



CHAPTER 36E

N.C.G.S. § 36E-5.

Delegation of management and investment functions.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	S.L. 2009-8, s. 2 — second act in the lineage	21 September 2026, 02:14 UTC	9e5b008fc14bb58fc98954bc - 3794aeb43ea75975e9b39f81 - 0b879b61e2c17b5b

§ 36E-5(a)

Subject to any specific limitation set forth in a gift instrument or in law other than this Chapter, an institution may delegate to an external agent the management and investment of an institutional fund to the extent that an institution could prudently delegate under the circumstances. An institution shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, in:

- (1) Selecting an agent;
- (2) Establishing the scope and terms of the delegation, consistent with the purposes of the institution and the institutional fund; and
- (3) Periodically reviewing the agent's actions in order to monitor the agent's performance and compliance with the scope and terms of the delegation.

§ 36E-5(b)

In performing a delegated function, an agent owes a duty to the institution to exercise reasonable care to comply with the scope and terms of the delegation.

§ 36E-5(c)

An institution that complies with subsection (a) of this section is not liable for the decisions or actions of an agent to which the function was delegated.

§ 36E-5(d)

By accepting delegation of a management or investment function from an institution that is subject to the laws of this State, an agent submits to the jurisdiction of the courts of this State in all proceedings arising from or related to the delegation or the performance of the delegated function.

§ 36E-5(e)

An institution may delegate management and investment functions to its committees, officers, or employees as authorized by law of this State other than this Chapter.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
2 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

1985		1997		2009
TICK HEIGHT = ACTS IN THAT YEAR		DASHED = RECODIFICATION, NOT AMENDMENT		
Nº	YEAR	ACT	CHARACTER	
01	1985	c. 98, s. 1	ENACTED	
02	2009	S.L. 2009-8, s. 2	AMENDED	

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 36E-5 (2009).

PINPOINT

N.C. Gen. Stat. § 36E-5(a) (2009).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE
(1985, c. 98, s. 1; 2009-8, s. 2.)

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