interest or pay interest in cash periodically at least annually, if earned. Savings and investment accounts are ownership accounts in the association and not creditor liabilities and shall bear interest at a rate prescribed by the directors of the association for the period. If a rate is not specified prior to any period then accounts shall receive the rate prevailing the previous period. Interest shall be payable only if available from current earnings or undivided profits.

**13-7-302. Accounts of minors; joint accounts.**

(a) Any association may accept the following accounts when provided by its bylaws:

(i) Accounts in the name of any minor which shall be held for his exclusive right and benefit and free from the control or lien of all other persons. The accumulated savings together with the interest shall be paid to the person in whose name the account is held. The receipt of the minor releases the association for accumulated savings and dividends credited thereon;

(ii) An account in the name of two (2) or more persons is withdrawable by any one of them and the receipt of any one of the persons is a valid and sufficient release to the

association for the withdrawals regardless of the death or disability of any other joint shareholder.

**13-7-303. Repealed by Laws 2015, ch. 68, § 2.**

**13-7-304. Repealed by Laws 2015, ch. 68, § 2.**

**13-7-305. Right to redeem savings or investment accounts.**

(a) The association may redeem by lot or otherwise, as determined by the board of directors, any part of any of its savings or investment accounts on a dividend date by giving thirty (30) days' notice by registered mail when funds are available for that purpose. An association shall not redeem any of its accounts when the association is in an impaired condition or when it has applications for withdrawal which have been on file more than thirty (30) days and have not been reached for payment. The redemption price of accounts redeemed shall be the full value of the account redeemed, as determined by the board of directors, but in no event shall the redemption price be less than the withdrawal value. If the notice of redemption has been duly given, and if on or before the redemption date the funds necessary for the redemption have been set aside to be available for the redemption, dividends upon the accounts called for redemption shall cease to accrue from and after the dividend date specified as the redemption date and all rights with respect to accounts shall terminate immediately after the redemption date, except only the right of the account holder of record to receive the redemption price without interest.

(b) All account books or certificates evidencing accounts which have been validly called for redemption must be tendered for payment within ten (10) years from the date of redemption designated in the redemption notice otherwise they shall be cancelled and all claims of the account holders against the association are barred.

ARTICLE 4  
BORROWING

**13-7-401. Debenture bonds.**

(a) Except as provided in W.S. 13-7-102, any savings and loan association may issue its debenture bonds maturing not later than five (5) years from the date of issue and bearing interest not exceeding six percent (6%) per annum. No bonds shall be issued unless there are sufficient funds on hand or

receivable in time to meet approved applications for loans or for the payment of withdrawals of accounts. Debenture bonds may be retired by action of the board of directors at any time after one (1) year from date of issue by the secretary of the association giving notice in writing sixty (60) days or more prior to the next interest date to the recorded holders of the bonds. On return of the retired bonds together with any coupons, holders shall receive the par value of the bonds. At the expiration of the next interest period the bonds called shall cease to draw interest.

(b) Whenever the state banking commissioner deems any indebtedness incurred under the provisions of this section to be detrimental to the interest of the association, he shall notify the association to reduce its indebtedness to an amount he considers reasonable, giving the association reasonable time to effect the reduction of indebtedness.

**13-7-402. Borrowing from federal home loan bank.**

(a) Any state savings and loan association may borrow money from the federal home loan bank, when authorized by resolution of its board of directors, upon terms and rates of interest as may be agreed upon. It may assign and pledge its notes, bonds, mortgages or other property and repledge the shares of stock or savings certificates pledged to it as collateral security without securing the consent of the owner as security for the repayment of its indebtedness. Any lawful holder of any evidence of indebtedness due to an association may enforce, in his own name or in the name of the association, all appropriate remedies to enforce collection, whether or not the stock or savings certificate described in connection with the note is held by the pledgee or holder.

(b) Any obligation incurred or loan made by an association constitutes a claim against the corporate assets and is payable in advance of, and by preference over, all claims or rights of the shareholders or holders of savings certificates in any of the assets of the association. These obligations are senior to any demand for the withdrawal or cancellation of all classes of shares or savings certificates in the association including matured shares or savings certificates.

(c) The existence of a withdrawal list consisting of members desiring to withdraw from the association does not prevent the board of directors of the association from borrowing money from the federal home loan bank to be used solely for the

purpose of making mortgage loans to the members of the association, but all borrowed money shall be exclusively used for the purpose borrowed. A savings and loan association shall not at any time borrow money from the federal home loan bank in an amount exceeding any limit fixed by the laws of this state.

ARTICLE 5  
LOANS

**13-7-501. General requirements.**

For every loan made, except a loan from one (1) association to another, a note or bond specifying the amount loaned and the rate of interest and premium to be paid, secured by first mortgage on improved real estate, shall be taken. A complete abstract of title for the real estate signed by the person or corporation furnishing the abstract which shall be examined by a competent attorney-at-law and his opinion furnished approving the title and showing that the mortgage is a first lien, or a policy of title insurance of a reliable title insurance company authorized to issue insurance on titles within this state, or a duplicate certificate of ownership issued by a registrar of titles, shall be furnished. No mortgage loan shall be made except upon the report in writing of an appraiser or a committee of appraisers appointed by the board of directors which shall state the conservative value of the mortgage security. The directors may also loan upon the security of savings on deposit in the association to the amount of ninety percent (90%) of their withdrawal value, and may loan upon or invest in bonds of the United States and the state of Wyoming, in real property loans insured by the federal housing administration or guaranteed by the veterans administration, and in classes of bonds and warrants of the counties, school districts and other municipalities, as well as local improvement districts in this state, as the state banking commissioner may from time to time approve but no association shall loan any of its funds to an officer or director of the association.

**13-7-502. Repealed by Laws 1993, ch. 115, § 3.**

ARTICLE 6  
SUPERVISION BY STATE BANKING COMMISSIONER

**13-7-601. Repealed by Laws 2015, ch. 68, § 2.**

**13-7-602. Duties generally; examinations.**

(a) The state banking commissioner shall supervise and administer the laws with respect to all state savings and loan associations doing business in this state. He shall make an examination into the affairs of all savings and loan associations consistent with the requirements of W.S. 13-3-702(a).

(b) Repealed by Laws 2015, ch. 68, § 2.

(c) If the association is found to be in an unsafe condition, its charter may be suspended until the matters complained of by the state banking commissioner have been remedied.

**13-7-603. Supervision fees.**

(a) Repealed by Laws 1994, ch. 14, § 2.

(b) The state banking commissioner shall collect from each savings and loan association chartered by this state for supervision an amount based upon the total assets of the association as reflected by the monthly report of financial data for the end of June and December of each year. The amount shall be adjusted by regulation issued by the state banking commissioner to assure consistency with the cost of supervision. Any adjustments shall be made by regulation issued by the state banking commissioner subject to the provisions of the Wyoming Administrative Procedure Act. Each savings and loan association shall, not later than the last day of January and July, compute the semiannual supervisory fee based upon the report of condition next preceding upon forms provided by the state banking commissioner and shall submit the report together with payment to the state banking commissioner.

(c) Repealed By Laws 2001, Ch. 156, § 3.

**13-7-604. Examination at request of members or shareholders.**

(a) Any association is subject to examination by the state banking commissioner upon the application of three (3) or more of its members in addition to examinations pursuant to W.S. 13-7-602. If it appears to the state banking commissioner that the association is violating any of the provisions of this act or is conducting its business in an unsafe or unauthorized manner, he shall direct the discontinuance of any illegal or unsafe practices. If the association fails to comply with the



order, or fails to make reports as required, the state banking commissioner shall notify the attorney general who shall institute proceedings as the case requires.

(b) Upon request in writing of any number of shareholders representing at least one thousand (1,000) shares of stock the state banking commissioner may examine the affairs of the association. If the association is insolvent the examiner shall assume temporary control of the association pursuant to law.

CHAPTER 8  
FOREIGN ASSOCIATIONS

ARTICLE 1  
LICENSING

**13-8-101. Entities deemed foreign building and loan associations.**

(a) An association doing or about to do business in this state and having for a part of its title the words, "loan and building association", "building association", "savings and loan association" or "building and loan association", if organized or incorporated in any state or territory other than Wyoming, is a foreign building and loan association subject to the provisions of W.S. 13-8-101 through 13-8-302.

(b) An association whose stock, savings certificates, trust certificates or bonds are payable by any accumulating fund in regular periodical installments or which, at the time the application is made for such securities, accepts a note for part payment and an assignment of the securities to secure the note and where the note is paid by monthly, quarterly or semiannual payments, is, if organized or incorporated in any state or territory other than Wyoming, a foreign building and loan association subject to the provisions of W.S. 13-8-101 through 13-8-302.

(c) Foreign associations or companies doing business by collecting monthly installments or dues for the accumulation of funds out of which to loan money to any person on real or personal property fall within the definitions of this section.

**13-8-102. Certificate of need required; exceptions.**

A foreign association shall not establish any branch, office or agency within this state for the purpose of selling, delivering,

advertising or offering its shares, certificates, bonds or other evidence of deposit or for taking deposits or payment for any security it issues without complying with all provisions of law, and without first obtaining from the state banking commissioner a certificate that he has determined there is a clear need for the foreign building and loan association and that the banks and savings and loan associations doing business in the state do not adequately meet that need. However, any foreign building and loan association which had established and was operating an office, branch or agency within this state prior to February 16, 1963 is not required to obtain the certificate. This section shall not prevent any foreign building and loan association from buying notes or bonds, loaning money and taking mortgages upon real or personal property or other security in this state.

**13-8-103. Certificate of admission.**

(a) An association shall not conduct any business in the state except upon written statement by the state banking commissioner, which shall be filed and preserved in his office, to the effect that the association is solvent and conducting its affairs compatible with prudent business principles. When a statement is made, the state banking board may issue a certificate of admission to the association upon the payment to the state banking commissioner of an amount established by rule and regulation of the commissioner.

(b) Any foreign association which conducts business without a license shall be deemed to be doing business unlawfully.

**13-8-104. Filing of statement; appointment of agent.**

(a) A foreign building and loan association before transacting any business in this state, directly or indirectly, shall file with the state banking commissioner a statement sworn to by the president and secretary of the association. The statement shall show the name and locality of the association, when organized and an itemized account of its actual financial condition showing assets and liabilities, receipts and disbursements for the past twelve (12) months including an itemized statement of its expense account. The statement shall show the amount and number of shares subscribed, the number cancelled and withdrawn during the past year, the number of shares actually in force at the date of the statement, the amount of real estate loans in force and the total number of shares in force in Wyoming, the amount of money accumulated in

Wyoming, and all other information as the state banking commissioner may require.

