

**Banking Corporations, Election of Directors By. Directors
of Banking Corporation, Term of Office.**

Under the provisions of Chapter 89, Session Laws of 1915, all other legislation upon the subject of banks is superseded, and provision is made for the annual election of directors in such institutions, and their terms are made one year.

December 21, 1915.

Hon. H. S. Magraw,
Superintendent of Banks,
Helena, Montana.

Dear Sir:

I am in receipt of your communication under date the 15th instant, asking for my opinion as to the election and term of office of directors in banking corporations. It seems that certain banks have been in the habit of dividing their directors into three classes, so that they hold office according to their class for one, two or three years respectively. The question now arises as to whether this has been changed by the recent Banking Act, Chapter 89, Session Laws of the Fourteenth Legislative Assembly, Section 12? Under the old law there apparently was no express provision relative to the term of office of directors in banking corporations organized for discount and deposit. Section 3912, Revised Codes of 1907. Trust companies are apparently under a different rule as the law previously provided that their directors should "hold their office for the term of one year, and until their successors shall be duly chosen."

Section 3926, Revised Codes, 1907.

The provisions of the new banking act, so far as they are applicable here, are as follows:

"The directors shall be elected for the term of one year at the annual meeting of the stockholders, which shall be held on the 2nd Tuesday of January of each year."

Sec. 12, Chap. 89, Laws of 1915.

This language is plain and unequivocal, and certainly by its terms, Chapter 89 was intended to supersede all other legislation upon the subject of banking corporations, in as much as it repealed all of the law relating to banks and banking corporations found in the Revised Codes, and all acts amendatory thereof. I see no other conclusion to be drawn from the language than that directors of such institutions shall be elected yearly, and that their term shall be one year. It is true that Chapter 52, Session Laws of 1915, provides for the classification of directors for corporations now organized and existing, or which may hereafter be organized. This, however, cannot be held to control in the case of banks, in the face of the fact that there is a special act relating to banking corporations containing a different provision, under the familiar rule that a special law relating to a distinct subject is controlling as against a general provision.

Yours very truly,

J. B. POINDEXTER,

Attorney General.