

no shares, either common or preferred be issued, in which event the amount of outstanding stock of the bank would be 33,200 instead of 35,000, as provided for in the articles of incorporation.

We do not find the suggested procedure authorized by statute or the articles of agreement. In the absence of such authority, we are of the opinion that it cannot be done for the reason that a bank corporation has only such powers as may be granted by statute and its articles of agreement. The articles of agreement, as amended, provide Article 6, Section 10, for the decrease of the capital stock. If that is what is sought, we think the procedure there outlined should be followed.

**Opinion No. 49.**

**Banks and Banking—Capital Stock—  
Preferred Stock, Retirement of.**

HELD: Banks have only such powers as are conferred by statute and the articles of agreement.

Preferred stock can be retired only in the manner provided by statute and the articles of agreement.

April 19, 1939.

Hon. W. A. Brown  
Superintendent of Banks  
The Capitol

Dear Mr. Brown:

You have submitted the question whether a state bank which has a capital stock of \$35,000, of which \$15,000 is preferred stock, divided into 200 shares of the par value of \$75.00 each, and \$20,000 is common stock divided into 200 shares of the par value of \$100.00 each, may retire twenty-four (24) shares of its preferred stock by having the bank, by resolution, provide a "reserve for dividends payable in common stock" of \$1,800, but that