**Section 1000.615 Investment Underwriting Practices**

a) An association may grant a loan or invest in another authorized asset under either the provisions of the Illinois Savings and Loan Act of 1985 [205 ILCS 105/1-6 and 5-3], or under the provisions of Federal Regulations (12 CFR 545, February 29, 1984 (No incorporation by reference in this Part, other than Illinois Compiled Statutes (ILCS) includes any later amendment or editions.)), or under the provisions of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464, February 29, 1984). For all types of secured and unsecured loans granted, an association's board of directors shall establish, at least annually, written loan underwriting policies and procedures which shall set forth criteria sufficient to allow a decision to be made in conformity with Section 1000.610 (a) of this Subpart.

b) The written policies and procedures pertaining to loans secured by collateral other than real estate, mobile home chattel paper, or the cash surrender value of a life insurance policy shall provide specific procedures for determining the value of the respective collateral. The specified procedures shall provide that every such appraisal be prepared in a manner consistent with generally accepted appraisal practices as established by the American Society of Appraisers, in the Professional Appraisal Services Directory, and in effect as of June 30, 1984.

c) The written policies and procedures of an association engaging in secured lending which finances a dealer's acquisition of merchandise comprising the association's security shall provide for a periodic written inventory of the respective security no less often than every 30 days. Such written inventory shall be compiled by a person authorized by the board of directors and it shall set forth identifying characteristics and serial number or other indelible identifying marks of each item comprising the respective security.

(Source: Amended at 13 Ill. Reg. 8927, effective May 26, 1989)