

be entirely sufficient to take care of all losses, and unless the surplus of said banking institution after the increase in capital shall be at least equal to twenty per cent (20%) of the capital stock as increased. If the surplus of any banking institution increasing its capital by a stock dividend shall, after such increase, be less than one hundred per cent (100%) of its capital as increased, such banking institution shall transfer to surplus at the close of a fiscal period [either] annually [or semi-annually] not less than ten per cent (10%) of its net earnings after providing for expenses, losses, interest and taxes accruing or due from said banking institution until such surplus shall equal and thereafter continue to equal one hundred per cent (100%) of its capital. No reduction of capital shall be made to a less amount than is required under the provisions of this article for capital, nor be valid nor warrant the cancellation of stock certificates, or diminish the personal liability of stockholders, until such reduction has been approved by the [Bank] Commissioner. Such approval must be based upon a finding by him that the remaining assets of the bank or trust company, after such proposed reduction of its capital stock, will be entirely sufficient for the payment of the claims of existing creditors. The provisions of this section shall be construed retrospectively as well as prospectively.

Bank Service Corporations

~~62A.~~ 72A.

(a) *The term "bank services" means services such as check and deposit sorting and posting, computation and posting of interest and other credits and charges, preparation and mailing of checks, statements, notices, and similar items, or any other clerical, bookkeeping, accounting, statistical, or similar functions performed for a bank.*

The term "bank service corporation" means a corporation organized to perform bank services for two or more banks, each of which owns part of the capital stock of such corporations.

The term "invest" includes any advance of funds to a bank service corporation, whether by the purchase of stock, the making of a loan, or otherwise, except a payment for rent earned, goods sold and delivered, or services rendered prior to the making of such payment.

(b) *Notwithstanding the limitations contained in Section 72 of this article and/or any limitation or prohibition otherwise imposed by any provision of State law exclusively relating to banks shall prevent any two or more banks from investing not more than 10 per centum of the paid-in and unimpaired capital and unimpaired surplus of each of them in a bank service corporation.*

If stock in a bank service corporation has been held by two banks, and one of such banks ceases to utilize the services of the corporation and ceases to hold stock in it, and leaves the other as the sole stockholding bank, the corporation may nevertheless continue to function as such and the other bank may continue to hold stock in it.

(c) *Whenever a bank (referred to in this section as an "applying bank") subject to examination by the Commissioner applies for a type of bank services for itself from a bank service corporation which supplies the same type of bank services to another bank, and the applying bank is competitive with any bank (referred to in this sec-*