

(II) § 3-210(B) OF THIS TITLE, AS TO TRUST COMPANIES.

(B) BASIS OF BANK COMMISSIONER'S APPROVAL.

THE BANK COMMISSIONER SHALL BASE APPROVAL ON A FINDING THAT THE ASSETS OF THE COMMERCIAL BANK REMAINING AFTER THE PROPOSED REDUCTION OF ITS CAPITAL STOCK, WILL BE SUFFICIENT TO PAY ALL OF THE CLAIMS OF EXISTING CREDITORS.

REVISOR'S NOTE: This section is new language derived without substantive change from the third and fourth sentences of Art. 11, § 68.

In subsection (a) (1) of this section, the present provisions that a reduction, unless approved by the Bank Commissioner, does not "warrant the cancellation of stock certificates" or "diminish the ... liability of stockholders" is deleted as unnecessary in light of the simple statement that the reduction, unless approved, "[i]s not valid".

The term "commercial bank" is defined in § 1-101 of this article.

The last sentence of present Art. 11, § 68, which calls for the construction of that section "retrospectively as well as prospectively", is deleted as unnecessary.

3-306. MAINTENANCE OF SURPLUS; LOSSES.

(A) MAINTENANCE OF SURPLUS.

IF THE SURPLUS OF A COMMERCIAL BANK AT ANY TIME IS LESS THAN 100 PERCENT OF ITS REQUIRED CAPITAL STOCK, THEN, UNTIL THE SURPLUS IS 100 PERCENT OF THE REQUIRED CAPITAL STOCK, THE COMMERCIAL BANK:

(1) SHALL REIMBURSE THE SURPLUS FROM ITS UNDIVIDED PROFITS; AND

(2) MAY NOT DECLARE OR PAY ANY CASH DIVIDENDS THAT EXCEED 90 PERCENT OF ITS NET EARNINGS.

(B) LOSSES.

ANY LOSSES OF A COMMERCIAL BANK THAT EXCEED ITS UNDIVIDED PROFITS MAY BE CHARGED TO ITS SURPLUS.

REVISOR'S NOTE: This section is new language derived without substantive change from the second sentence of Art. 11, § 95.

Throughout this section, the term "commercial bank" is substituted for references to a "bank or trust company". See revisor's note to § 3-307 of

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