

(I) VOLUNTARILY DISSOLVES;

(II) OBTAINS PRIMARY SHARE GUARANTY INSURANCE FROM THE NATIONAL CREDIT UNION ADMINISTRATION SHARE INSURANCE PROGRAM OR ANOTHER CREDIT UNION SHARE GUARANTY CORPORATION REGULATED UNDER THIS SUBTITLE; OR

(III) MERGES OR CONSOLIDATES WITH ANOTHER CREDIT UNION THAT RESULTS IN THE SHARE AND DEPOSIT ACCOUNTS OF THE SURVIVING OR NEW CREDIT UNION BEING INSURED BY THE NATIONAL CREDIT UNION ADMINISTRATION SHARE INSURANCE PROGRAM OR ANOTHER CREDIT UNION SHARE GUARANTY CORPORATION REGULATED UNDER THIS SUBTITLE.

(2) A CREDIT UNION SHARE GUARANTY CORPORATION SHALL MAKE A REFUND UNDER PARAGRAPH (1) OF THIS SUBSECTION ONLY IF THE GUARANTY FUND EQUALS OR EXCEEDS THE GUARANTY FUND'S NORMAL OPERATING LEVEL AS CALCULATED WITHOUT THE ACCOUNT OF THE EXITING CREDIT UNION.

(H) IF TWO OR MORE PARTICIPATING CREDIT UNIONS MERGE OR CONSOLIDATE AND THE SURVIVING OR NEW CREDIT UNION IS TO BE INSURED BY THE CREDIT UNION SHARE GUARANTY CORPORATION, THE FUNDS IN THE CAPITAL CONTRIBUTION ACCOUNT OF EACH CREDIT UNION SHALL BE TRANSFERRED TO THE ACCOUNT OF THE SURVIVING OR NEW CREDIT UNION, LESS ANY OUTSTANDING DEBTS OWED TO THE CREDIT UNION SHARE GUARANTY CORPORATION.

(I) IF A CREDIT UNION SHARE GUARANTY CORPORATION IS DISSOLVED, THE NET ASSETS AFTER PAYING ALL LIABILITIES AND ALL COSTS OF DISSOLUTION SHALL BE DISTRIBUTED TO THE PARTICIPATING CREDIT UNIONS IN ACCORDANCE WITH THEIR SHARE AND DEPOSIT BALANCES, LESS ANY OUTSTANDING DEBTS OWED TO THE CREDIT UNION SHARE GUARANTY CORPORATION.

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(A) (1) A CREDIT UNION SHARE GUARANTY CORPORATION SHALL ESTABLISH RESERVES FOR GUARANTY LOSSES ON AN INCURRED BASIS IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES DURING THE PERIOD IN WHICH THE LOSSES BECOME EVIDENT.

(2) THE RESERVES SHALL PROVIDE FOR:

(I) LOSSES REPORTED TO THE CREDIT UNION SHARE GUARANTY CORPORATION;

(II) LOSSES INCURRED BUT NOT PREVIOUSLY REPORTED; AND

(III) ESTIMATED LOSSES ON THE COLLECTION OF NOTES AND OTHER GUARANTEES TO PARTICIPATING CREDIT UNIONS.

(B) THE RESERVES SHALL BE MAINTAINED UNTIL THE LOSSES FOR WHICH THE RESERVES WERE ESTABLISHED HAVE BEEN SATISFIED.