(b) Foreign associations doing business in this state shall file with the state banking commissioner a certified copy of the laws of the state, territory or government under which it is incorporated, relating to the incorporation of the association and pertaining to the regulation, government or control of associations, both foreign and domestic, and of its charter or articles of incorporation, constitution and bylaws and shall appoint an agent for service of process as provided by laws of the state of Wyoming relating to foreign corporations.

**13-8-105. Statement to be renewed annually or as required.**

(a) The statements required of foreign associations shall be renewed annually by March 1 as of the preceding December 31 and shall be made at other times as the state banking commissioner may require. Foreign associations shall pay to the state banking commissioner upon filing each annual statement a fee established by rule and regulation of the commissioner.

(b) If a foreign association fails to file its annual statement by September 1 of each year, the state banking commissioner shall suspend its license until the statement is made and it is deemed to be doing business unlawfully in this state.

**13-8-106. Deposit required.**

(a) Each association coming under the provisions of W.S. 13-8-101 relative to foreign associations, shall deposit with the state banking commissioner fifty thousand dollars (\$50,000.00), either in cash, bonds of the United States, any state, county or municipality in this state or mortgages being first liens on improved and productive real estate located within this state of which the liens do not exceed sixty-five percent (65%) of the value of the property accruing to the lien. The securities shall be approved by the state banking commissioner.

(b) The deposit shall be held as security for all claims of residents of this state against the foreign association and liable for all judgment or decrees on it. Securities shall not be released until all shares of the foreign association held by residents of this state have been fully redeemed and its contracts and obligations to residents of this state have been

fully discharged. Foreign associations may collect and use the interest on any securities deposited so long as it fulfills its obligations and complies with the provisions of this act. It may also exchange them for other securities of equal value if satisfactory to the state banking commissioner.

**13-8-107. Licensing of agents, solicitors and salesmen.**

Each agent, solicitor or salesman, before transacting or soliciting any business in this state for any association, shall procure annually from the state banking commissioner a license as agent, solicitor or salesman for which a fee established by rule and regulation of the commissioner for each license shall be collected and paid to the commissioner. A license expires on June 30 of each year and is subject to revocation by the state banking commissioner for improper business or conduct.

ARTICLE 2  
EXAMINATION

**13-8-201. Generally.**

(a) If the laws of the state, under which any foreign association is organized, require annual examinations of the association and are made pursuant to that law, then the foreign association need not be examined under this section but the foreign association shall annually furnish the state banking commissioner a certificate of the proper officer of the other state that he has made an examination pursuant to the laws of that state and that the affairs of the association are in accord with the laws of that state. The state banking commissioner may, however, when he deems it advisable, cause an examination of the foreign association to be made as is required of domestic associations.

(b) If the state banking commissioner has good reason to doubt the solvency of any foreign association doing business in this state and if he is not fully satisfied with the certificate of the president and secretary or other officer, he shall proceed to make an examination of the association.

(c) If the state banking commissioner finds that the foreign association has made fraudulent or untrue statements or that it is conducting its business in an irregular manner, or if he believes that an association in this state is conducting its business fraudulently or is not in good faith carrying out its contracts with its members or stockholders in this state, or if

the contracts, shares or savings certificates are sold under misrepresentation or if it appears that the association is otherwise violating the provisions of this act, he shall inform the attorney general who shall then commence proceedings by writ of quo warranto against the association requiring it to show cause why its license to do business in this state should not be revoked.

(d) The state banking commissioner shall collect from foreign state savings and loan associations doing business in this state when examined in association with the supervisory authorities of the foreign state or federal government, an amount equal to the total cost of making an examination and preparing a report and the necessary travel and other expenses incident to making the examination. The examination fees and expenses shall be deposited by the state banking commissioner with the state treasurer and credited to the financial institutions administration account. Expenditures shall be made from the account by warrants drawn by the state auditor, upon vouchers issued and signed by the director or commissioner. Funds from the account shall be expended only to carry out the duties of the commissioner or the state banking board.

#### **13-8-202. Liquidation.**

If it is necessary to liquidate the assets within this state of any foreign association under any provisions of the laws of this state or by reason of receivership proceedings instituted in another state, the state banking commissioner shall be appointed receiver for that purpose, without compensation and with the power to appoint assistants as provided in W.S. 13-4-305.

### ARTICLE 3 CONSUMER INFORMATION REQUIRED

#### **13-8-301. When time of maturity guaranteed; when not.**

(a) All foreign building and loan associations doing business in this state that guarantee the time of maturity of their contracts, shares and stock certificates shall show upon their contracts, shares or stock certificates and upon their literature and passbooks the following:

(i) The time of maturity of their contracts, shares or stock certificates;

(ii) The time in months in which a member may withdraw and the withdrawal value of each savings certificate, savings contract or share of stock at the end of the first eighteen (18) months and each six (6) months thereafter, printed on the face or back of them;

(iii) Whether or not they guarantee a maturity in months and days, and if so, the time in months and days.

(b) An association that does not guarantee the time of maturity shall state the approximate time at which shares or savings certificates will mature, based upon the past and present net earnings distributed to the members' book accounts. Maturity shall be calculated on the number of payments specified in their contracts.

### **13-8-302. Repayments and withdrawals.**

(a) Borrowers may repay their loans and holders of stock or savings certificates may withdraw their accumulated savings under the same conditions and upon the same terms as are provided for domestic savings and loan associations.

(b) Shares may be withdrawn by giving thirty (30) days notice in writing of the intention to withdraw. The withdrawing shareholder shall be paid in cash, check or bank draft the amount of the withdrawal value of the shares, as shown by the last prior distribution of profits, together with all the dues paid thereon since distribution. Upon withdrawal of shares pledged to the association for stock loan, or stock loans, the association shall first deduct therefrom the indebtedness due the association. Withdrawals shall be paid in the order of their filings except as hereinafter provided, and the secretary or other officer discharging such duties shall enter upon each notice the order and date of filing. Except as hereinafter provided, not more than fifty percent (50%) of the receipts of the association in any month shall be applied to the payment of withdrawals and matured shares without the consent of the board of directors. Whenever an application for withdrawal has been on file or the payment of matured shares demanded and either has remained unpaid for six (6) months, all the receipts of the association in any month from dues, loans repaid, and the proceeds of all other investments shall, after the payment of expenses and general indebtedness, be applied toward the payment of withdrawals and matured stock. The board of directors or the banking commissioner may direct that withdrawals be paid upon a ratable and proportionate basis. After filing the notice of

withdrawal provided herein the withdrawing member is entitled to the dividends credited to the same class of shares, until the final payment of his shares is made and membership in the association shall remain unimpaired so long as any accumulation remains to his credit. No officer, director, attorney, clerk or agent of an association and no person in any way interested or concerned in the management of its affairs shall discount or directly or indirectly purchase a share of any association, whether filed for withdrawal or not, except by payment therefor of the withdrawal value of the shares as determined herein. The board of directors of any association may retire all classes of free shares by enforcing withdrawals of the shares. The bylaws shall clearly state the manner in which withdrawals may be enforced. The holders of shares to be withdrawn shall be paid the full value of the shares, including, in such case, their proportion of the contingent fund.

CHAPTER 9  
BANK RELATED ORGANIZATIONS

ARTICLE 1  
BANK SERVICE CORPORATIONS

**13-9-101. Generally.**

(a) A bank may invest not more than ten percent (10%) of its paid in and unimpaired capital and surplus in a bank service corporation.

(b) Repealed by Laws 2017, ch. 19, § 2.

(c) The bank service corporation shall offer to supply bank services to any bank by either:

(i) Issuing stock to the bank which has applied for services and by furnishing bank services to it on the same basis as to the other banks holding stock in the corporation; or

(ii) By furnishing bank services to the bank applying for them at rates no higher than necessary to reflect fairly the cost of these services including the reasonable cost of the capital provided to the corporation by its stockholders.

(d) The bank service corporation may offer its bank services as provided in subsection (c) of this section at its option unless comparable services at competitive overall costs are available to the applying bank from another source, or

unless the furnishing of the services sought by the applying bank would be beyond the practical capacity of the corporation. In any action or proceeding to enforce the duty imposed by this section, or for damages for the breach of this section, the burden shall be upon the bank service corporation to show the availability of comparable service at comparable costs.

(e) A bank service corporation shall not engage in any activity other than the performance of bank services for banks.

(f) All bank services authorized under this act which are performed by contract or otherwise and bank service corporations shall be subject to regulation and examination by the state banking commissioner to the same extent as if the services were being performed by the bank itself on its own premises and subject to W.S. 9-1-512. Any bank contracting for or receiving bank services authorized under this act from a bank service corporation shall notify the commissioner within thirty (30) days of the earlier of the contract date or receipt of services. The state banking commissioner may furnish a copy of a bank service corporation's examination report to a bank serviced by the bank service corporation.

(g) As used in this section:

(i) "Bank services" means services such as check and deposit sorting, the posting, computation and posting of mailing of checks, statements, notices and similar items, clerical, bookkeeping, accounting, statistical, data processing, mobile banking, electronic bill payments, system software development and maintenance, security monitoring or similar functions performed for a bank;

(ii) "Bank service corporation" means any of the following:

(A) A corporation:

(I) Organized to perform bank services authorized by this act; and

(II) All of the capital stock which is owned by one (1) or more insured depository institutions, as defined in W.S. 13-2-802(a)(ix).

(B) A limited liability company:



(I) Organized to perform bank services authorized under this act; and

(II) All of the members of which are one (1) or more insured depository institutions, as defined in W.S. 13-2-802(a)(ix).

(iii) "Invest" includes any advance of funds to a bank service corporation, whether by the purchase of stock, the making of a loan, or otherwise, except a payment for rent earned, goods sold and delivered, or services rendered prior to the making of the payment.

(h) To carry out the purposes of this article, the state banking commissioner may do any of the following:

(i) Enter into cooperative, coordinating or information sharing agreements with any other bank supervisory agency or any organization affiliated with or representing one (1) or more bank supervisory agencies;

(ii) Accept any report of examination or investigation by another bank supervisory agency having concurrent jurisdiction over a bank service corporation in lieu of conducting the state banking commissioner's own examination or investigation of the bank service corporation;

(iii) Enter into contracts with any bank supervisory agency having concurrent jurisdiction over a bank service corporation to engage the services of the agency's examiners as provided in W.S. 13-2-807(d);

(iv) Enter into joint examinations or joint enforcement actions with any other bank supervisory agency having concurrent jurisdiction over a bank service corporation. The state banking commissioner may take any such action independently if he determines that the action is necessary to carry out his responsibilities under this article or to enforce compliance with the laws of this state.

