

(1) IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, DETERMINE GROSS INCOME FOR THE ASSOCIATION; AND

(2) EXCLUDE FROM GROSS INCOME:

(I) INCOME RECEIVED OR ACCRUED DURING THE PERIOD OF DEFAULT FOR ANY ASSET UPON WHICH A DEFAULT EXISTS; AND

(II) DISCOUNTS THAT ARE AMORTIZED ON SECURITIES UPON WHICH A DEFAULT EXISTS.

(C) NET PROFITS.

TO DETERMINE THE AMOUNT OF NET PROFITS, THE BOARD OF DIRECTORS SHALL DEDUCT ITEMS FROM GROSS INCOME IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

(D) OTHER ITEMS.

BY REGULATION THE DIVISION DIRECTOR MAY PERMIT OR DENY OTHER ITEMS TO BE INCLUDED IN, OR DEDUCTED FROM, GROSS INCOME.

9-329. Priority of claim.

In any distribution of assets on liquidation of a savings and loan association, the priority of claims is as follows:

(1) In a mutual association:

(i) General creditors and holders of savings deposit accounts;

(ii) Holders of savings share accounts; and

(iii) Contributors to the initial general reserve fund and BEFORE JUNE 1, 1986 AND TO THE expense fund under Subtitle 2 of this title; and

(2) In a capital stock association:

(i) General creditors (other than those who are capital stockholders) and holders of savings deposit accounts;

(ii) Holders of savings share accounts;

(iii) Contributors to the initial general reserve fund and BEFORE JUNE 1, 1986 AND TO THE expense fund under Subtitle 2 of this title unless the funds were provided by paid-in surplus; and

(iv) Capital stockholders.

Subtitle 4. General Powers and Provisions

Part I. General Provisions -- Dividends or Interest; Withdrawals