

17-5517. Lien on shares to secure loan. To secure loans to members an association shall have a lien without further agreement or pledge, upon all shares owned by the borrower. Upon default upon any loan, the association may, without any notice to, or consent of, the borrower, cancel on its books all or any shares owned by the borrower and apply the value of such shares in payment on account of the loan. An association may waive its lien in whole or in part by writing. Any association may take the pledge of shares of the association owned by a member other than the borrower as additional security for any loan secured by shares or by shares and real estate or as additional security for any real-estate loan.

History: L. 1943, ch. 133, § 95; July 1.