

WAC 208-512A-015 Renewals and additional advances under a contractual commitment to advance funds—Project funding. (1) A bank may renew a contractual commitment to advance funds and complete funding under that commitment if all of the following criteria are met:

(a) The completion of funding is consistent with safe and sound banking practices and is made to protect the position of the bank;

(b) The completion of funding will enable the borrower to complete a project for which the contractual commitment to advance funds was made;

(c) The amount of the additional funding does not exceed the unfunded portion of the bank's contractual commitment to advance funds; and

(d) Such contractual commitment to advance funds, when combined with all other outstanding loans and contractual commitments to advance funds to a borrower, was within the bank's lending limit when entered into, calculated pursuant to WAC 208-512A-200.

(2) In determining whether a contractual commitment to advance funds is within the bank's lending limit when made, the bank may deduct from the amount of the commitment the amount of any legally binding loan participation commitments that are issued concurrent with the bank's commitment and that would be excluded from the definition of loan or extension of credit.

[Statutory Authority: RCW 30.04.030, 30.04.111, 30.04.215, 30.08.140, 32.08.157, 43.320.040, and 43.320.050 and Section 611 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (codified as section 18(y) of the Federal Deposit Insurance Act, 12 U.S.C. §1828(y)), which takes effect January 21, 2013. WSR 13-03-037, § 208-512A-015, filed 1/8/13, effective 2/8/13.]