

form as the Board may require and conditioned upon proper and faithful discharge of his duties.

(c) *Powers.* The Director shall have general supervision over all associations which are subject to the provisions of this Article by use of the powers conferred upon him by law. The Director may pass such orders as he deems necessary to compel any association: (1) to comply with its charter, constitution and by-laws; (2) to comply with the laws of this State to carry out the purposes of this sub-title; (3) to comply with such regulations as may be adopted pursuant to the provisions of this sub-title. But, no such order shall become effective until the Director shall have first given the directors of such association, or their representatives, an opportunity to be heard at a time and place designated by the Director.

(D) **DISQUALIFICATION.** THE DIRECTOR DURING HIS TERM OF OFFICE MAY NOT BE AN OFFICER, DIRECTOR, ATTORNEY, EMPLOYEE OR AGENT OF, OR IN ANY MANNER BE INTERESTED IN, ANY ASSOCIATION, EXCEPT THAT HE MAY BE A HOLDER OF FREE SHARE ACCOUNTS.

#### **161H. ORDERS; HEARINGS.**

(a) *Director to order discontinuance of illegal practice.* If the Director, as a result of any examination or from any report made to him, shall find that any association is violating the provisions of its articles of incorporation or by-laws, or the laws of this State, or of the United States, or any lawful order of the Director, he shall, by written order, state the alleged violation therein, together with the facts alleged to constitute such violation, and direct discontinuance of such violation and conformance with all requirements of law.

(b) *Contents of order; finality without hearing.* Every communication having the effect of an order to any association shall be in writing signed by the Director stating in detail the violation complained of and shall be sent by registered mail to the association affected thereby, addressed to the president thereof at the home office of the association as shown by the latest records on file with the Department, or, at the request of said association, to such person as may be designated by the association to the Director. Such communication shall include the designation of a time and place for a departmental hearing before the Director, which shall in no event be less than twenty (20) days from the date of the mailing of such order. If, at such time and place, no one appears on behalf of the association, the order shall become final.

(c) *Appeal to and hearing before the Board.* If, after departmental hearing, the Director issues an order relative to the subject matter of such hearing, such order shall be mailed, registered mail, return receipt requested, to the association affected thereby, as provided in sub-section (a) hereof, and such order shall become final unless the association affected thereby shall file with the Board an appeal within twenty (20) days from the date of mailing of such order. Within thirty (30) days after the filing of such appeal, the Board shall hold a hearing. A record may be made by the Board of all testimony and proceedings at such hearing. Within thirty (30) days after such hearing the Board shall determine whether said