

amendment may withdraw from membership forthwith upon giving written notice to the corporation not later than ninety days from the effective date of such amendment.

A member shall not be obligated to make any loans to the corporation pursuant to calls made subsequent to the *receipt of notice of the withdrawal of said member.*

420. Loan limits.

(a) *Limits.* Each member shall lend funds to such corporation as and when called upon to do so, but except as hereinafter permitted the total amount on loan by any member at any one time shall not exceed the following limit to be determined as of the time it became a member, and such amount shall thereafter be readjusted annually in the event of any change in the base of the loan limit of such member: National banking associations, State-chartered commercial banks and trust companies, two per cent of capital and surplus; savings banks, two per cent of the guarantee fund and undivided surplus; provided, however, that except as hereinafter permitted the total amount on loan by any member at any time shall not exceed two hundred fifty thousand dollars. All loan limits shall be established at the thousand dollar nearest to the amount computed on an actual basis. All calls of funds which members are committed to lend to such corporation [shall] *may* be prorated by such corporation among the members in the same proportion that the maximum loan limit of each bears to the aggregate loan limits of all members of such corporation. *Such corporation shall have the right, in its discretion, to rotate loans among its members.* Notwithstanding any other provisions of this subsection any member may lend funds to the corporation in excess of the loan limit for such corporation as above provided.

Notwithstanding the provisions of any other law, general or special, the notes or other interest-bearing obligations of such corporation, issued in accordance with and by virtue of this subtitle and the bylaws of such corporation, shall be legal investments for the financial institutions which become members of such corporation.

(c) *Limitation on indebtedness.* At no time, shall the aggregate outstanding principal balance of the corporation's indebtedness to its members, exceed an amount equal to ten times the sum of the corporation's paid-in capital and surplus [.] , *provided, however, that such limitation shall not apply to the issuance to, or holding by, members of the corporation of any indebtedness of the corporation arising out of the issuance of bonds, debentures, notes, or other evidences of indebtedness under the provisions of Section 426 of this Article.*

421. Capital stock.

The authorized capital stock of the corporation shall consist of two million shares of common stock with a par value of one dollar each, which shares shall be issued only on receipt by the corporation of cash in such amount not less than the par value thereof as may be determined by the board of directors.

[At least five per cent of the capital stock of such corporation shall be paid into its treasury in cash before it shall be authorized to