

286.6-585 Investments.

Funds not used in loans to members may be invested:

- (1) In securities, obligations, or other instruments of or issued by or fully guaranteed as to principal and interest by the United States of America or any agency thereof or in any trust or trusts established for investing directly or collectively in the same;
- (2) In obligations of any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the several territories organized by Congress, or any political subdivision thereof;
- (3) In certificates of deposit or passbook-type accounts issued by a state or national bank, mutual savings bank, or savings and loan association;
- (4) (a) In loans, not to exceed twenty-five percent (25%) of capital at the lending credit union, to; or
(b) In shares or deposits, not to exceed twenty percent (20%) of the capital of the investing credit union, of other credit unions, central credit unions, corporate credit unions, or a central liquidity facility established under state or federal law;
- (5) In shares, stocks, loans, or other obligations of any organization, corporation, or association, provided the membership or ownership, as the case may be, of the organization, corporation, or association is primarily confined or restricted to credit unions, or organizations of credit unions, and provided further the purpose for which it is organized is to strengthen or advance the development of credit unions or credit union organizations;
- (6) In shares of a cooperative society organized under the laws of this state or of the laws of the United States in the total amount not exceeding ten percent (10%) of the shares, deposits, and surplus of the credit union;
- (7) In stocks and bonds of corporations organized in any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico and the several territories organized by Congress to an aggregate maximum of five percent (5%) of members' shares in stocks and an aggregate maximum of five percent (5%) of members' shares in bonds, provided that investments shall be limited to stocks or bonds which appear on a list approved by the commissioner and published quarterly or annually, the list to include not less than thirty (30) corporations.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 738, effective July 15, 2010. -- Amended 2000 Ky. Acts ch. 157, sec. 9, effective July 14, 2000. -- Amended 1988 Ky. Acts ch. 195, sec. 5, effective July 15, 1988. -- Created 1984 Ky. Acts ch. 408, sec. 59, effective July 13, 1984.

Formerly codified as KRS 290.585.

Legislative Research Commission Note (7/12/2006). In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286.