52.24 MANDATORY SHARE AND DEPOSIT INSURANCE.

Subdivision 1. **Insurance accounts.** Every credit union under the supervision of the commissioner of commerce shall at all times maintain in effect insurance of member share and deposit accounts under the provisions of title II of the National Credit Union Act or through a credit union share guaranty corporation that is approved by the commissioner. A credit union that fails to meet this requirement for insurance of its share and deposit accounts shall either dissolve or merge with another credit union that is insured under title II of the National Credit Union Act or through a credit union share guaranty corporation that is approved by the commissioner.

Subd. 1a. **Credit union share guaranty corporation; accounts insured.** (a) A credit union share account of an individual member or a nonmember of a participating credit union must be guaranteed in an amount established from time to time by the credit union share guaranty corporation. The primary guaranteed amount must be at least the amount of the credit union share account but must not exceed $250,000 or the primary guaranteed amount insured by the National Credit Union Administration, whichever is greater.

(b) The commissioner may examine a credit union share guaranty corporation that insures the member accounts of a credit union that is subject to this section. The commissioner may assess the credit union share guaranty corporation examined for reasonable costs incurred to conduct an examination under this section. Money received from an assessment under this paragraph must be deposited in the financial institutions account in the special revenue fund.

(c) A credit union is prohibited from voluntarily terminating the credit union's insurance with the National Credit Union Administration Share Insurance Program or a credit union share guaranty corporation without receiving approval from the commissioner.

Subd. 2. **Certificate of approval.** No credit union shall be granted a certificate of approval by the commissioner of commerce unless the credit union has obtained a commitment for insurance of its member share and deposit accounts under the provisions of title II of the National Credit Union Act or from an approved credit union share guaranty corporation.

Subd. 3. **Exclusion.** Notwithstanding the provisions of subdivisions 1 and 2, any one share of a member, as designated in the bylaws of the credit union, may be excluded from the requirement for insurance. At the time a share so designated as an uninsured, nonwithdrawable membership share is subscribed to, the person subscribing will be provided the following separate notification printed in not less than the equivalent of 8-point type, 0.075 inch computer type, or elite-sized typewriter numerals, or shall be legibly handwritten:

"Membership shares are not insured by any state or federal agency and may be used to pay the expenses and losses of the credit union in the event all other available reserves have been depleted."

History: *1976 c 219 s 3; 1982 c 473 s 19; 1983 c 289 s 114 subd 1; 1984 c 512 s 8; 1984 c 655 art 1 s 92; 1Sp1985 c 13 s 186,187; 1989 c 127 s 3,4; 1992 c 587 art 1 s 19; 1994 c 382 s 11; 2026 c 56 s 8-10*