

"Division Director", "capital stock", and "savings and loan association" are defined in § 9-101 of this title.

9-218. INITIAL SUBSCRIPTION FOR SAVINGS ACCOUNTS.

THE INCORPORATORS OF A SAVINGS AND LOAN ASSOCIATION SHALL DELIVER TO THEIR CHAIRMAN, AS SAVINGS ACCOUNTS IN THE ASSOCIATION, AN AGGREGATE AMOUNT IN SUBSCRIPTIONS OF AT LEAST \$500,000 OR ANY GREATER AMOUNT THAT THE BOARD OF COMMISSIONERS DETERMINES IS NECESSARY TO CONDUCT A SAFE AND SOUND OPERATION AT THE PROPOSED LOCATION OF THE PRINCIPAL OFFICE OF THE ASSOCIATION IN THIS STATE. THE AGGREGATE AMOUNT CONSTITUTES THE INITIAL SUBSCRIPTION FOR SAVINGS ACCOUNTS.

COMMITTEE COMMENT: This section replaces CA § 6-204(a).

The fund is titled "Initial Subscription for Savings Accounts" for clarity.

The amount of the fund is increased from \$100,000 to \$500,000 on the advice of the Board of Commissioners.

"Savings and loan association" and "Board of Commissioners" are defined in § 9-101 of this title.

9-219. INITIAL GENERAL RESERVE FUND.

(A) ACCOUNT ESTABLISHED.

THE INCORPORATORS OF A SAVINGS AND LOAN ASSOCIATION SHALL DELIVER TO THE CREDIT OF THE CHAIRMAN OF THE INCORPORATORS IN CASH AN AMOUNT EQUAL TO 6 PERCENT OF THE REQUIRED INITIAL SUBSCRIPTION FOR SAVINGS ACCOUNTS AS AN INITIAL GENERAL RESERVE FUND.

(B) USES.

THE INITIAL GENERAL RESERVE FUND SHALL BE USED ONLY FOR THE PURPOSE OF ABSORBING LOSSES.

(C) TERMINATION OF INITIAL GENERAL RESERVE FUND.

THE INITIAL GENERAL RESERVE FUND SHALL BE MAINTAINED UNTIL THE FIRST TO OCCUR OF THE FOLLOWING EVENTS:

(1) EXPIRATION OF A PERIOD OF 10 YEARS;

(2) UNTIL THE GENERAL RESERVE FUND, LESS THE INITIAL GENERAL RESERVE FUND, REACHES 6 PERCENT OF THE AGGREGATE SAVINGS LIABILITY OF THE SAVINGS AND LOAN ASSOCIATION; OR

(3) THE BOARD OF COMMISSIONERS APPROVES THE TERMINATION OF THE INITIAL GENERAL RESERVE FUND.