

## TITLE 180. OKLAHOMA STATE CREDIT UNION BOARD

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## CHAPTER 1

### **180:1-1-1. Purpose**

This chapter provides for operations of the Board, release of public information, rules of practice and procedure before the Board and definitions.

### **180:1-1-2. Definitions**

The following words or terms, when used in this chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"**Act**" means the Oklahoma Credit Union Act (6 O.S., §2001 et seq.).

"**Adjustable rate mortgage loan**" means a mortgage loan secured by a first lien on residential real property which permits the periodic adjustment of the rate of interest on the loan in response to the movement of an index which was agreed upon in advance by the borrower and the credit union.

"**Administrative Procedures Act**" means the Administrative Procedures Act of Oklahoma (75 O.S., §301, et seq.).

"**Applicant**" means a party commencing a proceeding either in the form of an Application or Complaint; and includes the terms "plaintiff", "complainant" and "petitioner".

"**Attorney**" means a licensed attorney currently admitted to practice before the Supreme Court of Oklahoma, or an attorney currently licensed to practice in another state who is granted permission to appear in a proceeding in this state. No attorney who is not currently licensed to practice in Oklahoma shall be permitted to appear except in association with an attorney so licensed to practice in Oklahoma who shall also appear in the proceeding. An attorney licensed to practice in a state permitting attorneys of this state to practice before its state courts without local counsel may appear without association of local counsel.

"**Board**" means the Oklahoma State Credit Union Board.

"**Capital**", as referred to in the Oklahoma Credit Union Act and in the rules of this chapter shall consist of the shares and deposits held by state-chartered credit unions.

"**Certificate of deposit account**" means an account represented by a Certificate of Deposit as defined in this section.

"**Certificate of deposit**" or "**Share certificate**" means a written instrument or special account in a given amount for a given period of time with a specified rate of interest. Certificates of Deposit and share certificates shall be considered a part of the capital.

"**Commissioner**" means the Oklahoma Bank Commissioner, who presides as Chairman of the Board.

"**Credit union**" means a credit union organized under the laws of Oklahoma.

**"Department"** means the Oklahoma State Banking Department.

**"Intervenor"** means a party not an applicant or named respondent who obtains permission to enter the proceeding. An intervenor opposing an application will thereafter be deemed a respondent.

**"Minimum balance share or Deposit account"** means an account which requires the owner to maintain a specific balance in the account for the entire dividend period.

**"Net earnings"** means the balance after deducting from the gross income a credit union actually receives during a dividend period, all expenses paid or payable during such period, dividends on shares, interest on deposits, statutory reserves and any losses sustained therein for which no specific reserve has been set aside, or for those credit unions on an accrual basis, net earnings shall mean the balance after deducting from the gross income a credit union actually receives or accrues during a dividend period, all expenses paid or payable, all interest accrued, dividend on shares, interest on deposits, statutory reserves during such period and any losses sustained therein for which no specific reserve has been set aside.

**"Notice share or Deposit account"** means an account which may require the owner to give written notice of the intent to withdraw, in addition to any notice as may be required in credit union bylaws.

**"Order"** means that which is required or ordered to be done, or not to be done and shall be generally reserved for the requirement or directive portion of an official order or decisions of a proceeding; or the promulgation of rules, regulations, and requirements in matters in which the Board or Commissioner acts.

**"Party"**, as used in this chapter, means a party of record and every other party having interest in the subject matter, and entitled to appear therein as a party of record.

**"Party of record"** means any party named a party in a pleading, or who makes formal appearance either in person or by an attorney at any stage of the proceeding, whether or not seeking affirmative relief.

**"Protestant"** means a party who, upon grounds of private or public interest, resists an application or any relief sought thereby. A protestant is governed by the rules applicable to a respondent.

**"Record"** or **"Formal record"** of any proceeding shall consist of the following, where offered at the hearing, whether or not received:

- (A) Preliminary exhibits, including pertinent pleadings, notices and proof of publication.
- (B) Transcript of proceedings at all hearings.
- (C) Depositions, stipulations, interrogatories and answers, written testimony, offers of proof, and similar matters.
- (D) Exhibits, together with attachments, appendices and amendments thereto.
- (E) Exceptions and motions subsequent to the hearing.
- (F) Orders or Recommendations of the Board or Commissioner, together with findings of fact and conclusions of law.
- (G) The Board or Commissioner may order included in the record any other instruments or matters relevant to issues.

**"Regular share or Deposit account"** means an account which does not require the owner to maintain a minimum balance greater than the par value of a share except a nominal minimum relating to the cost of maintaining an account, or to give notice of intent to withdraw, except as may be required in credit union bylaws.

**"Respondent"** means a party against whom relief is sought in a proceeding, or who appears in opposition to relief sought by the applicant, and includes the term "Defendant".

**"Share certificate account"** means an account that will earn dividends at a particular rate (subject to conditions) if held to maturity and on which a penalty may be assessed for withdrawal of all or any portion of the principal amount prior to maturity, with certain exceptions.

**"Share draft/Checking account"** means a regular share or deposit account, set separate and aside from all other accounts, upon which the owner is permitted to draw drafts as provided for in 180:10-5-5.

**"Surplus"** means the credit balance of the undivided earnings account on the given date after all losses have been provided for and net earnings or net losses have been added thereto or deducted therefrom, as the case may be. Regular reserves as defined in 6 O.S. §2011 shall not be considered as a part of the surplus.

**"Trusted and custodial pension fund share, deposit or share certificate account"** means an account which qualifies as an individual retirement account for a member pursuant to 26 U.S.C., Section 408, or Keogh (HR 10) Plan as established pursuant to 26 U.S.C., Section 401.

**"Variable rate loan"** means any loan other than an adjustable rate mortgage loan defined in this section which permits adjustment of the interest rate on the loan in response to the movement of an index.

### **180:1-1-3. General powers of the Commissioner and Board**

- (a) The Commissioner shall be the chief administrative officer of the Board. The Commissioner and his staff shall execute the rules, regulations, orders, decisions and policies of the Board. The Commissioner and his staff shall perform and carry out the clerical duties of the Board, under the direction and supervision of the Board.
- (b) The Commissioner shall issue certificates to engage in business as a credit union upon authority of the Board and in compliance with Section 2002 and Section 2003 of the Act.
- (c) The Commissioner shall investigate and examine credit unions as required by the Act and shall require reports, impose penalties and enforce the provisions of Section 2008 of the Act.
- (d) The Board will from time to time adopt rules, conduct individual proceedings and enter orders as defined in the Administrative Procedures Act and in accordance with the provisions thereof.

**180:1-1-4. Public records**

- (a) The Board makes available for public inspection and copying, upon request,
  - (1) the Act,
  - (2) the Administrative Procedures Act,
  - (3) this Title,
  - (4) statements of policy and interpretations of the Board, and
  - (5) a record of the official actions of the Board.
- (b) The public may make submissions or requests to the Commissioner at the office of the Board either orally or in writing. Where the request is for materials of which copies are not available and reproduction is required, such service will be provided upon payment of the costs involved.
- (c) Requests for documents other than those expressly made public records pursuant to (a) of this Section, shall be governed by the provisions of 6 O.S. §208.

**180:1-3-1. Board's principal offices and alternate locations**

The principal office of the Oklahoma State Credit Union Board shall be located in the office of the Oklahoma State Banking Department. The Board, or any official exercising its authority, may meet and exercise its official powers and functions at any location in the State of Oklahoma.

**180:1-3-2. General procedures before the Board**

- (a) The adoption, amendment, or repeal of any rule shall be in accordance with the provisions of §303 of the Administrative Procedures Act. (75 O.S. §301, et seq.)
- (b) An interested person may petition the Board requesting the promulgation, amendment or repeal of a rule. The petition shall be in writing and shall be in the form of a request submitted to the Board stating the petitioner's interest in the subject matter and the reasons why the petition should be granted. The Board shall consider and act upon said petition within a reasonable time.
- (c) An interested person may petition the Board for declaratory rulings as to the applicability of any rule or order of the Board. The petition shall be in writing setting forth the petitioner's interest in the subject matter and the reasons why the petition should be granted. The petition shall be filed at the office of the Board and the Board shall consider and act upon the petition promptly.
- (d) The conduct of an individual proceeding as defined by §301 of the Administrative Procedures Act shall be in accordance with the provisions of §309 of the Administrative Procedures Act. The Board may admit evidence and shall allow cross-examination and right to counsel as provided by §310 of the Administrative Procedures Act.
- (e) The Board shall have power to require the furnishing of such information, the attendance of such witnesses and the production of such books, records, papers or other objects as may be necessary and proper for the purposes of any proceeding in accordance with the provisions of §315 of the Administrative Procedures Act.

### **180:1-3-3. Filing pleadings and papers**

Every communication in writing to the Board shall be addressed to the Commissioner at the principal office, unless the Board directs otherwise. Every pleading and other document tendered for official filing shall be deposited with or mailed to the Commissioner at the principal office, and shall be deemed received only upon actual delivery at the office of the Commissioner. Filing of any instrument shall not be complete except upon payment of all applicable fees required by law or by these rules.

### **180:1-3-4. Record of proceedings**

The Commissioner may, in his discretion, or shall at the request of a party, cause a record to be made of an individual proceeding before the Board or Commissioner. A transcript of proceedings will be made at the request and expense of any party ordering it; however, two copies shall be furnished to the Department at Appellant's expense in cases in which the Commissioner's or Board's decision is appealed.

