

stitution, and show its true condition. These reports are to be published in the local newspapers. All mutual savings institutions are required to report their condition to the Bank Commissioner on June 30th and December 31st of each year.

It is the duty of the Bank Commissioner to examine each report received from the institutions under his supervision, and when necessary, to verify them, at the same time to correct any irregularities that may be disclosed or make any recommendations that may seem advisable.

It is part of the duty of the Bank Commissioner to supervise the formation of new banking institutions; to see that all requirements of the law have been complied with, and to issue his certificate authorizing them to commence business.

It is the further duty of the Bank Commissioner to pass upon all amendments to charters, and all consolidations and voluntary liquidations. On the tenth of February in each year the Bank Commissioner is required to make a report to the Governor, covering the operations of his office.

The 1918 session of the General Assembly passed what is known as the Uniform Small Loan Law. This provides that all persons, co-partnerships or corporations engaged in the business of making loans in the amount of \$300 or less and who charge a greater rate of interest than six per cent., shall obtain a license from the Bank Commissioner. This act further provides for the regulation and supervision of such concerns by the Bank Commissioner.

The 1929 session of the General Assembly passed what is known as the Credit Union Law. This law provides that any seven or more persons, residents of this State, may apply to the Bank Commissioner for permission to organize a Credit Union.

During the fiscal year ending February 1st, 1933, the Bank Commissioner made 362 examinations, of which 151 were made outside of the parent institutions. The department also examined during the year, the small loan licensed credit unions required by law.

Maryland met the unusual conditions resulting from the banking crisis by the passage of Chapter 46 of the Acts of 1933, known as the Emergency Banking Law, under which the Bank Commissioner was given the custody, control and management of all State banking institutions and credit unions accepting deposits. In pursuance of this Act, the Commissioner at once assumed control over all such institutions, and thereafter surrendered control over those institutions which were found, upon investigation, to be able to reopen upon a 100% basis, and to resume business in the usual course. As to those institutions remaining under his control, he was given the power to operate the same through agents upon a restricted basis, so as to prevent any unjust or inequitable discrimination in the withdrawal of deposits or the payment of other claims.

The Bank Commissioner was also empowered to appoint, as his agents, such of the officers, directors and other employees of the institution, and at such compensation, as he might deem proper, or in his discretion, to appoint a Conservator, to take charge of the business of any such institution at any time during the period of custody, all for the purpose of reducing expenses and conducting the affairs of the institution with the greatest possible advantage to the depositors. The power of the Commissioner, with the approval of the Governor and the Attorney General, to take over any such institution as its receiver, for final liquidation, was reserved.

Under other legislation enacted at the 1933 Session of the Legislature, the powers of banks and trust companies to make loans were further restricted, and under these statutes no loan may now be made to an officer or employee without the prior approval of the Board of Directors by resolution duly adopted and recorded in the minutes. No person, co-partnership or corporation may become indebted to such an institution in an amount in excess of 10% of the capital and surplus,