

4U CREDIT UNION

MEMBER INSPECTION OF CREDIT UNION RECORDS POLICY

PURPOSE

National Credit Union Administration § 701 of The Rules and Regulations provides that a group of members representing approximately one percent of the membership, with a proper purpose and upon petition, may inspect and copy non-confidential portions of the credit union's books, records, and minutes. The Board of Directors is required to establish written policies concerning members' access to these documents, as well as to board policies and guidelines. 4U Credit Union's (4U's) Board of Directors supports our members' ability to question and seek answers as owner-members of this credit union. In compliance with Part 701, The 4U Credit Union Board of Directors has approved the Member Inspection of Records Policy. The Chief Executive Officer is appointed by the Board as the contact person to receive petitions for member inspection of credit union records.

Member Inspection Rights. § 701.3(a)

RESPONSIBILITY

The President/CEO (or other designated officer will serve as the contact person to receive petitions for member inspection of credit union records.

DEFINITIONS

Proper purpose – (for an inspection petition) is a purpose that relates to the protection of the members' financial interests in the credit union.

INSPECTION RIGHTS

4U members may, upon submission of a petition and 'proper purpose' as described in the Regulation, inspect and copy non-confidential portions of credit union:

- Accounting books and records; and
- Minutes of the proceedings of the credit union's members, board of directors, and committees of directors.

PETITION § 701.3(b)

The petition must:

- Describe records to be inspected.
- State a 'proper purpose' for the inspection.
- Contain signatures sufficient to fulfill the requirements as set forth in the regulation.
- Designate petitioner(s) responsible to pay direct and reasonable costs.
- Document a stated purpose as indicated in the regulation.
- Name one member and an alternate to represent the petitioners on issues such as inspection procedures, costs, and potential disputes.

INSPECTION § 701.3(c)

The credit union will:

- Respond to petitioners within 14 days of receiving the petition.
- Inform petitioners of
 - its intent to allow inspection of the material stated in the petition;
 - a stated time when inspection can take place, and;
 - if any of the requested material will be withheld.

- Inform petitioners what part of the requested material will be withheld and reasons for withholding (if this occurs).
- Schedule inspection and copying of non-confidential requested material it determines petitioners may inspect and copy, as soon as possible after receiving a petition;
- Skip inspection and deliver copies of requested documents directly to the petitioners, at its option.
- Inform petitioners of specific invalid signatures and why they are invalid if it denies inspection because of failure to obtain signatures as required in the Regulation.

4U recognizes that inspection may be made:

- in person;
- by agent or attorney, and;
- at reasonable time(s).
- in addition to any other member inspection rights afforded by the credit union's charter or bylaws or other federal law or federal regulation.

CONFIDENTIALITY § 701.3(d)

The credit union will not allow members to inspect any portion of the books, records, or minutes if:

- Federal or state law or regulation prohibits disclosure of that content;
- Publication of that specific content could cause the credit union predictable and substantial financial harm;
- The content contains nonpublic personal information as defined in §4.01(a) of the Texas Standard Bylaws for State Chartered Credit Unions (Confidentiality) or NCUA Rules and Regulations §716.3 (member privacy).

COSTS § 701.3(e)

4U may charge petitioners direct and reasonable costs associated with research and duplication, but will not charge for other costs, including indirect costs or attorney's fees.

DISPUTE RESOLUTION § 701.3(f)

4U may submit disputes with members concerning a petition for inspection and the associated costs to the NCUA Regional Director and in following, take action as appropriate.