

Subtitle [3.] 4. Examinations and Reports.

[6-301.] 6-401.

- (a) Each credit union shall have a supervisory committee.
- (b) The board [of directors of the credit union] shall appoint the members of the supervisory committee AT:
- (1) THE FIRST MEETING OF THE BOARD FOLLOWING THE ANNUAL MEETING OF THE MEMBERS; AND
 - (2) ANY TIME THERE IS A VACANCY.
- (c) (1) SUBJECT TO THE PROVISIONS OF PARAGRAPH (2) OF THIS SUBSECTION, THE [The] board [of directors] shall determine the number of members on the supervisory committee[, but the].
- (2) THE SUPERVISORY committee shall have at least three and not more than seven members.
- (d) (1) Each member of the supervisory committee shall be appointed from among the members of the credit union.
- (2) Not more than one member of the supervisory committee may be a director.
- (3) [The treasurer] AN OFFICER of the credit union, a member of the credit committee, or an employee of the credit union may not be a member of the supervisory committee.
- (4) AT LEAST ONE MEMBER OF THE SUPERVISORY COMMITTEE SHALL HAVE EXPERIENCE IN:
- (I) ACCOUNTING;
 - (II) AUDITING; OR
 - (III) GENERAL BUSINESS.
- (5) EACH MEMBER OF THE SUPERVISORY COMMITTEE:
- (I) SHALL BE BONDED;
 - (II) SHALL BE A CITIZEN OF THE UNITED STATES;
 - (III) MAY NOT HAVE BEEN CONVICTED OF ANY CRIMINAL OFFENSE INVOLVING DISHONESTY OR BREACH OF TRUST;
 - (IV) MAY NOT HAVE HABITUALLY NEGLECTED TO PAY ANY DEBTS;
 - (V) MAY NOT BECOME INSOLVENT OR BANKRUPT WHILE SERVING ON THE SUPERVISORY COMMITTEE; AND