

(B) A MAJOR ASSOCIATION MAY REMAIN A MEMBER OF THE FUND ONLY UNDER THE FOLLOWING CIRCUMSTANCES:

(1) IF THE MAJOR ASSOCIATION HAS APPLIED FOR FEDERAL INSURANCE ON OR BEFORE JUNE 1, 1985, IT MAY REMAIN A MEMBER:

(I) FOR A PERIOD AFTER JUNE 1, 1985, OF NOT MORE THAN 7 MONTHS, AS DETERMINED BY THE FUND DIRECTOR, IF THE FUND DIRECTOR DETERMINES THAT THERE IS A SUBSTANTIAL LIKELIHOOD THAT THE MAJOR ASSOCIATION WILL QUALIFY FOR FEDERAL INSURANCE; AND

(II) FOR AN EXTENDED PERIOD OF NOT MORE THAN 3 MONTHS AFTER ITS APPLICATION FOR FEDERAL INSURANCE HAS BEEN DENIED, UNDER TERMS AND CONDITIONS AS PRESCRIBED BY THE FUND DIRECTOR, IF THE FUND DIRECTOR DETERMINES THAT THE INTEREST OF THE SAVINGS ACCOUNT HOLDERS WILL NOT BE JEOPARDIZED;

(2) WHETHER OR NOT THE MAJOR ASSOCIATION HAS APPLIED FOR FEDERAL INSURANCE, IT MAY REMAIN A MEMBER FOR A PERIOD AFTER JUNE 1, 1985, OF NOT MORE THAN 1 YEAR, AS DETERMINED BY THE FUND DIRECTOR, IF IT IS OWNED OR CONTROLLED, DIRECTLY OR INDIRECTLY, BY AN INSTITUTION THAT IS INSURED BY THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION OR THE FEDERAL DEPOSIT INSURANCE CORPORATION AND IF THAT INSTITUTION:

(I) GUARANTEES THE SAVINGS ACCOUNTS OF THE MAJOR ASSOCIATION; OR

(II) HAS ENTERED INTO AN AGREEMENT TO ACQUIRE OR MERGE WITH THE MAJOR ASSOCIATION; OR

(3) IF THE ASSOCIATION WAS NOT A MAJOR ASSOCIATION ON THE DATE IT BECAME A MEMBER OF THE FUND BUT LATER BECOMES A MAJOR ASSOCIATION, FOR A PERIOD OF NOT MORE THAN 1 YEAR, AS DETERMINED BY THE DIRECTOR, FROM THE DATE IT BECAME A MAJOR ASSOCIATION.

(C) (1) IF, AT ANY TIME, THE FUND DIRECTOR DETERMINES THAT AN ASSOCIATION THAT IS OPEN FOR BUSINESS PURSUANT TO SECTION 9-901(B) OF THIS ARTICLE WILL NOT FINALLY QUALIFY FOR FEDERAL INSURANCE OR IS OTHERWISE BEING OPERATED IN AN UNSAFE AND UNSOUND MANNER, OR THAT THERE IS NOT A SUBSTANTIAL LIKELIHOOD THAT A MAJOR ASSOCIATION WILL QUALIFY FOR FEDERAL INSURANCE AND THAT IT IS IN THE PUBLIC INTEREST, THE FUND DIRECTOR MAY EXERCISE ALL OF THE POWERS OF THE BOARD OF SAVINGS AND LOAN COMMISSIONERS UNDER TITLE 9, SUBTITLE 7 OF THIS ARTICLE TO INSTITUTE PROCEEDINGS FOR THE APPOINTMENT OF A CONSERVATOR OR A RECEIVER.

(2) NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION, IF PROCEEDINGS HAVE BEEN INSTITUTED UNDER THIS SUBSECTION, THE ASSOCIATION SHALL REMAIN A MEMBER OF THE FUND UNTIL CONCLUSION OF THE PROCEEDINGS.