### **180:1-3-5. Service of pleadings**

- (a) **Service of an initial pleading.** Every application in which a party is named a respondent, and every complaint, shall be served by the State Banking Department on each respondent named therein by mail accompanied by a notice of hearing stating the date on which the cause is set for hearing, which shall be no less than ten (10) days after notice is mailed. Service hereunder shall be required in addition to provisions of this Chapter requiring service by publication.
- (b) **Service of subsequent pleadings.** Every pleading after the initial pleading shall be served by the party filing it by regular mail upon all parties of record. Parties of record shall include the applicant, all named respondents, and all persons having theretofore entered an appearance in the cause, in person or by an attorney.
- (c) **Certificate of service.** Every pleading required to be served by regular mail shall contain a list of persons served and the certificate of a party or his attorney, that on the date stated a copy of the pleading was mailed, postage prepaid, or delivered, to each person listed. Any pleading required to be served by regular mail may be served by leaving a copy thereof at the principal office of the party, or of the attorney for the party.
- (d) **Service not jurisdictional.** Service prescribed by this Chapter shall not be jurisdictional except where so provided by the Constitution or by Statute. Failure to comply with the provisions of this Section as to mailing and service notice shall not deprive the Board or Commissioner of jurisdiction of the proceeding, but shall be grounds for appropriate relief as the Commissioner may order.

### **180:1-3-6. Commencement of proceeding; intervention; consolidation**

- (a) Every proceeding shall be commenced by an initial pleading which shall be:
  - (1) an application,
  - (2) a complaint, or
  - (3) an order of the Board or Commissioner commencing a proceeding.

- (b) An application shall include any request for authority, approval, determination, permission or other Board action or relief whether or not directed against a named respondent. A complaint shall include every form of request for enforcement of an order, rule or regulation of the Board or Commissioner or for relief against a named respondent based upon an alleged violation of law or of a rule, regulation or order of the Board or Commissioner.
- (c) Any interested person may intervene in a proceeding before the Board or Commissioner upon making timely application and showing that he may be aggrieved by the decision. Two or more proceedings or matters may be consolidated if there is no prejudice to any person affected by such consolidation.

**180:1-3-7. Notice of hearing**

- (a) The Commissioner shall determine the names of all interested persons who might be directly aggrieved by the determination of the Board or the Commissioner at such hearings.
- (b) The Commissioner shall give written notice of hearing to such persons at least ten (10) days prior to the hearing.
- (c) The Commissioner shall give any additional notice required by law and may give additional notice where he deems it advisable.

**180:1-3-8. Continuances**

- (a) The Commissioner may continue a hearing at any time for any period, with or without notice or motion.
- (b) Except for good cause shown or by agreement of all parties appearing at the hearing, no continuance will be granted upon motion of a party unless notice thereof is given to all interested parties at least three (3) days prior to the date set for hearing. A stipulation for continuance among all parties of record ordinarily will be approved unless the Commissioner determines that the public interest requires otherwise.
- (c) Every continuance shall be to a day certain, and shall be made by order of the Commissioner.

**180:1-3-9. Depositions and discovery**

(a) **Depositions.**

- (1) Deposition of a witness may be taken pursuant to a subpoena or by agreement of the parties involved. The deposition of a witness may be taken inside or outside the State of Oklahoma with the requesting party bearing the cost of the court reporter.
- (2) The manner of taking deposition and the use thereof shall otherwise be governed by the laws relating to taking of depositions for use in the District Courts of Oklahoma.

(b) **Production of documents.**

- (1) Upon application of a party, or upon the Commissioner's own motion, with or without notice, the Commissioner may make an Order requiring a party to produce designated documents or tangible objects for inspection by parties to the proceeding, or for copying at the expense of the applicant, or to be offered in evidence. The Order shall direct production thereof at the hearing, or at a pre-hearing conference and production shall be at the principal office of the Board, unless some other place is stated in the order. An order hereunder may be directed to a party not yet a party of record, conditioned that such party appears at the hearing, the Order thereupon will be complied with.
- (2) The party applying therefore shall mail a copy of the Order by regular mail on each party of record at least seven (7) days prior to the date upon which production is required.
- (3) An Order pursuant to this Section may require production of any document not privileged which constitutes or contains evidence relevant to the subject matter of the proceeding, or may reasonably lead to such evidence. Business records shall not be deemed privileged as such; but confidential business records and information will be protected from disclosure except where directly relevant to the issues in the proceedings.
- (4) The Order shall identify the document or object to be produced individually or by categories, with sufficient particularity to permit easy identification thereof by the party ordered to make production.
- (5) An exact photographic copy of a document may be substituted for the original, at the expense of the person requesting the instrument.

(c) **Interrogatories.**

Interrogatories may be submitted to a party in an individual proceeding under the same restrictions and procedures as set forth in the Oklahoma Statutes governing discovery in civil cases.

**180:1-3-10. Examiner testimony**

- (a) Oklahoma State Banking Department examiners are prohibited from giving testimony which would disclose information obtained from confidential records as defined in 6 O.S. §208 or information obtained in the process of developing confidential records without the express permission in writing of the Commissioner.
- (b) Litigants seeking to subpoena banking department examiners for depositions or hearings shall serve one copy of the subpoena upon the examiner and shall timely furnish one copy of each subpoena to the Department.

**180:1-3-11. Examination report confidentiality**

Examination reports are the property of the regulatory agencies which generate them. Copies are furnished to credit unions for their confidential use. Under no circumstances shall the credit union or any of its directors, officers or employees disclose or make public in any manner the report or any portion thereof. If a subpoena or other legal process is received calling for production of an examination report, the

Department must be notified immediately.

**180:1-3-12. Pre-hearing conference**

- (a) The Commissioner, with or without request by any party of record, may order the parties or their attorneys to appear at a designated time for a pre-hearing conference to consider:
  - (1) Simplification of the issues.
  - (2) Presentation of issues of law, adjudication of which may simplify or eliminate issues of fact.
  - (3) Admissions and stipulations of fact which will avoid unnecessary evidence and testimony.
  - (4) Identification of documents to be offered at the hearing.
  - (5) Identification of and numerical limit upon experts and other witnesses.
  - (6) Discovery and production of documents, records, data and other information.
  - (7) Other matters as may aid in trial of the proceedings.
- (b) Any objection or amendment to the application, notice of hearing, investigative report, any pleading or order commencing a proceeding shall be made at the pre-hearing conference. No objection or amendment will be allowed after the pre-hearing conference except upon good cause.
- (c) Actions taken at the pre-hearing conference may be embodied in a preliminary order, which order shall control subsequent proceedings and shall be binding on all parties, whether or not present, unless modified to prevent manifest injustice.
- (d) Notice of the time and place of a pre-hearing conference shall be as prescribed by order of the Commissioner and shall be served by regular mail upon all parties of record.

**180:1-3-13. Witnesses and subpoenas**

(a) **Subpoena.**

Pursuant to 6 O.S. §2001.2, the Board, upon request of a party, or upon their own motion, may issue subpoenas in any pending proceeding requiring attendance of a witness from any place in the state to the place of hearing. Praecipe for subpoena shall be filed with the Commissioner.

(b) **Subpoena duces tecum.**

A subpoena may require the witness to produce at the hearing books, records, accounts, papers, and other instruments and tangible objects, which shall be described with reasonable particularity in the subpoena. A subpoena duces tecum directed to a party not an individual may direct that the records be produced by an officer or employee responsible therefor.

(c) **Service of subpoena.**

A subpoena may be served by a law enforcement officer, by an attorney, or by any other person competent to make an oath; and the person serving the same shall attach his affidavit of the person served, and time and manner of service. Service also may be made in any other manner provided by law.

(d) **Return.**

The original subpoena, with the affidavit of service thereon, shall be filed with the Commissioner.

(e) **Protective orders.**

The Commissioner may make any orders with respect to subpoena and attendance of witness with or without application or notice, as may be appropriate for the protection of parties and witnesses, including an Order excusing attendance, or limiting documents to be produced.

**180:1-3-14. Evidentiary rules**

(a) **Rules of evidence.**

At such hearings, the rules of evidence set forth in the Oklahoma Evidence Code shall apply and the hearing shall be conducted in accordance with the Oklahoma Evidence Code relating to hearings therein provided, insofar as may be practicable.

(b) **Order of proof.**

The applicant or complainant who institutes a proceeding shall open and close the proof. Intervenors shall be heard immediately following principal parties with whom allied in interest. In all other cases, the presiding officer shall designate the order of proof.

(c) **Adverse party.**

A party may call an adverse party or an officer or employee of an adverse party, in which case the witness may be impeached and otherwise cross-examined.

(d) **Off the record.**

All testimony will be taken on the record unless the presiding officer designates otherwise.

(e) **Documents.**

Documentary evidence may be received in the form of copies or excerpts, if the original is not readily available. Upon requests, parties shall be given an opportunity to compare the copy with the original.

(f) **Examination of witness.**

The Commissioner shall designate the order of examination and may limit the scope of examination and cross-examination.

### **180:1-3-15. Party's attendance required at hearing**

A representative of a credit union seeking affirmative relief must be present at the Board meeting where the Board will hear the request.

## **CHAPTER 10**

### **180:10-1-1. Purpose**

This Chapter sets forth the supervisory and regulatory requirements, procedures and standards for a variety of credit union activities, powers and issues, as well as defining and clarifying various terms and provisions of the Act. This Chapter also provides specific and general guidance for the general administration of the Act and in appropriate places, grants or clarifies credit union powers, privileges and duties.

### **180:10-1-2. Definitions**

The following words or terms, when used in this chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"**Act**" means the Oklahoma Credit Union Act (6 O.S., §2001 et seq.).

"**Adjustable rate mortgage loan**" means a mortgage loan secured by a first lien on residential real property which permits the periodic adjustment of the rate of interest on the loan in response to the movement of an index which was agreed upon in advance by the borrower and the credit union.

"**Administrative Procedures Act**" means the Administrative Procedures Act of Oklahoma (75 O.S., §301, et seq.).

"**Applicant**" means a party commencing a proceeding either in the form of an Application or Complaint; and includes the terms "plaintiff", "complainant" and "petitioner".

