

Lender Liability: Can Enforcing the Terms of a Loan Agreement Be a Breach of Contract?

Alabama Bankers Association Board Briefs

September / October 2019

By: [Michael B. Odom](#)

Can a bank be held liable for breach of contract for calling a loan after the maturity date, or where the note says it is payable on demand? Can a lender be held liable for refusing to make an advance under a discretionary line of credit? In Alabama, you probably think the answer is "no." Alabama law has historically provided banks with significant protection from claims of lender liability in these situations, but other jurisdictions have recently been more inclined to allow claims of lender liability in similar scenarios. **Michael Odom** (Birmingham) discusses these questions and more in "Lender Liability: Can Enforcing the Terms of a Loan Agreement Be a Breach of Contract?" in the Alabama Bankers Association September/October Board Briefs. [View the full article here.](#)

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