

Savings and Loan Associations -
Priority of Collateral - Priority of Claims

FOR the purpose of providing that any grant of a security interest in or assignment of collateral to a state or federal government agency or instrumentality by any savings and loan association is fully perfected and takes priority over all other claims and creditors under certain circumstances; requiring a State or federal government agency or instrumentality receiving a grant of a security interest or assignment of a mortgage by a savings and loan association to give certain notification to the State or federal agency that issued the charter to the association; providing an exception to a provision of law requiring a savings and loan association to take title to all its investments in its own name; exempting from altering the priority of claims upon the liquidation of a capital stock savings and loan association of those general creditors who are capital stockholders; relating generally to savings and loan associations; and making this Act an emergency measure.

BY adding to

Article - Real Property
Section 7-110
Annotated Code of Maryland
(1981 Replacement Volume and 1984 Supplement)

BY repealing and reenacting, with amendments,

Article - Financial Institutions
Section 9-329 and 9-422
Annotated Code of Maryland
(1980 Volume and 1984 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Real Property

7-110.

(A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, INCLUDING TITLE 7 OF THIS ARTICLE, ANY GRANT OF A SECURITY INTEREST IN OR ASSIGNMENT OF ~~COLLATERAL~~ A MORTGAGE TO ANY STATE OR FEDERAL GOVERNMENT AGENCY OR INSTRUMENTALITY, INCLUDING THE MARYLAND DEPOSIT INSURANCE FUND CORPORATION, A FEDERAL RESERVE BANK, OR ~~THE~~ A FEDERAL HOME LOAN BANK, BY ANY SAVINGS AND LOAN ASSOCIATION IS FULLY PERFECTED AND TAKES PRIORITY TO THE EXTENT OF THE ASSOCIATION'S INTEREST IN THE MORTGAGE OVER ALL OTHER CLAIMS AND CREDITORS WITH RESPECT TO ANY SUCH ~~COLLATERAL~~ MORTGAGE IN THE POSSESSION OR CONTROL OF THAT STATE OR FEDERAL GOVERNMENT AGENCY OR INSTRUMENTALITY.