

appoint loan officers, subject to confirmation by the credit committee; and requiring the credit committee to supervise loan officers and delegate certain powers to them in accordance with certain instructions or policies.

BY repealing and reenacting, with amendments,

Article - Financial Institutions

Section 6-503

Annotated Code of Maryland

(1992 Replacement Volume and 1994 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Financial Institutions

6-503.

(a) (1) Except as provided in subsection (b) of this section, and in § 6-214(10) and (11) of this title, a loan may not be made to any member of a credit union unless it is approved unanimously by those members of the credit committee who are present at a meeting that is attended by a majority of the members of the credit committee.

(2) If the bylaws of the credit union so provide, an applicant for a loan that is not approved by the credit committee may appeal to the board of directors.

(b) (1) (I) The credit committee OR THE OFFICER IN CHARGE OF OPERATIONS may appoint LOAN OFFICERS. [and]

(II) THE APPOINTMENT OF LOAN OFFICERS BY THE OFFICER IN CHARGE OF OPERATIONS SHALL BE SUBJECT TO CONFIRMATION BY THE CREDIT COMMITTEE.

(III) THE CREDIT COMMITTEE MAY SHALL supervise loan officers and delegate to them the power to approve or disapprove loans in accordance with written instructions or policies adopted by the board of directors.

(2) Not more than one loan officer may be a member of the credit committee.

(3) A loan made by a loan officer in accordance with the written instructions or policies of the board of directors does not have to be approved by the credit committee.

(4) Each loan officer shall give the credit committee the record of each loan that the officer approves or disapproves within 7 days after a loan application is made. The credit committee shall act on each loan application where the decision of the loan officer has been appealed by the credit union member.

(5) A loan officer may not disburse credit union funds for any loan that the loan officer approved.