

(II) TO ANY BUSINESS OR COMMERCIAL ORGANIZATION.

(3) "CONSUMER LOAN" MEANS A LOAN THAT IS MADE PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES.

~~(3)~~ (4) "EXECUTIVE OFFICER" HAS THE MEANING STATED IN TITLE 12 OF THE CODE OF FEDERAL REGULATIONS, § 215.2.

[(a)](B) Unless the loan is approved or exempted from approval as provided in this section, the following persons may not borrow, directly or indirectly, any money from a banking institution:

- (1) Any director, officer, or employee of the banking institution;
- (2) Any partnership of which the director, officer, or employee is a member;

or

(3) Any corporation in which the director, officer, or employee is an officer or owns the majority interest.

[(b) (1)] In this subsection, "commercial loan" means a loan that is made:

(i) Solely to acquire or carry on a business or commercial enterprise;

or

(ii) To any business or commercial organization.

(2)] (C) This section does not require approval of [a]:

(1) A commercial loan that is made to:

(i) A director of the banking institution, unless the director also is an officer or employee of the banking institution;

(ii) A partnership of which the director is a member, unless an officer or employee of the banking institution also is a member of that partnership; or

(iii) A corporation in which the director holds any interest, unless an officer or employee of the banking institution is an officer or owns the majority interest in that corporation; OR

(2) A LOAN THAT IS:

(I) ~~NOT A COMMERCIAL~~ A CONSUMER LOAN; AND

(II) IS MADE TO AN EMPLOYEE OF A BANKING INSTITUTION WHO IS NOT AN EXECUTIVE OFFICER OR DIRECTOR OF THE BANKING INSTITUTION.

[(c)](D) (1) A loan to a director, officer, or employee of a banking institution may be made only if the loan has been approved by a resolution adopted at and recorded in the minutes of a meeting of:

(i) The board of directors of the banking institution; or