

loans, "secured by the borrowers principal residence" shall mean that the total amount of the loan and all other prior liens secured by the borrowers principal residence shall not exceed 80% of the appraised value of the principal residence, as determined by a disinterested appraiser.

- (5) As provided by Financial Institutions Article, § 9-307(c), Annotated Code of Maryland, no officer, director, controlling person or employee of an association may have any interest, direct or indirect, in the purchase of any savings account or evidence thereof issued by this association at less than its face value.
- (6) As specified in Article 48A, § 228, Annotated Code of Maryland, an association may not require, as a condition of granting any loan or the extension of any other service by the association, that the borrower purchase insurance of any kind through any given agent, broker, or insurer. This prohibition, however, may not apply to any insurance or guarantee provided by a government agency or private mortgage insurance company which is essential to the consummation of a loan transaction, provided that such company may not be a parent, subsidiary or affiliate of the association.
- (7) A director, officer, controlling person or employee acting as proxy for a member of an association may not surrender control or pass his office to any other for any consideration of a private benefit or advantage, direct or indirect. The voting rights of members and directors may not be the subject of sale, exchange, or similar transactions, either directly or indirectly.
- (8) A director, officer, controlling person or employee may not solicit, accept, or agree to accept, directly or indirectly, from the association or any other source any gratuity, compensation, or other personal benefit in connection with the procurement of any loan made by or to the association or any of its parents, subsidiaries or affiliates.
- (9) An association may not make a loan to a