

Note that charters and bylaws in effect before 1980 are protected by a grandfather clause.

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

9-302. DIRECTORS.

(A) MANAGEMENT OF ASSOCIATION.

THE BUSINESS AND AFFAIRS OF A SAVINGS AND LOAN ASSOCIATION SHALL BE MANAGED UNDER THE DIRECTION OF A BOARD OF DIRECTORS.

(B) NUMBER.

A SAVINGS AND LOAN ASSOCIATION SHALL HAVE AT LEAST 5 DIRECTORS, AS ITS CHARTER OR BYLAWS PROVIDE.

(C) QUALIFICATIONS.

(1) EACH DIRECTOR OF A SAVINGS AND LOAN ASSOCIATION SHALL BE:

(I) A CITIZEN OF THE UNITED STATES; AND

(II) A MEMBER OF THE ASSOCIATION OR THE HOLDER OF A SAVINGS ACCOUNT IN THE ASSOCIATION.

(2) AT LEAST TWO-THIRDS OF THE DIRECTORS SHALL BE RESIDENTS OF THIS STATE.

(3) EACH NONRESIDENT DIRECTOR SHALL BE APPROVED BY THE BOARD OF COMMISSIONERS AS QUALIFIED TO SERVE.

(D) EXCEPTION.

SUBSECTION (C)(1)(II) OF THIS SECTION DOES NOT APPLY TO ANY MEMBER OF A BOARD OF DIRECTORS WHO WAS SERVING ON A BOARD BEFORE JULY 1, 1980.

COMMITTEE COMMENT: This section formerly appeared as CA § 6-220.

In subsection (b) of this section, the former stated maximum of 15 directors was deleted to conform with the requirements of Maryland General Corporation Law and to accommodate situations such as mergers.

Subsection (c)(1)(ii) is a new provision added as a normal qualification for a director of a savings and loan association.