

is added to list completely the ways in which stock may be obtained.

The term "affirmation" is deleted as unnecessary in light of Art. 1, § 9 of the Code.

The provisions of present §106 as they relate to trust companies are included in §6-145 of this subtitle.

6-125. DEBT INSTRUMENTS.

(A) GENERAL RULE.

IF THE COMMISSIONER APPROVES, A STATE BANK MAY ISSUE, SELL, OR HYPOTHECATE ITS DEBT INSTRUMENTS REPAYABLE ON THE TERMS AND BEARING THE RATE OF INTEREST, IF ANY, STATED IN THE DEBT INSTRUMENT.

(B) IMPAIRMENT OF CAPITAL STOCK.

THE ISSUANCE OF A DEBT INSTRUMENT DOES NOT IMPAIR THE CAPITAL STOCK OF THE STATE BANK IF THE AMOUNT OF THE DEBT INSTRUMENT IS REPRESENTED BY CASH OR SOUND ASSETS WHICH EXCEED THE IMPAIRMENT DETERMINED BY THE COMMISSIONER.

(C) NO STOCKHOLDER LIABILITY.

THE HOLDER OF A DEBT INSTRUMENT IS NOT SUBJECT TO ANY LIABILITY IMPOSED ON STOCKHOLDERS UNDER ANY LAW OF THE STATE.

(D) PRIORITIES.

A DEBT INSTRUMENT IS SUBORDINATE TO THE CLAIMS OF ANY DEPOSITOR OR CREDITOR, BUT IT IS PREFERRED TO THE CLAIM OF ANY STOCKHOLDER IN THE EVENT OF LIQUIDATION.

(E) VOTING RIGHTS.

THE HOLDER OF ANY DEBT INSTRUMENT HAS THE VOTING RIGHTS APPROVED BY THE COMMISSIONER AND PROVIDED IN THE CHARTER.

(F) RETIREMENT.

BEFORE A STATE BANK RETIRES OR PAYS ANY DEBT INSTRUMENT, ANY EXISTING DEFICIT IN ITS CAPITAL, DISREGARDING ANY DEBT INSTRUMENT TO BE RETIRED, SHALL BE PAID IN CASH SO THAT THE SOUND CAPITAL ASSETS OF THE STATE BANK ARE AT LEAST EQUAL TO ITS CAPITAL STOCK.