

17-2216. Loans to members; conditions. (a) Subject to rules and regulations of the administrator, a credit union may loan to its members, as provided, for such purposes and upon such security as the bylaws may provide and the credit committee or duly authorized loan officer shall approve. Loans to members shall be made in conformity with criteria established by the board of directors. No loan shall be made in excess of \$500 or 10% of the credit union's total assets, whichever amount is greater. A member who needs funds with which to purchase necessary supplies for growing crops may receive a loan in fixed monthly installments instead of one sum. A borrower may repay the whole or any part of the loan on any day on which the office of the credit union is open for the transaction of business, except that on a first or second mortgage loan, a credit union may require that any partial prepayments be made on the date monthly installments are due and be in the amount of that part of one or more monthly installments which would be applicable to principal.

(b) Any loan secured by the insurance or guarantee of, or with advance commitment to purchase the loan by the federal government, a state government or any agency of either may be made under the terms and conditions specified in the law under which such insurance, guarantee or commitment is provided.

History: L. 1929, ch. 141, § 16; L. 1941, ch. 181, § 4; L. 1949, ch. 190, § 2; L. 1951, ch. 204, § 6; L. 1953, ch. 131, § 1; L. 1959, ch. 117, § 4; L. 1963, ch. 140, § 3; L. 1965, ch. 153, § 5; L. 1972, ch. 60, § 1; L. 1976, ch. 108, § 1; L. 1981, ch. 101, § 5; L. 1983, ch. 83, § 2; L. 1992, ch. 225, § 7; July 1.