"**Attorney**" means a licensed attorney currently admitted to practice before the Supreme Court of Oklahoma, or an attorney currently licensed to practice in another state who is granted permission to appear in a proceeding in this state. No attorney who is not currently licensed to practice in Oklahoma shall be permitted to appear except in association with an attorney so licensed to practice in Oklahoma who shall also appear in the proceeding. An attorney licensed to practice in a state permitting attorneys of this state to practice before its state courts without local counsel may appear without association of local counsel.

"**Board**" means the Oklahoma State Credit Union Board.

"**Capital**", as referred to in the Oklahoma Credit Union Act and in the rules of this chapter shall consist of the shares and deposits held by state-chartered credit unions.

"**Certificate of deposit account**" means an account represented by a Certificate of Deposit as defined in this section.

"**Certificate of deposit**" or "**Share certificate**" means a written instrument or special account in a given amount for a given period of time with a specified rate of interest. Certificates of Deposit and share certificates shall be considered a part of the capital.

"**Commissioner**" means the Oklahoma Bank Commissioner, who presides as Chairman of the Board.

"**Community Credit Union**" means a credit union that has its field of membership one of the following:

- (A) a political subdivision;
- (B) a rural service area;
- (C) an Oklahoma Metropolitan Statistical Area; or
- (D) such non-standard community as the Board shall approve.

"**Credit union**" means a credit union organized under the laws of Oklahoma.

"**Department**" means the Oklahoma State Banking Department.

"**Intervenor**" means a party not an applicant or named respondent who obtains permission to enter the proceeding. An intervenor opposing an application will thereafter be deemed a respondent.

"**Metropolitan Statistical Area**" or "**MSA**" means an area designated by the Federal Office of Management and Budget which consists of a county or group of adjoining counties that contain at least one urbanized area of 50,000 inhabitants or more.

"**Minimum balance share** or **Deposit account**" means an account which requires the owner to maintain a specific balance in the account for the entire dividend period.

"**Multiple common bond**" shall mean a credit union that has its field of membership select employee groups and/or select associational groups, and which groups have, as to each individual group, a common bond of occupation or association, but, as to all groups, need not have the same common bond of occupation or association as other groups within the credit union.

"**Net earnings**" means the balance after deducting from the gross income a credit union actually receives during a dividend period, all expenses paid or payable during such period, dividends on shares, interest on deposits, statutory reserves and any losses sustained therein for which no specific reserve has been set aside, or for those credit unions on an accrual basis, net earnings shall mean the balance after deducting from the gross income a credit union actually receives or accrues during a dividend period, all expenses paid or payable, all interest accrued, dividend on shares, interest on deposits, statutory reserves during such period and any losses sustained therein for which no specific reserve has been set aside.

"**Non-standard community**" shall mean a well-defined community, neighborhood, or rural district whose residents have common interests or interact. An OMSA, political subdivision, and rural service area shall not be considered a non-standard community.

"**Notice share** or **Deposit account**" means an account which may require the owner to give written notice

of the intent to withdraw, in addition to any notice as may be required in credit union bylaws.

**“Oklahoma Metropolitan Statistical Area”** or **“OMSA”** means any one of the four areas, located entirely within the state of Oklahoma, designated by the Federal Office of Management and Budget as a Metropolitan Statistical Area. The four OMSAs and the county/counties of which they are comprised are as follows:

- (A) “Enid OMSA,” comprised of Garfield county;
- (B) “Lawton OMSA,” comprised of Comanche county;
- (C) “Tulsa OMSA,” comprised of Osage, Creek, Rogers, Wagoner and Tulsa counties; and
- (D) “Oklahoma City OMSA,” comprised of McClain, Cleveland, Pottawatomie, Oklahoma, Canadian, and Logan counties.

**"Order"** means that which is required or ordered to be done, or not to be done and shall be generally reserved for the requirement or directive portion of an official order or decisions of a proceeding; or the promulgation of rules, regulations, and requirements in matters in which the Board or Commissioner acts.

**"Party"**, as used in this chapter, means a party of record and every other party having interest in the subject matter, and entitled to appear therein as a party of record.

**"Party of record"** means any party named a party in a pleading, or who makes formal appearance either in person or by an attorney at any stage of the proceeding, whether or not seeking affirmative relief.

**“Political subdivision”** means a county, city, town or other municipal corporation, a public authority, and any other publicly owned entity which is an instrumentality of a state of the United States or a municipal corporation.

**“Primary member”** means an individual who is directly eligible for credit union membership because of the individual’s employment, group association, or community relationship. An individual whose eligibility relies on his or her status as a family member to a primary member is considered a secondary member.

**"Protestant"** means a party who, upon grounds of private or public interest, resists an application or any relief sought thereby. A protestant is governed by the rules applicable to a respondent.

**"Record"** or **"Formal record"** of any proceeding shall consist of the following, where offered at the hearing, whether or not received:

- (A) Preliminary exhibits, including pertinent pleadings, notices and proof of publication.
- (B) Transcript of proceedings at all hearings.
- (C) Depositions, stipulations, interrogatories and answers, written testimony, offers of proof, and similar matters.
- (D) Exhibits, together with attachments, appendices and amendments thereto.

- (E) Exceptions and motions subsequent to the hearing.
- (F) Orders or Recommendations of the Board or Commissioner, together with findings of fact and conclusions of law.
- (G) The Board or Commissioner may order included in the record any other instruments or matters relevant to issues.

**"Regular share or Deposit account"** means an account which does not require the owner to maintain a minimum balance greater than the par value of a share except a nominal minimum relating to the cost of maintaining an account, or to give notice of intent to withdraw, except as may be required in credit union bylaws.

**"Respondent"** means a party against whom relief is sought in a proceeding, or who appears in opposition to relief sought by the applicant, and includes the term "Defendant".

**"Rural Service Area"** means any one of the following six geographic areas, comprised of contiguous counties, designated by the Oklahoma Department of Community Development:

- (A) "Southeast Oklahoma," comprised of Latimer, Haskell, McCurtain, Choctaw, Pushmataha, Pittsburg, Atoka, Bryan, Coal, Hughes and LeFlore counties;
- (B) "North Central Oklahoma," comprised of Alfalfa, Major, Blaine, Kingfisher, Grant, Kay, Noble, Pawnee, Lincoln, and Payne counties.
- (C) "Southwest Oklahoma," comprised of Beckham, Washita, Caddo, Cotton, Tillman, Jackson, Harmon, Greer, and Kiowa counties.
- (D) "South Central Oklahoma," comprised of Grady, Stephens, Jefferson, Garvin, Murray, Carter, Love, Seminole, Pontotoc, Johnston, and Marshall counties.
- (E) "Northeast Oklahoma," comprised of Muskogee, McIntosh, Okfuskee, Washington, Nowata, Craig, Ottawa, Delaware, Adair, Sequoyah, Mayes, Cherokee, and Okmulgee counties.
- (F) "Northwest Oklahoma," comprised of Woods, Ellis, Beaver, Cimarron, Harper, Roger Mills, Custer, Texas, and Woodward counties.

**"Select associational group"** means a group whose members participate in activities developing common loyalties, mutual benefits, and mutual interests. A select associational group shall not include a political subdivision, OMSA, rural service area, or any association formed only to qualify for membership in a credit union.

**"Select employee group"** means a group whose members are employed by the same legal entity or such entity's affiliates. For purposes of this definition, the term "affiliate" shall mean any company that controls, is controlled by, or is under common control with, the legal entity.

**"Share certificate account"** means an account that will earn dividends at a particular rate (subject to conditions) if held to maturity and on which a penalty may be assessed for withdrawal of all or any portion

of the principal amount prior to maturity, with certain exceptions.

**"Share draft/Checking account"** means a Regular Share or deposit account, set separate and aside from all other accounts, upon which the owner is permitted to draw drafts as provided for in 180:10-5-5.

**"Single common bond"** shall mean a credit union that has its field of membership select employee groups or select associational groups with a single common bond among all groups.

**"Surplus"** means the credit balance of the undivided earnings account on the given date after all losses have been provided for and net earnings or net losses have been added thereto or deducted therefrom, as the case may be.

**"Trusteed and custodial pension fund share, deposit or share certificate account"** means an account which qualifies as an individual retirement account for a member pursuant to 26 U.S.C., Section 408, or Keogh (HR 10) Plan as established pursuant to 26 U.S.C., Section 401.

**"Variable rate loan"** means any loan other than an adjustable rate mortgage loan defined in this section which permits adjustment of the interest rate on the loan in response to the movement of an index.

### **180:10-1-3. Description of forms and instructions**

- (a) The form of an application to engage in business as a credit union shall be prescribed in 180:10-3-1.
- (b) The form of bylaws of a credit union shall be prepared by the Board, consistent with the Act, which may be used by the credit union and shall be supplied upon request.
- (c) The form of an oath to be administered and signed by all directors of each state credit union on an annual basis.
- (d) The form to be used by a group to request affiliation with a credit union.
- (e) The form on which a report of condition must be made. (Call Reports)
- (f) The form for annual listing of Small Employee Groups within a credit union field of membership at the end of each fiscal year.
- (g) Other forms and instructions used by the Board shall be available at the office of the Board and shall be furnished to any interested party upon request.

### **180:10-1-4. Change in name**

#### **(a) Board of Directors vote.**

The credit union desiring to change its name shall furnish to the Board evidence of an affirmative majority vote of the petitioning credit union's Board of Directors approving the name.

#### **(b) Board review of name.**

Upon receipt of the resolution, the Board shall review the names of credit unions in the community, and shall review the files of the Secretary of State to determine that the proposed name is not similar to any other corporation in the community, or having been in the community.

(c) **Board determination.**

With this review, the Board shall make the sole determination as to the proposed name being the same, deceptive or misleading, and shall so notify the credit union.

