

MERCK EMPLOYEES FEDERAL CREDIT UNION

DENIAL OF MEMBER SERVICES AND EXPULSION OF MEMBERS POLICY

Board Approved: July 20, 2021

Denial of Member Services:

It is the policy of the Credit Union to provide a safe working environment for Credit Union employees and volunteers as well as maintaining a safe environment for Credit Union members who visit Credit Union offices. Among the concerns of the Credit Union, is to protect employees, volunteers and members from abuses or threatening conduct by Credit Union members. Accordingly, the Credit Union shall restrict the availability of certain services to Credit Union members whose behavior is identified as being abusive or threatening towards Credit Union employees, volunteers or members.

In the event a Credit Union employee, volunteer or member is subjected to abusive or threatening behavior by a Credit Union member, the employee should immediately report the incident to the CEO or his designee and provide a brief written explanation as to the event. Names of any witnesses should be included in the report. The report will then be reviewed by the President/Chief Executive Officer or his designee who will make a decision as to whether the abusive and threatening behavior warrants the denial and/or restriction of Credit Union services to the member.

Among the actions which can be taken by the Credit Union are any of the following, either individually or a combination:

- Restrict services although the member must be allowed to maintain a regular share account);
- Deny access to the Credit Union's premises; and
- Deny services that involve personal contact with the Credit Union's employees and volunteers.
- Deny access to credit union facilities and events

The Credit Union can restrict all services to a member with the exception of maintaining a regular share account and the right to vote in the Credit Union's annual election.

Decisions made to deny or restrict access or services shall be reported monthly to the Board of Directors.

In the event a decision is made to deny or restrict services and access, the Credit Union shall notify the member in writing.

Denial of Member Services to a Member Who Has Caused the Credit Union a Loss:

In the event a member causes the Credit Union a financial loss, such as a delinquent loan, failure to honor deposit account obligations, overdrawing an account, bounced checks, failure to pay Credit Union fees, etc., the Credit Union may deny Credit Union services to the member with the exception of a regular share account and the right to vote in the Credit Union's annual elections. In the event a decision is made to deny services, a written notice will be sent to the member informing the member of the denial of services and the reasons therefor.

Expulsion of a Credit Union Member

Expulsion is a severe action resulting in the termination of the Credit Union's membership in the Credit Union. Article XIV, Expulsion and Withdrawal, of the Credit Union By-laws sets forth the procedure which must be followed by the Credit Union to expel a member. Article XIV, Section 1, reads as follows:

Article XIV. Expulsion and Withdrawal Section 1. Expulsion procedure; expulsion or withdrawal does not affect members' liability or shares. To expel a member, the credit union must:

- Call a special meeting of the members;
- Provide the member the opportunity to be heard; and
- Obtain a two-thirds vote of the members present at the special meeting.

The credit union may also expel a member under a nonparticipation policy given to each member that follows the requirements found in the Act. Expulsion or withdrawal does not relieve a member of any liability to this credit union. The credit union will pay all of their shares upon their expulsion or withdrawal less any amounts due to this credit union

The Credit Union staff is urged to review the expulsion procedure with the Credit Union's attorney to make certain that all of the legal requirements are fulfilled by the Credit Union."