

Act 500 of the 1989 Regular Session.

Act 500

SB476

By: Senator Russ

"AN ACT TO REPEAL ARKANSAS CODE ANNOTATED SECTION 23-32-902(2) REQUIRING BANKS TO LIMIT INVESTMENTS IN OBLIGATIONS ARISING OUT OF CERTAIN COMMERCIAL AND BUSINESS PAPER; TO AMEND ARKANSAS CODE ANNOTATED SECTION 23-32-902(4) (A) TO REMOVE THE PROVISION ON COMMERCIAL AND BUSINESS PAPER; AND FOR OTHER PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Subsection (2) of Arkansas Code Annotated Section 23-32-902 is hereby repealed.

SECTION 2. Subsection (4) (A) of Arkansas Code Annotated Section 23-32-902 is amended to read as follows:

"(4) (A) Obligations of a person as endorser or guarantor, accommodation or otherwise of notes or other obligations shall be charged against that person's loan limit. The indebtedness of such person to the bank as endorser plus his primary liabilities to the bank shall not in the aggregate exceed twenty percent (20%) of the capital base."

SECTION 3. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.

APPROVED: March 13, 1989

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