

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

SESSION LAW 2009-28
SENATE BILL 668

AN ACT TO ALLOW A BANK TO PAY DIVIDENDS ON CERTAIN PREFERRED SHARES ISSUED TO THE UNITED STATES TREASURY AND TO ISSUE AND PAY DIVIDENDS ON PREFERRED SHARES TO RECAPITALIZE ITSELF.

The General Assembly of North Carolina enacts:

SECTION 1. Article 7 of Chapter 53 of the General Statutes is amended by adding a new section to read:

§ 53-87.1. Payment of dividends on preferred shares issued to the United States Treasury.

(a) Notwithstanding any other provision of this Chapter, the board of directors of any bank may declare and pay a dividend on preferred shares issued by the bank to the United States Treasury in connection with and as a condition of the bank's participation in the Capital Purchase Program authorized by Title I of the Emergency Economic Stabilization Act of 2008 (Public Law 110-343).

(b) Notwithstanding any other provision of this Chapter, with the prior approval of the Commissioner of Banks and subject to any conditions the Commissioner may impose, a bank may issue preferred or preference shares and pay dividends thereon, in order to recapitalize itself."

SECTION 2. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 12th day of May, 2009.

s/ Walter H. Dalton
President of the Senate

s/ Joe Hackney
Speaker of the House of Representatives

s/ Beverly E. Perdue
Governor

Approved 11:20 a.m. this 20th day of May, 2009

