

(2) EACH SUMMARY OF A REPORT SHALL BE IN A FORM THAT THE DIVISION DIRECTOR APPROVES.

[9-307. Conflict of interest.

(a) Loans prohibited to director or officer.

(1) For purposes of this section "member of the immediate family" of an officer or director means a spouse, child, parent, sibling, grandparent, or grandchild.

(2) Except as provided in subsection (b) of this section, a savings and loan association or its subsidiary may not make a loan directly or indirectly to:

(i) Any officer or director of the association;  
or

(ii) Any corporation or business in which an interest of 10 percent or more is owned by an officer or director of the association, or member of the immediate family of an officer or director.

(b) Exceptions to prohibition.

A loan is not prohibited by subsection (a) of this section if the loan is:

(1) Secured by the borrower's:

(i) Principal residence; or

(ii) Savings accounts in the association, provided that a loan secured by a savings account may not be more than the withdrawal value of the account; or

(2) (i) Approved by a two-thirds vote of the board of directors, any interested director taking no part in the vote;

(ii) Approved by the Division Director; and

(iii) Secured by collateral appraised by a disinterested appraiser approved by the Division Director.

(c) Savings accounts.

An officer or director of a savings and loan association may not directly or indirectly buy at less than face value any interest in a savings account issued by the association.]

9-307. CONFLICT OF INTEREST.

(A) RESPONSIBILITIES.