

(1) May not make any payment on the principal of the transferable deferred payment certificates that evidence payments to the initial guaranty fund; and

(2) May not pay interest on the certificates unless the [Bank] Commissioner ~~OF FINANCIAL REGULATION~~ approves the payment and the rate of interest.

4-302.

(a) Except as provided in this section, a savings bank may not reduce its guaranty fund.

(b) If the [Bank] Commissioner determines that the guaranty fund of a savings bank exceeds 5 percent of its total deposits and approves a reduction, the savings bank may reduce its fund by the amount of the excess.

(c) If a savings bank abandons a branch and the [Bank] Commissioner approves a reduction, the savings bank may reduce its guaranty fund by the amount of its addition to the fund required for establishment of the branch.

(d) (1) This subsection applies if the guaranty fund:

(i) Has reached 5 percent of the total deposits of the savings bank;

and

(ii) Later falls below that amount.

(2) A savings bank may not pay any interest on its deposits so long as its guaranty fund is less than 5 percent of its total deposits, unless the savings bank adds to the fund, from net earnings for the year, money that equals at least 0.25 percent of its total deposits.

(3) If the [Bank] Commissioner determines that a savings bank does not have a guaranty fund equal to 5 percent of its total deposits, the [Bank] Commissioner may require the savings bank:

(i) To add to the fund from its net earnings an amount of money, not to exceed in any year 0.25 percent of its total deposits, that is sufficient to restore the fund to 5 percent of its total deposits; and

(ii) Until the fund is restored, to reduce, by that amount, the interest paid or payable to depositors of the savings bank.

(4) The [Bank] Commissioner may evaluate the assets of a savings bank by a method that the Federal Deposit Insurance Corporation or any other appropriate federal authority adopts.

4-507.

(a) Each director of a savings bank shall attend at least one half of the regularly scheduled board meetings that are held during the director's term of office.