

## **LIMITATION OF SERVICES POLICY**

### **STATEMENT OF PURPOSE**

SPIRE Credit Union ("SPIRE") is a member-owned financial cooperative operated for the purpose of promoting thrift, providing credit at competitive rates and providing other financial services for its members. The privilege of SPIRE Credit Union ("SPIRE") services are reserved for members who are in "good standing." This policy shall extend to any member "not in good standing" who seeks member services directly or indirectly through a SPIRE account.

### **MEMBER "NOT IN GOOD STANDING"**

A member is "not in good standing" with SPIRE if any of the following apply:

1. The member fails to comply with the terms and conditions of any lawful obligation with SPIRE and causes SPIRE to suffer a financial loss.
2. The member is delinquent on any loan or other extension of credit beyond any grace period.
3. The member has an overdrawn savings or deposit account.
4. The member manipulates or otherwise uses SPIRE services or products in furtherance of an illegal purpose.
5. The member manipulates or otherwise abuses SPIRE's services or products to the detriment of SPIRE's membership.
6. The member engages in abusive conduct, as defined by the SPIRE Credit Union Abusive Conduct Policy.

Member services includes any products or services now or hereafter provided by SPIRE or otherwise made available to SPIRE members. These services include, but are not limited to, loans or other extensions of credit, share accounts, ATM services, debit card services, home banking services, telephone banking service, cashier's checks, wire transfers and other electronic banking services.

Financial loss occurs when SPIRE writes off as uncollectible any monies which the member owes to SPIRE. For loans, financial loss is defined as the principal amount owed and written off as uncollectible. For shares, financial loss is defined as the negative balance in the share account written off as uncollectible. Financial loss may also include any out-of-pocket costs or expenses incurred by SPIRE as a direct result of a member's violation of SPIRE's Abusive Conduct Policy, or any other SPIRE Policy, if there is a rational or logical relationship between the objectionable conduct, the costs and expenses incurred by SPIRE and the limitation of services. A financial loss shall not be attributed to a member if the loss is attributable to a case of identity theft.

### **LIMITATION OF MEMBER SERVICES**

Upon approval by SPIRE senior management, SPIRE may take action to limit any or all of a member's access to SPIRE products and services.

In the event a SPIRE member's services are limited pursuant to this policy, the member shall continue to have the right to maintain a share savings account and the right to vote at annual or special meetings of the members.

The limitations provided in this policy shall not prohibit a member from exercising their rights under federal and state law.

#### **NOTICE AND PROCEDURE**

If a member's services are limited pursuant to this policy, a letter will be sent from SPIRE to the member advising the member of the limitations and the basis for the limitation. If all of the member's services are being limited, the letter shall inform the member that the member shall continue to have the right to maintain a share savings account and the right to vote at annual or special meetings of the members. The letter shall be sent ten calendar days before imposing said limitations. In the event of suspected or ongoing fraud, negative balance or loss, the member's account may be immediately frozen and/or terminated and then notification given.