

EXECUTIVE ORDERS

with Financial Institutions Article, § 9-408, shall notify the Division in writing of its intention to offer NOW accounts.

- B. Required Documentation. Written notice to the Division shall be accompanied by the following documentation:
- (1) A copy of the corporate resolution authorizing NOW accounts;
 - (2) An opinion of counsel that NOW accounts are permitted by the association's by-laws;
 - (3) Rules of the association governing NOW accounts which include specific information on required minimum balances, service charges, penalties, and overdraft privileges;
 - (4) A Truth-in-Savings Statement which conforms with Financial Institutions Article, § 9-403, if dividends or interest are paid on the account;
 - (5) The association's internal feasibility study which outlines the associations's pricing and marketing strategy for NOW accounts and the estimated cost of offering this service.
- C. Modifications to Documentation. The association shall notify the Division in writing of any material modification to the documentation submitted in accordance with § B.
- D. Permissible Classes of Accounts. An association which permits its customers to make withdrawals from savings accounts by negotiable or transferable orders of withdrawal may pay dividends or interest only with respect to deposits or accounts which consist solely of funds in which the entire beneficial interest is held by one or more individuals or by an organization which is operated primarily for religious, philanthropic, charitable, educational, or other similar purposes and which is not operated for profit.
- E. Officers, directors, controlling persons as defined in Financial Institutions Article, § 9-323 and members of their immediate families or corporations, businesses or other entities in which an interest of 10% or more is owned by an officer, director, controlling person or member of his or her immediate family shall be permitted to