

MANAGEMENT OR POLICY OF THE COMMERCIAL BANK WHOSE STOCK IS INVOLVED.

(D) VIOLATIONS PROHIBITED.

THE CHIEF EXECUTIVE OFFICER OF A COMMERCIAL BANK MAY NOT KNOWINGLY:

(1) FAIL TO MAKE PROMPTLY A REPORT REQUIRED BY THIS SECTION; OR

(2) MAKE A REPORT UNDER THIS SECTION THAT CONTAINS ANY STATEMENT THAT THE OFFICER KNOWS TO BE FALSE.

REVISOR'S NOTE: This section is new language derived without substantive change from the second paragraph of Art. 11, § 108G(a) and from Art. 11, § 108G(c) and (d).

Throughout this section, the term "commercial bank", which is defined in § 1-101 of this article, is substituted for references to a "State bank or trust company".

In subsection (c) of this section, the present reference to "sale" of commercial bank stock is deleted as obsolete. As amended by Ch. 294, Acts of 1979, the balance of present Art. 11, § 108G — now § 3-314 of this subtitle — imposes different reporting requirements, as to purchases and other acquisitions of capital stock.

In subsection (d) of this section, the present specific penalties for violations are deleted as unnecessary in light of the general provisions of § 5-802 of this article, which establish the same penalties for violations of any of the provisions of this article relating to a banking institution.

GENERAL REVISOR'S NOTE:

In revising this subtitle, the Commission to Revise the Annotated Code deleted as obsolete present Art. 11, § 99, which states that stock is personal property and that a stock transfer is invalid if it is made during a period when a commercial bank has notice of an impairment of its capital stock account. The Commission notes that these provisions derive from the concept that capital stock was assessable and, thus, that its transfer should be regulated. As no assessable stock is now permitted, regulation of its transfer is unnecessary.

SUBTITLE 4. DIRECTORS AND OFFICERS.

3-401. MANAGEMENT OF COMMERCIAL BANK.

---