**Section 190.170 Group Purchasing**

A credit union may enter into cooperative marketing arrangements that are related to the promotion of thrift and to improve the economic and social conditions of its members under the following conditions:

a) that participation whether directly or indirectly, such as supplying a list of members for mail soliciting, has been approved by a Board resolution and that the terms of the activity are in writing between the credit union and the suppliers. Before approving any program to be available to the membership, the Board of Directors must satisfy itself as to the economic merits of the program and should make every effort to safeguard its membership against misrepresentation or deception by any program sponsor.

b) the participation in the program must be strictly voluntary by the member.

c) participation in the program shall not be directly or indirectly a condition of a loan, nor for the purchase of additional shares in the credit union.

d) in operating a cooperative program, the credit union may not at any time carry as inventory or as any other asset, merchandise, services or other form of product except to the extent that such product or service has already been ordered or purchased by a member.

(Source: Amended at 26 Ill. Reg. 17999, effective December 9, 2002)