WEST VIRGINIA CODE: §31C-5-9

§31C-5-9. Fidelity bonds, required oaths and hazard insurance.

(a) As a condition precedent to qualification or entry upon the discharge of their duties, all active officers, as well as every person appointed or elected to any position requiring the receipt, payment or custody of money or other personal property owned by a credit union or in its custody or control as collateral or otherwise, shall give a bond in some responsible corporate surety company, licensed to do business in this state, in such sufficient amount as the credit union directors shall require and approve. The bonds shall provide for indemnity to the credit union on account of any losses sustained by it as the result of any dishonest, fraudulent or criminal act or omission by such persons acting independently or in collusion or combination with others. The bonds may be in individual, schedule or blanket form, and the premiums therefor shall be paid by the credit union.

(b) No officer or employee who is required to give bond shall be deemed qualified nor shall be permitted to enter upon the discharge of their duties until their bond shall have been approved by a majority of the credit union's board of directors.

(c) The credit union's board of directors shall also direct and require suitable insurance protection to the credit union against burglary, robbery, theft and other insurable hazards to which the credit union may be exposed in the operations of its business on the premises or elsewhere.

(d) The credit union's board of directors shall be responsible for prescribing at least once each year the amount or penal sum of the bonds or policies and the sureties or underwriters thereon, after giving due and careful consideration to all known elements and factors constituting such risk or hazard. This action shall be recorded in the minutes of the board of directors. At any time the commissioner may require additional bond or security, when, in his or her opinion, the bonds then executed and approved are insufficient.

(e) Upon their election or appointment each director, officer and member of a committee shall individually make an oath that they will, as far as the duty devolves upon them, diligently and honestly administer the affairs of the credit union, and will not knowingly violate, or willingly permit to be violated, any of the provisions of law applicable to the credit union, and that they are each the owner in good faith in their own right on the books of the credit union of at least one share therein. This oath shall be subscribed by the individual making it, and be certified by the officer before whom it was taken, and shall immediately be transmitted to the commissioner and filed and preserved in his or her office.

WV Legislature