

shares subscribed to and paid for. If, upon such examination, it appears that such bank is lawfully entitled to commence business, the Bank Commissioner shall forthwith give to such bank a certificate, under his hand and official seal, that such bank is authorized to commence business. If the Bank Commissioner has reason to believe that the stockholders have formed the same for any other than the legitimate business contemplated by this Article, he may, with the advice and consent of the Governor, withhold the certificate herein mentioned.

SEC. 4. *And be it further enacted*, That Sections 26 and 27 of Article 11 of the Annotated Code of the Public General Laws of Maryland, Edition of 1924, entitled "Banks and Trust Companies," sub-title "Banks," be, and the same are hereby repealed and re-enacted, with amendments, to read as follows:

26. The affairs of the bank shall be managed by a board of not less than five directors, a majority of whom shall be residents of Maryland and shall be elected by the stockholders and hold office for one year, and until their successors have been elected and have qualified. A majority of the board of directors shall constitute a quorum for the transaction of business. In the first instance the directors shall be elected at a meeting held before the bank is authorized to commence business by the Bank Commissioner, and afterwards at the annual meeting of the stockholders to be held during the month of January; and if for any reason an election is not had at that meeting, it may be held at a subsequent meeting called for that purpose, of which due notice shall be given as provided in the by-laws of such bank. Every director shall take and subscribe an oath that he will diligently and honestly perform the duties of such office, and will not knowingly violate or permit a violation of any provision of this Article; that he is the owner in good faith of unencumbered stock in the bank, standing in his name on the books of the bank. Any vacancy in the board of directors shall be filled by the board, and the directors so appointed shall hold office until the next election. Within fifteen days after the date on which the annual meeting of the stockholders is held, the directors elected at such meeting shall, after due qualification, hold a meeting at which the officers of the bank shall be elected and hold their offices for one year and until their successors have been elected and