

LOANS.

(2) IF A LOAN IS APPROVED BY AN EXECUTIVE COMMITTEE, THE LOAN APPROVAL SHALL BE REPORTED TO THE BOARD OF DIRECTORS AT ITS NEXT MEETING.

(D) PERIODIC REVIEW; RENEWALS AND EXTENSIONS.

(1) A LOAN MADE UNDER THIS SECTION SHALL BE REVIEWED EVERY 6 MONTHS BY THE BOARD OF DIRECTORS.

(2) THE LOAN MAY NOT BE RENEWED OR EXTENDED UNLESS THE RENEWAL OR EXTENSION HAS BEEN APPROVED BY A RESOLUTION ADOPTED AT A MEETING OF THE BOARD OF DIRECTORS AND RECORDED IN THE MINUTES OF THE MEETING.

(E) MAXIMUM OF LOANS.

ALL LOANS TO A DIRECTOR, OFFICER, OR EMPLOYEE OF A COMMERCIAL BANK ARE SUBJECT TO THE LIMITATIONS IMPOSED BY § 3-601 OF THIS SUBTITLE.

REVISOR'S NOTE: This section is new language derived without substantive change from Art. 11, § 92.

Throughout this section, the term "commercial bank", which is defined in § 1-101 of this article, is substituted for references to a "bank or trust company". Although the last sentence of present Art. 11, § 92 defines "bank" to include "savings institutions having a capital stock", that sentence is deleted as obsolete. See revisor's note to § 4-401 of this article.

In subsection (b) (1) of this section, the term "commercial loan" is substituted for the reference to a loan made "for use in {a} business" in which the director is "actually engaged", as contrasted to a loan made for the "personal account" of the director. The definition is patterned after the definition of "commercial loan" in CL § 12-101.

In subsection (b) (2) (ii) and (iii) of this section, the phrases beginning "unless an officer or employee ..." are added for clarity, to indicate that the exception is intended as a personal exception, not a transactional one.

In subsection (c) of this section, the present provision for approval of loans by a branch advisory board is deleted as inaccurate, since the functions of the board do not include loan approvals.

In subsection (d) (2) of this section, the reference to a "resolution" is added to the