



**Derbyshire Community Bank**  
Where local really counts

**Dear Members,**

I am writing to let you know that the board of Derbyshire Community Bank ('DCB', the trading name of Erewash Credit Union) have agreed in principle to a merger with Chesterfield & North East Derbyshire Credit Union ('CNEDCU') subject to approval by the members of CNEDCU and to approval by the Financial Conduct Authority.

CNEDCU is a well-established credit union based at their offices in Chesterfield; like us, CNEDCU is a community-based credit union open to everyone living and working in the County of Derbyshire or the City of Derby – but as their name and location suggest, the bulk of their members live or work either in the Borough of Chesterfield or in the area covered by North East Derbyshire District Council.

They are a little smaller than us – with just under 4,000 members, holding roughly £600,000 in their savings accounts and around £525,000 in loans to members (net of provisions).

Under the regulatory framework for credit unions, when two credit unions decide to merge this is achieved typically by the smaller credit union carrying out a 'transfer of undertakings' to the larger credit union, and in our case, it will be CNEDCU that carries out a transfer of its undertakings to us at DCB. Through this process, every member of CNEDCU will become a member of DCB – and their savings and loan balances will transfer across to DCB under exactly the same terms and conditions as were in place with CNEDCU. Once the transfer is completed, there will be no difference between our members, whether they originated with DCB or with CNEDCU – going forward, former members of Chesterfield will have access to the full range of products offered by DCB and will be eligible for any dividend paid to savers that may be approved at our AGM.

Once the merger has been achieved, there will be only one community credit union serving the people of Derbyshire (including the City of Derby) – DCB; and your board is confident that this will greatly help our relationships with local government and other partner organisations across the county. We will continue to offer the same range of products and our great member service to everyone in Derby and Derbyshire – and by saving the duplicate costs between our two credit unions (eg systems and technology costs, annual audit costs, regulatory costs and similar) we hope to be more efficient financially, which will flow through to the benefit of members.

To approve the merger, the members of CNEDCU will have two special general meetings in the coming weeks, following which we have to submit the proposed merger to our regulators for their approval. All being well, your board expects the merger to be substantially completed in the first half of September.

The merger will have no impact on your own membership, on your savings and/or your loan balances; and under our rules, the decision to merge is one that members have delegated to the board.

If you have any questions on the merger, please email [info@dcbank.org.uk](mailto:info@dcbank.org.uk)

Simon Haslam, Chair – on behalf of the board of Derbyshire Community Bank



**Simon Haslam, Chair**