

## CHAPTER 807

(House Bill 1801)

AN ACT concerning

## Banking Institutions

FOR the purpose of requiring the location of the principal banking office of a banking institution to be specified in its charter; clarifying the minimum amount of capital stock required to be outstanding for a State bank or trust company; clarifying that authorized stock need not be issued; increasing the time requirement of notice to stockholders to approve preferred stock; permitting the conversion of convertible preferred stock in certain events; clarifying when dividends are payable; clarifying that debt instruments are part of the capital and surplus of a commercial bank; requiring a majority of the directors of a trust company to be residents of this State; specifying information to be filed in mergers, consolidations, and transfers of assets of commercial banks; conforming notice requirements for these transactions; altering the provision for an effective date for these transactions; specifying that approval of a merger agreement is adoption of the charter and bylaws of the successor; permitting filing of certificates upon merger or consolidation of national banking associations; clarifying the limitation on the name of a savings bank; conforming provisions for the election of members of a savings bank to present practice; and clarifying references to stockholders.

BY repealing and reenacting, with amendments,

Article - Financial Institutions  
Section 3-202(b)(5), 3-209, 3-210, 3-212(a) and (b),  
3-213(c), 3-302(c), 3-307(c), 3-403(b),  
3-702(c), 3-703, 3-708(b), 3-710, 3-711(b),  
3-712, 4-202(b)(4) and (5), 4-402, and 5-401(b)  
Annotated Code of Maryland  
(As enacted by Chapter \_\_\_\_ (H.B. 1) of the Acts  
of the General Assembly of 1980)

BY repealing

Article - Financial Institutions  
Section 3-709  
Annotated Code of Maryland  
(As enacted by Chapter \_\_\_\_ (H.B. 1) of the Acts  
of the General Assembly of 1980)

BY renumbering

Article - Financial Institutions  
Section 3-710 through 3-714 respectively