

SEC. 2. *And be it further enacted, That this Act shall take effect July 1, 1971.*

Approved May 17, 1971.

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CHAPTER 487

(Senate Bill 726)

AN ACT to repeal and re-enact, with amendments, Section 31A of Article 11 of the Annotated Code of Maryland (1968 Replacement Volume), title "Banks and Trust Companies," subtitle "Banks," to make it unlawful for a foreign bank or affiliated corporation to become a bank holding company, all as defined therein.

SECTION 1. *Be it enacted by the General Assembly of Maryland, That Section 31A of Article 11 of the Annotated Code of Maryland (1968 Replacement Volume), title "Banks and Trust Companies," subtitle "Banks," be and it hereby is repealed and re-enacted, with amendments, to read as follows:*

31A.

(a) No foreign banking corporation, except a national banking association having its main office in this State, shall maintain any office within the State to solicit deposits or to conduct a general banking, a savings banking or a banking and trust business.

(b) *On and after July 1, 1971, it shall be unlawful for any foreign bank or affiliated corporation to become a bank holding company.*

*For the purpose of this section:*

1. *The term "foreign bank" means any bank or trust company other than (i) those incorporated under the laws of this State and having their principal offices in this State and (ii) national banking associations having their principal offices in this State;*

2. *The term "affiliated corporation" means a corporation, whether incorporated under the laws of this State or under the laws of any other jurisdiction, twenty-five percent or more of whose voting shares are owned of record or beneficially by a foreign bank or by persons who own of record or beneficially twenty-five percent or more of the voting shares of a foreign bank, and*

3. *The term "bank holding company" means a corporation which owns of record or beneficially twenty-five percent or more of the outstanding voting shares of a bank or trust company incorporated under the laws of this State and having its principal offices in this State or of a national banking association having its principal offices in this State.*

SEC. 2. *And be it further enacted, That this Act shall take effect July 1, 1971.*

Approved May 17, 1971.