

71-H, to be known as Section 71-H-A, so as to permit, with the approval of the Bank Commissioner, the re-organization and re-opening of banking institutions now in his custody, under a plan for the re-construction of the capital structure or guarantee fund of any such banking institution, through the voluntary subscription or contribution of stockholders and/or depositors, and to provide that deposits now in such banking institutions may be treated as cash for the purpose of subscription or contribution, in any re-organization under the provisions of said Act.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That a new section be, and the same is hereby added to Chapter 46 of the Acts of the General Assembly of 1933, to follow immediately after Section 71-H of said Act, to be known as Section 71-H-A, and to read as follows:

71-H-A. The Board of Directors of any banking institution in the custody of the Bank Commissioner under the provisions of Chapter 46 of the Acts of 1933, may formulate and propose a plan of re-organization providing for the voluntary surrender or exchange of outstanding capital stock, in whole or in part, by existing stockholders, to the institution, and for the resale of the shares so surrendered or exchanged, or the sale of such other shares as may be authorized. The plan may also provide for the voluntary subscription or contribution by existing depositors and creditors of the institution to a guarantee fund or otherwise for the protection of depositors and creditors, and in the case of Mutual Savings Banks the plan may provide solely for such voluntary subscription or contribution. If the Bank Commissioner shall approve said plan, and is satisfied that such re-organization is for the best interests of depositors and creditors he may permit said institution to reopen, and may, with the written approval of the Governor and the Attorney General, permit said institution to exempt itself from the provisions of said Act. The provisions of Sections 20, 42 and 54 of this Article, insofar as they may require that capital stock and surplus of a bank or trust company shall be paid for in full in money, shall not be applicable to the re-organization and re-opening of a closed bank or the establishment of a new bank pursuant to the provisions of this section or of the next two succeeding sections of said Chapter 46.

SEC. 2. *And be it further enacted,* That this Act is hereby declared to be an emergency law and necessary for