

HUNDRED THOUSAND DOLLARS (\$100,000) OR SUCH LARGER AMOUNT AS MAY BE DETERMINED BY THE BOARD TO BE REQUIRED IN ORDER TO CONDUCT A SAFE AND SOUND OPERATION IN THE LOCATION OF THE PRINCIPAL OFFICE OF THE PROPOSED ASSOCIATION. The minimum aggregate amount of free share accounts [hereinbefore provided] *as required by the Board* shall be maintained at all times by any association incorporated hereunder.

(2) The incorporators, in addition to the payment of initial subscriptions to free share accounts herein required, shall also pay or cause to be paid to the chairman of the incorporators in cash a sum equal to six per cent (6%) of the required initial subscriptions, which amount, if the association be incorporated, shall become and be credited to the general reserve fund of the association for a period of five (5) years or until said general reserve fund, less the amount required to be paid under this subsection, reaches at least six per cent (6%) of the withdrawal value of the association's free share accounts, whichever shall first occur. The incorporators shall also execute and deliver to the Director such assignment, pledge and delivery of accounts in such association in escrow, as the Director in his discretion may require to guarantee such association against operating deficits and against losses of any kind which exceed other reserves. This subsection shall not be construed as applying to associations in existence at the effective date of this subsection.

~~(b) The incorporators shall create an expense fund in an amount not less than [one half (1/2) of the minimum amount of free share subscriptions required to be paid in under subsection (a) (1) hereof,] the amount determined to be necessary by the Board which shall be in addition [thereto,] to the required free share subscriptions from~~

THE INCORPORATORS SHALL ESTABLISH AN EXPENSE FUND NOT LESS THAN ONE QUARTER (1/4) OF THE MINIMUM AMOUNT OF FREE SHARE SUBSCRIPTIONS DETERMINED TO BE NECESSARY BY THE BOARD WHICH SHALL BE IN ADDITION TO THE REQUIRED FREE SHARE SUBSCRIPTIONS FROM which expense fund the expense of organizing the association and its operating expenses may be paid until such time as its earnings are sufficient to pay its operating expenses in addition to such dividends as may be declared and paid or credited to its free share account holders from its earnings. The incorporators shall deposit to the credit of the chairman of the incorporators in cash the amount of the expense fund. The amounts contributed to the expense fund by the incorporators shall not constitute a liability of the association except as hereinafter provided.

(f) Any association heretofore formed which shall not actively engage in business by receiving money for free share accounts or making mortgage loans within ninety (90) days after the effective date of this section, and any association hereafter formed which shall not actively engage in business by receiving money for free share accounts or making mortgage loans within ninety (90) days after the date upon which its legal corporate existence shall begin, *and any association heretofore or hereafter formed which shall at anytime NOT actively engage in business by receiving money for free share accounts or making mortgage loans and which shall thereafter for any continuous period of one hundred eighty (180) days not actively en-*