Approved May 18, 1995.

CHAPTER 408

(House Bill 93)

AN ACT concerning

Credit Unions – Mergers

FOR the purpose of requiring the board of directors of each credit union proposing a merger to take certain actions; altering the manner in which a merger is approved by the members of each credit union party to a merger; authorizing the Bank Commissioner to waive a certain requirement under certain circumstances; altering the content of a certificate of merger; and generally relating to mergers of credit unions.

BY repealing and reenacting, with amendments,
Article – Financial Institutions
Section 6–702
Annotated Code of Maryland
(1992 Replacement Volume and 1994 Supplement)

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

Article – Financial Institutions

6–702.

(a) With the approval of the Bank Commissioner, any credit union may merge into any other credit union under the existing charter of the other credit union as provided in this section.

(B) A MAJORITY OF THE BOARD OF DIRECTORS OF EACH CREDIT UNION PROPOSING A MERGER SHALL:

(1) ADOPT A RESOLUTION THAT DECLARES THAT THE MERGER IS ADVISABLE; AND

(2) SET A DATE FOR A VOTE ON THE PROPOSED MERGER BY THE MEMBERS OF EACH CREDIT UNION PARTY TO THE MERGER~~, EITHER AT A MEETING TO BE HELD ON THAT DATE OR~~ BY MAIL BALLOT TO BE FILED ON OR BEFORE THAT DATE.

[(b)](C) THE BANK COMMISSIONER, AT THE REQUEST OF THE BOARD OF DIRECTORS OF A CREDIT UNION, MAY WAIVE THE REQUIREMENT FOR A MAIL BALLOT AND MAY SUBSTITUTE ANY REASONABLE METHOD OF DETERMINING THE VOTE OF THE MEMBERS.