

tion at least twice in eighteen months and at such other times as the Commissioner may deem expedient and at any time upon request of the board of directors of the institution. Whenever the capital stock of an institution is reduced by impairment, and such impairment is not made good as prescribed by law, the Bank Commissioner may take possession, as provided by law, and retain possession until it resumes business or is placed in final liquidation. The law further provides for the removal by the Bank Commissioner of any director or officer of any State banking institution who shall have violated or continue to violate any law relating to such an institution, or shall have continued unsafe or unsound practices in conducting the business of such institution after having been duly warned by the Bank Commissioner to discontinue such violations of law or such unsafe or unsound practices. If a banking institution, excepting a national bank, fails, the Bank Commissioner acts as receiver, liquidates its assets, and terminates its affairs under the jurisdiction of the court. The Commissioner may delegate this power to the Deputy Commissioner or a senior examiner (Examiners IV and III). Every bank and trust company is required to submit to the Bank Commissioner, under oath, at least two reports in each calendar year; such reports must exhibit in detail the resources and liabilities of the institution and show its true condition. These reports are published in the local newspapers. All mutual savings institutions are required to report their condition to the Commissioner on June 30 and on December 31 of each year. The December 31 report of such institutions is required to be published. The Commissioner's office examines the reports, and when necessary, verifies them and corrects any irregularities or recommends changes.

All new State banking institutions must organize under the supervision of the Department and must obtain from it a certificate before opening for business. The Bank Commissioner must approve all applications for a branch office made by a State bank, trust company, or mutual savings institution, and must pass upon all amendments to their charters. He must also approve any mergers or voluntary liquidations. On June 30 of each year he must make a written report to the Governor (Code 1957, 1968 Repl. Vol., Art. 11, secs. 1-118).

The General Assembly of 1929 passed what is known as the "Credit Union Law," which provides that any seven or more persons, residents of this State, may apply to the Bank Commissioner for permission to organize a Credit Union. The Commissioner supervises all such Credit Unions (Code 1957, 1968 Repl. Vol., Art. 11, secs. 135-62).

The Department also has jurisdiction over industrial finance companies under the provisions of the "Industrial Finance Law," passed in 1945. The Act generally provides that no person or corporation may charge interest or other charges in the aggregate above that permitted by law on loans of fifteen hundred dollars or less if this person or corporation is not a licensee under the terms of the law. All companies and individuals transacting business under the terms of this statute must secure a license from the Bank Commissioner. At least once in every thirty-six months, the Department is required to examine each licensee; and each licensee must submit to the Commissioner an annual report setting forth such information as the Commissioner may reasonably require. The Bank Commissioner has the power to revoke or suspend licenses for infractions of the law. He also has the power to exempt certain companies from the terms of the "Industrial Finance Act." Automatically exempted from the Act are those companies and individuals that are doing business under the terms of the "Small Loan Law," which is administered by the Commissioner of Small Loans (1957 Code, 1968 Repl. Vol., Art. 11, secs. 163-205).