### Federal Election Commission

#### § 100.142 Bank loans.

**(a) General provisions.** Repayment of a loan of money to a candidate or a political committee by a State bank, a federally chartered depository institution (including a national bank) or a depository institution whose deposits and accounts are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration is not an expenditure by the lending institution if such loan is made in accordance with applicable banking laws and regulations and is made in the ordinary course of business. A loan will be deemed to be made in the ordinary course of business if it:

1. Bears the usual and customary interest rate of the lending institution for the category of loan involved;
2. Is made on a basis that assures repayment;
3. Is evidenced by a written instrument; and
4. Is subject to a due date or amortization schedule.

**(b) Reporting.** Such loans shall be reported by the political committee in accordance with 11 CFR 104.3(a) and (d).

**(c) Endorsers and guarantors.** Each endorser or guarantor shall be deemed to have contributed that portion of the total amount of the loan for which he or she agreed to be liable in a written agreement, except that, in the event of a signature by the candidate’s spouse, the provisions of 11 CFR 104.3(b) shall apply. Any reduction in the unpaid balance of the loan shall reduce proportionately the amount endorsed.

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