

WITH THE APPROVAL OF THE DIVISION DIRECTOR, A SAVINGS AND LOAN ASSOCIATION MAY INVEST ITS FUNDS, OPERATE A BUSINESS, MANAGE OR DEAL IN PROPERTY, OR TAKE ANY OTHER ACTION OVER ANY PERIOD OF TIME THAT MAY BE REASONABLY NECESSARY TO AVOID LOSS ON A LOAN OR INVESTMENT MADE OR OBLIGATION CREATED IN GOOD FAITH.

COMMITTEE COMMENT: This section is a new provision added as a necessary protection for investment powers granted in this subtitle and is a common provision in the law related to savings and loan associations in other jurisdictions.

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

GENERAL COMMITTEE COMMENT:

Former Art. 23, § 149(a) which related to a "terminating association", an early type of savings and loan association that no longer exists in this State, was deleted as obsolete.

Former Art. 23, § 149(b), which related to outdated loan plan concepts, was deleted as obsolete.

Former Art. 23, § 154, which related to "permanent associations" and outdated concepts as to loan plans, was deleted as obsolete.

Former Art. 23, § 155, which provided the loans may be made only in money and prohibits issuance of any evidence to the contrary, was deleted as unnecessary and obsolete.

Former Art. 23, § 161Z(a-1), which provided that savings and loan associations should give priority in their investments to first mortgages for owner-occupied residences was deleted on the advice of the Board of Commissioners and the Division Director as being unnecessary in light of federal tax laws and other provisions of this title.

Former Art. 23, § 161Z(g), which related to Benefits of the National Housing Act, was deleted as an unnecessary statement of the obvious.

SUBTITLE 5. EXAMINATIONS AND AUDITS.

9-501. "SAVINGS AND LOAN ASSOCIATION" DEFINED.

IN THIS SUBTITLE, "SAVINGS AND LOAN ASSOCIATION" INCLUDES A SERVICE COMPANY OR SUBSIDIARY OF A SAVINGS AND LOAN ASSOCIATION.

COMMITTEE COMMENT: This section is a new provision added for clarity.