(j) The state of Wyoming does not waive its sovereign immunity by entering into any agreement pursuant to subsection (h) of this section.

ARTICLE 2  
BANK HOLDING COMPANIES

**13-9-201. Examination; fee.**

(a) Each bank holding company owning or acquiring the controlling interest of a bank is subject to the inspection of the commissioner. The commissioner or a duly appointed examiner shall visit the offices of the bank holding company whenever the commissioner feels it is necessary or expedient and make a complete and careful examination of the conditions and resources of the bank holding company, the mode of managing its affairs and conducting its business and the safety and prudence of its management as it relates to the policies of the banks which it controls.

(b) The commissioner shall collect from every bank holding company subject to this section an amount equal to the total cost of the examination and all actual and necessary expenses. The fees and expenses collected shall be remitted to the state treasurer as collected and credited to the financial institutions administration account. Expenditures shall be made from the account by warrants drawn by the state auditor, upon vouchers issued and signed by the director or commissioner. Funds from the account shall be expended only to carry out the duties of the commissioner or the state banking board.

**13-9-202. "Controlling interest" defined.**

As used in W.S. 13-9-201 through 13-9-203 "controlling interest" shall be construed consistently with the provisions of 12 U.S.C. section 1841(a) (2).

**13-9-203. Financial responsibility.**

The commissioner shall examine the capital and other ownership structure of each bank holding company subject to W.S. 13-9-201 and shall require the same degree of financial responsibility of the bank holding company required by this act of the bank controlled.

**13-9-204. Repealed By Laws 1999, ch. 42, § 3.**

**13-9-205. Repealed By Laws 1997, ch. 75, § 3.**

ARTICLE 3

INTERSTATE BANKING - ACQUISITIONS OF BANKS  
BY BANK HOLDING COMPANIES

**13-9-301. Repealed By Laws 1997, ch. 75, § 3.**

**13-9-302. Repealed By Laws 1997, ch. 75, § 3.**

**13-9-303. Repealed By Laws 1997, ch. 75, § 3.**

**13-9-304. Repealed By Laws 1997, ch. 75, § 3.**

**13-9-305. Repealed By Laws 1997, ch. 75, § 3.**

**13-9-306. Scope; legislative intent.**

This article sets forth the conditions under which a company may acquire a Wyoming bank or a Wyoming bank holding company. This article shall not be interpreted to discriminate against out-of-state bank holding companies or against foreign bank holding companies in any manner that would violate 12 U.S.C. section 1842(d) of the Bank Holding Company Act, as amended effective September 29, 1995, by section 101 of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994, P.L. No. 103-328.

**13-9-307. Definitions.**

(a) For purposes of this article:

(i) "Acquire" means:

(A) For a company to merge or consolidate with a bank holding company;

(B) For a company to assume direct or indirect ownership or control of:

(I) More than twenty-five percent (25%) of any class of voting ownership interests of a bank holding company or a bank, if the acquiring company was not a bank holding company prior to the acquisition;

(II) More than five percent (5%) of any class of voting ownership interests of a bank holding company or a bank, if the acquiring company was a bank holding company prior to the acquisition; or

(III) All or substantially all of the assets of a bank holding company or a bank; or

(C) For a company to take any other action that results in the direct or indirect acquisition of control by the company of a bank holding company or a bank.

(ii) "Affiliate" means as defined in W.S. 13-2-802(a)(i);

(iii) "Bank" has the meaning set forth in the Bank Holding Company Act, 12 U.S.C. section 1841(c);

(iv) "Bank Holding Company Act" means the federal Bank Holding Company Act of 1956, as amended, 12 U.S.C. section 1841 et seq.;

(v) "Bank supervisory agency" means as defined in W.S. 13-2-802(a)(iii);

(vi) "Branch" means as defined in W.S. 13-2-802(a)(iv);

(vii) "Company" has the same meaning as "bank holding company" as defined in W.S. 13-1-101;

(viii) "Control" shall be construed consistently with the provisions of 12 U.S.C. section 1841(a)(2);

(ix) "Deposit" has the meaning set forth in 12 U.S.C. section 1813(1);

(x) "Foreign bank holding company" means a bank holding company that is organized under the laws of a country other than the United States, including any territory or possession thereof;

(xi) "Home state supervisor" means, with respect to an out-of-state bank holding company, the bank supervisory agency of the state in which the company maintains its principal place of business;

(xii) "Insured depository institution" means as defined in W.S. 13-2-802(a)(ix);

(xiii) "Out-of-state bank holding company" means:

(A) A bank holding company that is not a Wyoming bank holding company; and

(B) Unless the context requires otherwise, includes a foreign bank holding company.

(xiv) "Principal place of business" of a bank holding company means the state in which the total deposits of its bank subsidiaries were the greatest on the later of July 1, 1966, or the date on which the company became a bank holding company;

(xv) "State" means as defined in W.S. 13-2-802(a)(xiv);

(xvi) "Wyoming bank" means a bank that is:

(A) Organized under W.S. 13-2-201 through 13-2-215; or

(B) Organized under federal law and having its principal place of business in this state.

(xvii) "Wyoming bank holding company" means a bank holding company that:

(A) Had its principal place of business in this state on July 1, 1966, or the date on which it became a bank holding company, whichever is later; and

(B) Is not controlled by a bank holding company other than a Wyoming bank holding company.

**13-9-308. Permitted acquisitions.**

(a) Except as otherwise expressly permitted by federal law, no company may acquire a Wyoming bank holding company or a Wyoming bank without the prior approval of the commissioner.

(b) The prohibition in subsection (a) of this section shall not apply where the acquisition is made:

(i) Solely for the purpose of facilitating an acquisition otherwise permitted under this article;

(ii) In a transaction arranged by the commissioner or another bank supervisory agency to prevent the insolvency or closing of the acquired bank, provided the appropriate supervisory officials determine the acquisition will protect the shareholders and depositors of the acquired bank;

(iii) In a transaction in which a bank forms its own bank holding company, if the ownership rights of the former bank shareholders are substantially similar to those of the holders of the ownership interests of the new bank holding company.

(c) In a transaction specified in subsection (b) of this section, the parties shall give written notice to the commissioner at least fifteen (15) days before the effective date of the acquisition, unless a shorter period of notice is required under applicable federal law.

**13-9-309. Required application; fees.**

(a) A company that proposes to make an acquisition under this article shall:

(i) Pay to the commissioner an application fee established by rule and regulation of the commissioner;

(ii) File with the commissioner a copy of the application that the company has filed with the responsible federal bank supervisory agency. The application to the commissioner shall include:

(A) The name and address of the applicant;

(B) The name of the chief executive officer and the officer designated by the applicant being responsible for the application;

(C) A sworn statement by the chief executive officer that all information being furnished to the commissioner is truthful, complete and accurate and that the applicant is complying with all applicable laws;

(D) The names and addresses of the directors of the applicant with a listing of the percent of outstanding shares of the applicant owned directly or beneficially by each director;

(E) The names and addresses of the executive officers of the applicant, not to exceed twenty (20) in number and the percent of outstanding shares of the applicant owned directly or beneficially by each officer;

(F) The most recent official statement of condition of the applicant;

(G) A copy of the most recent federal income tax return of the applicant together with all pertinent schedules and addendums;

(H) A copy of the most recent directors' audit of the applicant;

(J) A copy of the two (2) most recent reports of examination as performed by all regulatory authorities including a record of compliance and rating under the Community Reinvestment Act;

(K) An historical compilation of the loan loss reserve account of the applicant for the previous five (5) year period;

(M) Other information as the commissioner may require to fulfill his duties under this article.

(b) To the extent consistent with the effective discharge of the commissioner's responsibilities, the forms established under this article for application and reporting shall conform to those established by the board of governors of the federal reserve system under the Bank Holding Company Act.

(c) If the applicant is an out-of-state bank holding company that is not incorporated or otherwise formed under the laws of this state, it shall submit with the application proof that the applicant has complied with any applicable requirements of W.S. title 17.

(d) Except as prohibited by federal law, a company acquiring control of a Wyoming state chartered bank shall agree as a condition of the certificate of authority that all its banking operations conducted in this state by or on behalf of that state chartered bank shall be governed by Wyoming law.

#### **13-9-310. Standards for approval.**

(a) In deciding whether to approve an application for a proposed acquisition under this article, the commissioner shall consider whether:

(i) There is or recently has been evidence of criminal activity on the part of the applicant or any of its officers or directors;

(ii) The acquisition may be detrimental to the safety and soundness of the Wyoming bank or the Wyoming bank holding company to be acquired;

(iii) The acquisition may result in a substantial reduction of competition in this state; or

(iv) The acquisition may have a significantly adverse effect on the convenience and needs of the community or communities in this state that are served by the Wyoming state bank or the Wyoming bank holding company to be acquired.

(b) The commissioner shall not approve an acquisition under this article if upon consummation of the transaction the applicant, including any insured depository institution affiliated with the applicant, would control thirty percent (30%) or more of the total amount of deposits held by insured depository institutions in this state. Nothing in this subsection prohibits the acquisition of a Wyoming bank or Wyoming bank holding company which controls thirty percent (30%) or more of the total deposits held by all insured depository institutions in this state if the company making the acquisition does not control any bank holding company, bank or branch bank in this state.

(c) The commissioner shall not approve an application by an out-of-state bank holding company for an acquisition under this article unless the Wyoming bank to be acquired or all Wyoming bank subsidiaries of the bank holding company to be acquired, or a predecessor, have as of the proposed date of acquisition been in existence and in continuous operation for at least three (3) years. A state bank resulting from the conversion of a federally chartered savings and loan, federally chartered savings bank or state savings and loan pursuant to W.S. 13-4-109 or a national bank resulting from the conversion of a federally chartered savings and loan or federally chartered savings bank pursuant to the procedures prescribed by the laws of the United States shall be deemed to have been in existence for the same period of time as the converting federally chartered savings and loan, federally chartered savings bank or state savings and loan or a predecessor.

**13-9-311. Procedures relating to applications.**

The commissioner shall decide whether to approve an acquisition under this article within ninety (90) days after receipt of a



completed application, and if approved, shall within the ninety (90) day period, issue a certificate of authority permitting the acquisition.

