

The first sentence of former CA § 6-217(b), which permitted the Board of Commissioners to require an additional amount of money as paid-in surplus, was deleted as an unnecessary provision and as inequitable. A capital stock association is required to provide initial subscription for capital stock account, which is already an amount additional to that required of a proposed mutual association. The requirement was also viewed as unnecessary in light of the Board's authority to increase the amount required for other initial accounts. The allocation to paid-in surplus is a matter of business judgment and internal accounting. See § 9-216 of this subtitle and its committee comment.

"Capital stock association", and "savings accounts" are defined in § 9-101 of this title.

9-223. REFUND ON FAILURE TO INCORPORATE.

IF THE ATTEMPT TO INCORPORATE A SAVINGS AND LOAN ASSOCIATION IS UNSUCCESSFUL:

(1) THE CHAIRMAN OF THE INCORPORATORS SHALL REFUND AMOUNTS PAID TO THE INITIAL ACCOUNTS UNDER THIS SUBTITLE, EXCEPT THAT THE EXPENSE FUND AND PAID-IN SURPLUS ACCOUNTS ARE FIRST SUBJECT TO ALL REASONABLE EXPENSES; AND

(2) THE DIVISION DIRECTOR SHALL RELEASE THE SURETY BOND OF THE CHAIRMAN OF THE INCORPORATORS WHEN THE DIRECTOR HAS SATISFACTORY ASSURANCE THAT:

(I) ALL EXPENSES HAVE BEEN PAID; AND

(II) ALL AMOUNTS UNDER ITEM (1) OF THIS SECTION HAVE BEEN REFUNDED.

COMMITTEE COMMENT: This section replaces former CA § 6-210(b) and (c).

In this section, the clause "if the attempt to incorporate a savings and loan association is unsuccessful" was added to make clear that the amounts are refunded if incorporation fails for any reason.

In paragraph (1) of this section, the former reference to an order refusing the articles is corrected to a final order refusing the application. See § 9-208 of this title.

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

GENERAL COMMITTEE NOTE: