

CHAPTER 6
BRANCH OFFICES

Chapter exempt from chapter rescission pursuant to Iowa Code section 17A.7

189—6.1(533) Establishment of branch offices.

6.1(1) *Definition.* A branch office is determined to be a place where ordinary services of the credit union are provided to the members.

6.1(2) *Application.* A state chartered credit union desiring to establish and operate a branch or administrative office shall submit to the superintendent an “Application to Establish a Branch or Office.” A state chartered credit union owning an interest in a credit union service organization shall submit to the superintendent an “Application to Establish a Branch or Office” for any building which is intended to be used primarily by the credit union or credit union members, even if the building is owned by the credit union service organization. The application and instructions for preparing and filing it are furnished upon request. However, the superintendent may waive the application requirement when in the superintendent’s opinion the waiver is necessary or desirable.

6.1(3) Reserved for hearing and notice.

6.1(4) *Guidelines.* In determining whether or not approval of a branch office should be granted, the superintendent will consider the following factors:

a. Whether the establishment of a branch office is reasonably necessary for service to, and is in the best interest of, the applicant credit union’s membership.

b. Whether the member population density and other economic characteristics of the area primarily to be served by the proposed office afford reasonable promise of adequate support for the office.

c. Whether the capital structure of the applicant credit union is adequate in relation to the costs and anticipated increased business, if any, occasioned by the proposed branch office.

d. Whether the operation and management of the applicant credit union is such as will adequately provide for a branch office operation.

e. Such other factors as the superintendent determines appropriate or necessary in determining an applicant credit union’s ability to establish and operate a branch office.

6.1(5) Reserved.

6.1(6) *Certification.* If after notice and hearing the decision of the superintendent is favorable, the superintendent shall issue certification to evidence approval for the establishment and operation of the branch office to be effective on a specified date and at a designated location.

6.1(7) *Failure to file application.* Failure to file an “Application to Establish a Branch or Office” prior to closing on existing real estate or breaking ground on a building project may result in a fine of \$100 per day, upon notice from the credit union division, until the application is submitted to the credit union division.

[ARC 4632C, IAB 8/28/19, effective 10/2/19]

189—6.2(533) Change of location of branch office.

6.2(1) A credit union desiring to move its branch office shall submit to the superintendent an application to relocate a branch office. The rules governing the establishment of a branch office shall also govern the relocation of a branch office.

6.2(2) If a credit union elects to cease operations at a branch office facility such credit union shall notify the superintendent at least 60 days prior to the effective date of ceasing such operations.

These rules are intended to implement Iowa Code section 533.301(19).

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