

NORTH CAROLINA GENERAL ASSEMBLY
1977 SESSION

CHAPTER 559
HOUSE BILL 308

AN ACT TO AMEND ARTICLES 14A THROUGH 14L OF CHAPTER 54 OF THE
GENERAL STATUTES, RELATING TO CREDIT UNIONS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 54-109.11 is amended by striking the paragraph which reads as follows: "Over one million dollars (\$1,000,000) minimum amount, one hundred thousand dollars (\$100,000) plus fifty thousand dollars (\$50,000) for each additional million or fraction thereof of assets.", and substituting in lieu thereof the following:

"\$1,000,001 to \$50,000,000	\$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."

Sec. 2. G.S. 54-109.14(a) is amended by striking the words "and examination" at the end of the first paragraph thereof and adding in lieu thereof the following:

"except those credit unions which liquidate or convert its charter shall pay into the office of the Administrator of Credit Unions, to the date of dissolution, pro rata supervision fees. Examination fees shall be paid promptly upon receipt of the examination report and invoice."

Sec. 3. G.S. 54-109.14(a) is further amended by striking from the second paragraph the following:

"However, when the costs of any examination exceed the annual fees assessed and paid by the credit union, the Administrator of Credit Unions may, in his discretion, invoke the provisions of G.S. 54-109.16, giving due consideration to the time and expense incident to such examination, and the ability of the credit union to pay such additional fees. The additional fees, if assessed by the administrator, in his discretion, shall be paid by each credit union promptly after the completion of the examination; provided that such additional fees shall not exceed the estimated cost of such examination."

Sec. 4. G.S. 54-109.16 is amended by striking therefrom the sentence which reads as follows:

"Whenever the cost of making the annual examination exceeds the annual fees paid by the credit union to the State, the administrator may charge the credit union the cost per day per man for each day required to complete the examination."

Sec. 5. G.S. 54-109.21 is amended by inserting at the end of the first paragraph the following:

"(25) In accordance with rules and regulations promulgated by the Administrator of Credit Unions, subject to the advice and consent of the Credit Union Commission, engage in any activity in which credit unions could engage if they were operating as federally chartered credit unions, if on investigation,

the Administrator of Credit Unions finds it necessary to preserve and protect the welfare of the credit unions and to promote the general economy of this State.

- (26) Subject to rules and regulations prescribed by the administrator, act as trustee or custodian, and may receive reasonable compensation for so acting, under any written trust instrument or custodial agreement created or organized and forming a part of a deferred compensation plan for its members or groups or organization of its members, provided the funds of such plans are invested in savings or deposits of the credit union. All funds held may be commingled for appropriate purpose of investment, but individual records shall be kept by the credit union for each participant and shall show in proper detail all transactions engaged in under authority of this section."

Sec. 6. G.S. 54-109.60 is stricken in its entirety.

Sec. 7. G.S. 54-109.82 is amended by adding at the end thereof the following:

"(11) In the College Foundation in any amount not to exceed ten percent (10%) of the shares and unimpaired surplus of the investing credit union."

Sec. 8. G.S. 54-109.88 is amended by adding at the end thereof the following:

"(15) Investments in the College Foundation."

Sec. 9. G.S. 54-109.92(d) is rewritten to read as follows:

"(d) If the administrator, after issuing notice of suspension and providing an opportunity for a hearing, rejects the credit union's plan to continue operations, he may appoint an operating officer or trustee to correct the conditions causing the order of suspension, or he may issue a notice of involuntary liquidation and appoint a liquidating agent. The credit union may request the appropriate court to stay execution of such action. Involuntary liquidation may not be ordered prior to the conclusion of suspension procedures outlined in this section."

Sec. 10. The administrator of credit unions shall establish rules and regulations relating to selection of attorneys at law to handle credit union loan closing proceedings.

Sec. 11. This act shall become effective on July 1, 1977.

In the General Assembly read three times and ratified, this the 14th day of June, 1977.