(d) **Amended articles of incorporation.**

The Board shall furnish two (2) copies of the necessary forms to be used for amending the credit union's Articles of Incorporation. The credit union shall complete the forms and return both sets to the Commissioner's office, together with two (2) certified copies of the resolution adopted by a majority of the Board of Directors which resolution appears in the minutes of their meeting, in connection with the change of name. These amended articles shall be accompanied by two (2) checks, one made payable to the State Bank Commissioner in the amount of Ten Dollars (\$10.00), for approving the documents, and one check, in blank, made payable to the Secretary of State for his fees due in connection with filing.

(e) **Amended articles filed; filing fee; effective date.**

Immediately upon receiving the properly executed documents from the credit union, the Commissioner shall file the documents with the Secretary of State, after which he will return a certified copy to the credit union and the required number to the National Credit Union Administration. One (1) set will be retained for the Department's files. The blank check will be filled in by the office of the Secretary of State when the filing fee has been determined. The change in name shall not be effective until the Secretary of State has approved the articles.

**180:10-1-5. Bond requirements; schedule**

- (a) The following schedule shall be deemed as the minimum amount fixed by the State Credit Union Board for the bond provided in Title 6 O.S. Section 2010(B).

<u>Assets</u>	<u>Minimum Coverage</u>
\$0,000 to \$10,000	coverage equal to amount of assets
\$10,001 to \$1,000,000	\$10,000 for each \$100,000 increment or fraction thereof
\$1,000,001 to \$50,000,000	\$100,000 plus \$50,000 for each million or fraction over a million
\$50,000,001 to \$295,000,000	\$2,550,000 plus \$10,000 for each million or fraction thereof over 50,000,00

Over \$295,000,000

\$5,000,000

(b) No deductible may exceed 10% of the credit union's regular reserve unless the credit union creates a special segregated contingency reserve in the amount of the excess. Valuation allowance accounts (allowance for loan losses) may not be considered part of the reserve when determining the maximum deductible.

**180:10-1-6. Approved auditors**

- (a) The supervisory committee, with the approval of the board of directors, may further employ any auditor, licensed public accountant, or any certified public accountant.
- (b) The supervisory committee, with the approval of the board of directors, may further employ any auditor listed in the office of the State Bank Commissioner on the official approved list of auditors, which list may be changed from time to time by the State Credit Union Board.
- (c) Each auditor, other than licensed public accountants and certified public accountants, seeking approval, shall make application on a form prescribed by the Commissioner, prior to their approval, and indicate thereon their qualifications. Their approval shall be at the sole discretion of the Oklahoma State Credit Union Board. Upon its own motion, the State Credit Union Board may remove any previously approved auditor.

**180:10-1-7. Bylaw amendments**

- (a) Requests for amendments to a credit union's bylaws must be submitted in writing [an original and one copy] at least two (2) weeks in advance of the State Credit Union Board's regularly scheduled meeting.
- (b) The form of the requested amendment should be as follows:
  - (1) For each amendment requested, the provisions as currently contained in the bylaws should be typed in their present form.
  - (2) These should then be lightly crossed out and immediately below should be the requested bylaw language change.
- (c) The amendment is to be accompanied by a detailed explanation as to reason and effect, and other pertinent data, if requested by the Department.

**180:10-1-8. Corporate central credit union organization and operation**

- (a) **Scope.**

This Section sets forth provisions relating to the organization and operation of a corporate central credit union in Oklahoma pursuant to the provisions of 6 O.S. §2007. The provisions of this Section are intended to implement and carry out the laws of this state for the organization and operation of a corporate central credit union to serve other credit unions wherein such organization and operation may differ from the organization and operation of any other credit union, and shall supersede any conflicting provisions of other rules promulgated by the Board insofar as such other

rules may pertain to a corporate central credit union.

(b) **Definition.**

A corporate central credit union is a central credit union organized under the laws of Oklahoma (6 O.S. §2007) to which other credit unions organized under the laws of this state and of the United States may belong, whose primary purpose is to serve other credit unions, and to which only a limited number of natural persons and other incorporated and unincorporated organizations may be elected to membership as may be provided in its bylaws.

(c) **Organization.**

The Articles of Incorporation of a corporate central credit union shall contain the words "Corporate Credit Union" in its name and shall be approved by the Board. No credit union other than a corporate central credit union shall use the word "corporate" in its name. The bylaws of a corporate central credit union shall conform to the provisions of this Section and shall be approved by the Board.

(d) **Powers.**

A corporate central credit union shall have all the powers of a credit union under the provisions of 6 O.S. §2006, including but not limited to the following powers as hereinafter specifically limited, all of which are deemed by the Board to be incidental, necessary and requisite for the purpose of primarily serving other credit unions:

- (1) To make loans to its corporate members or invest its funds in loans exclusively to its corporate members. No loans shall be made to a natural person member. A corporate central credit union, organized primarily to serve other credit unions, is not subject to any limitation upon the total amount of loans to other credit unions which have been duly elected to membership, except as may be specifically prescribed by rule or regulation of the Board.
- (2) To receive from its corporate member payments on shares and deposits and to require such notice for withdrawal of shares and deposits as the bylaws may provide. The bylaws shall limit the payments on shares and deposits of any natural person member to a relatively nominal amount. A corporate central credit union, organized primarily to serve other credit unions, is hereby approved by the Board as a depository for other credit unions and no limitation shall apply to the investment of funds of other credit unions in shares of and deposits to a corporate central credit union, except as may be specifically prescribed by rule or regulation of the Board.
- (3) To invest its funds in the shares or deposits of other credit unions in a total amount not exceeding twenty-five percent (25%) of the paid-in or unimpaired capital and surplus of the corporate central credit union, provided that such limitation shall not apply to an investment in the shares or deposits of other credit unions approved by the Board as a depository under 6 O.S. §2006(9).

(e) **Accounts.**

The board of directors of a corporate central credit union, by resolution, may establish Share accounts with varying dividend rates and periods, Share Certificate accounts with varying dividend rates, periods and maturities, Deposit accounts with varying interest rates, periods and maturities, share draft accounts, and money market accounts as the board of directors may from time to time determine, subject to the following terms and conditions:

- (1) Provision shall first be made for such reserves as may be required by law and by the bylaws of the corporate central credit union.
- (2) Dividends declared and interest paid may exceed seven percent (7%) but shall in no event exceed available earnings; provided, however, that the board of directors may determine that adequate earnings are available through projections thereof.
- (3) Share Certificate accounts and Certificate Deposit accounts may be evidenced by book entries without the issuance of a written certificate.
- (4) Penalty provisions required by law for withdrawal of all or any portion of an account without notice or before maturity may be disclosed to corporate members by and through a written statement of policies adopted by the board of directors and delivered to the corporate members.

**180:10-1-9. Copies of State Credit Union Board agendas; fee [REVOKED]**

**180:10-1-10. Members/eligibility [REVOKED]**

**180:10-1-11. Records and retention**

- (a) If the retention period required by any state or federal laws or regulations, whether now in effect or hereafter enacted, differs from the retention period required by this Section, compliance with such other state or federal laws or regulations shall be deemed to constitute compliance with this Section.

- (1) **Regulatory communication.**

- (A) Annual report to regulator - Permanent
- (B) Reports of Examination - Permanent
- (C) Call Reports - Permanent
- (D) Certificate of License to operate under various government programs - Dependent on duration of license
- (E) Specific authorizational or directive correspondence with regulator (i.e., Cease and Desist Orders, Letters of Understanding, recurring financial reports, etc.) - Permanent
- (F) Manuals, circulars, official instructions - Permanent

- (2) **Administrative records.**

- (A) Certificate of Organization (Charter) - Permanent
- (B) Bylaws and amendments - Permanent

- (C) Minutes of membership meetings - Permanent
- (D) Minutes of Directors meetings - Permanent
- (E) Supervisory Committee minutes, reports, attachments - Permanent
- (F) Credit Committee minutes - Permanent
- (G) Reports of loan officers - Permanent
- (H) Reports of Credit Manager - Permanent
- (I) Miscellaneous committee reports - Permanent
- (J) New and closed account reports - 6 years
- (K) Monthly financial/statistical reports- 6 years
- (L) Annual financial/statistical report before and after closing - Permanent
- (M) Escheating of accounts reports - Permanent
- (N) Records of record destruction - Permanent
- (O) Delinquent loan reports - 6 years
- (P) Membership register - Permanent

(3) **Member account evidence and activity.**

- (A) Agreements/application for closed membership and signature cards - Permanent after account
- (B) Agreements/applications for trust accounts - 6 years after account closed
- (C) Agreements/applications for specialized accounts - 6 years after account closed
- (D) Joint account agreements - 6 years after account closed
- (E) Certificates of deposit or share certificates - 5 years after redeemed
- (F) Payroll deduction authorization - Dependent on duration or until replaced by subsequent document
- (G) Third party payment authorization - Dependent on duration or until replaced by subsequent document
- (H) Transaction records of international "transfer of funds" of \$10,000 or more - 5 years
- (I) Form 4790 report of international transactions of currency or monetary instruments (\$5,000 or more) - 5 years
- (J) Transaction records of currency transactions of \$10,000 or more/Form 4789 Currency Transaction Report - 5 years
- (K) Each deposit slip or credit ticket for each transaction over \$100 - 5 years
- (L) TIN, name and address for each certificate of deposit or share certificate sold or redeemed - 5 years
- (M) Each document granting signature authority over each deposit or share account - 5 years
- (N) Each statement, ledger/card or other record showing each transaction in, or with respect to a deposit or share account - 5 years
- (O) Each item over \$100 which is a debit to a member's account, EXCEPT charges or periodic charges made under agreement with a member - 5 years
- (P) Designation of Beneficiary Cards 6 years after account closed
- (Q) Individual share, deposit, loan ledgers (non EDP credit unions) - Permanent
- (R) Member account statements - Permanent
- (S) Court orders, judgments, garnishments, inquiries of credit union held member accounts - 10 years
- (T) Specialized agreements or instructions on credit union held member accounts - 6 years after account closed

