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**Members Advantage Credit Union Expel, for Cause, Disclosure  
Effective October 1, 2024**

**PURPOSE**

This policy is intended to be the authority when unsustainable situations arise from a members' actions that results in the member not being in good standing. The definition of an unsustainable situation is a member who poses a threat to staff, board, or any member, including Credit Union property. As a result of an unsustainable situation the member's membership shall be terminated for cause.

Member expulsion is an extreme remedy. Other options may include limiting services or restricting access to members considered not in good standing. Member expulsion cannot be used as a tool to facilitate financial exclusion.

This policy recognizes that a member has due process rights as a Credit Union Member-Owner. These rights include proper disclosures, a hearing, and an appeals process.

This policy ensures its implementation of the authority to expel members for cause is consistent and does not violate anti-discrimination laws or regulations.

**DEFINITIONS**

**The term "cause" means:**

- A. A substantial or repeated violation of the membership agreement of the credit union.
- B. A substantial or repeated disruption, including dangerous or abusive behavior (as defined by the National Credit Union Administration Board pursuant to a rulemaking), to the operations of the Credit Union; or
- C. Fraud, attempted fraud, or other illegal conduct that a member has been convicted of in relation to the Credit Union, including the Credit Union's employees conducting business on behalf of the Credit Union.

**The term "not being in good standing" means:**

- Shall include a member who has engaged in any of the following conduct: dangerous or abusive behavior/actions including violence, intimidation, physical threats, harassment and physical or verbal abuse of Credit Union Officials, employees, members, or agents of the Credit Union.
- Member's actions should have occurred while on Credit Union premises or Credit Union activities (on or off premise) such as via telephone, video, mail, email, or social media.
- Unacceptable behavior also includes actions that cause or threaten damage to Credit Union property or unauthorized use of or access to Credit Union property.

- Any conduct that's dangerous or abusive and related to a Credit Union's activities will allow a Credit Union to limit services to that member or expel them from membership. Therefore, the conduct (if it's related to Credit Union activities) doesn't need to occur on Credit Union premises.

**The term "dangerous and abusive behavior" means:**

Dangerous and abusive behavior is considered any violent, belligerent, unreasonable disruptive, or abusive behavior. Examples of dangerous and abusive conduct include but are not limited to:

- A member threatening physical harm to Credit Union employees, volunteers, or agents of the Credit Union in-person, by telephone or by email.
- A member repeatedly or unwelcomely giving gifts to Credit Union employees or continually asking Credit Union employees out on dates either in person, by telephone or email when asked to stop by the employee.
- A member repeatedly using racial or sexist language towards Credit Union employees, volunteers, or agents of the Credit Union either in-person, by telephone or by email.
- A member threatening to follow an employee or volunteer home for denying them a service or product.

**Measures available because of abusive or unreasonably disruptive members:**

- The Credit Union can limit services for a member not in good standing.
- The Credit Union may expel the member for cause.

**How we may limit services or terminate your membership with MACU:**

1. The Credit Union can limit services to a member who engages in conduct that causes a loss to the Credit Union or is a safety concern to staff, other members, or Credit Union facilities/property instead of expelling a member.
2. The Credit Union may expel a member by a two-third vote of a quorum of the Board of Directors of the Credit Union for cause at a special meeting called.
3. The Chairman or Vice-Chairman may call a special meeting of the Board of Directors to expel a member for any of the following reasons:
  - A. Must be deemed an urgent emergency due to the actions of the Member.
  - B. For the safety of the employees of the Credit Union by Management.

**There are 4 ways a special meeting can take place:**

- I. Virtually, where a quorum would have to be established.
  - II. In-person with a quorum in attendance would have to be established.
  - III. By telephone, where a quorum of responses would be required.
  - IV. By email, whereby a quorum of responses would be required.
4. All non-urgent actions by a member that needs to be addressed will be done at the next scheduled Board meeting.
  5. However the meeting is commenced, any action taken must be by a two-thirds vote of the quorum.

**A quorum is defined as 4 Directors.**

**The termination notice shall include:**

- The reason for the termination made by the Board of Directors.
- The effect of the expulsion on the accounts held by the expelled member.
- The fact that the expelled member isn't relieved of any liability to the Credit Union. The Credit Union may demand immediate repayment of the money the member owes to the Credit Union, subject to any applicable contract terms and conditions.
- A line-by-line accounting of any deductions related to amounts due, and how the expelled member will receive any remaining funds from their accounts.

The Credit Union must retain records regarding a member's expulsion. Records to keep include items such as the members last known contact information, membership agreement, loan files, documents related to the expulsion, the Board's decision to expel the member, any written response from the member, and information or minutes relating to a hearing (if there was one).

If the member was expelled due to a decision by the Board at a special meeting the member can petition the Board for a hearing. The petition must state the reason and any pertinent information as to why the Board should consider a hearing. Any action taken by the Board is considered to be final. The Executive Committee of the Board will review the petition and decide if the petition has merit and cause for a hearing. The member would be notified within 7 days of the meeting of the Executive Committee with their decision by certified mail. If the Executive Committee rules that a hearing should take place the member will be notified in the certified letter the date, time, and place of the hearing. Depending upon scheduling conflicts, the hearing is to take place no later than 30 days from the date of the expulsion.