

(2) IN ADDITION TO PARAGRAPH (1) OF THIS SECTION, THE HOLDER OF A SAVINGS DEPOSIT ACCOUNT HAS THE SAME RIGHTS AS THE OWNER OF A SAVINGS SHARE ACCOUNT, INCLUDING ANY MEMBERSHIP OR VOTING RIGHTS AND THE RIGHT TO SHARE IN ANY DISTRIBUTION OF REMAINING ASSETS ON LIQUIDATION.

9-316. GENERAL PROVISIONS -- DEPOSIT ASSOCIATIONS.

IF A SAVINGS AND LOAN ASSOCIATION BECOMES A DEPOSIT ASSOCIATION:

- (1) IT MAY ACCEPT ONLY SAVINGS DEPOSIT ACCOUNTS;
- (2) EXISTING SAVINGS SHARE ACCOUNTS IN THE ASSOCIATION BECOME SAVINGS DEPOSIT ACCOUNTS;
- (3) THE CONVERSION, FOR THE PURPOSE OF COMPUTING INTEREST ON ITS SAVINGS ACCOUNTS, SHALL BE CONSIDERED TO HAVE TAKEN PLACE ON THE IMMEDIATELY PRECEDING REGULAR DISTRIBUTION DATE IF THE EFFECTIVE DATE OF THE CONVERSION TO A DEPOSIT ASSOCIATION IS MADE ON A DATE OTHER THAN THE DATE ON WHICH AN ASSOCIATION REGULARLY DISTRIBUTES DIVIDENDS; AND
- (4) THE HOLDER OF ANY OUTSTANDING RIGHT TO RECEIVE FROM THE ASSOCIATION A SAVINGS SHARE ACCOUNT SHALL RECEIVE INSTEAD A SAVINGS DEPOSIT ACCOUNT.

GENERAL COMMITTEE COMMENT: This Part III is new law added to permit a savings and loan association to accept savings deposit accounts in the context of standard corporate structure. Holders of a savings deposit account have a contractual relationship to the association instead of a mutual property ownership interest. An existing association that intends to become a deposit association needs approval by its members in order to amend its charter or bylaws; changes in capital structure and status are therefore consensual.

This section in effect provides that an association must become a deposit association in order to offer savings deposit accounts.

This part parallels similar provisions as to deposit associations under federal law.

"Deposit association", "savings and loan association", "savings account", "savings deposit account", and "savings share account" are defined in § 9-101 of this title.

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