

consolidation, merger, dissolution, liquidation, or reorganization of building and savings and loan associations and to clarify the fact that a sale, lease, or transfer of all or substantially all of the property and assets of an association is a statutory merger and is included within the provisions of this section and to set forth the procedures in connection therewith.

SECTION 1. *Be it enacted by the General Assembly of Maryland, That Section 161U(a) of Article 23 of the Annotated Code of Maryland (1966 Replacement Volume), title "Corporations" subtitle "III. Particular Classes of Corporations," subheading "Building or Homestead Associations," be and it is hereby repealed and re-enacted, with amendments, to read as follows:*

161U. Consolidation; merger; dissolution; sale of assets; partial liquidation; reorganization.

(a) Approval by Director.—Any association shall have power to consolidate or merge with *or sell or transfer all or substantially all of its property and assets to any other incorporated association in this State as provided by this article for corporations having capital stock, upon first filing its proposed plan of consolidation or merger or sale or transfer with the Director and securing his approval thereof. Whenever any association shall transfer all or substantially all of its property and assets subject to all or substantially all of its liabilities to another association and shall then dissolve in accordance with a plan filed with the Director hereunder, such plan shall constitute a statutory merger. Any such plan of transfer must be approved by the board of directors of the transferee association and the board of directors of the transferor association. The plan must also be submitted for action thereon at either an annual or special meeting of the members of the transferor association and must be approved by the members of the transferor association by the affirmative vote of two-thirds of all the votes entitled to be cast thereon.* Any association of this State shall have the power to partially liquidate, dissolve or reorganize pursuant to the provisions of this article pertaining to corporations of this State, upon first filing its proposed plan of partial liquidation, dissolution or reorganization with the Director and securing his prior approval thereof. The Director shall approve any plan of consolidation, merger, *or sale or transfer, liquidation, dissolution or reorganization filed with him if he finds that (1) any resulting association meets all requirements of this article relating to the formation of new associations; and (2) the plan is fair; and (3) the execution of the plan will promote the public interest, convenience and advantage.* The Director shall publish the fact that a plan has been filed for at least two (2) successive weeks after filing in a newspaper of general circulation in the city, town, or county in which the principal office of each association named in the plan is located, and shall give such other notice as may be desirable. Upon approval of any plan aforesaid, the Director shall certify as approved any documents required by this article to be filed with the State Department of Assessments and Taxation.

SEC. 2. *And be it further enacted, That this Act shall take effect July 1, 1968.*

Approved April 10, 1968.