

7-218.

(A) THE COMMISSIONER SHALL GIVE PROMPT NOTICE TO THE APPLICABLE CREDIT UNION SHARE GUARANTY CORPORATION WHENEVER THE COMMISSIONER:

(1) TAKES POSSESSION OF THE PROPERTY AND ASSETS OF A PARTICIPATING CREDIT UNION; AND

(2) DETERMINES TO LIQUIDATE THE PROPERTY AND ASSETS OF A PARTICIPATING CREDIT UNION.

(B) NOTWITHSTANDING THE PROVISIONS OF §§ 5-605 AND 6-905(D) OF THIS ARTICLE, THE COMMISSIONER MAY PETITION A COURT OF COMPETENT JURISDICTION TO APPOINT THE APPLICABLE CREDIT UNION SHARE GUARANTY CORPORATION AS RECEIVER OF THE PARTICIPATING CREDIT UNION.

(C) WHEN THE PROPERTY AND BUSINESS OF A PARTICIPATING CREDIT UNION HAS BEEN LIQUIDATED OR IS IN THE PROCESS OF LIQUIDATION AND THE PROCEEDS OF LIQUIDATION DISTRIBUTED ARE INSUFFICIENT TO PAY THE FULL GUARANTEED AMOUNT OF EACH CREDIT UNION SHARE OR DEPOSIT ACCOUNT, THE CREDIT UNION SHARE GUARANTY CORPORATION SHALL PAY EACH DEFICIENCY UP TO THE GUARANTEED AMOUNT WITHIN 30 DAYS AFTER THE DATE THE CREDIT UNION SHARE OR DEPOSIT ACCOUNT BALANCE IS VERIFIED.

(D) WHEN ANY PARTICIPATING CREDIT UNION SHARE OR DEPOSIT ACCOUNT IS PAID, THE CREDIT UNION SHARE GUARANTY CORPORATION SHALL BE SUBROGATED TO ALL RIGHTS OF THE MEMBER OR DEPOSITOR, UP TO THE AMOUNT PAID BY THE CREDIT UNION SHARE GUARANTY CORPORATION TO THE MEMBER OR DEPOSITOR.

7-219.

(A) A CREDIT UNION SHARE GUARANTY CORPORATION MAY TERMINATE THE PARTICIPATION OF A PARTICIPATING CREDIT UNION FOR ANY OF THE FOLLOWING REASONS:

(1) THE PARTICIPATING CREDIT UNION FAILS TO SATISFY THE RISK ELIGIBILITY STANDARDS ESTABLISHED BY THE CREDIT UNION SHARE GUARANTY CORPORATION AND APPLICABLE TO ALL PARTICIPATING CREDIT UNIONS;

(2) THE PARTICIPATING CREDIT UNION OPERATES IN AN UNSAFE AND UNSOUND MANNER AS DETERMINED BY THE CREDIT UNION SHARE GUARANTY CORPORATION;

(3) THE PARTICIPATING CREDIT UNION FAILS TO FURNISH FINANCIAL STATEMENTS, DELINQUENT LOAN REPORTS, OR OTHER INFORMATION CONSIDERED NECESSARY BY THE CREDIT UNION SHARE GUARANTY CORPORATION;

(4) THE PARTICIPATING CREDIT UNION FAILS TO REMEDY IN A TIMELY MANNER A QUALIFICATION ARISING FROM AN AUDIT PERMITTED OR REQUIRED UNDER THE WRITTEN CONTRACT BETWEEN THE PARTICIPATING CREDIT UNION AND THE CREDIT UNION SHARE GUARANTY CORPORATION;