**Section 354.10 Purpose**

Section 3 of the Illinois Banking Act (the Act) authorizes a state bank to *loan money on personal or real estate security* [205 ILCS 5/3]. Section 5(12) of the Act further authorizes a state bank to establish a subsidiary to hold title to and administer assets acquired as a result of the collection of loans. Included in these express powers is the incidental right to maintain assets that a state bank acquires in collection of a debt in preparation for their disposal.