

(e)--Exception--

~~Subsections--(c)--and--(d)--of--this--section--do--not--apply--to--any--portion--of--the--initial--general--reserve--fund--that--is--provided--from--the--paid--in--surplus--of--a--capital--stock--association.~~

9-219. RESERVED.

9-220. Expense fund.

(a) Account established.

The incorporators of a savings and loan association shall deliver to the credit of the chairman of the incorporators, as an expense fund, cash in an amount equal to at least 25 percent of the minimum initial subscriptions for savings accounts under § 9-218 of this subtitle.

(b) Uses.

The expense fund shall be used to pay:

(1) Organizational expenses; and

(2) Operating expenses until earnings are sufficient to pay the operating expenses and any dividends or interest on savings accounts.

(c) Dividends or interest; ownership.

Except as to withdrawal rights, priority of claims on liquidation, and the provisions of this section, an incorporator's contribution to the expense fund shall be treated as a savings account in the savings and loan association.

(d) Repayment after incorporation.

Contributions of the incorporators to the expense fund may be repaid pro rata to them from the net earnings of the savings and loan association after providing for the required allocation to the general reserve fund and the payment of dividends or interest on the savings accounts of at least 2 percent a year.

(e) Liquidation.

If the savings and loan association liquidates before repayment of the contributions, contributions shall be repaid pro rata to the incorporators from the unexpended expense fund after the payment of all:

(1) Liquidation expenses;

(2) Creditors; and

(3) The withdrawal value of savings accounts.