

### **533.38 Corporate central credit union.**

A corporate central credit union may be established. Credit unions organized under this chapter, the Federal Credit Union Act, or any other credit union act and credit union organizations may be members. In addition, regulated financial institutions, nonprofit organizations, and cooperative organizations may be members to the extent and manner provided for in the bylaws of the corporate central credit union. The corporate central credit union shall have all the powers, restrictions, and obligations imposed upon, or granted to a credit union under this chapter, except that the corporate central credit union may exercise any of the following additional powers subject to the adoption of rules by the superintendent pursuant to chapter 17A and with the prior written approval of the superintendent:

1. Make loans and extend lines of credit to its members.
2. Impose fees or penalties upon its members and apply them to income.
3. Make available share draft accounts and permit the owners of the accounts to make withdrawals by negotiable or other transferable instruments or other orders for the purpose of making transfers to third parties.
4. Borrow any amount from any source.
5. Invest in or purchase obligations or securities or other designated investments to the same extent authorized for other supervised financial institutions.
6. Invest in or acquire shares, stocks, or other obligations of an organization providing services which are associated with the operations of credit unions. However, the aggregate amount invested pursuant to this subsection shall not exceed fifty percent of the total of all reserves and undivided earnings of the corporate credit union.
7. Buy or sell investment securities and corporate bonds which are evidences of indebtedness. However, the purchase or sale is limited to marketable obligations of a corporation or state or federal agency issued without recourse.
8. Sell all or part of its assets to another central or corporate credit union and assume the liabilities of a selling central or corporate credit union if the action is approved by the majority vote of the board of directors at a meeting called for that purpose.
9. Invest in the shares or deposits of another similarly organized corporate credit union, central credit union, or central liquidity facility.
10. Make other investments approved by the superintendent.
11. Establish one or more capital accounts in the same manner as if it were a federal credit union.
12. The corporate central credit union shall not be required to transfer to its legal reserve more than five percent of its net income for the year.

[C77, 79, 81, § 533.38]

85 Acts, ch 242, §8; 87 Acts, ch 171, §27; 2004 Acts, ch 1141, §45