

# Member Expulsion

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## Expulsion Criteria:

- a. Member fails to pay amounts due under a loan. Amounts due include, without limitation: principal, interest, fees, and charges, financed insurance premiums, collection agency charges or attorneys' fees incurred in collecting amounts due under a note or guarantee, in repossessing and liquidating collateral under a security agreement, or in obtaining a deficiency judgment. A member who files for bankruptcy, but signs an enforceable reaffirmation agreement or otherwise voluntarily makes arrangements to repay all amounts due, will remain eligible for membership.
- b. Member fails to provide collected funds to cover share account withdrawals or to cover personal share drafts.
- c. Member fails to provide collected funds to cover credit union drafts purchased by the member.
- d. Member fails to pay fees or charges due the credit union for any reason.

*Notwithstanding the foregoing, a member who has caused a loss due to bankruptcy but, in the sole discretion of the management of the Credit Union, establishes that the loss was unavoidable and the result of extraordinary hardship resulting from loss of job, serious family illness, dissolution of marriage, or death of immediate family, will remain eligible for membership.*

Member actions that are fraudulent or put the credit union at risk of loss or liability that may subject the member to expulsion action by the board include the following:

- a. Members who engage in check kiting, attempted or actual deposits of counterfeit checks or other nonnegotiable items, foreign ATM transfers between checking and savings accounts which result in overdrafts of both accounts, attempted or actual theft of credit union or other member's funds, or similar activities whereby the member illegally attempts to obtain funds not due the member.
- b. Members threatening staff who deny loan applications or other services, members who engage in inappropriate conduct or language directed at staff based on sex, race, national origin, marital status, sexual orientation, physical or mental impairment, age, membership in the uniformed services, or similar activity whereby staff are subjected to verbal or physical abuse.
- c. Members who fail to protect blank personal checks as evidenced by repeated claims of lost checks and unauthorized transactions (particularly when the forgeries are committed by persons living in the member's household), or fail to protect access cards and security information such as personal identification numbers as evidenced by repeated claims of unauthorized transactions (particularly when the forgeries are committed by persons living in the member's household), or engage in similar activities resulting from repeated failure to keep their accounts and records secure.
- d. Members who use or attempt to use false or forged documents or false information to obtain credit or access to an account.

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- e. Members who use or attempt to use false identities.

Member actions resulting in inappropriate behavior involving another person that may subject the member to expulsion action by the board include the following:

- a. Members who engage in physical or verbal abuse to another credit union member or an employee of the credit union, while transacting business with the credit union.