

VIRGINIA ACTS OF ASSEMBLY -- 1994 SESSION

CHAPTER 319

An Act to amend and reenact § 6.1-194.18 of the Code of Virginia, relating to savings institutions; furnishing customer information.

[S 462]

Approved April 5, 1994

Be it enacted by the General Assembly of Virginia:

1. That § 6.1-194.18 of the Code of Virginia is amended and reenacted as follows:

§ 6.1-194.18. Access to books and records; communication with members.

A. 1. Every person having an account or loan with a savings institution shall have the right to inspect such books and records of the institution insofar as they pertain to his loan or account. Otherwise, the right of inspection and examination of the institution's books and records shall be limited:

a. To the Commissioner or his duly authorized representatives;

b. To persons duly authorized to act for the institution; and

c. To any federal or state instrumentality or agency authorized to inspect or examine the books and records of such institution.

2. The books and records pertaining to the accounts and loans of a savings institution shall be kept confidential by the institution, its directors, officers, and employees except where the disclosure thereof shall be compelled by a court of competent jurisdiction or otherwise required by law. No person shall have access to the books and records of the institution or shall be furnished or shall possess information concerning individual accounts or loans of the institution or concerning the owners of such accounts or borrowers, except as authorized in writing by the account owner or borrower or as otherwise expressly authorized by law. However, a savings institution is authorized to release, publish or furnish general information and statistical data concerning its accounts and loans, so long as the identity of individual account owners or borrowers, or other confidential information, is not revealed.

B. In the event, however, that any member or members of a mutual savings institution desire to communicate with other members with reference to any questions pending or to be presented for consideration at a meeting of the members, the institution shall furnish upon request a statement of the approximate number of members of the institution at the time of such request, and an estimate of the cost of forwarding such communication. The requesting member or members shall then submit the communication, together with a sworn statement that the proposed communication is not for any reason other than the business welfare of the institution, to the Commissioner. If the Commissioner finds the communication to be appropriate, truthful and in the best interest of the institution and its members, he shall execute a certificate setting out such findings, forward the certificate together with the communication to the institution, and direct that the communication be prepared and mailed by the institution to the members upon the requesting member's or members' payment to it of the expenses of such preparation and mailing. If the Commissioner finds such proposed communication to be inappropriate, untruthful, or contrary to the best interest of the institution and its members, he shall have the discretion to make any disposition of the request to communicate which he deems proper and he shall execute a certificate setting out such findings and deliver it to the requesting member together with his order making disposition of the request.

C. Insofar as the provisions of this section are not inconsistent with federal law, such provisions shall apply to federal savings institutions whose home offices are located in the Commonwealth, except that the communication and statement provided for in subsection B of this section shall be tendered to the appropriate federal agency in the case of a federal savings institution and forwarded only upon that agency's certificate and direction.

D. Nothing in this section shall be construed to prohibit a savings institution from furnishing the names, addresses and telephone numbers of its customers to an affiliate of the institution or an entity with whom the institution has a direct contractual relationship, for purposes of furnishing financial services to the institution's customers. Such affiliate or entity shall not furnish such customer information to any third party without the written authorization of the customer.