

TITLE 4: ECONOMIC RESOURCES
DIVISION 6: BANKING AND FINANCIAL INSTITUTIONS

§ 6207. Organization Expenses.

(a) Each subscriber at the time he or she subscribes to the stock of a proposed Commonwealth bank shall pay in cash a sum at least equal to five percent of the par value of the stock into a fund to be used to defray the expenses of organization. No organization expense may be paid out of any other funds of the bank. Upon the grant of a charter any unexpended balance shall be transferred to surplus. If no application for a charter has been made within six months of the filing of a notice of intention, or any additional period allowed by the director, or if the application has been finally denied, any unexpended balance shall be distributed among the contributors in proportion to their respective payments. The director may require an account of disbursements from the fund and may order the incorporators to restore any sum which has been expended for other than proper organization expenses.

(b) No payment shall be made from the organization expense fund for securing subscriptions to stock.

(c) Organizational expenses may be counted as part of paid-in capital under 4 CMC § 6203(a)(2).

Source: PL 3-104, § 207.

Commission Comment: With respect to the reference to the “director” of the Department of Commerce and Labor, see Executive Order 94-3 (effective August 23, 1994), reorganizing the executive branch, changing agency names and official titles, and effecting other changes, set forth in the Commission comment to 1 CMC § 2001.