

534.203 Sound lending standards.

An association shall not make a loan unless it first has determined that the loan is authorized by this chapter, and that the type, amount, purpose, and repayment provisions of the loan in relation to the borrower's resources, credit standing and any collateral securing repayment of the loan support the reasonable belief that the loan will be financially sound and will be repaid according to its terms.

A loan made by an association must be authorized by lending policies approved by the association's board of directors and made available to the superintendent upon request.

[C97, §1899; S13, §1899-a; C24, 27, 31, §9340, 9341; C35, §9340, 9340-b1, 9341; C39, §9340.01, 9340.04 – 9340.06, 9340.08, 9340.09; C46, 50, 54, 58, §534.25, 534.28 – 534.30, 534.32, 534.33; C62, 66, 71, 73, 75, 77, 79, S79, C81, §534.21; 82 Acts, ch 1253, §20]

C83, §534.76

C85, §534.203

90 Acts, ch 1208, §4