

6-208. LOANS TO SOUTH AFRICA.

(A) SCOPE OF SECTION.

THIS SECTION DOES NOT APPLY TO A LOAN THAT IS OUTSTANDING ON DECEMBER 31, 1984.

(B) CERTIFICATION ON LOANS.

THE TREASURER MAY NOT USE A FINANCIAL INSTITUTION AS A DEPOSITORY UNLESS THE FINANCIAL INSTITUTION CERTIFIES, IN WRITING, THAT IT HAS NO DIRECT LOANS AND NO FOREKNOWLEDGE OF ANY INDIRECT LOANS OUTSTANDING TO A GOVERNMENTAL UNIT OR NATIONAL CORPORATION OF THE REPUBLIC OF SOUTH AFRICA.

(C) EXCLUSION.

IF DIRECT OR INDIRECT LOANS DESCRIBED IN SUBSECTION (B) OF THIS SECTION ARE MADE BY A FOREIGN OR OUT-OF-STATE FINANCIAL INSTITUTION WITHOUT THE PARTICIPATION OF A SUBSIDIARY OR AFFILIATED CORPORATION, SUBSECTION (B) OF THIS SECTION DOES NOT APPLY TO THE SUBSIDIARY OR AFFILIATED CORPORATION.

REVISOR'S NOTE: Subsection (a) of this section is new language added to reflect Section 2 of Ch. 775, Acts of 1984, which enacted former Art. 95, § 21(b) and (c).

Subsections (b) and (c) of this section formerly appeared as Art. 95, § 21(b) and (c).

In subsection (b) of this section, the defined term "financial institution" is substituted for the former reference to a "bank, trust company, savings and loan association, or building and loan association", for brevity and conformity to the balance of this subtitle.

In subsection (c) of this section, the word "described" is substituted for the former word "prohibited", since the referenced subsection (b) of this section does not prohibit the making of these loans.

The Commission to Revise the Annotated Code notes, for the consideration of the General Assembly, that former Art. 95, § 21(c) stated, in part, that, if a loan is made without participation by a financial institution, "this section" does not apply to the institution. In the revision of former Art. 95, § 21(c) in subsection (c) of this section, the narrower cross-reference to "subsection (b) of this section" is substituted for the former, seemingly overbroad cross-reference to "this section". The substituted language, which refers to the provisions derived from former § 21(b),