

(2) May not be made to an amount that is less than that required in § 3-209[(b)] of this title.

(b) 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.

3-306.

(a) 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] TRANSFER TO ITS SURPLUS ANNUALLY AT LEAST 10 PERCENT OF ITS NET EARNINGS; and

(2) May not declare or pay any cash dividends that exceed 90 percent of its net earnings.

(b) Any losses of a commercial bank that exceed its undivided profits may be charged to its surplus.

3-308.

(a) The board of directors of a commercial bank may not declare a stock dividend unless[:

(1) Its remaining surplus is enough to take care of all losses; and

(2) Its] ITS surplus, after the increase in capital stock, is equal to at least 20 percent of the outstanding capital stock as increased.

(b) If the surplus of the commercial bank, after the increase in capital stock, is less than 100 percent of its capital stock as increased, the commercial bank annually shall transfer to surplus at least 10 percent of its [available] net earnings[, after providing for due or accrued expenses, losses, interest, and taxes,] until the surplus is 100 percent of its capital stock as increased.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1995.

Approved May 25, 1995.

CHAPTER 594

(House Bill 1227)

AN ACT concerning

Public Ethics – Judicial Public Officials – Financial Disclosure

FOR the purpose of authorizing the State Ethics Commission to exempt certain judicial