

Senate Bill No. 540

AN ACT concerning

Financial Institutions – Acquisition and Longevity Requirements

FOR the purpose of ~~including the period of existence and continuous operation of a Maryland bank that transfers its~~ authorizing the acquisition of a de novo Maryland bank formed for the purpose of having transferred to it the trust department or trust operations to of an affiliated Maryland bank under certain circumstances; including the period of existence and continuous operation of certain Maryland banks that transfer trust departments or operations in the period of existence and continuous operation of the affiliated Maryland bank banks to satisfy the longevity requirements for reciprocal interstate banking acquisitions under certain circumstances; providing for divestment by out-of-state holding companies of certain Maryland banks under certain circumstances; and generally relating to satisfying longevity and acquisition requirements under Maryland's reciprocal interstate banking acquisitions law.

BY repealing and reenacting, with amendments,

Article – Financial Institutions

Section 5-1003(a)(2), (b)(2), and (e)

Annotated Code of Maryland

(1986 Replacement Volume and 1990 Supplement)

BY adding to

Article – Financial Institutions

Section 5-1004(b)(3)

Annotated Code of Maryland

(1986 Replacement Volume and 1990 Supplement)

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

Article – Financial Institutions

5-1003.

(a) (2) The Commissioner may not grant approval of an acquisition under this subsection unless the Commissioner shall find:

(i) The laws of the jurisdiction where the out-of-state bank holding company has its principal place of business permit Maryland bank holding companies to acquire banks and bank holding companies in that jurisdiction;

(ii) The laws of the jurisdiction where the out-of-state bank holding company has its principal place of business permit the out-of-state bank holding company to be acquired by the Maryland bank holding company or Maryland bank sought to be acquired;