

DuPont Community Credit Union (DCCU)
Suspension of Services Policy
APPROVED Oct. 17, 2023

Functional Oversight: DCCU High Risk Committee

Introduction

This policy outlines the various actions, up to and including the recommendation of expulsion from membership, which DCCU may take in response to behavior that is illegal, threatening, abusive, or otherwise disruptive to Credit Union operations and/or any activity that exposes the Credit Union to a financial loss, fraud, and/or increased reputational or regulatory compliance risk.

Fundamental Rights of Membership

Unless expelled under DCCU's Bylaws, all members are entitled to maintain a single share (defined as the par value share or membership share) in the Credit Union and are eligible to vote in the election for Board of Directors members. Membership in the Credit Union does not confer access to the Credit Union's products, services, or facilities as a matter of right. Access to such products, services, or facilities granted to a member may be curtailed at the discretion of DCCU and in accordance with this policy, policies and procedures incorporated herein, any account and lending agreement or contract executed by the member, and DCCU's Bylaws.

Suspension of Services or Revocation of Membership

DCCU reserves the right to make decisions regarding the suspension of services, or the revocation of membership, to best serve the cooperative. DCCU may limit or suspend services available to a member as permitted under applicable law, to prevent the risk of financial loss, harm to the Credit Union's reputation, or non-compliance with Federal or state laws, rules, or regulations.

Specific Provisions with Services Suspension

1. **Suspension of Access to Transactions or Services:** A member may be denied access to certain transaction types, individual transactions, convenience services, or transaction levels based on behavior deemed by management to be high risk for loss, indicative of illegal activity, or performed with an apparent intent to harm, disrupt, or defraud. Denials of transactions and/or services are administered on an as needed basis at the discretion of the operational area manager for that service or product.
2. **Suspension of Access to Facilities:** DCCU reserves the right to implement policies restricting specified member behavior within any Credit Union facility or in connection with communications with Credit Union staff. Members of the Credit Union and anyone from the public who do not comply with any DCCU policies regarding access to DCCU facilities or who, in DCCU's sole discretion, have behaved in a manner deemed inappropriate or disruptive towards DCCU staff, volunteers, or other members may be barred from entering DCCU facilities, grounds, and parking areas. Such behavior may occur in person, on the telephone, through other electronic communication methods, or in writing. In the event of any such misbehavior, DCCU will take legal action to restrict a member's access to facilities grounds, and parking areas. Decisions to prohibit access to

facilities based on member misbehavior will be made on an individual basis by the appropriate management personnel. Any member prohibited from accessing DCCU facilities will be notified orally if circumstances require, and, - where feasible, will be notified in writing. The ban will be effective immediately and continue until the member has been reinstated at the discretion of management (see Conditions for Reinstatement).

Expulsion- Bylaw Provisions

The Board of Directors may expel from the Credit Union any member who: (i) has not carried out his/her obligations to the credit union; (ii) has been convicted of a criminal offense; (iii) neglects or refuses to comply with the provisions for the Virginia Credit Union Act or DCCU's Bylaws; (iv) neglects to pay his/her debts, or otherwise causes financial loss to the credit union; or (v) has deceived the credit union with regard to the use of borrowed money. However, no member shall be so expelled until he/she has been informed in writing of the charges against him/her, and an opportunity has been granted to provide a response in writing to the Board of Directors.

Any amount of money owed by the Credit Union to an expelled member, less any amount owed by such expelled member to the Credit Union, shall be paid within 60 days after expulsion. If a member is liable to the Credit Union as a borrower, co-maker, endorser, guarantor, or otherwise, only the amount in excess of such liability shall be paid to him/her at the time of expulsion. Expulsion from membership shall not relieve a member from his/her liability to the Credit Union.

Any expelled member loses all privileges, including the right to hold a share, vote in Credit Union elections, and attend the annual meeting of members. A member may appeal his/her expulsion as outlined later in this policy.

Marijuana Related Businesses

At the time of the account opening and for the entirety of a member relationship, the member guarantees that s/he is not operating, benefitting from, or transacting on behalf of a marijuana related business (MRB). An MRB is defined as any business that grows, produces, distributes, transports, imports, or sells marijuana or marijuana derivatives. Marijuana is defined as cannabis possessing greater than 0.3% tetrahydrocannabinol (THC). This does not include cannabis possessing less than 0.3% THC. While possession of marijuana under the statutory limit is decriminalized in Virginia, the sale, distribution, and cultivation of marijuana is federally illegal under the Controlled Substances Act.

By opening or maintaining an account relationship with DCCU, the member is attesting that he/she is not financially affiliated with an MRB. If at any time DCCU is able to assess that a member is financially affiliated with an MRB, DCCU will engage its High Risk Committee to review the member relationship. DCCU will comply with regulatory reporting requirements as necessary.

Requests for Suspension

Any DCCU staff or volunteer may submit a request for denial of products, services, or facilities for a particular member. These requests are managed by DCCU's High Risk Committee and fall

under its charter and mandate. The requestor must contact DCCU's High Risk Committee to initiate a request for suspension. DCCU has adopted written procedures for processing such requests, including, but not limited to:

- Acceptable format and content for requests
- Timing for receipt and resolution of requests
- Review and verification of the claims and assessments giving rise to the request
- Notification of member(s) and DCCU requestor
- Record retention

Notification

DCCU will provide required notice of any adverse action as required by law or regulation as applicable to the specific circumstances of any denial of product, service, or membership. Unless otherwise required by policy, law or regulation, notification of denial of service, product, or membership may be in any format, including orally in person or by telephone, by email or other electronic communication, or in writing. The notification requirements of Regulation **B**, the Fair Credit Reporting Act, Regulation E, Regulation CC, and DCCU's Account Agreement are hereby incorporated in this policy. Additional notices will be provided as required by law and regulation as appropriate.

Notification of this policy will be provided to all members in the new account agreement and any manner determined by management.

Request for Review of Suspension

A member may request a review of any action(s) related to suspension of services taken under this policy within one calendar year of the initial suspension. Such request must be in writing and addressed to

**DuPont Community Credit Union
High Risk Committee
P.O. Box 1365
Waynesboro, VA 22980**

The request shall state the action under review, the reason for the requested review, and any information the member deems pertinent to the review. These appeals are reviewed and acted on by the High Risk Committee. The High Risk Committee has developed and implemented a written process to include:

- Receiving and documenting requests for review
- Review criteria
- Guidance on written responses to requests

If a review demonstrates a need to reinstate services, DCCU's High Risk Committee will provide guidance and subsequent reinstatement date in writing.

Request for Review of Expulsion

Members may request that the Board of Directors review any expulsion decision. Such requests must be in writing and addressed to

**DuPont Community Credit Union
Secretary of the Board
P.O. Box 1365
Waynesboro, VA 22980**

Members have a right under the bylaws to present their case in person to the Board at a meeting called by the Board for that purpose.

