**Section 340.20 Definitions**

For purposes of this Part:

 "actively engaged" means direct involvement in the policies of a corporation or firm;

 "control" means:

 the ownership of or the power to vote 10% or more of any class of voting securities of a corporation; or

 the ability to direct in any manner the election of a majority of a corporation's board of directors.

 "director" means any individual elected or appointed to serve on a bank's board of directors, whether or not such individual receives compensation. An advisory director is not considered a director for purposes of this Part. An individual is an advisory director if he:

 is not elected by the bank's shareholders;

 is not authorized to vote on matters before the board of directors; and

 provides solely general policy advice to the bank's board of directors.

 "firm" means a general or limited partnership.

 "he" includes the feminine as well as the masculine form.

 "loan or extension of credit" shall include all direct or indirect advances of funds made on the basis of an obligation to repay the funds. Such term shall also include any obligation of a state bank to advance funds pursuant to a contractual commitment, such as a letter of credit.

 "officer" means a president, vice president or other salaried officer of the lending bank.

 "person" means a bank officer, employee or director.

(Source: Amended at 11 Ill. Reg. 812, effective December 24, 1986)