

is conducting its business in an unsafe or unauthorized manner or in conflict with this article, or if any such institution shall refuse to submit its books, papers and concerns to the examination of the Bank Commissioner, or if any such institution shall neglect or refuse to observe an order of the Bank Commissioner as specified in Section 10 of this Article, the Bank Commissioner may if he deems it advisable, with the written consent of the Governor and Attorney General, obtained prior thereto, forthwith take possession of the property and business of such institution and shall cause a notice to be posted on the front door of the institution as follows: "This institution is in the hands of the Bank Commissioner."

This section referred to in construing sec. 97. See notes thereto. *Robinson v. Hospelhorn*, 169 Md. 130.

When assets of banking institution pass into possession of Bank Commissioner as receiver under this section, the State's right of priority, as against other creditors, is thereby extinguished, unless proceedings to enforce the right have been previously taken. *Public Indemnity Co. v. Page*, 161 Md. 239.

Bank Commissioner, when he becomes receiver of a state bank, does not become the successor of the corporate personalty, since the corporation may be permitted to resume business. *Mylander v. Page*, 162 Md. 259.

Cited but not construed in *Ghingher v. Thomsen*, 165 Md. 321; *Ghingher v. Bachtell*, 169 Md. 680; *Allender v. Ghingher*, 170 Md. 159.

This section referred to in applying Secs. 71A-71Q (Emergency Banking Law which has expired by limitation). *Nolan Motors v. Ghingher*, 169 Md. 344; *Hospelhorn v. Motors Corp.*, 169 Md. 574.

Where Bank Commissioner proceeded under this section to liquidate trust company before expiration of emergency bank act (1933, Ch. 46), the liability of shareholder or transferor and transferees remain as assets of the company. *Hospelhorn v. Poe*, 174 Md. 248.

On liquidation of insolvent bank by Bank Commissioner, as receiver, the liability of the directors for dividends wrongfully declared by them, is collectible as corporate asset under Art. 23, Sec. 92. *Pritchard v. Myers*, 174 Md. 67.

An. Code, 1924, sec. 9A. 1933, ch. 569. 1933 (Special Sess.), ch. 107. 1935, ch. 496. 1939, ch. 409.

13. All monies coming into the hands of the Bank Commissioner, the Deputy Bank Commissioner or a Senior Examiner in their capacity as receiver, as the case may be, for any banking institution (acting under the provisions of Section 12 and under Section 61<sup>1</sup> of this Article) shall be deposited by them to their credit as receiver of such banking institution, in such bank, banks or trust companies as they may from time to time select. For the safekeeping and forthcoming, when required, of said deposits, the depository bank, banks or trust companies shall be required to deposit with the Bank Commissioner, the Deputy Bank Commissioner or a Senior Examiner, Federal Government securities and those issued under the authority of the Federal Government, State of Maryland Bonds or any county or municipality thereof and Baltimore City Stock, in lieu of a surety bond, as security for said deposits. Such securities shall be accepted at not more than par, or market value if selling at less than par, and shall at all times be equal to the amount of funds deposited by the Receiver in said bank, banks or trust companies; provided, however, that said receiver shall not be required to retain such collateral for funds remaining in his hands more than six months after a distribution account has been ratified as required by the Court having jurisdiction and the dividend checks actually mailed to the creditors entitled to receive the same.

<sup>1</sup> Sec. 61 Repealed by ch. 529, 1933.