

Credit Union
MEMBER BUSINESS LOAN POLICY

Adopted:

Revised:

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THIS MEMBER BUSINESS LOAN POLICY WAS ADOPTED, AND IS REVIEWED ANNUALLY, BY Credit Union’S BOARD OF DIRECTORS PURSUANT TO SECTION 723 OF THE NATIONAL CREDIT UNION ADMINISTRATION (NCUA) REGULATIONS AND SECTION ENTER SECTION # OF THE STATE DEPARTMENT OF BANKING GOVERNING THE STATE OF STATE.

I. Member Business Loan Definition

A “member business loan” is any loan, line of credit, or letter of credit, (including any unfunded commitments) where the proceeds of which will be used for a commercial, corporate, business investment property or venture, or agricultural purpose, except for the following:

Business Loan Definition Exceptions:

- A. Loan fully secured by a lien on a one- to four-family dwelling that is the member’s primary residence.
- B. A loan fully secured by shares in credit union or deposits in another financial institution
- C. A loan to a member or related member or affiliated member that, when added to other loans to the borrower or associated member, are equal to less than \$50,000. (“related” member means any other loan guaranteed by the current member seeking credit; an “affiliated” member means a member who shares with the borrower any ownership, investment, or other financial interest in a business or commercial endeavor.)
- D. Loans where a federal or state agency or political subdivision thereof, has fully insured or guaranteed repayment or has made an advance commitment to purchase in full.

II. Trade Area

- A. Credit Union’s primary trade area for business loans shall consist of the following counties of County Name, County Name, County Name, County Name, County Name, and County Name located in the State of State
- B. Credit Union’s secondary trade area shall consist of all locations in the continental United States where Credit Union is authorized to make loans.

*Bylaws may need amended to include non-natural person member