

CREDIT UNION ACT (EXCERPT)
Act 215 of 2003

***** 490.210.amended THIS AMENDED SECTION IS EFFECTIVE SEPTEMBER 7, 2016 *****

490.210.amended Notice of charges; issuance and service; statement of facts; hearing; issuance of cease and desist order; enforcement; violation by foreign or federal credit union.

Sec. 210. (1) If in the opinion of the director a domestic credit union is engaging, has engaged, or is about to engage in an unsafe or unsound practice in conducting the business of the domestic credit union or is violating, has violated, or is about to violate a law or rule, the director may issue and serve upon the domestic credit union a notice of charges. The notice shall contain a statement of the facts constituting the alleged unsafe or unsound practice or violation and shall fix a time and place for a hearing to determine whether the director should issue an order to cease and desist. The hearing shall be held at least 30 and not more than 60 days after service of the notice unless an earlier or later date is set by the director at the request of the domestic credit union. If the domestic credit union does not appear at the hearing by a duly authorized representative, it has consented to the issuance of a cease and desist order.

(2) If a domestic credit union consents to a cease and desist order under subsection (1), or if on the record made at the hearing under subsection (1) the director finds that an unsafe or unsound practice or violation specified in the notice of charges has occurred, the director may issue and serve on the domestic credit union an order to cease and desist from the practice or violation. The order may require the domestic credit union and its directors, officers, employees, and agents to cease and desist from the practice or violation and to take affirmative action to correct the conditions resulting from the practice or violation.

(3) A cease and desist order issued after a hearing under subsection (2) is effective 30 days after the service of the order on the domestic credit union. A cease and desist order issued with the consent of the domestic credit union under subsection (2) is effective at the time specified in the order. A cease and desist order is effective and enforceable as provided in the order, except to the extent it is stayed, modified, terminated, or set aside by action of the director or a reviewing court.

(4) If the director determines that a foreign credit union that is conducting business in this state is acting in violation of the laws of this state or that the activities of the foreign credit union are being conducted in an unsafe and unsound manner, the director may take any enforcement action that would be permitted under this act if the foreign credit union were a domestic credit union.

(5) If the director determines that a federal credit union is acting in violation of the laws of this state, the director shall notify the National Credit Union Administration and the attorney general.

History: 2003, Act 215, Eff. June 1, 2004;—Am. 2016, Act 153, Eff. Sept. 7, 2016.