

(1998 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Financial Institutions**

1-101.

(o) "National banking association" means an institution that is incorporated under federal law as a bank.

3-801.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "CAPITAL STOCK" INCLUDES BOTH COMMON AND PREFERRED STOCK.

(3) "CONVERTING INSTITUTION" MEANS A NATIONAL BANKING ASSOCIATION, A FEDERAL STOCK SAVINGS AND LOAN ASSOCIATION, OR A FEDERAL STOCK SAVINGS BANK.

(4) "FEDERAL STOCK SAVINGS AND LOAN ASSOCIATION" MEANS AN INSTITUTION THAT IS INCORPORATED UNDER FEDERAL LAW AS A SAVINGS AND LOAN ASSOCIATION THAT HAS AUTHORITY TO ISSUE CAPITAL STOCK.

(5) "FEDERAL STOCK SAVINGS BANK" MEANS AN INSTITUTION THAT IS INCORPORATED UNDER FEDERAL LAW AS A SAVINGS BANK THAT HAS AUTHORITY TO ISSUE CAPITAL STOCK.

(6) "NATIONAL BANKING ASSOCIATION" HAS THE MEANING STATED IN § 1-101(O) OF THIS ARTICLE.

[(a)](B) A [national banking association] CONVERTING INSTITUTION that is located in this State may convert into a commercial bank as provided by federal law and this section.

[(b)](C) (1) The [national banking association] CONVERTING INSTITUTION shall meet the requirements of this title for incorporation of a commercial bank.

(2) The procedures for incorporation may be modified as required by the difference between incorporation and conversion.

(3) PURSUANT TO REGULATIONS ADOPTED BY THE COMMISSIONER, ANY INTERESTED PERSON MAY REQUEST THAT THE COMMISSIONER CONDUCT A HEARING REGARDING THE CONVERSION.

[(c)](D) The consenting stockholders of the [national banking association] CONVERTING INSTITUTION shall sign, acknowledge, and file articles of incorporation. The articles shall state that the conversion has been approved by the stockholders in the manner required by federal law.