

2021 Kansas Statutes

17-2219. Expulsion of members, when; policy, notice; withdrawal of member from credit union. (a) Any member may be expelled from the credit union:

(1) By a 2/3 vote of the members present at any regularly called meeting of the membership; or

(2) in accordance with the provisions of subsection (b), by the president, general manager or any other credit union employee designated by the board of directors for a member's abuse of member account privileges, a member's act or failure to act which causes financial loss to the credit union, a member's failure to purchase shares and utilize loan or other services of the credit union, or a member's failure to comply with the credit union's adopted policy regarding expulsion. The president or general manager shall report the expulsion of a member at the next regularly scheduled board meeting.

(b) The board of directors of a credit union may adopt a policy with respect to expulsion from membership for any reason set forth in subsection (a)(2). If such a policy is adopted, notice of the policy as adopted and effective date of such policy shall be provided to each member of the credit union no fewer than 30 days prior to the effective date of such policy. In addition, each new member shall be provided notice of any such policy prior to or upon applying for membership. An expelled member shall be informed of the reason for expulsion and may appeal the expulsion to the board of directors by making a written request to the board of directors within 30 days of the expulsion.

(c) A member may withdraw from a credit union, as hereinafter provided, by filing a written notice of such intention. All amounts paid on shares of an expelled or withdrawing member, with any dividends credited to the member's shares to the date of expulsion, or withdrawal, shall be paid to the member, but only as funds become available and after deducting any amounts due to the credit union by the member. All shares of an expelled or withdrawing member, with any interest accrued, shall be paid to the member, subject to 60 days' notice, and after deducting any amounts due to the credit union by the member. The member, when withdrawing shares, shall have no further right in the credit union or to any of its benefits, but such expulsion or withdrawal shall not operate to relieve such member from any remaining liability to the credit union.

History: L. 1929, ch. 141, § 19; L. 1983, ch. 83, § 4; L. 1989, ch. 77, § 2; L. 1993, ch. 26, § 1; L. 2018, ch. 56, § 1; L. 2019, ch. 22, § 18; July 1.