

- (2) THE METHOD OF COMPUTING THE DIVIDEND OR INTEREST;
- (3) THE DATES WHEN A DIVIDEND OR INTEREST IS CREDITED;
- (4) THE MINIMUM BALANCE REQUIRED TO EARN A DIVIDEND OR INTEREST;
- (5) ANY PENALTY FOR WITHDRAWAL;
- (6) THE DATE WHEN THE ACCOUNT BEGINS TO EARN A DIVIDEND OR INTEREST; AND
- (7) WHETHER A DIVIDEND OR INTEREST IS COMPOUNDED.

COMMITTEE COMMENT: This section replaces former Art. 23, § 161FF(f).

In this section, the phrase "the person opening an account" was substituted for the former phrase "to its customers" to make clear that the required information is delivered only to the individual who opens the account.

In item (6) of this section, "account" was substituted for "deposit" to include any borrower's share account that may be entitled to dividends.

"Savings and loan association" is defined in § 9-101 of this title.

9-404. DIVIDENDS OR INTEREST.

(A) AUTHORITY TO PAY DIVIDENDS OR INTEREST.

SUBJECT TO THIS TITLE AND ITS BYLAWS, A SAVINGS AND LOAN ASSOCIATION MAY:

- (1) PAY A DIVIDEND ON SAVINGS SHARE ACCOUNTS OR INTEREST ON SAVINGS DEPOSIT ACCOUNTS;
- (2) AGREE IN ADVANCE TO PAY AN ADDITIONAL OR DIFFERENT RATE OF DIVIDEND OR INTEREST ON ALL SAVINGS ACCOUNTS IN THE SAME CLASSIFICATION; HOWEVER, EACH SAVINGS ACCOUNT IN THE SAME CLASSIFICATION SHALL RECEIVE THE SAME RATABLE PORTION OF DIVIDENDS OR INTEREST; AND
- (3) PROVIDE FOR PENALTIES IN A SAVINGS ACCOUNT CONTRACT, SUBJECT TO APPROVAL OF THE BOARD OF COMMISSIONERS.

(B) DIVIDEND OR INTEREST RESOLUTION.

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