

7-9-3 Definitions.

As used in this chapter:

- (1)
 - (a) "Association" means a group of persons that:
 - (i) constitute the members of a formal association organized for:
 - (A) an identifiable interest;
 - (B) an identifiable purpose;
 - (C) a specific profession; or
 - (D) a specific occupation; or
 - (ii) are employed by a common employer.
 - (b) "Association" does not include a group of persons that is:
 - (i) identified or created primarily on the basis of a relationship between any person and:
 - (A) a consumer;
 - (B) a customer; or
 - (C) a client; or
 - (ii) created primarily for the purpose of expanding the membership in a credit union.
- (2) "Capital and surplus" means:
 - (a) shares;
 - (b) deposits;
 - (c) reserves; and
 - (d) undivided earnings.
- (3) "Corporate credit union" means any credit union organized pursuant to any state or federal act for the purpose of serving other credit unions.
- (4) "Credit union service organization" means an entity:
 - (a) that provides any of the services listed in Subsection 7-9-59(2); and
 - (b) in which a credit union organized under this chapter holds an ownership interest.
- (5) "Deposits" means that portion of the capital paid into the credit union by members on which a specified rate of interest will be paid.
- (6) "Field of membership" means persons designated as eligible for credit union membership in accordance with:
 - (a) Section 7-9-51 or 7-9-53; and
 - (b) the bylaws of the credit union.
- (7) "Immediate family" means parents, spouse, surviving spouse, children, and siblings of the member.
- (8)
 - (a) "Member-business loan" means any loan, line of credit, or letter of credit, the proceeds of which will be used for:
 - (i) a commercial purpose;
 - (ii) other business investment property or venture purpose; or
 - (iii) an agricultural purpose.
 - (b) "Member-business loan" does not include an extension of credit:
 - (i) that is fully secured by a lien on a one- to four- family dwelling that is the primary residence of a member;
 - (ii) that is fully secured by:
 - (A) shares or deposits in the credit union making the extension of credit; or
 - (B) deposits in other financial institutions;
 - (iii) the repayment of which is fully insured or fully guaranteed by, or where there is an advance commitment to purchase in full by, an agency of:

- (A) the federal government;
 - (B) a state; or
 - (C) a political subdivision of a state; or
 - (iv) that is granted by a corporate credit union to another credit union.
- (9) "Nonexempt credit union" means a credit union that is a nonexempt credit union under Section 7-9-55.
- (10) "Share drafts," "deposit drafts," and "transaction accounts" mean accounts from which owners are permitted to make withdrawals by negotiable or transferable instruments or other orders for the purpose of making transfers to other persons or to the owner.
- (11) "Shares" means that portion of the capital paid into the credit union by members on which dividends may be paid.

Amended by Chapter 327, 2003 General Session