

CHAPTER 235

(Senate Bill 240)

AN ACT concerning

Bank Commissioner - Liquidation

FOR the purpose of empowering the Bank Commissioner under a certain condition to appoint the Federal Deposit Insurance Corporation as receiver for any banking institution under his possession; setting forth when transference of possession occurs; relieving the Commissioner from liability and responsibility with respect to the liquidation of such institutions; permitting the Corporation to liquidate pursuant to Maryland or federal laws; and permitting the Corporation the right to operate the trust department of any such institution.

BY adding to

Article 11 - Banks and Trust Companies  
Section 16A  
Annotated Code of Maryland  
(1976 Replacement Volume and 1978 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 11 - Banks and Trust Companies

16A.

THE BANK COMMISSIONER MAY APPOINT THE FEDERAL DEPOSIT INSURANCE CORPORATION AS RECEIVER FOR ANY BANKING INSTITUTION OF WHICH HE IS IN POSSESSION AND WHOSE DEPOSITS ARE INSURED BY SUCH CORPORATION. IMMEDIATELY UPON FILING WITH THE COURT A CERTIFICATE OF ACCEPTANCE WHICH IT APPROVES, THE PROPERTY, ASSETS, AND BUSINESS OF SUCH INSTITUTION SHALL BE CONSIDERED TO BE IN THE POSSESSION OF THE FEDERAL DEPOSIT INSURANCE CORPORATION AS RECEIVER. THE BANK COMMISSIONER SHALL BE THEREAFTER RELIEVED FROM ALL RESPONSIBILITY AND LIABILITY WITH RESPECT TO THE LIQUIDATION OF THE INSTITUTION.

THE FEDERAL DEPOSIT INSURANCE CORPORATION MAY LIQUIDATE THE BANKING INSTITUTION IN THE MANNER PERMITTED BY THE LAWS OF THE UNITED STATES OR BY ARTICLE 11 OF THE MARYLAND ANNOTATED CODE, INCLUDING THE RIGHT TO OPERATE THE TRUST DEPARTMENT OF ANY SUCH INSTITUTION WHICH IS QUALIFIED TO DO THE BUSINESS OF A TRUST COMPANY.