



CHAPTER 54

ARTICLE 14B - SUPERVISION AND REGULATION

N.C.G.S. § 54-109.11.

Duties of Administrator.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	S.L. 2017-25, s. 4(a) — fifteenth act in the lineage	21 September 2026, 03:01 UTC	2bd36a4ed1de20824f20e439 - 790f90789989b685fa5890fe - df94dd5b01b378bf

The duties of the Administrator of Credit Unions shall be as follows:

To organize and conduct in the State Department of Commerce, a bureau of information in regard to cooperative associations and rural and industrial credits.

Upon request, to furnish, without cost, such printed information and blank forms as, in his discretion, may be necessary for the formation and establishment of any local credit union in the State.

To maintain an educational campaign in the State looking to the promotion and organization of credit unions. Upon the written request of 12 bona fide residents of any particular locality in this State expressing a desire to form a local credit union at or in such locality, the Administrator of Credit Unions, or one of his assistants, shall proceed as promptly as may be convenient to such locality and make an investigation in order that the Administrator may determine whether or not a local credit union should be established according to the standards set forth and provided in this Article. The Administrator shall notify the applicants of his decision within 30 days after receipt of the written request. Before refusing the establishment of a credit union, the Administrator shall afford the applicants an opportunity to be heard therewith in person or by counsel and at least 60 days prior to the date set for a hearing on any such matter shall notify in writing the applicants of the date of said hearing and assign therein the grounds for the action contemplated to be taken and as to which inquiry shall be made on the date of such hearing. The determination of the Administrator shall be subject to judicial review in all respects according to the provisions and procedures set forth in Chapter 150B of the General Statutes of North Carolina, as amended.

To examine at least once every 18 months, or more often if an examination is deemed necessary by the Administrator or the Administrator's assistant, the credit unions formed under Article 14A of this Chapter. A report of the examination shall be filed with the State Department of Commerce, and a copy mailed to the credit union at its proper address.

The Administrator of Credit Unions is authorized, empowered, and directed to fix the amount of a blanket surety bond which shall be required of each credit union official, committee member and employee, irrespective of whether such official, committee member and employee receives, pays or has custody of money or other personal property owned by a credit union or in the custody or control of the credit union as collateral or otherwise. The surety on the bond shall be a surety company authorized to do business in North Carolina. Any such bond or bonds shall be in a form approved by the Administrator of Credit Unions with a view to providing surety coverage to the credit union with reference to loss by reason of acts of fraud or dishonesty including forgery, theft, embezzlement, wrongful abstraction or misapplication on the part of the person, directly or through connivance with others, and such other surety coverages as the Administrator of Credit Unions may determine to be reasonably appropriate or as elsewhere required by the Chapter. Any such bond or bonds shall be in an amount in relation to the money or other personal property involved or in relation to the assets of the credit union as the Administrator may from time to time prescribe by regulation for the purpose of requiring reasonable coverage. The Administrator may also approve the use of a form of excess coverage bond whereby a credit union may obtain an amount of coverage in excess of the basic surety coverage. No agreement, compromise or settlement of any claim or claims filed by a credit union with any surety or any surety company for less than the full amount of said claim or claims shall be entered into or made by the board of directors of any credit union unless and until the said claim or claims shall have been submitted to the Administrator of Credit Unions and his advice thereon given or transmitted to the board of directors of said credit union. The following schedule shall be deemed as the minimum fidelity and faithful performance bond requirements only:

Assets Minimum Coverage

\$0,000 to \$5,000 \$1,000

5,001 to 10,000 2,000

10,001 to 20,000 4,000

20,001 to 30,000 6,000

30,001 to 40,000 8,000

40,001 to 50,000 10,000

50,001 to 75,000 15,000

75,001 to 100,000 20,000

100,001 to 200,000 30,000

200,001 to 300,000 40,000

300,001 to 400,000 50,000

400,001 to500,00070,000

500,001 to750,00085,000

750,001 to1,000,000100,000

1,000,001 to50,000,000\$100,000 plus \$50,000

for each million or

fraction thereof of assets

over \$1,000,000

\$50,000,001 to\$150,000,000\$2,500,000 plus \$25,000

for each million or

fraction thereof of assets

over \$50,000,000

Over\$150,000,000\$5,000,000

It shall be the duty of the board of directors of each credit union to provide proper protection to meet any circumstances by obtaining adequate bond (an insurance) coverage in excess of the above minimum schedule. The treasurer and all other persons handling credit union funds or records before entering upon his or their duties shall give a proper bond with good and sufficient surety, in an amount and character to be determined by the board in compliance with regulations conditioned upon the faithful performance of his or their trust.

The Administrator may require additional coverage for any credit union when, in his opinion, the surety bonds in force are insufficient to provide adequate surety coverage, and it shall be the duty of the board of directors of any credit union to obtain such additional coverage within 60 days after the date of written notice by the Administrator to such board of directors. For good cause shown, the Administrator may extend the time to obtain additional coverage.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
15 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.



TICK HEIGHT = ACTS IN THAT YEAR DASHED = RECODIFICATION, NOT AMENDMENT

Nº	YEAR	ACT	CHARACTER
01	1915	c. 115, s. 1	ENACTED
02	C.S.	s. 5209	RECODIFIED
03	1925	c. 73, ss. 2, 3, 5, 6	AMENDED
04	1935	c. 87	AMENDED
05	1957	c. 989, s. 1	AMENDED
06	1965	c. 956, ss. 1-3	AMENDED
07	1971	c. 864, s. 17	AMENDED
08	1973	c. 199, ss. 1-3	AMENDED
09	1973	c. 1331, s. 3	AMENDED
10	1975	c. 538, s. 1	AMENDED
11	1977	c. 559, s. 1	AMENDED
12	1987	c. 827, s. 1	AMENDED
13	1989	c. 751, s. 7(2)	AMENDED
14	1989	1991 (Reg. Sess., 1992), c. 959, ss. 4, 4.1	AMENDED
15	2017	S.L. 2017-25, s. 4(a)	AMENDED

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 54-109.11 (2017).

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

(1915, c. 115, s. 1; C.S., s. 5209; 1925, c. 73, ss. 2, 3, 5, 6; 1935, c. 87; 1957, c. 989, s. 1; 1965, c. 956, ss. 1-3; 1971, c. 864, s. 17; 1973, c. 199, ss. 1-3; c. 1331, s. 3; 1975, c. 538, s. 1; 1977, c. 559, s. 1; 1987, c. 827, s. 1; 1989, c. 751, s. 7(2); 1991 (Reg. Sess., 1992), c. 959, ss. 4, 4.1; 2017-25, s. 4(a).)

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