- (U) Documentation concerning death, disability or other insurance claims involving member accounts - 6 years
- (V) Evidence of compliance with requirements of Consumer Leasing Act - 2 years
- (W) Evidence of compliance with requirements of Regulation E (Electronic Funds Transfer Act) - 2 years
- (X) Evidence of compliance with checkhold regulations (funds availability disclosures) - 5 years
- (Y) Member account transfer authorization - 6 years
- (Z) Cash withdrawal authorizations - 6 years
- (AA) Loan transfer summaries - 6 years
- (BB) Daily report of overdrafts - Dependent, may be destroyed after transfer to month end or annual report
- (CC) Undelivered statements - 5 years
- (DD) Liens and/or levys - 5 years

(4) **Financial operations.**

- (A) General ledger - Permanent
- (B) Journal or cash record - Permanent
- (C) Subsidiary ledgers - Permanent
- (D) Cancelled/voided checks or drafts - Permanent, may be microfilmed
- (E) Certified checks - Permanent
- (F) Money orders and register - 5 years
- (G) Credit union depository-statements - Permanent
- (H) Cash reconciliation - Permanent
- (I) Cash receipts - 6 years
- (J) Cash disbursement vouchers - 6 years
- (K) Journal vouchers - 6 years
- (L) Payroll deduction detail - 6 years
- (M) Proof tapes of individual share and loan ledgers (if applicable) - 2 years
- (N) Dividend, interest refund, calculation and payment records - 6 years
- (O) Paid bill and invoices - 6 years
- (P) CPA Reports - Permanent
- (Q) Documentation/agreements relating to the investment of credit union funds - 6 years after expiration of agreement
- (R) Documentation/agreements relating to credit union borrowed funds - 6 years after expiration of agreement

(5) **Lending documentation.**

- (A) Required loan disclosures, paid notes and supporting loan documentation (i.e., extension agreements, co-maker statements, waivers, etc.) - 2 years after loan is repaid
- (B) A record of each extension of credit over \$10,000 - 5 years
- (C) Evidence of performance of required actions (i.e., handling billing disputes, etc.) - 2 years
- (D) Loan application - rejected, withdrawn, incomplete - 25 months
- (E) Loan application - approved - 2 years after loan is repaid

- (F) Written or recorded information used in credit evaluation - 25 months
- (G) Written notification of action taken on the application or any Memorandum or notation or oral action - 25 months
- (H) Adverse Action Notice - 25 months
- (I) Written statement to credit union by applicant alleging discrimination under Equal Credit Opportunity Act - 25 months
- (J) Any compliance monitoring - 5 years
- (K) Uniform Settlement Statement (Form) HUD - 1, Good Faith Estimates, and Right of Recission Disclosure - 5 years from settlement date Mortgage
- (L) Loan Disclosure Statements (Form HMDA-1) - 5 years
- (M) Real estate lending by Census Tract Report - 5 years
- (N) Lienholder notices on items requiring collateral insurance - 6 years
- (O) "Intent to repossess" correspondence - 6 years
- (P) Documentation concerning liquidation of reposed collateral - 6 years
- (Q) Torrens certificates - Dependent on duration of loan
- (R) Title insurance/opinions, appraisals, etc. - Dependent on duration of loan
- (S) Flood insurance information/disclosures - Dependent on duration of loan
- (T) FHA (or similar) insurance claim documentation - 6 years
- (U) Closed collection files - 2 years after close
- (V) Delinquent loan schedule - 7 years, may be microfilmed

(6) **Data processing reports.**

- (A) Trial balances (month end) - 2 years
- (B) Trial balances (other) - Examination to examination
- (C) Transaction registers/activity edits- 2 years
- (D) Management reports (i.e., new member, closed accounts, new loans, paid loans, overdrawn accounts, etc.) - Examination to examination
- (E) Delinquency reports - 6 years
- (F) Dividend and interest payments (reports/calculations) - 6 years
- (G) ACH transaction edit - Optional
- (H) Master file changes - Examination to examination
- (I) Share draft exceptions/Transmission Reports - Examination to examination
- (J) Member statements - Permanent (may be microfilmed after audit and examination)
- (K) Member 1099 information - 6 years
- (L) Payroll registers - Optional

(7) **Personnel.**

- (A) General employment records (i.e., promotions, demotions, employee rebuttals/ responses, transfers, layoffs, terminations, etc.) - 1 year
- (B) Earnings records - 4 years
- (C) Test papers of employment tests - 1 year
- (D) Results of physical examinations - 1 year
- (E) Advertising for hiring personnel - 1 year
- (F) Employment eligibility - 3 years
- (G) Verification (Form I-9) - 1 year after employment ends
- (H) EEO-1 Reports (Equal Employment Opportunity) Note: 100 employees or more -

Indefinite

- (I) Written affirmative action plans - Unspecified
- (J) Records of occupational injury, illness - 3 years
- (K) Records of Retirement Plan Note: plan descriptions, annual reports-ERISA - 6 years after initial filing
- (L) Records of employment complaints and action taken - 1 year
- (M) Employees payroll/earnings records - 4 years
- (N) Earnings records (time cards, rate tables, work schedules) - 2 years
- (O) Records of additions to or deductions from wages paid - 2 years
- (P) Certificate of Age - Dependent on duration of employment
- (Q) Written training agreements - Dependent on program duration
- (R) Job orders to employment agencies - 1 year
- (S) Collective bargaining agreements - 6 years
- (T) Employment contracts (group or individual) - 1 year after expiration date
- (U) Performance evaluations, written warnings, employee grievances - 6 years
- (V) Written allegations - 3 years
- (W) Rejected employment application - 3 years
- (X) Employment applications - 6 years after cessation of employment
- (Y) Employee's name and home address; occupation and rate of pay; amount paid each day and week, including starting and ending hours each day with morning and afternoon designations - 3 years

(8) **General operations.**

- (A) Insurance policies/endorsements for credit union (fire and casualty, liability, etc.) - 6 years after contract expires
- (B) Chattel lien non-filing insurance record (repaid loans) - 6 years after loan is repaid
- (C) Master contracts-member group insurance (i.e., life savings, loan protection) - 6 years after contract expires
- (D) Claim documentation (member and credit union coverage) - 6 years
- (E) Bonding claim notifications, bonding agreements and endorsements -6 years
- (F) Documentation covering credit union owned property (i.e., deeds, abstracts, titles, etc.) - Permanent
- (G) Major equipment warranties maintenance agreements - Dependent on duration of agreement
- (H) Contracts with professional service or product providers - 6 years after contract expires
- (I) Specific legal opinions (permissive) - Dependent Note: Consult issuing attorney
- (J) Documentation of legal actions of which credit union is a party -Dependent Note: Consult attorney representing credit union
- (K) Registered mail (Incoming and outgoing) - 6 years
- (L) Investments Note: Records help formulate - Permanent investment policies

(9) **Tax reporting.**

- (A) Form 990-return or organization exempt from income tax - 6 years from date tax

- was due or paid, whichever is later
  - (B) Form 990T-unrelated business income reporting - 6 years from date tax was due or paid, whichever is later
  - (C) IRS Tax Exemption approval letter (original form) - Permanent
  - (D) Federal Tax Identification number assignment - Permanent
  - (E) IRS approval letter concerning qualified pensions, retirements, etc. (annual) - 6 years after expiration of program
  - (F) Form 941-employer's quarterly federal tax return (and records of monthly deposits if required) - 4 years
  - (G) Form 940-employer's annual federal return - 4 years
  - (H) Form W-2 employee's wage and tax statement - 4 years
  - (I) Form W-3 reconciliation of income tax withheld from wages - 4 years
  - (J) Form W-4 employee's withholding certificate - 4 years after cessation of employment
  - (K) Form W-8 certification of foreign tax status (member) -Permanent (accounts opened after 12-31-83)
  - (L) Form W-9 (or similar) tax identification number certification (member) - Permanent (accounts opened after 12-31-83)
  - (M) Federal and state tax reports concerning member accounts (i.e., 1099s, 1098s, 1096s, IRA reports etc.) - 6 years
- (b) Except as otherwise expressly required by applicable state or federal laws or regulations, the preservation or retention of accurate reproductions of original documents shall constitute full compliance with this Section. As used in this Section, "reproduction" shall mean a reproduction of an original document or any durable medium for making a reproduction of an original document obtained by means of any photographic, photostatic, optical disc or other reliable process or technology which accurately reproduces or forms a durable medium for reproducing original documents.

**180:10-1-12. Reporting changes in executive officers, directors and committee members**

- (a) Every credit union shall report to the Commissioner promptly any change for whatever reason in the credit union's executive officers, directors and committee members and as part of such report, shall provide the name, home and business addresses (no P.O. Boxes), current occupation or business and shall indicate whether they have previously or are now serving on the board of or have been employed by a federally insured or state chartered financial institution and if so, shall identify by name and location (city and state) each such institution.
- (b) In the event a Notice of Proposed Change in Official or Executive Officer is to be submitted to the National Credit Union Administration ("NCUA") pursuant to Section 212 of the Federal Credit Union Act, 12 U.S.C. §1791, copies of the same shall at the same time as they are provided to the NCUA, be provided to the Commissioner.
- (c) Definitions for the following terms as used in this Section are:
  - (1) "Committee members" shall mean those members of the committees identified in 6 O.S. §2010(D)&(E), as members of the credit committee and supervisory committee.

- (2) "Executive officers" are identified by 6 O.S. §2010(B) as executive officers of the credit union and in addition, shall include an officer in charge of operations whatever his/her title, as likewise identified in §2010(B).
- (3) "Financial institution" shall mean a credit union, trust company, bank, savings bank or savings and loan association.
- (4) "Federally insured" shall mean that the institution's deposits are insured by the Federal Deposit Insurance Corporation or National Credit Union Administration, or any successor agency thereof.

