WEST VIRGINIA CODE: §31C-1-1

§31C-1-1. Definitions.

In construing this chapter, the following definitions shall apply unless such application would produce a result clearly inconsistent with the context of the statutory provision.

(a) "Board of banking and financial institutions" means the board created pursuant to section one, article three, chapter thirty-one-a of this code and is referred to herein as "board."

(b) "Commissioner" means the West Virginia commissioner of banking.

(c) "Corporate credit union" means a credit union whose field of membership consists primarily of other credit unions.

(d) "Credit union" means a cooperative, nonprofit corporation, incorporated under this chapter, for the purposes of encouraging thrift among its members, creating a source of credit at fair and reasonable rates of interest, and providing an opportunity for its members to use and control their own money on a democratic basis in order to improve their economic and social condition.

(e) "Deposit account" means a balance held by a credit union and established by a member, another credit union or a governmental unit in accordance with standards specified by the credit union including balances designated as deposits, deposit certificates, checking accounts or other names. Ownership of a deposit account does not confer membership or voting rights and does not represent an interest in the equity capital of the credit union upon dissolution or conversion to another type of institution. A deposit account is a debt owed by the credit union to the account holder.

(f) "Equity capital" means reserves, loan loss and investment loss allowance accounts, and undivided earnings.

(g) "Fixed asset" means a structure, land, computer hardware and software, furniture, office equipment and heating and cooling equipment that is affixed to premises.

(h) "Governmental unit" means any board, agency, department, authority, instrumentality or other unit or organizations of the federal, state, county, municipal or other level of government.

(i) "Immediate family" means one's wife or husband, and children, brothers, sisters or parents of the member or their spouse. The term "children" also includes stepchildren, foster children and adopted children.

(j) "Insolvent" means the condition that results when the institution is unable to pay its debts to its depositors, members and other creditors in the ordinary and usual course of business

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or when it is in a state of balance sheet insolvency such that its assets are less than its liabilities, exclusive of equity capital. The term "about to be insolvent" means the institution would be unable to meet the demands of its depositors or members, or to make adequate provision for their timely payment if it were immediately closed for the purpose of liquidation.

(k) "Insuring organization" means an organization that provides aid and financial assistance to credit unions that are in the process of liquidation or are incurring financial difficulty in order that the share and deposit accounts in the credit unions shall be protected or guaranteed against loss either without limit or up to a specified level for each account.

(l) "Membership share" means a balance held by a corporate credit union and established by a member in accordance with standards specified by the corporate credit union. Ownership of a membership share represents an interest in the capital of the corporate credit union upon dissolution or conversion to another type of institution.

(m) "Organization" means any corporation, association, partnership, society, firm, syndicate, trust or other legal entity.

(n) "Person" means any natural person, organization or governmental unit.

(o) "Reserves" means allocations of retained income and includes regular and special reserves, except for any allowances for loan losses and investment losses.

(p) "Risk assets" means all assets other than cash on hand, deposits and/or shares in federally or state-insured banks, savings and loan associations, and credit unions that have a remaining maturity of five years or less, or which otherwise qualify as risk assets as set forth in 12 CFR 700.1(i) and shall include membership shares in corporate credit unions.

(q) "Share account" or "shares" means a balance held by a credit union and established by a member in accordance with standards specified by the credit union including balances designated as shares, share certificates, share draft accounts or other names. However, it does not include membership shares issued by a corporate credit union. Ownership of a share account confers membership and voting rights and represents an interest in the equity capital of the credit union upon dissolution or conversion to another type of institution.

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