

7-216.

(A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A CREDIT UNION SHARE GUARANTY CORPORATION SHALL ESTABLISH AND MAINTAIN A GUARANTY FUND OF AT LEAST 1 PERCENT OF THE AGGREGATE SHARES AND DEPOSITS OF THE PARTICIPATING CREDIT UNIONS.

(2) A CREDIT UNION SHARE GUARANTY CORPORATION THAT IS DOMICILED OUTSIDE THE STATE MAY MAINTAIN A GUARANTY FUND AT THE LEVEL PERMITTED BY ITS STATE OF DOMICILE IF THE CREDIT UNION SHARE GUARANTY CORPORATION:

(I) HAS BEEN DOMICILED IN THAT STATE FOR AT LEAST 25 YEARS IMMEDIATELY PRECEDING THE DATE OF THE CREDIT UNION SHARE GUARANTY CORPORATION'S COMPLETED APPLICATION FOR A CERTIFICATE OF AUTHORITY;

(II) HAS ENGAGED IN THE CREDIT UNION SHARE GUARANTY BUSINESS FOR AT LEAST 25 YEARS IMMEDIATELY PRECEDING THE DATE OF THE CREDIT UNION SHARE GUARANTY CORPORATION'S COMPLETED APPLICATION FOR A CERTIFICATE OF AUTHORITY; AND

(III) THE BUSINESS OF THE CREDIT UNION SHARE GUARANTY CORPORATION IS SUBJECT TO REGULATION BY ITS STATE OF DOMICILE.

(B) THE GUARANTY FUND SHALL BE COMPRISED OF THE FOLLOWING:

(1) THE ACCOUNT FOR EACH PARTICIPATING CREDIT UNION;

(2) RETAINED EARNINGS; AND

(3) ANY RESERVES ESTABLISHED UNDER § 7-217 OF THIS SUBTITLE.

(C) THE AMOUNT OF THE ACCOUNT OF EACH PARTICIPATING CREDIT UNION SHALL BE CARRIED ON THE BOOKS OF THE PARTICIPATING CREDIT UNION AS AN ASSET.

(D) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, A CREDIT UNION SHARE GUARANTY CORPORATION MAY REQUIRE A PARTICIPATING CREDIT UNION TO MAKE ADDITIONAL CAPITAL CONTRIBUTIONS TO MAINTAIN THE NORMAL OPERATING LEVEL DURING ANY CALENDAR YEAR IN WHICH THE FUND HAS BEEN REDUCED BELOW THE MINIMUM OPERATING LEVEL AS A RESULT OF PAYMENT OF ANY DEFICIENCIES IN CREDIT UNION SHARE ACCOUNTS.

(E) WITHIN 60 DAYS OF THE ASSESSMENT, A CREDIT UNION SHARE GUARANTY CORPORATION SHALL FILE WITH THE COMMISSIONER A REPORT OF EACH CAPITAL CONTRIBUTION THAT THE CREDIT UNION SHARE GUARANTY CORPORATION REQUIRES UNDER SUBSECTION (D) OF THIS SECTION.

(F) (1) IF A PARTICIPATING CREDIT UNION FAILS TO PAY AN ANNUAL CAPITAL CONTRIBUTION, PREMIUM, FEE, OR ASSESSMENT WHEN DUE, THE CREDIT UNION SHARE GUARANTY CORPORATION: