

CHAPTER 697.

(House Bill 526)

AN ACT to add two new sections to Article 2 of the Code of Public Local Laws of Maryland (1930 Edition), title "Anne Arundel County", sub-title "Justices of the Peace and Constables", said new section to be known as Sections 353A and 353B, and to follow immediately after Section 353 of said Article, relating to the transmission of papers in preliminary hearings and appeals of criminal cases from and before Trial Magistrates in Anne Arundel County.

(Vetoed.)

CHAPTER 698.

(House Bill 528)

AN ACT to add a new section to Article 48A of Flack's Annotated Code of Maryland (1939 Edition), title "Insurance", sub-title "General Provisions", said new section to follow immediately after Section 25A of said Article, and to be known as Section 25B, prohibiting loans to and guarantees of financial obligations of any director or executive officer of Stock Insurance Companies, Mutual Insurance Companies, Reciprocal Exchanges, Lloyds Associations, Inter-Insurers, Non-Profit Hospitalization Plan Corporations, and Fraternal Beneficial Associations.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That a new section be, and the same is hereby added to Article 48A of Flack's Annotated Code of Maryland (1939 Edition), title "Insurance", sub-title "General Provisions", to follow immediately after Section 25A and to be known as Section 25B, and to read as follows:

25B. DIRECTORS AND EXECUTIVE OFFICERS. (1) As used in this section, the phrase "insurance company" includes stock and mutual companies, reciprocal exchanges or inter-insurers, Lloyds Associations, non-profit hospitalization plan corporations, and fraternal beneficial associations.

(2) No insurance company authorized to do business in this State shall, except as provided in Sub-section (4), make any loan to any director or executive officer of such insurance company, either directly or indirectly, or through its subsidiaries except on a bona fide mortgage on the residence for his habitation of such officer or director, which mortgage loan