

**RCW 31.12.402 Powers.** A credit union may:

- (1) Issue shares to and receive deposits from its members in accordance with RCW 31.12.416;
- (2) Make loans to its members in accordance with RCW 31.12.426 and 31.12.428;
- (3) Pay dividends and interest to its members in accordance with RCW 31.12.418;
- (4) Impose reasonable charges for the services it provides;
- (5) Impose financing charges and reasonable late charges in the event of default on loans, subject to applicable law, and recover reasonable costs and expenses, including, but not limited to, collection costs, and reasonable attorneys' fees incurred both before and after judgment, incurred in the collection of sums due, if provided for in the note or agreement signed by the borrower;
- (6) Acquire, lease, hold, assign, pledge, sell, or otherwise dispose of interests in personal property and in real property in accordance with RCW 31.12.438;
- (7) Deposit and invest funds in accordance with RCW 31.12.436;
- (8) Borrow money, up to a maximum of fifty percent of its total shares, deposits, and net worth;
- (9) Discount or sell any of its assets, or purchase any or all of the assets of another credit union, out-of-state credit union, or federal credit union. However, a credit union may not discount or sell all, or substantially all, of its assets without the approval of the director;
- (10) Accept deposits of deferred compensation of its members;
- (11) Act as fiscal agent for and receive payments on shares and deposits from the federal government or this state, and any agency or political subdivision thereof;
- (12) Engage in activities and programs as requested by the federal government, this state, and any agency or political subdivision thereof, when the activities or programs are not inconsistent with this chapter;
- (13) Hold membership in credit unions, out-of-state credit unions, or federal credit unions and in organizations controlled by or fostering the interests of credit unions, including, but not limited to, a central liquidity facility organized under state or federal law;
- (14) Pay additional dividends and interest to members, or an interest rate refund to borrowers;
- (15) Enter into lease agreements, lease contracts, and lease-purchase agreements with members;
- (16) Act as insurance agent or broker for the sale to members of:
  - (a) Group life, accident, health, and credit life and disability insurance; and
  - (b) Other insurance that other types of Washington state-chartered financial institutions are permitted to sell, on the same terms and conditions that these institutions are permitted to sell such insurance;
- (17) Impose a reasonable service charge for the administration and processing of accounts that remain dormant for a period of time specified by the credit union;
- (18) Establish and operate on-premises or off-premises electronic facilities;
- (19) Enter into formal or informal agreements with another credit union for the purpose of fostering the development of the other credit union;

(20) Work with community leaders to develop and prioritize efforts to improve the areas where their members reside by making investments in the community through contributions to organizations that primarily serve either a charitable, social, welfare, or educational purpose, or are exempt from taxation pursuant to section 501(c)(3) of the internal revenue code;

(21) Limit the personal liability of its directors in accordance with provisions of its articles of incorporation that conform with RCW 23B.08.320;

(22) Indemnify its directors, supervisory committee members, officers, employees, and others in accordance with provisions of its articles of incorporation or bylaws that conform with RCW 23B.08.500 through 23B.08.600;

(23) Conduct a promotional contest of chance as authorized in RCW 9.46.0356(1)(b), as long as the conditions of RCW 9.46.0356(5) and 30A.22.260 are complied with to the satisfaction of the director;

(24) Cash checks, money orders, and other payment instruments for members and persons who are eligible for membership in the credit union; and

(25) Exercise such incidental powers as are necessary or convenient to enable it to conduct the business of a credit union. [2022 c 15 s 2; 2011 c 303 s 6; 2001 c 83 s 14; 1997 c 397 s 30. Prior: 1994 c 256 s 74; 1994 c 92 s 186; 1990 c 33 s 564; 1984 c 31 s 14. Formerly RCW 31.12.125.]

**Findings—Intent—2011 c 303:** See note following RCW 9.46.0356.

**Findings—Construction—1994 c 256:** See RCW 43.320.007.

**Purpose—Statutory references—Severability—1990 c 33:** See RCW 28A.900.100 through 28A.900.102.