§ 54-109.82. Investment of funds.

The capital, deposits, undivided profits and reserve fund of the corporation may be invested only in any of the following ways:

1. They may be lent to the members of the corporation in accordance with the provisions of this Chapter.

2. In capital shares, obligations, or preferred stock issues of any agency, company, or association organized either as a stock company, mutual association, or membership corporation, provided the membership or stockholdings, as the case may be, of the agency, company, or association are confined or restricted to credit unions or organizations of credit unions, or provided the purpose for which the agency, company, or association is organized or designed is to service or otherwise assist credit union operations.

3. In obligations of the State of North Carolina or any subdivision thereof.

4. In obligations of the United States, including bonds and securities upon which payment of principal and interest is fully guaranteed by the United States.

5. They may be deposited to the credit of the corporation in savings institutions, credit unions, or State banks or trust companies incorporated under the laws of the State, or in national banks located in the State.

6. In loans to other credit unions in any amount not to exceed twenty-five percent (25%) of the shares and unimpaired surplus of the lending credit union.

7. In an aggregate amount not to exceed twenty-five percent (25%) of the allocations to the reserve fund in any agency, company, or association of the type described in subdivision (2) of this section provided the purposes of the agency, company, or association are designed to assist in establishing and maintaining liquidity, solvency, and security in credit union operations.


9. In any form of investment allowed by law to the State Treasurer under G.S. 147-69.1. In addition, investment in corporate bonds that bear a minimum rating of A+ by at least one nationally recognized rating service is permissible. Credit unions shall monitor overall credit exposure by setting corporate bond investment limits as a percentage of assets.

10. Debentures issued by an agency of the United States government.

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.

12. They may be deposited in any bank or savings institution insured by the federal government or any of its agencies.

13. In higher education bonds permissible under G.S. 116D-2, provided that such bonds pledge the faith, credit, and taxing power of the State for the payment of the principal of and interest on bonds and notes. (1915, c. 115, s. 18; 1917, c. 232, ss. 2, 3; C.S., s. 5219; 1925, c. 73, ss. 12, 13, 14; 1935, c. 87; 1939, c. 400, s. 1; 1947, c. 781; 1965, c. 956, ss. 10, 11; 1969, c. 69, s. 1; 1973, c. 199, s. 4; c. 1255, s. 1; 1975, c. 538, s. 1; 1977, c. 559, s. 7; 1979, c. 467, s. 23; c. 809, s. 2; 1991, c. 651, s. 4; 1991 (Reg. Sess., 1992), c. 1030, s. 51.11; 2011-221, s. 3; 2013-132, s. 5; 2015-93, s. 4.)