Functions vested by any provision of law in Comptroller of the Currency, referred to in this section, not included in transfer of functions to Secretary of the Treasury, see note set out under section 1 of this title.

§ 71a. Number of directors; penalties

After one year from June 16, 1933, notwithstanding any other provision of law, the board of directors, board of trustees, or other similar governing body of every national banking association and of every State bank or trust company which is a member of the Federal Reserve System shall consist of not less than five nor more than twenty-five members, except that the Comptroller of the Currency may, by regulation or order, exempt a national bank from the 25-member limit established by this section. If any national banking association violates the provisions of this section and continues such violation after thirty days' notice from the Comptroller of the Currency, the said Comptroller may appoint a receiver or conservator therefor, in accordance with the provisions of existing law. If any State bank or trust company which is a member of the Federal Reserve System violates the provisions of this section and continues such violation after thirty days' notice from the Board of Governors of the Federal Reserve System, it shall be subject to the forfeiture of its membership in the Federal Reserve System in accordance with the provisions of section 327 of this title.

(June 16, 1933, ch. 89, §31, 48 Stat. 194; June 16, 1934, ch. 546, §4, 48 Stat. 971; Aug. 23, 1935, ch. 614, title II, §203(a), title III, §306, 49 Stat. 704, 708; Pub. L. 106–569, title XII, §1205(b), Dec. 27, 2000, 114 Stat. 3034.)

Editorial Notes

AMENDMENTS

2000—Pub. L. 106–569 inserted before period at end of first sentence '', except that the Comptroller of the Currency may, by regulation or order, exempt a national bank from the 25-member limit established by this section''.

1935—Act June 16, 1934, as amended by act Aug. 23, 1935, §306, repealed a former provision of this section relating to stock ownership requirements of directors, trustees, or members of similar governing bodies of any national banking association, or of any State bank or trust company which is a member of the Federal Reserve System.

1934—Act June 16, 1934, repealed a former provision of this section relating to stock ownership requirements of directors, trustees, or members of similar governing bodies of member banks of the Federal Reserve System.

Statutory Notes and Related Subsidiaries

CHANGE OF NAME

Act Aug. 23, 1935, ch. 614, title II, §203(a), 49 Stat. 704, changed name of Federal Reserve Board to Board of Governors of the Federal Reserve System.

Executive Documents

EXCEPTION AS TO TRANSFER OF FUNCTIONS

Functions vested by any provision of law in Comptroller of the Currency, referred to in this section, not included in transfer of functions to Secretary of the Treasury, see note set out under section 1 of this title.

§ 72. Qualifications

Every director must, during his whole term of service, be a citizen of the United States, and at least a majority of the directors must have resided in the State, Territory, or District in which the association is located, or within one hundred miles of the location of the office of the association, for at least one year immediately preceding their election, and must be residents of such State or within one-hundred-mile territory of the location of the association during their continuance in office, except that the Comptroller may, in the discretion of the Comptroller, waive the requirement of residency, and waive the requirement of citizenship in the case of not more than a minority of the total number of directors. Every director must own in his or her own right either shares of the capital stock of the association of which he or she is a director the aggregate par value of which is not less than $1,000, or an equivalent interest, as determined by the Comptroller of the Currency, in any company which has control over such association within the meaning of section 1841 of this title. If the capital of the bank does not exceed $25,000, every director must own in his or her own right either shares of such capital stock the aggregate par value of which is not less than $500, or an equivalent interest, as determined by the Comptroller of the Currency, in any company which has control over such association within the meaning of section 1841 of this title. Any director who ceases to be the owner of the required number of shares of the stock, or who becomes in any other manner disqualified, shall thereby vacate his place.

(R.S. §5146; Feb. 28, 1905, ch. 1163, 33 Stat. 818; Mar. 1, 1921, ch. 100, 41 Stat. 1199; Feb. 25, 1927, ch. 191, ch. 100, 41 Stat. 1233; Apr. 27, 1956, ch. 215, 70 Stat. 119; Pub. L. 95–369, §2, Sept. 17, 1978, 92 Stat. 608; Pub. L. 96–221, title VII, §710, Mar. 31, 1980, 94 Stat. 189; Pub. L. 103–325, title III, §313, Sept. 23, 1994, 108 Stat. 2221; Pub. L. 104–208, div. A, title II, §2241, Sept. 30, 1996, 110 Stat. 3009–418; Pub. L. 106–569, title XII, §1233(a), Dec. 27, 2000, 114 Stat. 3037.)

Editorial Notes

CODIFICATION

R.S. §5146 derived from act June 3, 1864, ch. 106, §§9, 10, 13 Stat. 102, which was the National Bank Act. See section 38 of this title.

AMENDMENTS

2000—Pub. L. 106–569 inserted before period at end of first sentence '', and waive the requirement of citizenship in the case of not more than a minority of the total number of directors''.

1996—Pub. L. 104–208 substituted ''except that the Comptroller may, in the discretion of the Comptroller, waive the requirement of residency'' for ''except that in the case of an association which is a subsidiary or affiliate of a foreign bank, the Comptroller of the Currency may in his discretion waive the requirement of citizenship in the case of not more than a minority of the total number of directors'' before period at end of first sentence.

1994—Pub. L. 103–325, which directed the substitution of ''a majority'' for ''two thirds'', was executed by mak-