



TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS CREDIT UNION DIVISION – APPLICATION TO INCLUDE A SEPARATE ASSOCIATIONAL GROUP

If a credit union wants to include a separate group with a common bond of association in its field of membership it must make application to the Commissioner to amend its bylaws in accordance with [T.C.A. §§ 45-4-102\(b\)](#) and [45-4-1003\(e\)](#). The application must be submitted to the Commissioner and must include the information as required by the Department's [Rule 0180-29-.08](#).

- (1) The application to include a separate group with a common bond of association must include at least the following information:
 - (a) The name of the applicant credit union;
 - (b) Evidence that two-thirds (2/3) of the applicant's board of directors have adopted the proposed amendments;
 - (c) A detailed description of the group including its charter or articles of incorporation, its bylaws, the qualifications and requirements for membership, the number and geographic location of its current members and the group's proximity to the credit union's service facility;
 - (d) If the group to be added is located outside the State of Tennessee, provide written evidence that the credit union has complied with the other state's laws;
 - (e) A resolution from the petitioning group's governing body providing:
 1. That the members have been informed of the proposal to affiliate with the applicant and desire to be associated with the applicant;
 2. Whether the members of the group are currently eligible for membership, based upon their association, in a state or federally chartered credit union. If the members of the association are eligible for membership in another credit union based upon membership in the association, the applicant must make best efforts to provide a statement of no-objection from the other credit union;
 - (f) Any other information requested by the Commissioner.

- (2) Overlap Protection: If the applicant cannot obtain the letter of no-objection described in subsection (1)(e)(2.) above, after having made a best efforts attempt to do so, the Commissioner may consider the following:
- (a) The attempts made by the applicant to informally resolve the overlap with the affected credit union;
 - (b) Documentation concerning the interests of the association to be added. A petition signed by a majority of the association's members will be strongly considered. The applicant could also include a letter from the sponsoring association outlining the wishes of its members; and
 - (c) Evidence that the other credit union has failed to adequately serve the association after a reasonable period of time, and how the applicant plans to improve this service. The applicant must supply a copy of the information required in (a), (b) and (c) of this subsection to the other credit union, which will be given thirty (30) days following receipt of such information to submit to the Department any comments on the overlap. The response may want to include such information as the percentage of the association who participate as members in the credit union and the financial impact that the overlap might have on the credit union.

Please direct any questions regarding adding an associational group to a credit union's field of membership to Memory Little at 615-693-2822 or via email at memory.little@tn.gov.

The application may be submitted to the Department via email to Memory Little at Memory.Little@tn.gov or via regular mail to the following address:

Tennessee Department of Financial Institutions
Attention: Credit Union Division
Tennessee Tower
312 Rosa L. Parks Avenue
Nashville, Tennessee 37243