§ 130. Restrictions on officers, directors and employees. 1. No officer, director, clerk or other employee of any bank or trust company, and no person in any way interested or concerned in the management of its affairs, shall, acting on his own behalf or for any partnership or unincorporated association of which he is a member or for any corporation, of which he owns or controls a majority of the capital stock, discount, or directly or indirectly make any loan upon, any note or other evidence of debt which he shall know to have been offered for discount to such bank or trust company, and to have been refused. Every person violating the provisions of this subdivision shall, for each offense, forfeit to the people of the state twice the amount of the loan which he shall have made.

2. No officer, director, clerk or other employee of any bank or trust company shall, directly or indirectly, purchase or be interested in the purchase of any promissory note or other evidence of debt issued by it on terms more favorable than those available to the general public, provided, however, that every director, and every officer, clerk or other employee who is a stockholder of such bank or trust company, may purchase promissory notes or other evidences of debt issued by it in the same ratio as to amount and on the same terms as any other stockholder.

3. (a) No executive officer of a bank or trust company may be an executive officer, director or trustee of another bank or trust company, savings bank, savings and loan association, national bank, federal savings bank or federal savings association, the principal office of which institution is located in this state, bank holding company or foreign banking corporation maintaining a branch in this state, unless permission therefor has been granted by the superintendent of financial services pursuant to the provisions of paragraph (b) of this subdivision, except that an executive officer of a bank or trust company which is a subsidiary of a bank holding company may be (i) an executive officer and (ii) a director of the bank holding company and of one or more banking institutions which are subsidiaries of such bank holding company.

(b) The superintendent of financial services shall have the power to determine by regulation who shall be considered, under the provisions of

this subdivision, to be an executive officer, and by a general or specific regulation to grant permission to an executive officer of a bank or trust company to be an executive officer, director or trustee or both an executive officer and director or a trustee of another bank or trust company, savings bank, or savings and loan association, national bank, federal savings bank or federal savings association, the principal office of which is located in this state, bank holding company, or foreign banking corporation maintaining a branch in this state. Such permission may be granted only if in the judgment of the superintendent of financial services such service by the executive officer will be consistent with the policy of the state of New York as declared in section ten of this chapter. The superintendent of financial services shall have the power to revoke such permission whenever he or she finds, after reasonable notice and an opportunity to be heard, that the public interest requires such revocation.

(c) For the purposes of this subdivision, the terms "subsidiary", "banking institution" and "bank holding company" shall each be given the same meaning as is contained in their respective definition in section one hundred forty-one of this chapter, except that the definition of the term "banking institution" is modified to include a national bank, federal savings bank or federal savings association, the principal office of which institution is in this state, and a foreign banking corporation maintaining a branch in this state.

(d) All other restrictions and limitations imposed by this chapter on executive officers and directors of banks and trust companies shall continue in effect.

5. Every director of a bank or trust company who is obligated on any loan or other extension of credit made by such bank or trust company to such director or to any other individual, partnership, unincorporated association or corporation, shall file a statement of his financial condition with such bank or trust company at least once in each year and at such other times as the superintendent may require. This subdivision shall not apply to directors whose obligations are secured by collateral having an ascertained market value of at least fifteen per centum more than the amount of such obligations. The superintendent shall have the power to determine by regulation what shall be considered, under the

provisions of this subdivision, to be a loan or an extension of credit.

6. If any officer of a bank or trust company becomes indebted to any domestic or foreign banking organization, other than the bank or trust company of which he is an officer, or becomes indebted to any banking institution organized under the laws of the United States, he shall within ten calendar days after he becomes so indebted make a written report to the board of directors of the bank or trust company of which he is an officer, stating the date and amount of any such loan or indebtedness, and the security therefor. In addition to the foregoing reports he shall render written reports of such other indebtedness as the board of directors of the bank or trust company may by resolution require of its officers. The superintendent shall have the power to determine by regulation who shall be considered an officer and what shall be considered a loan or indebtedness under the provisions of this subdivision.

The provision of this subdivision shall not be applicable if the amount of the indebtedness does not exceed an amount which shall be determined by the superintendent.

7. (a) Every person who is directly or indirectly the beneficial owner of more than ten per centum of any class of any equity security of a bank or trust company or who is a director or officer thereof, shall file, within ten days following (i) the effective date of this section, or (ii) the date on which he becomes such beneficial owner, director or officer, whichever is later, a statement with the superintendent of the amount of all equity securities of such bank or trust company of which he is the beneficial owner, and within ten days after the close of each calendar month thereafter, if there has been any change in such ownership during such month, shall file with the superintendent a statement indicating his ownership at the close of the calendar month and such changes in such ownership as have occurred during such calendar month.

(b) Any such beneficial owner, director or officer of a bank or trust company shall not be subject to the requirements of this section if

(1) he is required by section sixteen (a) of the securities exchange

act of nineteen hundred thirty-four, as amended, to file with the board of governors of the federal reserve system in accordance with regulation f of such board or with the federal deposit insurance corporation in accordance with part three hundred thirty-five of title twelve of the regulations of such corporation, a statement as to his stock ownership and he files with the superintendent at his New York city office four copies of each such statement filed with such board or corporation, or

(2) he is such beneficial owner, director or officer of a bank or trust company, all of the voting securities of which, excepting only directors' qualifying shares, are owned, controlled or held with power to vote by a bank holding company as defined in section one hundred forty-one of this chapter or by a single corporation, or

(3) he is such beneficial owner, director or officer of a bank or trust company, all of the voting securities of which, excepting only directors' qualifying shares, are owned, controlled or held with power to vote by one or more banks organized under the laws of a foreign country, or

(4) he is such beneficial owner, director or officer of a trust company, all of the capital stock of which is owned by twenty or more savings banks chartered by the state of New York.

(c) The superintendent shall have power to adopt such regulations as the superintendent shall deem necessary or proper to implement the provisions of this section.