

1933, ch. 485, sec. 54A.

**54A.** Any banking institution having capital stock may, with the approval of the Bank Commissioner, and by vote of stockholders owning a majority of its capital stock upon not less than five days' notice, given by registered mail pursuant to action taken by its Board of Directors, issue preferred stock in such amount and with such par value as shall be approved by said Bank Commissioner, and make such amendments to its Charter or Articles of Incorporation as may be necessary for this purpose; but in the case of any newly organized banking institution which has not yet issued common stock, the requirement of notice to and vote of stockholders shall not apply. Such amendments, certified by the President or Cashier, or Treasurer, shall be executed, approved, filed and recorded as required for Articles of Incorporation. Subscriptions to preferred stock issued under this Article shall be made only at par. No preferred stock issued under this Article shall be valid until the entire par value thereof shall have been paid in.

The holders of such preferred stock shall be entitled to cumulative dividends at a rate not exceeding six per centum per annum, and shall have such voting rights, and such stock shall be subject to retirement in such manner and on such terms and conditions as may be provided in the Charter or Articles of Incorporation with the approval of the Bank Commissioner, and said preferred stock may, subject to such approval, be retired, in whole or in part, out of any surplus in excess of 20% of the capital stock of the institution issuing same, provided that the capital stock shall at no time be less than the amount required under the provisions of this Article.

No dividend shall be declared or paid on common stock until the cumulative dividends on the preferred stock shall have been paid in full; and, if the banking association is placed in voluntary or involuntary liquidation or a conservator or a receiver is appointed therefor, no payment shall be made to the holders of the common stock until the holders of the preferred stock shall have been paid in full the par value of such stock plus all accumulated dividends.

The term "common stock" as used in this section means stock of a banking institution other than the preferred stock issued under the provisions of this section. The term "capital stock" as used in this Article shall mean the amount of common stock plus the amount of preferred stock outstanding.

1933, ch. 485, sec. 54B. 1935, ch. 519.

**54B.** Any banking institution may at any time, with the approval of the Bank Commissioner, issue, sell or hypothecate its capital notes, debentures, bonds or certificates of beneficial interest, which may be payable upon such terms, and may bear such rate of interest, if any, as may be provided therein. Such capital notes, debentures, bonds or certificates of beneficial interest shall be subordinated to the claims of depositors and/or creditors, but they shall be preferred to the claims of stockholders