

in the event of liquidation. Such capital notes, debentures, bonds or certificates of beneficial interest may have voting rights similar to those provided in Section 54A with respect to preferred stock, but they shall in no case be subject to the liability imposed upon stockholders under the Constitution and Laws of Maryland.

The capital stock of any banking institution which shall have issued such capital notes or debentures shall not be deemed to be impaired within Section 8 of this Article when the amount of such capital notes and debentures as represented by cash or sound assets exceeds the impairment as found by the Bank Commissioner. Before any such capital notes or debentures are retired or paid by the bank any existing deficiency of its capital (disregarding the notes or debentures to be retired) must be paid in cash, to the end that the sound capital assets shall at least equal the capital stock of the bank.

Capital notes, debentures, bonds or certificates of beneficial interest which are deferred as to payment to the claims of depositors and/or creditors (excepting stockholders) shall be considered as part of the capital structure of a banking institution particularly within the meaning of Sections 20, 42 (relating to minimum capital stock requirements) and 67 of this Article, but shall not be included in Sections 26 and 50 of this Article relating to ownership of capital stock by a director.¹

An. Code, 1924, sec. 55. 1912, sec. 55. 1910, ch. 219, sec. 54 (p. 24). 1935, ch. 598.

55. A bank or trust company may purchase, hold and convey real estate for the following purposes only:

First. Such as shall be necessary for the convenient transaction of its business, including, with its banking offices, other apartments in the same building, or on adjoining land, to rent as a source of income; provided, however, that not more than fifty (50%) per cent. of its unimpaired capital and surplus may be invested in its banking building, offices, furniture, and fixtures by any bank or trust company.

Second. Such as shall be conveyed to it in satisfaction of debts previously contracted in the course of its business.

Third. Such as it shall purchase at sale on judgments, decrees or mortgage foreclosures under securities held by it, but a bank shall not bid at such a sale a larger amount than is necessary to satisfy its debts and costs.

Fourth. No real estate acquired in the cases contemplated in the second and third subdivisions preceding shall be held for a longer time than ten years, except when an extension is granted by the Bank Commissioner. If such extension be not granted, it must be sold at a private or public sale within one year thereafter. Nothing in this section shall be construed as preventing a bank or trust company from loaning moneys upon real estate security as provided by law. Nothing in this section shall affect the title

¹ Sec. 2 of ch. 485, acts of 1933, repealed all laws inconsistent therewith to extent of inconsistency.