

160V. BRANCH OFFICES.

(a) *Approval by Director.* No domestic federally or state chartered association shall establish, maintain or relocate any branch office without filing an application therefor with the Director and securing his prior approval thereof. Any application for the establishment, maintenance or relocation of a branch office shall state: (1) the proposed location thereof, (2) the need therefor, (3) the functions to be performed therein, (4) the estimated annual expense thereof, and (5) the mode of payment therefor. Such application shall be approved by the Director if he finds that the proposed establishment, maintenance or relocation of a branch office will promote the public interest, convenience and advantage and whether such branch office will be efficiently operated in accordance with the policy of this subtitle. The Director shall publish the fact that such an application has been filed for at least two (2) successive weeks after filing in a newspaper of general circulation in the city, town or county in which the proposed branch office is to be located, and shall give such other notice as may be desirable. Any financial institution in the area in which a branch office is proposed to be located shall have the right to protest the proposed approval by the Director and shall have the right to be heard on such protest.

(b) *Appeal.* Any applicant or protestant aggrieved by any action or non-action of the Director under this Section may appeal therefrom in accordance with the appeal provisions of Section 160H relating to orders.

160W. PROHIBITED TRANSACTIONS.

(a) *Loan to officer, director or employee.* It shall be unlawful for any association to make a loan to any of its officers, directors or employees, or to any corporation or business in which any officer, director or employee, or any member of the family of such officer, director or employee, owns an interest of ten per cent (10%) or more, except upon the security of the home or free share accounts in the association of such officer, director or employee, provided that any such loan secured by any free share accounts shall not exceed ninety per cent (90%) of the withdrawal value thereof.

(b) *Exception.* An association may make a loan prohibited by sub-section (a) hereof provided the loan is: (1) approved by a two-thirds (2/3) vote of the board of directors, any interested director taking no part in such vote, and (2) appraised by a disinterested appraiser appointed by the Director and (3) approved by said Director.

(c) *Purchase at less than face value.* It shall be unlawful for any officer, director or employee of an association to have any interest, direct or indirect, in the purchase at less than its face value of any free share account or evidence thereof issued by such association.

160X. WITHDRAWAL.

(a) *Procedure; limitation on withdrawal.* Any free shareholder may at any time present a written application for withdrawal of all or any part of his free share accounts. No member shall have on file