

Annotated Code of Maryland
(2003 Replacement Volume)

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

Article - Financial Institutions

4-101.

(d) "Mutual holding company" means the corporation which holds [all the shares] MORE THAN 50% OF THE STOCK of a subsidiary savings bank pursuant to a reorganization under Subtitle 8 of this title.

4-701.

(b) (1) A savings bank may consolidate with, merge into, or transfer its assets to any banking institution in this State, any other bank in this State, or any State or federal savings and loan association in this State if the Commissioner, after receiving the advice of the Banking Board, gives written consent to the transaction.

(2) A SAVINGS BANK MAY HAVE ANY BANKING INSTITUTION IN THIS STATE, ANY OTHER BANK IN THIS STATE, OR ANY STATE OR FEDERAL SAVINGS AND LOAN ASSOCIATION IN THIS STATE MERGE INTO THE SAVINGS BANK IF THE COMMISSIONER, AFTER RECEIVING THE ADVICE OF THE BANKING BOARD, GIVES WRITTEN CONSENT TO THE TRANSACTION.

4-802.

(c) The plan of reorganization shall provide that:

(1) A subsidiary savings bank shall be incorporated pursuant to Subtitle 9 of this title;

(2) The savings bank shall transfer a substantial part of its assets to the subsidiary savings bank and the subsidiary savings bank shall assume a substantial part of the savings bank's liabilities, including all depository liabilities;

(3) As a result of the reorganization of the savings bank into a mutual holding company, the mutual holding company shall hold [all] MORE THAN 50% of the stock of the subsidiary savings bank; and

(4) After transfer and assumption, persons with prior corresponding rights as depositors or creditors against a savings bank shall have the same rights with respect to the mutual holding company and the subsidiary savings bank.

4-803.

(e) Within 3 months after the application for approval of reorganization is filed for examination, the Commissioner shall approve or reject the application. The Commissioner may not approve the application unless the Commissioner determines:

(1) That the plan of reorganization is: