

"savings institution having a capital stock", that sentence is deleted as obsolete. See revisor's note to § 4-401 of this article.

As to the use of the term "outstanding capital stock", see § 3-101(b) of this title and its revisor's note.

In subsection (a) (1) of this section, the present reference to a "discount" is deleted as unnecessary given the broad reference to "any loan".

In subsection (b) of this section, the present reference to "at public or private sale" is deleted as unnecessary.

The third clause of the first sentence of present Art. 11, § 80 provides that, in default of making the required disposition, the commercial bank "shall be regarded as conducting its business in an unauthorized manner" and that the Bank Commissioner may place the bank in receivership "in the manner provided by § 11 of {Article 11}". Before 1964, then Art. 11, § 11 authorized the Bank Commissioner to place a banking institution in receivership if it was "conducting its business in an unsafe or unauthorized manner". However, Ch. 126, Acts of 1964, totally rewrote § 11 to apply to the removal of directors and officers only, and the law no longer provides for receivership proceedings on the grounds of doing business in an "unauthorized manner". Accordingly, this clause of present Art. 11, § 80 is deleted as obsolete.

The last clause of the first sentence of Art. 11, § 80, which exempts from the section shares pledged to a commercial bank before April 21, 1933, is deleted as obsolete.

3-305. REDUCTION OF CAPITAL.

(A) LIMITATIONS ON REDUCTION.

A REDUCTION OF THE OUTSTANDING CAPITAL STOCK OF A COMMERCIAL BANK:

(1) IS NOT VALID UNLESS APPROVED BY THE BANK COMMISSIONER; AND

(2) MAY NOT BE MADE TO AN AMOUNT THAT IS LESS THAN THAT REQUIRED IN:

(I) § 3-209 (B) OF THIS TITLE, AS TO STATE BANKS; OR