**13-9-312. Reports; examinations.**

(a) To the extent specified by the commissioner by regulation, order or written request, each bank holding company that directly or indirectly controls a Wyoming bank or a Wyoming bank holding company, or the home state supervisor of the company, shall submit to the commissioner:

(i) One (1) or more copies of each financial report, other than reports the disclosure of which would be prohibited by applicable federal or state law, filed by the company with any bank supervisory agency within fifteen (15) days after the filing thereof with the agency; and

(ii) An annual report, not later than April 15, of each year, specifying for each bank and branch, in this state controlled by the bank holding company:

(A) The location;

(B) The amount of deposits held as of the end of the preceding calendar year; and

(C) The amount of loans made and held during the preceding calendar year to individuals and entities with addresses in this state.

(b) At the request of the commissioner, to the extent permitted by applicable state or federal law, each bank holding company that controls a Wyoming state bank or a Wyoming bank holding company, or the home state supervisor of the bank or company, shall provide to the commissioner copies of the reports of examination of the company or any such Wyoming state bank or Wyoming bank holding company.

(c) The commissioner may examine a bank holding company in accordance with the provisions of W.S. 13-9-201 through 13-9-203.

**13-9-313. Agency activities.**

(a) Any Wyoming state bank may upon compliance with the requirements of this section, agree to receive deposits, renew

time deposits, close loans, receive payments on loans and other obligations and perform other services as agent for any affiliated insured depository institution.

(b) A Wyoming state bank that proposes to enter into an agency agreement under this section shall file with the commissioner, at least thirty (30) days before the effective date of the agreement, a notice of intention to enter into an agency agreement with an affiliated insured depository institution.

(c) A Wyoming state bank may not under an agency agreement:

(i) Conduct any activity as an agent that it would be prohibited from conducting as a principal under applicable state or federal law; or

(ii) Have an agent conduct any activity that the bank as principal would be prohibited from conducting under applicable state or federal law.

(d) The commissioner may order a Wyoming state bank or any other insured depository institution subject to the commissioner's enforcement powers to cease acting as an agent or principal under any agency agreement with an affiliated insured depository institution that the commissioner finds to be inconsistent with safe and sound banking practices.

(e) Notwithstanding any other provision of law of this state, a Wyoming state bank acting as an agent for an affiliated insured depository institution in accordance with this section shall not be considered to be a branch of that institution. No provision of this section shall be construed as limiting the authority of any Wyoming state bank to act as agent on behalf of any other insured depository institution in the servicing of mortgage and other loans.

**13-9-314. Repealed By Laws 1999, ch. 41, § 2.**

**13-9-315. Penalties.**

The commissioner may enforce the provisions of this article by any appropriate action in the Laramie county district court of this state, including an action for civil money penalties or injunctive relief. The commissioner shall promptly give notice to the home state supervisor of any enforcement action initiated

against an out-of-state bank holding company and, to the extent practicable, shall consult and cooperate with the home state supervisor in pursuing and resolving the enforcement action.

**13-9-316. Authority to adopt rules and regulations; cooperative agreements; fees.**

(a) In order to carry out the purposes of this article the commissioner may:

(i) Repealed By Laws 1999, ch. 42, § 3.

(ii) Enter into cooperative, coordinating or information-sharing agreements with any other bank supervisory agency or any organization affiliated with or representing one (1) or more bank supervisory agencies;

(iii) Accept any report of examination or investigation by another bank supervisory agency having concurrent jurisdiction over a Wyoming state bank or a bank holding company that controls a Wyoming state bank in lieu of conducting the commissioner's own examination or investigation of the bank holding company or bank;

(iv) Enter into contracts with any bank supervisory agency having concurrent jurisdiction over a Wyoming state bank or a bank holding company that controls a Wyoming state bank to engage the services of the agency's examiners as provided in W.S. 13-2-807(d);

(v) Enter into joint examinations or joint enforcement actions with any other bank supervisory agency having concurrent jurisdiction over any Wyoming state bank or any bank holding company that controls a Wyoming state bank. The commissioner may take any such action independently, except with respect to the examination of an out-of-state bank holding company, if the commissioner determines that the action is necessary to carry out his responsibilities under this title or to enforce compliance with the laws of this state. In the case of an out-of-state bank holding company, the commissioner shall recognize the exclusive authority of the home state supervisor over corporate governance matters and the primary responsibility of the home state supervisor with respect to safety and soundness matters; and

(vi) Assess supervisory and examination fees that shall be payable by Wyoming banks and Wyoming bank holding

companies in connection with the commissioner's performance of his duties under this article and in accordance with regulations adopted by the commissioner. Fees shall be deposited and may be expended as provided in W.S. 13-2-807(f) and to carry out the provisions of this article.

(b) By entering into an agreement pursuant to this section, the state of Wyoming does not waive its sovereign immunity.

CHAPTER 10  
CRIMES, OFFENSES AND PENALTIES

ARTICLE 1  
MISCELLANEOUS OFFENSES

**13-10-101. General penalty.**

Any officer, director, owner or employee of a financial institution who willfully and knowingly violates any provision of this act for which a penalty is not expressly provided is guilty of a misdemeanor punishable by a fine of not less than one hundred dollars (\$100.00) nor more than one thousand dollars (\$1,000.00), imprisonment for not more than one (1) year, or both.

**13-10-102. False statements.**

(a) Any owner, director, officer or employee of a financial institution who makes any false entry or fails to make new entries of matters pertaining to the affairs of the financial institution in the books or statements of the financial institution with intent to injure or defraud the financial institution or deceive any officer of the financial institution or any person appointed to examine the affairs of the financial institution is guilty of a felony punishable by a fine of not less than one thousand dollars (\$1,000.00) nor more than five thousand dollars (\$5,000.00), imprisonment for not less than one (1) year nor more than ten (10) years, or both.

(b) Any officer, director, owner or employee of a financial institution who willfully and knowingly subscribes, makes or causes to be made any false statement or report to the state banking commissioner, or subscribes or exhibits false papers with intent to deceive any person authorized to examine the affairs of the financial institution, or states or publishes any false report or statement of the financial institution is

guilty of a felony punishable by a fine of not less than one thousand dollars (\$1,000.00) nor more than five thousand dollars (\$5,000.00), imprisonment for not less than one (1) year nor more than ten (10) years, or both.

(c) Any person who willfully and knowingly makes, circulates or transmits any false statement or rumor to another which is directly or indirectly derogatory to the financial condition or affects the solvency or financial standing of a financial institution doing business in Wyoming is guilty of a misdemeanor punishable by a fine of not more than seven hundred fifty dollars (\$750.00), imprisonment for not more than six (6) months, or both.

**13-10-103. Fraudulent insolvency.**

(a) Repealed by Laws 1985, ch. 162, § 2.

(b) Any officer or director of a financial institution who participates in a fraudulent insolvency of a financial institution is guilty of a misdemeanor punishable by a fine of not less than one hundred dollars (\$100.00) nor more than one thousand dollars (\$1,000.00), imprisonment for not less than one (1) month nor more than one (1) year, or both.

**13-10-104. Wrongful certification, issuance or delivery of instruments, preferences or borrowing.**

(a) Any owner, director, officer, agent or employee of a financial institution who willfully certifies a check on the account of the drawer of the check which does not contain sufficient funds to pay the check is guilty of a misdemeanor punishable by a fine not to exceed one thousand dollars (\$1,000.00).

(b) Any owner, director, officer or employee of a financial institution who issues or delivers any certificate of deposit, draws any check, draft or bill of exchange, makes any acceptance, or signs any note, bond, draft, bill of exchange, mortgage, judgment or decree without the approval of the board of directors is guilty of a felony punishable by imprisonment for not less than one (1) year nor more than twenty (20) years.

(c) Any officer, director or employee of a bank who violates the provisions of W.S. 13-3-103 or 13-3-203 is guilty of a felony punishable by a fine of not less than one thousand dollars (\$1,000.00) nor more than five thousand dollars

(\$5,000.00), imprisonment for not less than one (1) year nor more than five (5) years, or both.

**13-10-105. Repealed by Laws 1982, ch. 75, § 5.**

**13-10-106. Transactions exceeding liability limits; concealing or failing to report transactions.**

(a) Any officer, director or agent of a financial institution who makes or delivers any guarantee or endorsement on behalf of the financial institution whereby the financial institution may become liable upon any of the financial institution's discounted notes, bills or obligations in an amount exceeding the amount of loans or discounts which the financial institution may make under this act is guilty of a misdemeanor punishable by a fine of not less than five hundred dollars (\$500.00) nor more than one thousand dollars (\$1,000.00), imprisonment for not less than one (1) month nor more than one (1) year, or both.

(b) Any director of a financial institution who concurs in any vote or act of the board of directors or any director of the financial institution whereby it is intended to make a loan or discount to a director of the financial institution or upon an instrument on which a director is liable, exceeding the amount allowed under this act, is guilty of a misdemeanor punishable by a fine of not less than five hundred dollars (\$500.00) nor more than one thousand dollars (\$1,000.00), imprisonment for not less than one (1) month nor more than one (1) year, or both.

(c) Any officer, director or employee of a financial institution who intentionally conceals any discounts or loans, purchases of securities or sale of financial institution securities by the financial institution from the officers or directors of the financial institution, or who knowingly fails to report all discounts, loans or purchases of securities by the financial institution to the board of directors when required to do so by law, is guilty of a misdemeanor punishable by a fine of not less than five hundred dollars (\$500.00) nor more than one thousand dollars (\$1,000.00), imprisonment for not less than one (1) month nor more than one (1) year, or both.

**13-10-107. Failure to report or cooperate with state banking commissioner.**

(a) Repealed By Laws 1998, ch. 64, § 2.

(b) Any bank failing to submit reports to the state banking commissioner as required by W.S. 13-3-701(d) is subject to a civil penalty of twenty-five dollars (\$25.00) per day for each day the reports are delayed. Any trust company failing to submit reports to the commissioner as required by W.S. 13-5-110(a)(i) is subject to a civil penalty of twenty-five dollars (\$25.00) per day for each day the reports are delayed.

(c) Any officer, director or employee of a financial institution or bank holding company who willfully and knowingly fails to report any transfer of ownership interests of the financial institution or a bank holding company to the commissioner as required by this act is guilty of a misdemeanor punishable by a fine of not more than one thousand dollars (\$1,000.00), imprisonment for not less than six (6) months nor more than one (1) year, or both.

(d) Repealed By Laws 1999, ch. 42, § 3.

