

# VIRGINIA ACTS OF ASSEMBLY -- 1995 SESSION

## CHAPTER 63

*An Act to amend and reenact § 6.1-47 of the Code of Virginia, relating to the Banking Act; directors; value of stock.*

[S 740]

Approved March 7, 1995

**Be it enacted by the General Assembly of Virginia:**

**1. That § 6.1-47 of the Code of Virginia is amended and reenacted as follows:**

§ 6.1-47. Directors must be stockholders.

Every director of a bank incorporated under the laws of this Commonwealth ~~which has a capital stock not in excess of \$50,000~~ shall be the owner in his sole name and have in his personal possession or control shares of stock in such bank having a ~~par~~ *book* value of not less than \$100 for each \$10,000, ~~or fractional part thereof, of the capital stock of such bank; every director of a bank which has a capital stock in excess of \$50,000 shall be the owner in his sole name and have in his personal possession or control shares of stock in such bank having a par value of not less than \$500 if such bank has a capital stock of more than \$50,000 and not to exceed \$100,000, not less than \$750 if such bank has a capital stock of more than \$100,000 and not more than \$300,000, and not less than \$1,000 if such bank has a capital stock of more than \$300,000~~ *\$5,000, calculated as of the last business day of the calendar year immediately preceding the election or re-election of the director.* Such stock must be unpledged and unencumbered at the time such director becomes a director and during the whole of his term as such.

When a bank is controlled by a bank holding company, a director may comply with the provisions of this section for each bank of which he is a director by ownership, in similar manner, of shares of capital stock of the bank holding company having an aggregate ~~par~~ *book* value equal to the ~~par~~ *book* value of shares of bank stock that he would be obligated to own under the preceding provisions of this section.

For the purposes of this section the term "bank holding company" shall mean ~~(1)~~ *(i)* a bank holding company as defined in § 6.1-4 or ~~(2)~~ *(ii)* any corporation organized under the laws of this Commonwealth and doing business in this Commonwealth which owns all of the capital stock of one bank except those shares issued as directors' qualifying shares, where at least sixty-six and two-thirds percent of the assets of the holding company, computed on a consolidated basis, consists of assets held by such bank and controlled subsidiaries of such bank.

Any director violating the provisions of this section shall, immediately, vacate his office. The requirements of this section shall not apply to any person duly elected a director of a bank prior to ~~June 18, 1928~~ *July 1, 1995*, or so long as such person shall successively be reelected a director, and as to such person the requirements of the law prior to such date shall apply.