

**TITLE 12 - BANKS AND BANKING**  
**CHAPTER 2 - NATIONAL BANKS**  
**SUBCHAPTER III - DIRECTORS**

**§ 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, § 17, 44 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.)

**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 making the substitution for “two-thirds” in first sentence to reflect the probable intent of Congress.

1980—Pub. L. 96-221 inserted provisions setting forth additional ownership requirements with respect to equivalent interest determinations by the Comptroller of the Currency.

1978—Pub. L. 95-369 authorized the Comptroller of the Currency, in case of associations which are subsidiaries of affiliates of foreign banks, to waive citizenship requirements of not more than a minority of the total number of directors.

1956—Act Apr. 27, 1956, substituted “two-thirds”, “one hundred”, “one-hundred-mile”, for “three-fourths”, “fifty”, and “fifty-mile”, respectively.

*NB: This unofficial compilation of the U.S. Code is current as of Jan. 4, 2012 (see <http://www.law.cornell.edu/uscode/uscpri.html>).*

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1927—Act Feb. 25, 1927, substituted a minimum value of stock ownership for minimum number of shares in both instances.