**180:10-1-13. Prohibition against credit unions employing, electing or appointing certain individuals and Credit Union Board's power to enforce**

- (a) A person may not serve and a credit union may not employ, appoint or elect a person as an officer, director, or committee member of a credit union if after notice and opportunity for hearing before the Board pursuant to the Oklahoma Administrative Procedures Act, the Board determines that he/she:
  - (1) Has been convicted of or plead guilty to a felony in any state or of a criminal offense involving dishonesty, a breach of trust, or fraud;
  - (2) As an officer, director, committee member, or employee of any federally insured or state chartered financial institution, has been suspended, removed from service with a federally insured or state chartered financial institution by a federal or state regulatory body or has resigned from such an institution as a result of regulatory or civil proceedings for his/her removal or suspension from such institution;
  - (3) Is unfit to serve in such a capacity or unfit to participate in the conduct of the affairs of a credit union, as determined by the Board pursuant to Rule 180:10-5-9;
  - (4) Has failed to obey an Order of the State Credit Union Board or Bank Commissioner without legal justification therefor.
  - (5) Fails to obtain a surety bond for protection of the credit union against his/her fraud or dishonesty as required by 6 O.S. Supp. 1992 §2010(b) and Rule 180:10-1-5.
  - (6) Has been prohibited by an Order of the Board or of the National Credit Union Administration from participating in the affairs of a credit union.
- (b) Provided, any person or credit union described in (a) of this Section shall obtain an exception to this Section from the Board upon a showing of good cause for the grant of such an exception.
- (c) Definitions for the following terms as used in this section are:
  - (1) "Financial institution" shall mean a credit union, trust company, bank, savings bank or savings and loan association.

- (2) "Federally insured" shall mean that the institution's deposits are insured by the Federal Deposit Insurance Corporation or National Credit Union Administration, or any successor agency thereof.

#### **180:10-1-14. Assessments**

The Commissioner shall charge and collect an assessment from each state chartered credit union on each One Thousand Dollars (\$1,000.00) of assets, or major fraction thereof, at a rate prescribed by the Board. The assessment shall be based on the total assets of the credit union as of December 31 of each calendar year. Payment of the assessment shall be submitted by each credit union along with a form prescribed by the Commissioner no later than the following January 31 of each calendar year.

#### **180:10-1-15. Fees**

- (a) The following applications shall be accompanied by a check made payable to the Commissioner in an amount as prescribed below:
  - (1) Applications for merger or acquisition when the surviving credit union will be a state chartered credit union shall be accompanied by a fee of \$1,000 and a copy of the merger agreement or agreement of purchase. The Credit Union Board may waive the fee when the merger is required at the direction of a state or federal regulatory agency.
  - (2) Applications for merger or acquisition when the surviving credit union will be a federally chartered credit union shall be accompanied by a fee of \$800 and a copy of the merger agreement or agreement of purchase. The Credit Union Board may waive the fee when the merger is required at the direction of a state or federal regulatory agency.
  - (3) Applications for conversion from a state chartered credit union to a federally chartered credit union shall be accompanied by a fee of \$800.
  - (4) Applications for conversion from a federally chartered credit union to a state chartered credit union shall be accompanied by a fee of \$1,000. The applicant shall also pay the costs and fees associated with the special exam of the converting credit union.
  - (5) Applications for amendment to bylaws shall be accompanied by a fee of \$400.
  - (6) Applications to be heard by the Board to add a select associational group or select employee group shall be accompanied by a fee of \$400.
  - (7) Applications for a change to the credit union's field of membership shall be accompanied by a fee of \$800.
  - (8) Applications for an expansion of the credit union's investment powers shall be accompanied by a fee of \$800.
  - (9) Applications for an increase the credit union's investment percentage in real estate, buildings, fixtures, furniture, and equipment shall be accompanied by a fee of \$800.

- (10) Applications for expansion of powers other than those listed in paragraphs (8) and (9) of this subsection shall be accompanied by a fee of \$800.
- (b) Other application fees may be charged to applicants based on other provisions of this Title or the Act.

**180:10-3-1. New credit union; organization**

- (a) A credit union shall be permitted to engage in business upon authority of the State Credit Union Board. The request to establish a credit union shall be set forth in application form and filed with the Bank Commissioner. The form of such application shall be prescribed by the State Credit Union Board.
- (b) The application shall contain the following information:
  - (1) Name of credit union
  - (2) Statement of purpose
  - (3) Place of business
  - (4) Declaration of field of membership, which shall be single common bond, multiple common bond, or community credit union.
  - (5) Term of existence
  - (6) Number of directors
  - (7) Par value of shares
  - (8) Capital stock
  - (9) List of proposed directors, their addresses, and biographical information.
  - (10) Such other information as may from time to time be required by the Bank Commissioner or the State Credit Union Board.
- (c) No application shall be given favorable consideration by the State Credit Union Board unless it contains a provision that the credit union will obtain share/deposit insurance before accepting accounts.
- (d) No application shall receive favorable consideration by the State Credit Union Board that does not have a minimum of five hundred (500) prospective members.
- (e) An application must disclose to the Board the existence of any known overlap between the proposed field of membership of Applicant and any other credit union operating within the State of Oklahoma.
- (f) Copies of the notice of the Application must be mailed by Applicant to all Oklahoma credit unions at least ten (10) days prior to the hearing.
- (g) Application fee in the amount of Five Hundred Dollars (\$500.00) shall be paid to the Department.

**180:10-3-2. Mergers and acquisitions [RESERVED]**

### **180:10-3-3. Conversion requirements**

- (a) To effect a conversion of charter, a credit union must comply with all requirements of the authority under which it was originally chartered and the requirements of the State Credit Union Board and file proof of such compliance with the State Credit Union Board.
- (1) **When converting from a state to a federally-chartered credit union.**
  - (A) Upon approval of the proposition to convert to a federal credit union by a majority of the board of directors, it shall set a date for a meeting of membership, at which the individual members shall have the option to vote on the proposition, either in person at the meeting, or by written ballot to be filed on or before the date of the meeting. The board of directors promptly shall notify the State Bank Commissioner, in writing, of its approval of the proposition to convert to a federal credit union and the date set for the meeting of the members.
  - (B) Written notice of the meeting shall be delivered in person to such member, or mailed to each member, at the address for such member appearing on the records of the credit union, not more than thirty (30) days nor less than seven (7) days prior to the date set for the meeting.
  - (C) In addition to setting forth the proposition for conversion and the date, time, and place of the meeting, the written notice of the meeting shall:
    - (i) inform the members of the opportunity to vote by written ballot and when, where, and how (on or before the date of the meeting) such written ballot shall be filed;
    - (ii) contain a form of written ballot for the use of those members who will vote thereby instead of in person at the meeting; and
    - (iii) set forth, for the advance consideration of the members, a brief and accurate statement of reasons for and against the proposed conversions, including the effect, if any, it will have upon share holdings and obligations of members, and the policies and practices of the credit union.
  - (D) A copy of the written notice of the meeting, verified by the affidavit of the secretary of the credit union, shall be delivered to the State Bank Commissioner at the same time, in advance of the meeting, that is delivered to the members.
  - (E) A statement of the results of the vote, verified by the affidavits of the president or vice president, and the secretary, shall be filed with the State Bank Commissioner within ten (10) days after the vote is taken.
  - (F) In order for the proposition for conversion to be approved and acted upon further by the credit union, it must receive the affirmative vote of a majority of the members voting.

- (G) If the proposition for conversion is approved by the affirmative vote of a majority of all the members voting, the board of directors, promptly and in no event later than ninety (90) days after such approval, shall take such action on behalf of the credit union as may be necessary under the applicable federal law for the conversion of a state credit union to the federal credit union, to convert the credit union to a federally-chartered credit union. In addition, the board of directors promptly shall inform the State Bank Commissioner of the action so taken and, from time to time, of the progress of such action.
- (H) Within ten (10) days after the credit union receives a federal credit union charter, it shall file a copy thereof with the State Bank Commissioner. The State Bank Commissioner promptly shall notify the credit union, in writing, of the receipt of the national charter. The credit union shall cease to be a state-chartered credit union as of the close of business on the date such copy is received by the State Bank Commissioner, unless the credit union has been notified in writing or is notified in writing to the contrary, pursuant to (I) of this paragraph. Upon ceasing to be a state credit union, such credit union shall no longer be subject to any of the provisions of the State Credit Union Act. The successor federal credit union shall be vested with all the assets and shall continue to be responsible for all of the obligations of the state credit union to the same extent as though the conversion had not taken place.
- (I) Notwithstanding the provisions of (H) of this paragraph, if the requirements of this Section have not been satisfied, the attempted conversion shall be ineffective and the credit union shall continue to be a state credit union, subject to the provisions of the Oklahoma Credit Union Act, to the same extent as though the conversion had not been attempted. The State Bank Commissioner promptly shall notify the credit union, in writing, either before or after the copy of the federal charter is filed with the State Bank Commissioner, of any findings, including the reasons therefor, which adversely affect the validity of the attempted conversion.

(2) **When converting from a federally-chartered credit union to a state-chartered credit union.**

- (A) Any federal credit union may convert to a state credit union by:
  - (i) complying with all of the requirements of the federal law applicable for conversion to a state credit union, if any, or to cease being a federal credit union;
  - (ii) filing with the Commissioner proof of such compliance satisfactory to the Bank Commissioner;
  - (iii) filing with the Bank Commissioner an organization certificate as required by him; and
  - (iv) filing with the Bank Commissioner proof satisfactory to him that all requirements of the State Credit Union Act and this Title have been complied with.

