

association or any member thereof. In computing the total liabilities of any corporation to a bank or trust company there shall be included all loans made for the the benefit of the corporation. A loan shall be deemed to be made for the benefit of a corporation or co-partnership to the extent that the proceeds of such loan are transferred to the corporation, copartnership or association. In reckoning the liability of any borrower hereunder there shall not be included its readily marketable bonds or like obligations held by a bank or trust company as an investment; nor shall said thirty per cent. (30%) limit apply to any loan made to the State of Maryland or to any county or municipality thereof maturing in less than one year. Provided, however, that the limitations provided by this section shall not apply to any loan which does not exceed the sum of Thirty-five Hundred Dollars (\$3,500.00), unless such loan exceeds 20% of the surplus and paid-in capital; and provided further that the limitations of this section shall not apply to any liabilities lawfully incurred prior to Dec. 15, 1933. For the purposes of this section the term "Bank" shall include savings institutions having a capital stock.

An. Code, 1924, sec. 68. 1912, sec. 65. 1910, ch. 219, sec. 64 (p. 28).
1912, ch. 194, sec. 64. 1933, ch. 348.

68. No officer or employee of any bank or trust company, other than a director, and no corporation in which such officer or employee is an officer or the owner of a majority interest, and no partnership of which such an officer or employee is a member, shall borrow any of the funds of such bank or trust company, directly or indirectly, without the approval of the Board of Directors by resolution adopted at a meeting thereof, and recorded in the minutes before making such loan. Loans made to directors of any bank or trust company for their personal account shall be subject to the foregoing restrictions; but where any director is actually engaged in business, loans may be made to him or to any partnership of which he is a member or corporation in which he is an officer or the owner of a majority or less than a majority interest, for use in such business without complying with the foregoing provisions. Loans to officers, directors or employees made under the provisions of this section shall be reviewed every six months for further action by the Board of Directors, and if it shall be determined to renew or extend any such loan, such action shall be recorded in the minutes before making such renewal or extension. In case any bank or trust company maintains a branch it shall be a sufficient compliance with the provisions of this section requiring approval of the Board of Directors if the advisory board of said branch approves of any loan to officers, directors or employees by resolution adopted at a meeting of such advisory board, and recorded in the minutes before making such loan and it shall likewise be a sufficient compliance with said provisions of this section in case the executive committee of any bank or trust company is authorized to make loans, for the said loan to be approved by a resolution adopted at a meeting of said executive committee and recorded in its minutes before making such loan, provided,