

317A.411 TERMINATION.

Subdivision 1. **Fair and reasonable procedure required.** A member may not be expelled or suspended, and a membership may not be terminated or suspended except pursuant to a procedure that is fair and reasonable and is carried out in good faith. This section does not apply to the termination of a membership at the end of a fixed term.

Subd. 2. **Standards.** A procedure is fair and reasonable when it is fair and reasonable taking into consideration all of the relevant facts and circumstances. In addition, a procedure is fair and reasonable if it provides:

(1) not less than 15 days' prior written notice of the expulsion, suspension, or termination, and the reasons for it; and

(2) an opportunity for the member to be heard, orally or in writing, not less than five days before the effective date of the expulsion, suspension, or termination by a person authorized to decide that the proposed expulsion, termination, or suspension not take place.

Subd. 3. **Time limit to challenge.** A proceeding challenging an expulsion, suspension, or termination, including a proceeding in which defective notice is alleged, must be begun within one year after the effective date of the expulsion, suspension, or termination.

Subd. 4. **Member liability.** The expulsion, suspension, or termination of a member does not relieve the member from obligations the member may have to the corporation for dues, assessments, or fees or charges for goods or services.

History: 1989 c 304 s 61