A SAVINGS AND LOAN ASSOCIATION SHALL GIVE TO EACH ACCOUNT HOLDER ON OPENING AN ACCOUNT AND SUBSEQUENTLY ON DEMAND OF THE ACCOUNT HOLDER A WRITTEN NOTICE AS TO:

(1) THE ANNUAL DIVIDEND OR INTEREST RATE;

(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.

REVISOR'S NOTE: This section is new language derived without substantive change from Art. 23, § 161FF(f).

In item (6) of this section, "account" is 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.

9-403. DIVIDENDS OF GUARANTY STOCK.

A SAVINGS AND LOAN ASSOCIATION MAY NOT PAY DIVIDENDS ON GUARANTY STOCK UNLESS DIVIDENDS ARE DECLARED AND PAID ON EACH FREE SHARE ACCOUNT AT A RATE THAT IS:

(1) AT LEAST 2 PERCENT; AND

(2) IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE BOARD OF COMMISSIONERS.

REVISOR'S NOTE: This section is new language derived without substantive change from Art. 23, § 161FF(e).

In this section, the present provision in Art. 23, § 161FF(e) that set a 3.5 percent ceiling on a dividend rate is deleted as archaic, not enforced, and not in the best interests of the free share account holders that it was designed to protect.