

§854. Loans

1. Authorization; limitations. It is the duty of the board of directors to establish the policies of the credit union with respect to the granting of loans and the extending of lines of credit, including the maximum amount that may be loaned to any one member. A loan may not be made to any member in an aggregate amount in excess of 10% of the credit union's total assets. Any loan made in violation of this subsection is subject to the remedies prescribed in section 465-A.

[PL 1991, c. 681, §4 (AMD).]

2. Exception. Loans fully secured by a pledge of shares of a credit union may be made without limitation as to amount.

[PL 1983, c. 51, §8 (RPR).]

3. Rulemaking. The superintendent may adopt rules to administer and carry out this section, including rules to define or further define terms used in this section and to establish limits or requirements other than those specified in this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[PL 2003, c. 322, §38 (NEW).]

SECTION HISTORY

PL 1975, c. 500, §1 (NEW). PL 1983, c. 51, §8 (RPR). PL 1991, c. 681, §4 (AMD). PL 2003, c. 322, §38 (AMD).

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