

~~Title 45 - DEPARTMENT OF BANKING AND FINANCE~~

~~Chapter 1 - PARTICIPATION OR PLACED PAPER~~

~~001 Participation or placed paper shall mean any obligation sold either in part or in whole for the accommodation of the bank's customer. It may be taken in commercial form, taken payable to any officer or director of the bank, or payable to a third party or another bank.~~

~~Every bank selling a participation in a loan or placing the entire obligation as noted above shall maintain an auxiliary ledger showing in detail the name of the obligor, the original amount of the loan, the current balance of the loan, together with a current date, the original date of the loan, the rate of interest, the type of collateral, and the name of the party purchasing such obligations. Participation loans shall reflect the amount sold and the amount retained by the bank in such a manner as to make clear the dollar amount held by each party involved.~~

~~Any obligation sold by the bank with recourse upon itself shall be so noted and reflected upon its books in memorandum form as contingent liability.~~