**Complete Part 1 to determine if approval is required. If approval is required, complete Parts 2, 3, and 4 and submit to the Department with the most recent month-end income statement and balance sheet. If the credit union is operating under a written directive that requires dividends be approved by the Department, proceed directly to Parts 2 and 3.**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **PART 1** | | **Determines whether approval is required under Kentucky Revised Statute (KRS)** [**286.6-325**](https://apps.legislature.ky.gov/law/statutes/statute.aspx?id=14791) | | | | |
|  |  | | | | **Rounded to nearest $1.00** | |
| **1** | **YTD NET INCOME (LOSS) AFTER payment of Dividends,**  **including estimated net income (loss) for the current dividend period** | | | | **$** | |
| **2** | **Dividends paid thus far this year** | | | **$** |  | |
| **3** | **Dividends now requested** (same as Line 9, Part 2) | | | **$** |  | |
| **4** | **Total Dividends & Interest** | | **Add lines 2 + 3, then insert here ------>** | | **$** |  |
| **5** | **Total** (Add Line 1 + Line 4) | | | |  | **$** |
|  | | | | | | |
| **6** | **Undivided Earnings Preceding Year-end** | | | | **$** | |
| **7** | **YTD Net Loss as a percentage of Undivided Earnings** | | **Divide line 1 by 6 then insert here ----->** | | **%** | |
|  | | | | | | |
| **8** | **Is Line 4 MORE than Line 5 *and* is line 7 greater than 1%?** | | **YES** | **Approval Required, Complete to Parts 2 & 3** | | |
| **NO** | **Approval Not Required** | | |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **PART 2** | | **Share accounts** (Include the rates for all accounts reported as dividend expense on the 5300 Call Report.) | | | | |
| **Share type** | | | **Rate** | **Share type** | | **Rate** |
|  | | | **%** |  | | **%** |
|  | | | **%** |  | | **%** |
|  | | | **%** |  | | **%** |
|  | | | **%** |  | | **%** |
| **9** | **Total Dividends requested** (same Line 3, above) | | | | **$** | |

|  |  |
| --- | --- |
| PART 3 | **CERTIFICATION** |
| The Board of Directors of the below named credit union, by proper resolution at a meeting held \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_, declared a dividend as set forth above for the period-ending \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,\_\_\_\_\_\_\_. Approval of this action is requested. | |

|  |  |
| --- | --- |
| PART 4 |  |
| Describe the factors contributing to the net loss. | |
|  | |
| Discuss any anticipated events that may have a positive or negative impact on earnings subsequent to this request. | |
|  | |
| Discuss steps the board and management are taking to improve earnings performance. | |
|  | |

**By signing below, you certify that the above information and attached documents are correct**.

|  |
| --- |
|  |
| Name of Credit Union |
|  |
| Location (City) |
|  |
| Signature of President or Secretary |
| Date Phone ( ) Email |

|  |  |  |  |
| --- | --- | --- | --- |
| **For Department Use Only** | | | |
| **Date:** | | | |
|  | **Approved** |  | **Disapproved** |
| **By:** | | | |