(e) Any person refusing or obstructing access to the state banking commissioner to any books, records or papers, refusing to furnish any required information, or hindering a full examination of the books, accounts, papers and finances of a financial institution is guilty of a felony punishable by a fine of not less than one thousand dollars (\$1,000.00), imprisonment for a period of not less than one (1) year, or both.

(f) A financial institution shall keep books and accounts in a convenient manner so as to enable the examiner to readily ascertain the true condition of the financial institution. Any financial institution that refuses or neglects to open and keep books and accounts as prescribed by the state banking commissioner is subject to a penalty of three hundred dollars (\$300.00) per day for each day the financial institution neglects or fails to open and keep the books and accounts after receiving written notice from the state banking commissioner.

**13-10-108. Operating bank or savings and loan association or trust company without complying with provisions.**

(a) Any person, firm or corporation excluding national banks which conducts a banking business or which advertises, issues, circulates or exhibits any card, paper or sign using the term "bank", "banker", "banking" or words of similar import without compliance with this act and following ten (10) days notice given by the state banking commissioner, is guilty of a misdemeanor punishable by a fine of not less than one hundred

dollars (\$100.00) nor more than one thousand dollars (\$1,000.00), imprisonment for not more than six (6) months, or both.

(b) Any person doing business or soliciting or attempting to do business in Wyoming for any savings and loan association not chartered by the federal government which has not complied with the provisions of this act is guilty of a misdemeanor punishable by a fine not exceeding one thousand dollars (\$1,000.00), imprisonment for not more than thirty (30) days, or both.

(c) Any person, firm or corporation which conducts a trust business without compliance with this act and following ten (10) days notice given by the commissioner, is guilty of a misdemeanor punishable by a fine of not less than one hundred dollars (\$100.00) nor more than one thousand dollars (\$1,000.00), imprisonment for not more than six (6) months, or both.

**13-10-109. Refusal to exhibit stock ledger or register.**

Any officer of a financial institution refusing to exhibit the stock ledger or register of the financial institution to any person entitled to inspect the ledger or register is guilty of a misdemeanor punishable by a fine not to exceed fifty dollars (\$50.00).

**13-10-110. Improper procurement of loans; permitting accounts to be overdrawn.**

Any officer, director, agent or employee of a financial institution who asks for, receives or agrees to receive any compensation, reward or personal advantage for procuring or endeavoring to procure for any person, firm or corporation any loan from or the purchase or discount of any instrument by the financial institution, or for permitting any person, firm or corporation to overdraw any account with the financial institution, is guilty of a felony punishable by a fine of not less than one thousand dollars (\$1,000.00) nor more than five thousand dollars (\$5,000.00), imprisonment for not less than one (1) year nor more than ten (10) years, or both.

**13-10-111. Financial involvement by state banking commissioner and employees.**



The state banking commissioner and employees of the state banking commissioner's office shall not become indebted to any financial institution under state supervision nor shall engage or be interested in the sale of securities or negotiation of loans for others with any financial institution under state supervision. Violation of this section constitutes grounds for removal from office.

**13-10-112. Prosecution of criminal violations.**

The district attorney for the county where a criminal violation of this act occurs shall prosecute the case upon complaint of the commissioner.

ARTICLE 2  
ADMINISTRATIVE ENFORCEMENT ACTIONS

**13-10-201. Definitions.**

(a) As used in this article:

(i) "Bank holding company" means a bank holding company as defined in W.S. 13-1-101 which owns or controls a Wyoming financial institution;

(ii) "Critically undercapitalized" means the paid-in capital, retained earnings and undivided profits of the Wyoming financial institution are less than two percent (2%) of the total assets of the financial institution;

(iii) "Prompt corrective action" means any action the federal deposit insurance corporation is authorized to take with regard to a state chartered bank under 12 U.S.C. 1831o(d) through (i);

(iv) "Wyoming financial institution" means any bank, savings and loan association, special purpose depository institution or trust company chartered or organized under the laws of Wyoming.

**13-10-202. Informal enforcement actions; joint enforcement actions.**

(a) Notwithstanding any other provision of law, the commissioner may enforce the provisions of this act by informal actions such as board resolutions, letter agreements, memoranda of understanding or supervisory agreements.

(b) Notwithstanding any other provision of law, the commissioner may enter into an agreement and take action with the appropriate federal regulatory agency to enforce jointly all federal and state laws applicable to Wyoming financial institutions and bank holding companies.

**13-10-203. Cease and desist orders; Wyoming financial institutions; bank holding companies notice; opportunity for hearing.**

(a) After notice and opportunity for hearing, the commissioner shall issue a final cease and desist order to a Wyoming financial institution if the Wyoming financial institution or any officer, director, employee or agent of the institution is violating or is about to violate any state statute or rule relating to financial institutions or is engaging or is about to engage in an unauthorized or unsafe and unsound practice. After notice and opportunity for hearing, the commissioner shall issue a final cease and desist order to a bank holding company if the bank holding company or any officer, director, manager, employee or agent of the bank holding company is violating or is about to violate any state or federal statute or rule relating to bank holding companies or is engaging or is about to engage in an unauthorized or unsafe and unsound practice relating to Wyoming financial institutions owned or controlled by the bank holding company.

(b) Before issuing a final cease and desist order, the commissioner shall serve notice of intent to issue the order upon the Wyoming financial institution or the bank holding company. The notice shall be in writing and shall contain the information required by W.S. 13-10-208(a). The proposed order shall direct the Wyoming financial institution or the bank holding company to discontinue the violations of law or the unsafe and unsound practices and may direct the Wyoming financial institution or the bank holding company to take any action the commissioner deems necessary to correct the alleged violation or wrongful practice.

(c) The Wyoming financial institution or the bank holding company may request a hearing on the proposed order before the board in accordance with W.S. 13-10-208(b). If the Wyoming financial institution or the bank holding company does not request a hearing in writing within the prescribed time period, the proposed order shall become a final cease and desist order

and the commissioner shall serve the final order upon the Wyoming financial institution or the bank holding company.

**13-10-204. Temporary cease and desist order; Wyoming financial institutions; bank holding companies; service.**

(a) If the commissioner believes the actions of a Wyoming financial institution or of any officer, director, employee or agent of the institution pose an immediate threat to the safety and soundness of the financial institution or to the interests of the depositors, creditors or shareholders of the financial institution, he may issue a temporary cease and desist order to the financial institution pending final action on the proposed cease and desist order issued pursuant to W.S. 13-10-203.

(b) If the commissioner believes the actions of a bank holding company or of any officer, director, manager, employee or agent of the bank holding company pose an immediate threat to the safety and soundness of a Wyoming financial institution owned or controlled by the holding company or to the interests of the depositors, creditors or shareholders of the financial institution, the commissioner may issue a temporary cease and desist order to the bank holding company pending final action on the proposed cease and desist order issued pursuant to W.S. 13-10-203.

(c) The temporary order shall be in writing and shall be served upon the Wyoming financial institution or the bank holding company. The temporary order shall take effect upon service and shall remain in effect until the commissioner issues the final cease and desist order or the board dismisses the proposed cease and desist order after hearing.

(d) On or after the effective date of the temporary order, the attorney general, upon request from the commissioner, may apply to the district court for the county in which the Wyoming financial institution is located for enforcement of the temporary order. The application for enforcement shall be given precedence over other cases pending in court and shall in every way be expedited.

**13-10-205. Removal of officer or director; notice; opportunity for hearing.**

(a) After notice and opportunity for hearing, the commissioner may issue a final order removing an officer or

director of a Wyoming financial institution or a bank holding company if the officer or director:

(i) Has violated any state statute or rule relating to financial institutions in performing the duties of his office;

(ii) Has engaged or participated in any unsafe and unsound practice in performing the duties of his office; or

(iii) Has been convicted of or has pleaded guilty or nolo contendere to a crime involving dishonesty or breach of trust.

(b) Before issuing a final removal order, the commissioner shall serve notice of intent to issue the order upon the officer or director. The notice shall be in writing and shall contain the information required by W.S. 13-10-208(a).

(c) The officer or director may request a hearing on the proposed order before the board in accordance with W.S. 13-10-208(b). If the officer or director does not request a hearing in writing within the prescribed time period, the proposed order shall become a final removal order and the commissioner shall serve the final order upon the officer or director.

**13-10-206. Temporary suspension order; stay of order; enforcement.**

(a) If the commissioner believes the actions of the officer or director pose an immediate threat to the safety and soundness of a Wyoming financial institution or to the interests of the depositors, creditors or shareholders of the financial institution, the commissioner may suspend the officer or director pending final action on the proposed removal order issued pursuant to W.S. 13-10-205. The temporary suspension order shall be in writing and shall be served upon the officer or director together with the notice of intent to issue a removal order as provided in W.S. 13-10-205(b). The temporary order shall take effect upon service. The officer or director may apply to the district court for the county in which the Wyoming financial institution is located for a stay of the temporary suspension order. The application for stay shall be given precedence over other cases pending in court and shall in every way be expedited. The court shall grant the stay only if the officer or director shows he will be irreparably harmed

unless the stay issues and there is a substantial likelihood he will prevail on the merits. The temporary suspension order shall remain in effect until the commissioner issues the final removal order, the board dismisses the proposed removal order or the court stays enforcement of the temporary suspension order.

(b) On or after the effective date of a temporary suspension order issued pursuant to this section, the attorney general, upon request from the commissioner, may apply to the district court for the county in which the Wyoming financial institution is located for enforcement of the temporary suspension order. The application for enforcement shall be given precedence over other cases pending in court and shall in every way be expedited.

**13-10-207. Civil penalties; amount; factors; notice; payment.**

(a) In addition to other administrative or criminal remedies authorized in this act, the commissioner, after notice and opportunity for hearing, may assess a civil penalty against a Wyoming financial institution, an officer or director of a Wyoming financial institution or a bank holding company if the Wyoming financial institution, officer or director or bank holding company:

(i) Is found to have violated any state statute or rule relating to financial institutions or to have engaged in any unsafe and unsound practice, whether willfully or as a result of negligence, incompetence or recklessness; or

(ii) Is found to have violated or failed to comply with any provision of a lawful order issued by the commissioner pursuant to this act.

(b) The civil penalty for violating state statute or rule relating to financial institutions or engaging in an unsafe and unsound practice shall not exceed five thousand dollars (\$5,000.00) per violation. The civil penalty for violating or failing to comply with a lawful order of the commissioner shall not exceed five thousand dollars (\$5,000.00) per day for each day of the violation or noncompliance.

