

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 6.2-817 of the Code of Virginia and to repeal § 6.2-818 of the Code of*
3 *Virginia, relating to banks; capital stock.*

4 [S 1609]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 6.2-817 of the Code of Virginia is amended and reenacted as follows:**8 **§ 6.2-817. Capital stock subscriptions.**

9 A. Subscriptions to the capital stock of a bank shall be paid in money at not less than par. No bank
10 shall begin business until the amounts specified in its certificate of authority to commence business have
11 been received by the bank.

12 B. All money received for subscriptions to or for purchases of stock of a bank before it opens for
13 business shall be deposited in an escrow account in an insured financial institution or invested in United
14 States government obligations, under the joint control of two organizing directors of the bank, ~~both of~~
15 ~~whom shall be bonded for an amount equal to the total amount of the money to be collected.~~ Such
16 funds, together with any income thereon, shall be remitted to the bank on the day it opens for business.
17 If the bank is denied a certificate of authority or is refused insurance of accounts, or it otherwise is
18 determined that the bank will not open for business, such funds, after payment of any amount owing for
19 expenses in connection with such attempted organization, including reasonable consulting fees, attorney
20 fees, salaries, filing fees, and other expenses, shall be refunded to subscribers or shareholders.

21 C. The requirement that capital stock be paid in money shall not be construed to prohibit the
22 establishment, as otherwise authorized by law, of stock option plans, stock purchase plans, and restricted
23 stock award plans, and the issuance of stock pursuant to such plans. Such plans shall be established only
24 after the bank has opened for business, and shall be approved by a majority vote of the bank's
25 shareholders. In no event shall any stock option be granted at a price which is less than 100 percent of
26 the fair market value per share of the stock.

27 **2. That § 6.2-818 of the Code of Virginia is repealed.**

ENROLLED

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