- (B) Any federal credit union that desires to convert to a state credit union may, after approval of its board of directors, and prior to taking the steps prescribed above, file with the Commissioner a preliminary application for conversion.
- (C) Such preliminary application shall be on a form prescribed by the State Bank Commissioner.
- (D) The preliminary application for conversion shall be filed with the State Bank Commissioner and it shall authorize him to make an examination of its books and records and contain an undertaking to pay the examination fee therefor.
- (E) The preliminary application shall:
  - (i) be accompanied by a current financial statement;
  - (ii) be certified by the treasurer as being correct;
  - (iii) be verified by the president or vice president of the credit union;
  - (iv) be accompanied by a statement of the credit union's policies and procedures with respect to loans to members, including interest rates and charges incident to making loans, maturities of loans, unsecured loan limit, types of securities accepted, and requirements for amortization;
  - (v) list all outstanding unsecured loans with unpaid balances;
  - (vi) list all outstanding loans with maturities in excess of five (5) years;
  - (vii) list a schedule of all loans which are delinquent two (2) months or more;
  - (viii) provide a statement of the kinds of accounts (share, savings, deposit, or other) which members are required or permitted to maintain;
  - (ix) provide a description of its real property holdings;
  - (x) provide a description of investments other than loans to members, loans to other credit unions, United States bonds, and deposits in savings and loan associations and shares or accounts in mutual savings banks insured by the FDIC;
  - (xi) state the names and locations of depositories of its funds;
  - (xii) provide a description of any services rendered to or on behalf of members or the public other than accepting and maintaining accounts of members and making loans to members;
  - (xiii) provide a statement as to the field of membership to which the credit union intends to offer services, which shall be single common bond, multiple

common bond, or community credit union. If the credit union intends to be a community credit union, it shall submit an application for a community charter which describes its proposed community; and

- (xiv) be accompanied also by a preliminary plan which shall show what the credit union proposed to do about any of its policies, procedures, practices, assets, and liabilities, which do not comply with the Act, or this Title, if its conversion to a state credit union should be approved.
- (F) The Board shall have the sole discretion as to approval of the preliminary application and shall disapprove the application if it determines that the credit union is unable to comply with all of the requirements of the Act and this Title.
- (G) Upon the conditioned approval of a preliminary application for a conversion into a state credit union, the credit union shall proceed promptly to comply with all of the requirements of the federal law applicable for conversion to a state credit union.
- (H) Upon compliance with all of the requirements of the federal law applicable for conversion to a state credit union and upon compliance with all of the conditions prescribed in the conditional approval, the credit union may file with the Commissioner an organization certificate, together with the proposed bylaws, as required by the Act, which shall constitute its formal application for conversion to a state credit union. Such organization certificate shall be accompanied by evidence satisfactory to the Commissioner, showing compliance by the credit union, with all requirements of the federal law applicable for conversion to a state credit union.
- (I) Upon approval of the organization's certificate by the Board, the credit union shall become a state credit union as of the date it ceases to be a federal credit union. It shall be vested with all of the assets and shall continue responsibility for all of the obligations of the federal credit union to the same extent as though conversion had not taken place. All directors and credit committee members holding office at the time the credit union becomes a state credit union shall hold office in accordance with the previous election.

#### **180:10-3-4. Declaration of field of membership**

- (a) Each credit union must include in its bylaws a declaration regarding its field of membership, which shall be limited to one of the following categories:
  - (1) single common bond;
  - (2) multiple common bond, or
  - (3) community credit union.
- (b) A credit union which amends its bylaws to change its field of membership must comply with the rules of this Title with respect to adding new members and retaining existing members.

### **180:10-3-5. Community field of membership**

- (a) The Board must approve the field of membership of a community credit union. If an existing credit union desires to become a community credit union, the credit union must file with the Board a request for amendment to its bylaws and an application for community field of membership. The bylaw amendment must include a declaration that the credit union is a community credit union and designate the community which the credit union desires as its field of membership. The credit union's designated community must comply with subsection (b) of this section.
- (b) A community credit union's field of membership may include individuals who reside, work, worship, or attend school in a designated community, which shall be limited to one of the following:
  - (1) a single Oklahoma Metropolitan Statistical Area;
  - (2) a single rural service area;
  - (3) a political subdivision; or
  - (4) a non-standard community.
- (c) The application to the Board for community field of membership must contain: the name and address of the credit union;
  - (1) the name and the address of the credit union;
  - (2) a designation of the community which the credit union intends to serve;
  - (3) if the proposed community is non-standard,
    - (A) a map of the geographic boundaries of the proposed community;
    - (B) locations of the credit union's service facilities within the proposed community;
    - (C) a description of daily or weekly newspapers serving the proposed community;
    - (D) a description of characteristics within the proposed community which show that members of the community share a common interest or otherwise interact. Evidence of common interests and interaction may include shared common facilities for education, fire and police protection, medical facilities, school districts, water services and taxing authority; and
  - (4) such other information as the Board may request.
- (d) A community credit union may designate as its community the same community, or a community that includes a smaller community, also served by any other credit union. The Board shall not disapprove of a credit union's designated community on the basis of overlapping membership. Members of a single common bond or multiple common bond credit union may qualify for

membership in a community credit union if such members otherwise qualify for membership in the community credit union.

- (e) If a multiple common bond or single common bond credit union amends its bylaws to declare itself a community credit union, after such amendment the community credit union may retain in its membership individuals existing in its select associational groups and select employee groups prior to such amendment. The community credit union may also accept as members individuals who join such select associational groups and select employee groups after the amendment. A community credit union may not add new select employee groups or select associational groups after declaring itself to be a community credit union.
- (f) If a community credit union desires to serve members of another community, it must amend its bylaws to designate such other community as its field of membership. A community credit union may serve only one designated community. If a community credit union designates a new community as its field of membership, it may add a member of its former community only if the member also qualifies for membership in the new community. However, the community credit union may continue to service existing members even if they do not reside, worship, work, or attend school in the new designated community.

#### **180:10-3-6. Multiple common bond field of membership**

- (a) The Board must approve select employee group and select associational group additions to the field of membership of a multiple common bond credit union, except when the credit union has a composite CAMEL rating of 1 or 2 as of the credit union's last examination and seeks to add a group whose potential primary members do not exceed 500 or 10% of the credit union's existing membership, whichever is less.
- (b) If Board approval of a select associational group or select employee group is required, the credit union must submit to the Board an Application for Field of Membership Expansion. Such application must contain:
  - (1) name and address of the credit union;
  - (2) name and address of the proposed group;
  - (3) if an associational group, a copy of the association's organizational certificate, bylaws, or other equivalent organizational documentation;
  - (4) the number of potential primary members;
  - (5) the distance of the group from the nearest credit union service facility and the address of the facility;
  - (6) the primary method by which the credit union anticipates servicing the group (for example, through a branch, ATM, internet, *etc.*)
  - (7) information regarding overlaps with other credit unions;

- (8) a letter from a representative of the proposed group which requests membership with the credit union and explains;
    - (A) whether the group has available to it another credit union's services;
    - (B) the number of persons in the group and the group's address; and
    - (C) the group's proximity to the credit union's nearest service facility; and
  - (9) such other information as the Board shall request from the applicant.
- (c) If Board approval of a select associational group or select employee group is not required, the credit union must complete and retain an Application for Field of Membership Expansion, which application shall contain:
- (1) name and address of the credit union;
  - (2) name and address of the proposed group;
  - (3) if an associational group, a copy of the association's organizational certificate, bylaws, or other equivalent organizational documentation;
  - (4) the number of potential primary members;
  - (5) the distance of the group from the nearest credit union service facility and the address of the facility;
  - (6) the primary method by which the credit union anticipates servicing the group (for example, through a branch, ATM, internet, *etc.*)
  - (7) a letter from a representative of the proposed group which requests membership with the credit union and explains:
    - (A) the number of persons in the group and the group's address;
    - (B) the group's proximity to the credit union's nearest service facility; and
  - (8) such other information as the Commissioner shall request from the applicant.
- (d) A multiple common bond credit union may not add to its field of membership an OMSA, political subdivision, or rural service area.
- (e) The Board may not disapprove of the addition of a select associational group and select employee group solely on the basis of the distance between such group and the credit union's nearest service facility.
- (f) A community credit union that amends its bylaws and declares itself to be a multiple common bond credit union may retain all existing members and may add new members that otherwise qualify for

membership in the credit union by being a member of a select employee group or select associational group being duly serviced by the credit union.

- (g) For purposes of this section, the term “service facility” shall include shared branches, automated teller machines, and such other facilities, whether structural or electronic, which the Board may recognize.

**180:10-3-7. Single common bond field of membership**

- (a) The Board must approve select employee group and select associational group additions to the field of membership of a single common bond credit union, except when the credit union has a composite CAMEL rating of 1 or 2 as of the credit union’s last examination and seeks to add a group whose potential primary members do not exceed 500 or 10% of the credit union’s existing membership, whichever is less.
- (b) If Board approval of a select associational group or select employee group is required, the credit union must submit to the Board an Application for Field of Membership Expansion. Such application must contain:
  - (1) name and address of the credit union;
  - (2) name and address of the proposed group;
  - (3) if an associational group, a copy of the association’s organizational certificate, bylaws, or other equivalent organizational documentation;
  - (4) the number of potential primary members;
  - (5) information regarding overlaps with other credit unions;
  - (6) a letter from a representative of the proposed group which requests membership with the credit union and explains:
    - (A) whether the group has available to it another credit union’s services;
    - (B) the number of persons in the group and the group’s address; and
    - (C) how the group shares the occupational or associational common bond; and
  - (7) such other information as the Board shall request from the applicant.
- (c) If Board approval of a select associational group or select employee group is not required, the credit union must complete and retain an Application for Field of Membership Expansion, which application shall contain:
  - (1) name and address of the credit union;
  - (2) name and address of the proposed group;

- (3) if an associational group, a copy of the association's organizational certificate, bylaws, or other equivalent organizational documentation;
  - (4) the number of potential primary members;
  - (5) a letter from a representative of the proposed group which requests membership with the credit union and explains:
    - (A) the number of persons in the group and the group's address;
    - (B) how the group shares the occupational or associational common bond, and
  - (6) such other information as the Commissioner shall request from the applicant.
- (d) A single common bond credit union may not add to its field of membership an OMSA, political subdivision, or rural service area.
  - (e) A community credit union or multiple common bond credit union that amends its bylaws and declares itself to be a single common bond credit union may retain all existing members and may add new members that otherwise qualify for membership in the credit union by being a member of the select employee group or select associational group being duly serviced by the credit union.

