

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Financial Institutions**

3-701.

(a) In this subtitle the following words have the meanings indicated.

(b) "Bank" means a commercial bank [or], a national banking association, OR A FEDERALLY-CHARTERED SAVINGS BANK OR SAVINGS AND LOAN ASSOCIATION.

(c) "Constituent bank" [:

(1) Means] MEANS a party to a consolidation, merger, or transfer of assets[; and

(2) Includes a savings and loan association].

(d) ["Savings and loan association" means a savings and loan association organized under Title 9 of this article that:

(1) Was insured by the State of Maryland Deposit Insurance Fund Corporation on October 1, 1985 and its successor; or

(2) At the date of the consolidation, merger, or transfer of assets has net worth certificates outstanding and payable to the State of Maryland.

(e) "Successor" means the bank that carries on the business of the constituent banks after a consolidation, merger, or transfer of assets.

[(f)] (E) "Transfer assets", "transfer its assets", or "transfer of assets" means to sell, lease, exchange, or otherwise transfer all or substantially all of the property and assets of a constituent bank.

[3-701.1.

The provisions of this subtitle which authorize the consolidation with a bank, merger with a bank or transfer of assets to a bank of one or more savings and loan associations are only in effect through June 1, 1986. Any business combinations that were approved under those provisions before June 1, 1986 remain subject to the terms and conditions that were in effect before that date.]

3-702.

(a) Any bank may, as provided in this subtitle:

(1) Consolidate with one or more other banks to form a new consolidated bank;

(2) [Have one or more savings and loan associations consolidated with it to form a new consolidated bank;

(3)] Merge into another bank or have one or more other banks merged into it; OR