

§847. Expulsion of members

1. Grounds for expulsion. A manager or chief executive officer of a credit union may expel from the credit union any member who:

- A. Has not carried out the member's engagement with the credit union; [PL 2023, c. 539, §3 (NEW).]
- B. Has been convicted of a criminal offense; [PL 2023, c. 539, §3 (NEW).]
- C. Neglects or refuses to comply with the provisions of this Part or the bylaws of the credit union; [PL 2023, c. 539, §3 (NEW).]
- D. Has deceived the credit union or a committee of the credit union with regard to the use of borrowed money; [PL 2023, c. 539, §3 (NEW).]
- E. Has substantially and repeatedly violated the official policies of the credit union; [PL 2023, c. 539, §3 (NEW).]
- F. Has demonstrated dangerous, threatening or abusive behavior, as defined in rules adopted by the National Credit Union Administration, in such a way as to disrupt the operations of the credit union; or [PL 2023, c. 539, §3 (NEW).]
- G. Has been convicted of fraud, attempted fraud, conspiracy to commit fraud or other illegal conduct in relation to the credit union, including illegal conduct in which an employee of the credit union was conducting business on behalf of the credit union. [PL 2023, c. 539, §3 (NEW).]
[PL 2023, c. 539, §3 (RPR).]

2. Return of paid-in shares. The amounts paid in on shares by members who have withdrawn or have been expelled shall be paid to them in the order of withdrawal or expulsion, but only as funds therefor become available and after deducting any amounts due from such members to the credit union. [PL 1975, c. 500, §1 (NEW).]

3. Liability unaffected by expulsion. Such expulsion shall not operate to relieve a member from any outstanding liability to the credit union. [PL 1975, c. 500, §1 (NEW).]

4. Expulsion policy; appealing an expulsion. The manager or chief executive officer of a credit union shall inform an expelled member of the grounds for the expulsion, and the expelled member may appeal the expulsion to the board of directors. A decision by the board regarding an expulsion is final. By January 1, 2025, the board of directors of a credit union shall establish a written expulsion policy and expulsion appeals process that clearly informs members of a member's right to appeal an expulsion decision. The credit union shall annually provide the expulsion policy and expulsion appeals process to members of the credit union. [PL 2023, c. 539, §4 (NEW).]

SECTION HISTORY

PL 1975, c. 500, §1 (NEW). PL 2017, c. 143, §9 (AMD). PL 2023, c. 539, §§3, 4 (AMD).

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