(c) In determining the amount of the civil penalty to be assessed, the commissioner shall consider:

(i) The seriousness of the violation or the unsafe and unsound practice;

(ii) The good faith of the Wyoming financial institution, officer or director or the bank holding company;

(iii) The history of previous violations or unsafe and unsound practices by the Wyoming financial institution, officer or director or the bank holding company;

(iv) The financial resources of the Wyoming financial institution, officer or director or the bank holding company; and

(v) Any other matters the commissioner deems appropriate.

(d) Before issuing a final order imposing a penalty, the commissioner shall serve notice of intent to issue the order upon the Wyoming financial institution, officer or director or the bank holding company to be assessed. The notice shall be in writing and shall contain the information required by W.S. 13-10-208(a), the amount of the civil penalty for each violation and the total amount of the civil penalty to be assessed.

(e) The Wyoming financial institution, officer or director or the bank holding company may request a hearing on the proposed order before the board in accordance with W.S. 13-10-208(b). If the Wyoming financial institution, officer or director or the bank holding company does not request a hearing in writing within the prescribed time period, the proposed order of assessment shall become a final order of assessment and the commissioner shall serve the final order of assessment upon the Wyoming financial institution, officer or director or the bank holding company.

(f) The Wyoming financial institution, officer or director or the bank holding company shall pay the civil penalty assessed by a final order in full to the commissioner within thirty (30) days of receipt of the final order of assessment. Any civil penalty received under this section shall be deposited into the county public school fund of the county in which the violation occurred. Notwithstanding any other provision of law, no Wyoming financial institution or bank holding company shall indemnify or insure any officer or director of a Wyoming financial institution against civil penalties assessed under this section.

**13-10-208. Procedures for enforcement actions; service of notice; content of orders; contested case proceedings; appeal.**

(a) All notices and orders required to be served by the commissioner under this article shall be served by certified mail return receipt requested to the last known address of the Wyoming financial institution, the bank holding company or officer or director who is the subject of the order or shall be served as provided by the Wyoming Rules of Civil Procedure. Notice of a proposed order issued by the commissioner under this article shall include:

(i) A statement of the grounds for issuing the proposed order, including a citation to the statute or rule involved, if any;

(ii) A statement of the facts in support of the allegations;

(iii) A statement informing the Wyoming financial institution, the bank holding company or officer or director subject to the proposed order of the right to a hearing on the order before the state banking board and that failure to timely request a hearing will result in the order becoming final; and

(iv) A copy of the proposed order.

(b) A request for hearing on a proposed order issued by the commissioner under this article shall be in writing and shall be submitted to the commissioner no later than seven (7) days after receipt of the notice of intent from the commissioner. The board shall hold the hearing no later than fifteen (15) days after receipt of the request for hearing, unless the Wyoming financial institution, the bank holding company or officer or director subject to the proposed order requests an extension of time for good cause shown.

(c) A hearing on a proposed order issued under this article shall be a contested case hearing conducted in accordance with the Wyoming Administrative Procedure Act. After the hearing, the board shall issue findings of fact and conclusions of law and a final decision either confirming or dismissing a proposed order. The board shall confirm a proposed order only if the board finds by a preponderance of the evidence that grounds exist under this article for issuing the order. Otherwise, the board shall dismiss the proposed order. In confirming a proposed order imposing a civil penalty, the board

may modify the amount of the penalty assessed after considering the factors in W.S. 13-10-207(c). If the board confirms a proposed order it shall become a final order.

(d) The commissioner shall serve a final order under this article upon the Wyoming financial institution, the bank holding company and officer or director who is the subject of the order. The final order shall take effect upon service and shall remain in effect until the commissioner or the court terminates the final order. The Wyoming financial institution, the bank holding company or officer or director who is the subject of the order may appeal the issuance of a final order in accordance with the Wyoming Administrative Procedure Act.

(e) On or after the effective date of a final order under this article, the attorney general, upon request from the commissioner, may apply to the district court of the county in which the Wyoming financial institution or the bank holding company is located for enforcement of the final order. The application for enforcement shall be given precedence over other cases pending in court and shall in every way be expedited.

**13-10-209. Prompt corrective action; definition.**

In addition to the other administrative enforcement actions authorized in this act, the commissioner shall take prompt corrective action against a Wyoming financial institution as necessary to protect the safety and soundness of the Wyoming financial institution in the event the financial institution becomes critically undercapitalized. For purposes of this section, "Wyoming financial institution" does not include trust companies.

CHAPTER 11  
DEPOSIT OF FUNDS

**13-11-101. Deposit of funds.**

All fees, costs, compensation and expenses of any type provided for under this title, or any rule promulgated under authority granted under this title, required to be paid to the state banking commissioner and not otherwise designated for deposit shall be deposited by the state banking commissioner with the state treasurer and credited to the financial institutions administration account.

CHAPTER 12



SPECIAL PURPOSE DEPOSITORY INSTITUTIONS

**13-12-101. Short title.**

This chapter may be cited as the "Special Purpose Depository Institutions Act."

**13-12-102. Applicability of other provisions.**

(a) Except as otherwise provided in subsections (b) and (c) of this section, all other provisions of this title shall apply to this chapter.

(b) The following provisions of this title shall not apply to this chapter:

- (i) W.S. 13-1-101(a)(vii);
- (ii) W.S. 13-1-201;
- (iii) W.S. 13-2-101;
- (iv) W.S. 13-2-201 through 13-2-214;
- (v) W.S. 13-2-301;
- (vi) W.S. 13-2-709;
- (vii) W.S. 13-3-102;
- (viii) W.S. 13-3-203;
- (ix) W.S. 13-3-401 through 13-3-405;
- (x) W.S. 13-3-701 through 13-3-703;
- (xi) W.S. 13-4-201 and 13-4-202(a)(i) through (iii);
- (xii) W.S. 13-4-206;
- (xiii) W.S. 13-4-302; and
- (xiv) W.S. 13-5-101 through 13-8-302.

(c) If any provision of law conflicts with this chapter, this chapter shall control.

**13-12-103. Special purpose depository institutions created as corporations; operating authority; powers; prohibition on lending.**

(a) Consistent with this chapter, special purpose depository institutions shall be organized as corporations under the Wyoming Business Corporation Act to exercise the powers set forth in subsection (b) of this section.

(b) Each special purpose depository institution may:

(i) Make contracts as a corporation under Wyoming law;

(ii) Sue and be sued;

(iii) Receive notes and buy and sell gold and silver coins and bullion as permitted by federal law;

(iv) Carry on a nonlending banking business for depositors, consistent with subsection (c) of this section;

(v) Provide payment services upon the request of a depositor;

(vi) Make an application to become a member bank of the federal reserve system;

(vii) Engage in any other activity that is usual or incidental to the business of banking, subject to the prior written approval of the commissioner. The commissioner shall not approve a request to engage in an incidental activity if he finds that the requested activity will adversely affect the solvency or the safety and soundness of the special purpose depository institution or conflict with any provision of this chapter. As used in this paragraph, "incidental activity" includes:

(A) Custody, safekeeping and asset servicing, including custodial services under W.S. 34-29-104;

(B) Investment adviser, investment company and broker-dealer activities;

(C) Commodities intermediary activities;

(D) Exercising fiduciary powers similar to those permitted to national banks;

(E) Receiving deposits relating to activities under this paragraph;

(F) Other incidental activities authorized by the commissioner.

(viii) Exercise powers and rights otherwise authorized by law which are not inconsistent with this chapter.

(c) Except as otherwise provided in this subsection, a special purpose depository institution shall not make loans, including the provision of temporary credit relating to overdrafts. A special purpose depository institution may purchase debt obligations specified by W.S. 13-12-105(b)(iii).

(d) A special purpose depository institution shall maintain its principal operating headquarters and the primary office of its chief executive officer in Wyoming.

(e) As otherwise authorized by this section, the special purpose depository institution may conduct business with depositors outside this state.

(f) A special purpose depository institution may open a branch in another state in the manner set forth in W.S. 13-2-803. A special purpose depository institution, including any branch of the institution, may only accept deposits or provide other services under this chapter to depositors engaged in activities which are lawful under the laws of Wyoming and federal law.

**13-12-104. Requirements relating to depositors; nature of business.**

(a) Except as otherwise provided by subsection (d) of this section, no depositor shall maintain an account with a special purpose depository institution or otherwise receive any services from the institution unless the depositor meets the criteria of this subsection. A depositor shall:

(i) Be a legal entity other than a natural person;

(ii) Be in good standing with the jurisdiction in the United States in which it is incorporated or organized;

(iii) Maintain deposits with the institution totaling not less than five thousand dollars (\$5,000.00);

(iv) Be engaged in a lawful, bona fide business, consistent with subsection (c) of this section and W.S. 13-12-103(f); and

(v) Make sufficient evidence available to the special purpose depository institution to enable compliance with anti-money laundering, customer identification and beneficial ownership requirements, as determined by the institution.

(b) Repealed by Laws 2020, ch. 27, § 2.

(c) Consistent with paragraphs (a)(iv) and (v) of this section and in addition to any requirements specified by federal law, a special purpose depository institution shall require that a potential depositor provide reasonable evidence that the person is engaged in a lawful, bona fide business, or is likely to open a lawful, bona fide business within the next six (6) months. As used in this subsection, "reasonable evidence" includes business entity filings, articles of incorporation or organization, bylaws, operating agreements, business plans, promotional materials, financing agreements or other evidence. This subsection shall not apply to activities conducted under subsection (d) of this section.

(d) A special purpose depository institution may conduct incidental activities under W.S. 13-12-103(b)(vii) with persons who do not meet the criteria of paragraphs (a)(i) through (iv) of this section. The lawful business requirements of W.S. 13-12-103(f) shall remain applicable.

**13-12-105. Required liquid assets.**

(a) At all times, a special purpose depository institution shall maintain unencumbered liquid assets valued at not less than one hundred percent (100%) of its depository liabilities.

(b) As used in this section, "liquid assets" means:

(i) United States currency held on the premises of the special purpose depository institution;

(ii) United States currency held for the special purpose depository institution by a federal reserve bank or a federally insured financial institution;

(iii) Investments which are highly liquid, including those specified by W.S. 13-3-202 and obligations of the United States treasury or other federal agency obligations, consistent with rules adopted by the commissioner.

**13-12-106. Required contingency account.**

(a) A special purpose depository institution shall maintain a contingency account to account for unexpected losses and expenses. A special purpose depository institution may require the payment of contributions from depositors to fund a contingency account. Initial capital under W.S. 13-12-110 shall constitute compliance with this subsection for the first three (3) years a special purpose depository institution is in operation. After the conclusion of the first three (3) years of operation, a special purpose depository institution shall maintain a contingency account totaling not less than two percent (2%) of the depository liabilities of the special purpose depository institution, provided that the contingency account shall be adequate and reasonable in light of current and prospective business conditions, as determined by the commissioner.

