

(1)--BECOME-INDEBTED-TO-ANY-MEMBER-ASSOCIATION;-OR

(2)--ENGAGE-OR-BE-INTERESTED-IN-THE-SALE-OF-SECURITIES
OF-OR-IN-THE-NEGOTIATION-OF-LOANS--FOR--OTHERS--TO--OR--WITH--ANY
MEMBER-ASSOCIATION-

(B)--THIS--SECTION--DOES--NOT--APPLY-TO-A-LOAN-THAT-A-MEMBER
ASSOCIATION-MAKES-TO-A-DEPOSITOR-IF-THE-LOAN--IS--LESS--THAN--THE
AMOUNT-OF-THE-DEPOSIT-

(C)--ANY--PERSON--WHO-VIOLATES-ANY-PROVISION-OF-THE-SECTION
IS-SUBJECT-TO-DISMISSAL-

10-110-

(A)-(1)--THE-MONEYS-OF-THE-MARYLAND-DEPOSIT--INSURANCE--FUND
CORPORATION--SHALL-BE-MAINTAINED-IN-A-SPECIAL-NONLAPSING-FUND,-TO
BE-CALLED-THE-"MARYLAND-DEPOSIT-INSURANCE-FUND"

(2)--THE-FUND-DIRECTOR-SHALL-ADMINISTER--THE--MARYLAND
DEPOSIT-INSURANCE-FUND-FOR-THE-PURPOSES-OF-

(i)--INSURING--THE--SAVINGS--ACCOUNTS--OF-MEMBER
ASSOCIATIONS;

(ii)--PURCHASING-CAPITAL-INSTRUMENTS,-INCLUDING
NET-WORTH-CERTIFICATES,-ISSUED-BY-A-MEMBER-ASSOCIATION-TO-ENABLE
THAT-MEMBER-ASSOCIATION-TO-QUALIFY-FOR-FEDERAL-INSURANCE;

(iii)--REIMBURSING-SAVINGS-ACCOUNT--HOLDERS--FOR
LOSS-INCURRED-UPON-LIQUIDATION-OF-A-MEMBER-ASSOCIATION,-UP-TO-THE
AMOUNT-OF-INSURANCE-ON-ANY-SAVINGS-ACCOUNT,-AND

(iv)--PROVIDING--FUNDS-FOR-LIQUIDITY-TO-A-MEMBER
ASSOCIATION-IN-AN-EMERGENCY-

(B)--THE-AMOUNT-OF-LOSS-TO-BE--PROTECTED--AGAINST--FOR--EACH
DEPOSITOR--MAY-NOT-EXCEED-THE-LIMIT-ESTABLISHED-FROM-TIME-TO-TIME
BY-THE-RULES-AND-REGULATIONS-OF-THE-FUND,----THIS--LIMIT--MAY--NOT
EXCEED-THE-AMOUNT-OF-FEDERAL-INSURANCE-

10-111-

(A)-(1)--ANY--ASSOCIATION-OR-THE-INCORPORATORS-OF-A-PROPOSED
ASSOCIATION-MAY-APPLY-TO-THE-FUND-DIRECTOR--TO--BECOME--A--MEMBER
ASSOCIATION-

(2)--THE--FUND--DIRECTOR--SHALL-REFER-EACH-APPLICATION
RECEIVED--TO--THE--DIVISION--DIRECTOR---FOR---CERTIFICATION---OF
INSURABILITY-

(B)--IF---THE---DIVISION--DIRECTOR--APPROVES--THE--FINANCIAL
AFFAIRS,-SOLVENCY,-MANAGEMENT,-AND--BOARD--OF--DIRECTORS--OF--AN
ASSOCIATION--OR--PROPOSED--ASSOCIATION--FOR--INSURANCE-OF-SAVINGS
ACCOUNTS,-THE-DIVISION-DIRECTOR-SHALL--SO--CERTIFY--TO--THE--FUND
DIRECTOR-