

(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; AND

(V) PAYING TO A RECEIVER OF ANY MEMBER ASSOCIATION IN RECEIVERSHIP UNDER § 9-708 OF THIS ARTICLE AT THE TIME OF FINAL DISTRIBUTION OF THE ASSETS OF THE MEMBER ASSOCIATION A SUM EQUAL TO THE AMOUNT THAT THE INSURANCE LIABILITY OF THE FUND HAS BEEN REDUCED BY REASON OF WITHDRAWALS MADE DURING THE PENDENCY OF A CONSERVATORSHIP OR RECEIVERSHIP OF THE MEMBER ASSOCIATION UNDER ANY FORM OF HARDSHIP WITHDRAWAL PLAN OR PARTIAL DISTRIBUTION OF ASSETS APPROVED BY THE COURT HAVING JURISDICTION OVER THE RECEIVERSHIP OF THE MEMBER ASSOCIATION.

(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.

10-116.

It is the policy of this State that funds will be appropriated to the Fund to the extent necessary to protect holders of savings accounts in member associations, AND TO ENABLE THE FUND TO MEET ITS OBLIGATIONS UNDER A HARDSHIP WITHDRAWAL PLAN OR PARTIAL DISTRIBUTION OF ASSETS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is hereby declared to be an emergency measure and necessary for the immediate preservation of the public health and safety and having been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, the same shall take effect from the date of its passage.

Approved October 25, 1985.

CHAPTER 5

(Senate Bill 2)

AN ACT concerning

Savings and Loan Associations - Conversions