(b) A depositor shall obtain a refund of any contingency account contributions made under subsection (a) of this section after closing an account with the special purpose depository institution.

**13-12-107. Applicable federal and state laws.**

A special purpose depository institution shall comply with all applicable federal laws, including those relating to anti-money laundering, customer identification and beneficial ownership.

**13-12-108. Required disclosures.**

(a) A special purpose depository institution shall display on any internet website it maintains, and at each window or place where it accepts deposits, a sign conspicuously stating that deposits are not insured by the federal deposit insurance corporation, if applicable.

(b) Upon opening an account and if applicable, a special purpose depository institution shall require each depositor to execute a statement acknowledging that all deposits at the special purpose depository institution are not insured by the federal deposit insurance corporation. The special purpose depository institution shall permanently retain this acknowledgment.

(c) A special purpose depository institution shall include in all advertising a disclosure that deposits are not insured by the federal deposit insurance corporation, if applicable.

**13-12-109. Formation; articles of incorporation.**

(a) Except as otherwise provided by subsection (e) of this section, five (5) or more adult persons may form a special purpose depository institution. The incorporators shall subscribe the articles of incorporation and transmit them to the commissioner as part of an application for a charter under W.S. 13-12-111.

(b) The articles of incorporation shall include the following information:

(i) The corporate name;

(ii) The object for which the corporation is organized;

(iii) The term of its existence, which may be perpetual;

(iv) The place where its office shall be located and its operations conducted;

(v) The amount of capital stock and the number of shares;

(vi) The name and residence of each shareholder subscribing to more than ten percent (10%) of the stock and the number of shares owned by that shareholder;

(vii) The number of directors and the names of those who shall manage the affairs of the corporation for the first year; and

(viii) A statement that the articles of incorporation are made to enable the incorporators to avail themselves of the advantages of the laws of the state.

(c) Copies of all amended articles of incorporation shall be filed in the same manner as the original articles of incorporation.

(d) The incorporators shall solicit capital prior to filing an application for a charter with the commissioner, consistent with W.S. 13-12-110. In the event an application for a charter is not filed or is denied by the board, all capital shall be promptly returned without loss.

(e) Subject to applicable federal and state law, a bank holding company may apply to hold a special purpose depository institution.

**13-12-110. Required initial capital and surplus; additional capital.**

(a) The capital stock of each special purpose depository institution chartered under this chapter shall be subscribed for as fully paid stock. No special purpose depository institution shall be chartered with capital stock less than five million dollars (\$5,000,000.00).

(b) No special purpose depository institution shall commence business until the full amount of its authorized capital is subscribed and all capital stock is fully paid in. No special purpose depository institution may be chartered without a paid up surplus fund of not less than three (3) years of estimated operating expenses in the amount disclosed pursuant to W.S. 13-12-111(b) or in another amount required by the commissioner.

(c) A special purpose depository institution may acquire additional capital prior to the granting of a charter and may report this capital in its charter application.

**13-12-111. Application for charter; fee; subaccount created.**

(a) No person shall act as a special purpose depository institution without first obtaining a charter and certificate of authority to operate from the commissioner under this chapter.

(b) The incorporators under W.S. 13-12-109(a) shall apply to the commissioner for a charter. The application shall contain the special purpose depository institution's articles of incorporation, a detailed business plan, a comprehensive estimate of operating expenses for the first three (3) years of operation, a complete proposal for compliance with the provisions of this chapter and evidence of the capital required under W.S. 13-12-110. The commissioner may prescribe the form of application by rule.

(c) Each application for a charter shall be accompanied by an application fee established by the commissioner pursuant to rule, which shall be no greater than the costs incurred by the commissioner in reviewing the application. The application fee shall be credited to the special purpose depository institutions subaccount created by subsection (d) of this section.

(d) The special purpose depository institutions subaccount within the financial institutions administration account is created. Funds in the subaccount are continuously appropriated to the department of audit and shall only be expended by the commissioner to supervise special purpose depository institutions and to otherwise carry out the duties specified by this chapter. Funds in the subaccount shall not lapse at the end of any fiscal period. For purposes of accounting and investing only, the special purpose depository institutions subaccount shall be treated as a separate account from the financial institutions administration account.

**13-12-112. Procedure upon filing application.**

(a) Upon receiving an application for a special purpose depository charter, the commissioner shall notify the applicants in writing within thirty (30) calendar days of any deficiency in the required information or that the application has been accepted for filing. When the commissioner is satisfied that all required information has been furnished, he shall notify the chairman of the board who shall establish a time and place for a public hearing which shall be conducted not less than sixty (60) days, nor more than one hundred fifty (150) days, after notice from the commissioner to the applicants that the application is in order.

(b) Within thirty (30) days after receipt of notice of the time and place of the public hearing, the applicants shall cause notice of filing of the application and the hearing to be published at the applicants' expense in a newspaper of general



circulation within the county where the proposed special purpose depository institution is to be located. Publication shall be made at least once a week for three (3) consecutive weeks before the hearing, stating the proposed location of the special purpose depository institution, the names of the applicants for a charter, the nature of the activities to be conducted by the proposed institution and other information required by rule. The applicants shall furnish proof of publication to the commissioner not more than ten (10) days prior to the hearing. The commissioner shall send notice of the hearing to state and national banks, federal savings and loan associations and other financial institutions in the state and federal agencies who have requested notice from the commissioner.

**13-12-113. Procedure for hearings on charter applications.**

The hearing for a charter application shall be conducted as a contested case under the Wyoming Administrative Procedure Act and shall comply with the requirements of that act.

**13-12-114. Investigation and examination by commissioner.**

(a) Upon receiving the articles of incorporation, the application for a charter and other information required by the commissioner, the commissioner shall make a careful investigation and examination of the following:

(i) The character, reputation, financial standing and ability of the incorporators;

(ii) The character, financial responsibility, banking or other financial experience and business qualifications of those proposed as officers and directors; and

(iii) The application for a charter, including the adequacy and plausibility of the business plan of the special purpose depository institution and whether the institution has offered a complete proposal for compliance with the provisions of this chapter.

(b) The commissioner shall submit the results of his investigation and examination at the public hearing on the charter application and shall be subject to cross examination by any interested party. No relevant information shall be excluded by the board as hearsay.

**13-12-115. Approval or disapproval of application; criteria for approval; action upon application.**

(a) Within ninety (90) days after receipt of the transcript of the public hearing, the board shall render a decision on the charter application based solely on the following criteria:

(i) Whether the character, reputation, financial standing and ability of the incorporators is sufficient to afford reasonable promise of a successful operation;

(ii) Whether the character, financial responsibility, banking or other financial experience and business qualifications of those proposed as officers and directors is sufficient to afford reasonable promise of a successful operation;

(iii) The adequacy and plausibility of the business plan of the special purpose depository institution;

(iv) Compliance with the capital and surplus requirements of W.S. 13-12-110;

(v) The special purpose depository institution is being formed for no other purpose than legitimate objectives authorized by law;

(vi) That the name of the proposed special purpose depository institution does not resemble so closely the name of any other financial institution transacting business in the state so as to cause confusion; and

(vii) Whether the applicants have complied with all applicable provisions of state law.

(b) The board shall approve an application upon making favorable findings on the criteria set forth in subsection (a) of this section. If necessary, the board may either conditionally approve an application by specifying conditions relating to the criteria or may disapprove the application. The board shall state findings of fact and conclusions of law as part of its decision. If the board approves the application, the commissioner shall endorse upon the articles of incorporation the approval of the board and shall transmit one (1) copy to the secretary of state, retain one (1) copy and return a copy to the applicants within twenty (20) days after the date of the

decision of the board approving the application. If the board conditionally approves an application and upon compliance with necessary conditions required by the board, the commissioner shall proceed as provided in the preceding sentence. If the board disapproves the application, the commissioner shall mail notice of the disapproval to the applicants within twenty (20) days of the board's disapproval.

**13-12-116. Certificate of authority to commence business required; application; approval or denial; failure to commence business.**

(a) If an application is approved and a charter granted by the board under W.S. 13-12-115, the special purpose depository institution shall not commence business before receiving a certificate of authority to operate from the commissioner. The application for a certificate of authority shall be made to the commissioner and shall certify the address at which the special purpose depository institution will operate and that all adopted bylaws of the institution have been attached as an exhibit to the application. The application shall state the identities and contact information of officers and directors. The commissioner shall approve or deny an application for a certificate of authority to operate within thirty (30) days after a complete application has been filed. The authority of the commissioner to disapprove any application shall be restricted solely to noncompliance with this section, provided that if the commissioner approves the application, he shall issue a certificate of authority to the applicants within twenty (20) days. If the commissioner denies the application, he shall mail a notice of denial to the applicants within twenty (20) days, stating the reasons for denying the application, and grant to the applicants a period of ninety (90) days to resubmit the application with the necessary corrections. If the applicants fail to comply with requirements of the notice of denial within ninety (90) days from the receipt of the notice, the charter of the special purpose depository institution shall be revoked by the commissioner. The failure of the commissioner to act upon an application for a certificate of authority within thirty (30) days shall be deemed an approval.

(b) If an approved special purpose depository institution fails to commence business in good faith within six (6) months after the issuance of a certificate of authority to operate by the commissioner, the charter and certificate of authority shall expire. The board, for good cause and upon an application filed prior to the expiration of the six (6) month period, may extend

the time within which the special purpose depository institution may open for business.

**13-12-117. Decisions by board appealable; grounds.**

Any decision of the board or commissioner in approving, conditionally approving or disapproving a charter for a special purpose depository institution or the issuance or denial of a certificate of authority to operate is appealable to the district court of the county in which the institution is to be located, in accordance with the provisions of the Wyoming Administrative Procedure Act. In addition to the grounds for appeal contained in the Wyoming Administrative Procedure Act, an appellant may appeal if the board or the commissioner fails to make any of the required findings or otherwise take an action required by law.

**13-12-118. Surety bond; pledged investments; investment income; bond or pledge increases; hearings.**

(a) Except as otherwise provided by subsection (b) of this section, a special purpose depository institution shall, before transacting any business, pledge or furnish a surety bond to the commissioner to cover costs likely to be incurred by the commissioner in a liquidation or conservatorship of the special purpose depository institution. The amount of the surety bond or pledge of assets under subsection (b) of this section shall be determined by the commissioner in an amount sufficient to defray the costs of a liquidation or conservatorship.

