

Title 45 - DEPARTMENT OF BANKING AND FINANCE

Chapter 15 - LOANS SECURED BY WAREHOUSE RECEIPTS

001 EXCEPTION TO LENDING LIMIT.

001.01 Neb. Rev. Stat. § 8-141 provides that a bank may directly or indirectly loan twenty-five percent of the total of its capital, surplus, capital notes, and debentures or fifteen percent of its unimpaired capital and unimpaired surplus, whichever is greater, to any person. When the obligation is secured by negotiable warehouse receipts, a bank may loan an additional ten percent of such capital, surplus, capital notes, and debentures or of such unimpaired capital and unimpaired surplus.

001.02 To qualify for the additional ten percent advancement:

001.02A The warehouse receipts must be in an amount not less than one hundred fifteen percent of the face amount of the note or notes; and

001.02B The note or notes must be secured by a prior financing statement and security agreement on the inventory covered by warehouse receipts, as of the date of the loan.

001.03 For purposes of this Rule, the term “unimpaired capital” is as defined in Neb. Rev. Stat. § 8-141.

