 Office of Credit Unions Policies and Procedures	POLICY NUMBER
	10720
COMPLIANCE	EFFECTIVE DATE
	11/01/2018
SUBJECT	REVISION DATE
	11/01/2018
Membership Card Review	PAGE(S)
	Page 1 of 2

I. PURPOSE


Membership application cards should contain sufficient information to determine compliance with Article III, Section 3 of the credit union's bylaws. Applications must be in writing, signed by the applicant and approved by the Membership Officer. A report including the name of all new members and date of approval should be provided to the Board of Directors each month. Examiners must verify compliance with BSA requirements in the credit union's completion of membership cards.

II. PRIMARY REFERENCES / RELATED REGULATIONS

1. Michigan Credit Union Act:
 - a. [Section 352: Membership; composition, field of membership, application, etc.](#)
 - b. [Section 353: Membership; conditions](#)
 - c. [Section 354: Acceptance of trust as member; conditions](#)
 - d. [Section 355: Designation as inactive account](#)
 - e. [Section 356: Minor; deposit, investment or withdrawal](#)
 - f. [Section 357: Suspension of services or termination or withdrawal](#)
2. Credit Union Bylaws, Article III: Membership
3. [USA Patriot Act](#)
4. [Bank Secrecy Act](#)

III. MINIMUM PROCEDURES

1. Discuss the procedures and processes for approving membership cards with the membership officer.
2. Review a sample of recently approved memberships. The size of the sample should be dictated by the size of the credit union, previous findings, and risk structure of the credit union. The sample of membership cards should be randomly selected from the new membership reports included in the monthly board minutes.
3. Review New Membership reports in the Board minutes to ensure minutes contain all information required by the credit union's bylaws.

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Membership Card Review	PAGE(S)
	Page 2 of 2

4. Review each card for completeness. Each membership card should state the basis of eligibility for membership. Verify the membership card has been signed by the member. Ensure requirements of the credit union's CIP are met. Membership officer(s) should sign and date the membership card to note approval or denial of membership request.
5. In the AIRES loan download, review accounts of new members. Document if any loans have been granted to these members. Determine whether any loans were granted prior to the membership being approved by the membership officer.