(b) In lieu of a bond, a special purpose depository institution may irrevocably pledge specified assets equivalent to a bond under subsection (a) of this section. All costs associated with pledging and holding the assets are the responsibility of the special purpose depository institution. Pledged assets shall be unencumbered and shall not serve as collateral for any other purpose.

(c) Assets pledged to the commissioner shall be of the same nature and quality as those required for state financial institutions under W.S. 9-4-805.

(d) Surety bonds shall run to the state of Wyoming, and shall be approved under the terms and conditions required under W.S. 9-4-804(b) and (c).

(e) The commissioner may adopt rules to establish additional investment guidelines or investment options for purposes of the pledge or surety bond required by this section.

(f) In the event of a liquidation or conservatorship of a special purpose depository institution pursuant to W.S. 13-12-122, the commissioner may, without regard to priorities, preferences or adverse claims, reduce the surety bond or assets pledged under this section to cash as soon as practicable and utilize the cash to defray the costs associated with the liquidation or conservatorship.

(g) Income from assets pledged under subsection (b) of this section shall be paid to the special purpose depository institution, unless a liquidation or conservatorship takes place.

(h) Upon evidence that the current surety bond or pledged assets are insufficient, the commissioner may require a special purpose depository institution to increase its surety bond or pledged assets by providing not less than thirty (30) days written notice to the institution. The special purpose depository institution may request a hearing before the board not more than thirty (30) days after receiving written notice from the commissioner under this subsection. Any hearing before the board shall be held pursuant to the Wyoming Administrative Procedure Act.

**13-12-119. Reports and examinations; supervisory fees; required private insurance or bond.**

(a) The commissioner may call for reports verified under oath from a special purpose depository institution at any time as necessary to inform the commissioner of the condition of the institution.

(b) All reports required of special purpose depository institutions by the commissioner and all materials relating to examinations of these institutions shall be subject to the provisions of W.S. 9-1-512.

(c) Every special purpose depository institution is subject to the examination of the commissioner. The commissioner or a duly appointed examiner shall visit and examine special purpose depository institutions on a schedule established by rule. The commissioner or a duly appointed examiner shall make a complete and careful examination of the condition and resources

of a special purpose depository institution, the mode of managing institution affairs and conducting business, the actions of officers and directors in the investment and disposition of funds, the safety and prudence of institution management, compliance with the requirements of this chapter and such other matters as the commissioner may require. After an examination, the special purpose depository institution shall remit to the commissioner an amount equal to the total cost of the examination. This amount shall be remitted to the state treasurer and deposited into the special purpose depository institutions subaccount created by W.S. 13-12-111(d).

(d) Unless the commissioner determines an exemption is appropriate because of payment of other fees, on or before January 31 and July 31 of each year, a special purpose depository institution shall compute and pay supervisory fees to the commissioner based on the total assets of the special purpose depository institution as of the preceding December 31 and June 30 respectively. Supervisory fees under this section shall provide for the operating costs of the office of the commissioner and the administration of the laws governing special purpose depository institutions. Such fees shall be established by rule of the commissioner and shall be adjusted by the commissioner to assure consistency with the cost of supervision. Supervisory fees shall be deposited by the commissioner with the state treasurer and credited to the special purpose depository institutions subaccount created by W.S. 13-12-111(d).

(e) A special purpose depository institution shall maintain appropriate insurance or a bond covering the operational risks of the institution, which shall include coverage for directors' and officers' liability, errors and omissions liability and information technology infrastructure and activities liability.

**13-12-120. Suspension or revocation of charter.**

(a) The commissioner may suspend or revoke the charter of a special purpose depository institution if, after notice and opportunity for a hearing, the commissioner determines that:

(i) The special purpose depository institution has failed or refused to comply with an order issued under W.S. 13-10-201 through 13-10-209;

(ii) The application for a charter contained a false statement or material misrepresentation or material omission; or

(iii) An officer, director or agent of the special purpose depository institution, in connection with an application for a charter, examination, report or other document filed with the commissioner, knowingly made a false statement, material misrepresentation or material omission to the board, the commissioner or the duly authorized agent of the board or commissioner.

**13-12-121. Continuing jurisdiction.**

If the charter of a special purpose depository institution is surrendered, suspended or revoked, the institution shall continue to be subject to the provisions of this chapter during any liquidation or conservatorship.

**13-12-122. Failure of institution; unsound or unsafe condition; applicability of other insolvency and conservatorship provisions.**

(a) If the commissioner finds that a special purpose depository institution has failed or is operating in an unsafe or unsound condition, as defined in this section, that has not been remedied within the time prescribed under W.S. 13-4-203 through 13-4-205 or an order of the commissioner issued pursuant to W.S. 13-10-201 through 13-10-209, the commissioner shall conduct a liquidation or appoint a conservator as provided by W.S. 13-4-301 and 13-4-303 through 13-4-703.

(b) As used in this section:

(i) "Failed" or "failure" means, consistent with rules adopted by the commissioner, a circumstance when a special purpose depository institution has not:

(A) Complied with the requirements of W.S. 13-12-105;

(B) Maintained a contingency account, as required by W.S. 13-12-106;

(C) Paid, in the manner commonly accepted by business practices, its legal obligations to depositors on demand or to discharge any certificates of deposit, promissory notes or other indebtedness when due.

(ii) "Unsafe or unsound condition" means, consistent with rules adopted by the commissioner, a circumstance relating to a special purpose depository institution which is likely to:

(A) Cause the failure of the institution, as defined in paragraph (i) of this subsection;

(B) Cause a substantial dissipation of assets or earnings;

(C) Substantially disrupt the services provided by the institution to depositors;

(D) Otherwise substantially prejudice the depository interests of depositors.

**13-12-123. Voluntary dissolution of special purpose depository institution; liquidation; reorganization; application for dissolution; filing fee; filing with the secretary of state; revocation of charter.**

(a) A special purpose depository institution may voluntarily dissolve in accordance with the provisions of this section. Voluntary dissolution shall be accomplished by either liquidating the special purpose depository institution or reorganizing the institution into an appropriate business entity that does not engage in any activity authorized only for a special purpose depository institution. Upon complete liquidation or completion of the reorganization, the commissioner shall revoke the charter of the special purpose depository institution and afterward, the company shall not use the word "special purpose depository institution" or "bank" in its business name or in connection with its ongoing business.

(b) The special purpose depository institution may dissolve its charter either by liquidation or reorganization. The board of directors shall file an application for dissolution with the commissioner, accompanied by a filing fee established by rule of the commissioner. The application shall include a comprehensive plan for dissolution setting forth the proposed disposition of all assets and liabilities, in reasonable detail to effect a liquidation or reorganization, and any other plans required by the commissioner. The plan of dissolution shall provide for the discharge or assumption of all of the known and unknown claims and liabilities of the special purpose depository institution. Additionally, the application for dissolution shall



include other evidence, certifications, affidavits, documents or information as the commissioner may require, including demonstration of how assets and liabilities will be disposed, the timetable for effecting disposition of the assets and liabilities and a proposal of the special purpose depository institution for addressing any claims that are asserted after dissolution has been completed. The commissioner shall examine the application for compliance with this section, the business entity laws applicable to the required type of dissolution and applicable rules. The commissioner may conduct a special examination of the special purpose depository institution, consistent with W.S. 13-12-119(c), for purposes of evaluating the application.

(c) If the commissioner finds that the application is incomplete, the commissioner shall return it for completion not later than sixty (60) days after it is filed. If the application is found to be complete by the commissioner, the commissioner shall approve or disapprove the application not later than thirty (30) days after it is filed. If the commissioner approves the application, the special purpose depository institution may proceed with the dissolution pursuant to the plan outlined in the application, subject to any further conditions the commissioner may prescribe. If the special purpose depository institution subsequently determines that the plan of dissolution needs to be amended to complete the dissolution, it shall file an amended plan with the commissioner and obtain approval to proceed under the amended plan. If the commissioner does not approve the application or amended plan, the special purpose depository institution may appeal the decision to the board pursuant to the Wyoming Administrative Procedure Act.

(d) Upon completion of all actions required under the plan of dissolution and satisfaction of all conditions prescribed by the commissioner, the special purpose depository institution shall submit a written report of its actions to the commissioner. The report shall contain a certification made under oath that the report is true and correct. Following receipt of the report, the commissioner, no later than sixty (60) days after the filing of the report, shall examine the special purpose depository institution to determine whether the commissioner is satisfied that all required actions have been taken in accordance with the plan of dissolution and any conditions prescribed by the commissioner. If all requirements and conditions have been met, the commissioner shall, within thirty (30) days of the examination, notify the special purpose

depository institution in writing that the dissolution has been completed and issue a certificate of dissolution.

(e) Upon receiving a certificate of dissolution, the special purpose depository institution shall surrender its charter to the commissioner. The special purpose depository institution shall then file articles of dissolution and other documents required by W.S. 17-16-1401 through 17-16-1440 for a corporation with the secretary of state. In the case of reorganization, the special purpose depository institution shall file the documents required by the secretary of state to finalize the reorganization.

(f) If the commissioner determines that all required actions under the plan for dissolution, or as otherwise required by the commissioner, have not been completed, the commissioner shall notify the special purpose depository institution, not later than thirty (30) days after this determination, in writing what additional actions shall be taken in order for the institution to be eligible for a certificate of dissolution. The commissioner shall establish a reasonable deadline for the submission of evidence that additional actions have been taken and the commissioner may extend any deadline upon good cause. If the special purpose depository institution fails to file a supplemental report showing that the additional actions have been taken before the deadline, or submits a report that is found not to be satisfactory by the commissioner, the commissioner shall notify the special purpose depository institution in writing that its voluntary dissolution is not approved, and the institution may appeal the decision to the board pursuant to the Wyoming Administrative Procedure Act.

**13-12-124. Failure to submit required report; fees; rules.**

If a special purpose depository institution fails to submit any report required by this chapter or by rule within the prescribed period, the commissioner may impose and collect a fee for each day the report is overdue, as established by rule.

**13-12-125. Willful failure to perform duties imposed by law; removal.**

(a) Each officer, director, employee or agent of a special purpose depository institution, following written notice from the commissioner, is subject to removal upon order of the commissioner if he knowingly or willfully fails to:

(i) Perform any duty required by this act or other applicable law; or

(ii) Conform to any rule or order of the commissioner.

**13-12-126. Rules.**

The commissioner shall adopt all rules necessary to implement this chapter, consistent with W.S. 13-12-107.