

**7-8-20 Limitations on loans to one borrower -- Exceptions -- Rules.**

- (1) Except as provided in this section, the total loans and extensions of credit, including credit exposure to a derivative transaction, by an industrial bank to a person outstanding at any one time may not exceed 15% of the industrial bank's total capital.
- (2) Subsection (1) does not apply to an extension of credit that is subject to, or expressly exempted from, a federal statute or federal regulation limiting the amount of total loans and credit that may be extended to any person or group of persons.
- (3) The commissioner may by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act:
  - (a) exempt from Subsection (1) a class of loans or class of extensions of credit, including credit exposure to a derivative transaction, that are adequately secured or are not otherwise a risk to the safe and sound operation of an industrial bank;
  - (b) define terms and phrases necessary to interpret and implement this section;
  - (c) adopt standards for aggregating or segregating loans to the same or different persons;
  - (d) describe records required to be maintained;
  - (e) require specific actions to be taken by an institution's board of directors or executive officers;  
and
  - (f) prescribe other actions necessary to interpret and implement this section.

Amended by Chapter 194, 2012 General Session