**180:10-3-8. Field of membership list**

By January 31 of each year, each single common bond and multiple common bond credit union shall file with the State Banking Department a master list of all select associational groups and select employee groups within its field of membership. Each such credit union shall file, on or before the 10<sup>th</sup> day of each month following the date the credit union became aware of the change, amendments to the list to reflect changes to the list, including addition of groups, name changes, mergers, and group bankruptcies. The State Banking Department shall make the master lists available for inspection by other credit unions but the list shall otherwise be confidential and not subject to public inspection.

**180:10-3-9. Field of membership disaffiliation**

- (a) Upon application by a select associational group or select employee group, the State Credit Union Board may allow the group to disaffiliate from a credit union. In making its decision, the Board may consider the following factors:
  - (1) The length of time the group has been within the credit union's field of membership;
  - (2) The number of primary members within the group who are currently members of the credit union;
  - (3) The total number of eligible primary members in the group;
  - (4) The impact the release of the group would have on the credit union; and
  - (5) The number of group members favoring the request.

- (b) A credit union may voluntarily allow a select associational group or select employee group to disaffiliate without Board approval.

**180:10-5-1. Deposits**

Each holding of property by a credit union for a member on deposit creates a debtor-creditor relationship as provided in the agreement between the credit union and the member. Such agreement is a contractual relationship which may be established by the membership card signed only by the member.

- (1) The membership card of a member of a credit union is a contract between the credit union and the member.
- (2) Reasonable fees as determined by the policy of the credit union's board may be charged by a credit union for any account and safe keeping services even if the specific terms of the contract between the credit union and the member are silent with regard to service charges.
- (3) Specifically, on inactive accounts of \$25.00 or less a credit union may impose a service charge of not more than \$25.00 per year.
- (4) Interest on a deposit may or may not be paid on a dormant account as determined by the policy of the credit union's board even if the specific terms of the contract between the credit union and the customer are silent with regard to interest.
- (5) No state government agency shall examine any accounts or safe keeping records of any credit union without fifteen (15) days prior written notification of the scope of such examination to the State Banking Commissioner. No charge may be assessed the credit union for any such examination by any such governmental agency and the credit union is entitled to be paid the costs of producing and copying records pursuant to the Oklahoma Financial Privacy Act.

**180:10-5-2. Dividends and interest paid**

A state-chartered credit union is hereby expressly authorized and permitted to pay dividends on accounts as defined in 180:10-1-2 and interest on deposits at a rate in excess of seven percent (7%) per annum as long as the credit union's board of directors shall have first adopted a resolution:

- (1) establishing the rate of dividend or interest to be paid and the period to which such rate shall be applicable,
- (2) specifying the type(s) of account to which such rate shall be applicable,
- (3) determining that the available earnings of the credit union are sufficient to pay dividends/interest at the specified rate, provided, however the board of directors may determine that adequate earnings are available through protection thereof, and

- (4) determining that the payment of dividends/interest at such rate for such period will not impair the credit union's ability to meet such other financial commitments as it may have or to comply with such liquidity or other legal requirements to which it may be subject.

### **180:10-5-3. Investment and deposits**

- (a) Each credit union must obtain and keep in file the most recent financial statement of any depository at which the credit union maintains a deposit in excess of the insured limit. It is the responsibility of the credit union to review said financial statement before making a deposit which would include uninsured funds.
- (b) No national or state bank or trust company shall be approved as a depository for a given credit union if that credit union's deposit in that bank or trust company exceeds twenty percent (20%) of the bank or trust company's capital, surplus, and undivided profits (exclusive of their reserves and debentures).
- (c) No savings and loan shall be approved as a depository for a given credit union if that credit union's deposit in that savings and loan association exceeds twenty percent (20%) of the savings and loan association's net worth.
- (d) Except for the U.S. Central Credit Union, no bank, trust company, savings and loan association, or credit union, will be approved as a depository unless said bank, trust company, savings and loan association, or credit union is insured by an agency of the Federal Government.

### **180:10-5-4. Rental or purchase of property**

A state-chartered credit union shall have the authority to rent or purchase property necessary or incidental to its operations. A credit union may plan for future growth by acquiring additional space if they have valid projections for their need for the additional space within a reasonable time. A credit union may not purchase property only for the purpose of renting the same, except that they may rent the extra space they reasonably expect to use for expanded credit union service from the time of acquisition until the space is actually needed by the credit union. A credit union does not have authority to purchase property with the expectation to make a profit from rental activity or resale.

### **180:10-5-5. Share drafts, checking accounts or other instruments**

Credit unions are expressly authorized to offer share drafts, checking accounts, share certificates, money market certificates, IRA/Keogh accounts and to issue certified cashier's or guaranteed checks and such other instruments as shall be approved by the National Credit Union Administration.

### **180:10-5-6. Issuance of accounts**

- (a) The board of directors, by resolution, may establish accounts as follows, all subject to the provisions of 180:10-5-5 where applicable:

- (1) Regular or Deposit accounts, Notice Share or Deposit accounts, Minimum Balance Share or Deposit accounts, and Share Draft accounts at varying dividend checking rates which are not inconsistent with the requirements of the Oklahoma Credit Union Act or the Rules and Regulations of the Oklahoma State Credit Union Board, which accounts contain penalties for failure to comply with any minimum balance or notice requirements or any additional terms and conditions;
  - (2) Share Certificate accounts at varying dividend rates which are not inconsistent with the requirements of the Oklahoma Credit Union Act or Rules and Regulations of the Oklahoma State Credit Union Board;
  - (3) Trusteed and Custodial Pension Plan Share, Deposit or Share Certificate accounts which comply as an individual retirement account for a member pursuant to 26 U.S.C., Section 408 or Keogh (HR 10) Plan established pursuant to 26 U.S.C., Section 401;
  - (4) Certificate of Deposit accounts at varying interest rates which are not inconsistent with the requirements of the Oklahoma Credit Union Act; and
  - (5) Any account authorized by the Oklahoma Credit Union Act or the rules of this Board not specifically defined in this Section.
- (b) State-chartered credit unions shall accurately represent the terms or conditions of its accounts in all advertising, disclosures, or agreements, whether written or oral.

**180:10-5-7. Adjustable rate mortgage loans and variable rate loans**

(a) **Authorization.**

State-chartered credit unions are authorized to make adjustable rate mortgage loans and variable rate loans to members.

(b) **Index.**

The choice of an index and adjustments to the interest rate shall be in accordance with the provisions of the Uniform Consumer Credit Code and rules and regulations promulgated pursuant thereto.

**180:10-5-8. Safe deposit boxes**

Each credit union which provides safe deposit box services for its members shall:

- (1) Maintain a record as to the lessee(s) of each box rented.
- (2) Maintain a record as to the person or persons permitted to enter the box.
- (3) Maintain a record with minimum data consisting of names of entries into the box and dates of entry.

- (4) Establish other precautionary procedures as may be deemed advisable by the institution's Board of Directors to insure adequate safety to the lessees with a minimum of liability on the credit union.

#### **180:10-5-9. Prohibited acts and practices**

The following is a list of acts which, if after notice and opportunity for hearing before the Board, pursuant to the Administrative Procedures Act, the Board determines that one or more such acts were committed by a credit union officer, employee, agent, director, or committee member, shall constitute acts rendering the individual unfit to participate in the conduct of the affairs of any credit union:

- (1) To knowingly receive or possess any property of a credit union otherwise than in payment of a just demand or otherwise than as authorized by such credit union, and, with intent to deceive or defraud, to omit to make or cause an omission of a full and true entry thereof in its books and accounts, or concur in omitting to make any material entry thereof;
- (2) To embezzle, abstract, or knowingly misapply any money, property, or thing of value of the credit union, with the intent to deceive or defraud the credit union;
- (3) To knowingly make any false entry in any book, report, or statement of such credit union, or with the intent to deceive the Commissioner, any other regulatory agency, any auditor or any authorized representative appointed to examine the affairs of such credit union;
- (4) To commit any unsafe or unsound practice which causes loss to a credit union or exposes the credit union to potential loss, which loss or potential loss threatens the safety and soundness of the credit union;
- (5) Refuses or willfully fails to deliver or disclose to the Commissioner, his employees or appointed representative any examination report, report of condition, report of income and expenses, internal audit, account, statement, or document known by him to be fraudulent or false as to any material matter;
- (6) To execute, or attempt to execute, any scheme or artifice to defraud a credit union to obtain credit, money, assets, securities, or other property owned by, or under the custody or control of a credit union;
- (7) To willfully deny access to, or to fail to provide upon written request, information or documents required by the laws of Oklahoma or of the United States of America, to the Commissioner or his appointed representative.
- (8) To engage in a pattern of conduct which constitutes a breach of the particular person's fiduciary duty to the credit union or credit union members.
- (9) Any other act which after notice and hearing before the Board, is determined by the Board to have jeopardized the safety or soundness of the credit union.

**180:10-7-1. Assessments [REVOKED]**

**180:10-7-2. Suspension of officers, directors and committee members by credit union administrator [REVOKED]**

Revised: April 25, 2001