

Article - Financial Institutions

[Previous][Next]

§1–205.

(a) (1) In this section the following words have the meanings indicated.

(2) “Depository institution” means a State-chartered or federally chartered financial institution located in this State that is authorized to maintain deposit or share accounts.

(3) “Compliance review committee” means:

(i) An audit, loan review, or compliance committee appointed by the board of directors of a depository institution; or

(ii) Any other person to the extent the person acts in an investigatory capacity at the direction of a compliance review committee.

(4) “Compliance review documents” means documents prepared for or created by a compliance review committee.

(5) “Loan review committee” means a person or group of persons who, on behalf of a depository institution, reviews loans held by the institution for the purpose of assessing the credit quality of the loans, compliance with the institution’s loan policies, and compliance with applicable laws and regulations.

(6) “Person” means an individual, group of individuals, board, committee, partnership, firm, association, corporation, or other entity.

(b) This section applies to a compliance review committee whose functions are to evaluate and seek to improve:

(1) Loan underwriting standards;

(2) Asset quality;

(3) Financial reporting to federal or State regulatory agencies; or

(4) Compliance with federal or State statutory or regulatory requirements.

(c) Except as provided in subsection (d) of this section:

(1) Compliance review documents are confidential and are not discoverable or admissible in evidence in any civil action arising out of matters evaluated by the compliance review committee; and

(2) Compliance review documents delivered to a federal or State

governmental agency remain confidential and are not discoverable or admissible in evidence in any civil action arising out of matters evaluated by the compliance review committee.

(d) Subsection (c) of this section does not apply to any information required by statute or regulation to be maintained by or provided to a governmental agency while the information is in the possession of the governmental agency to the extent applicable law expressly authorizes its disclosure.

(e) This section may not be construed to limit the discovery or admissibility in any civil action of any documents that are not compliance review documents.

[Previous][Next]