



To: Credit Union Presidents/CEOs  
From: Bob Pyfer, MCUN General Counsel  
Subject: Medical Marijuana Business Accounts  
Date: May 26, 2011

As you know, the issue of Medical Marijuana has been extraordinarily complicated and contentious of late. Many of you have been approached by grower/distributors to open and maintain business accounts for them. Some of you have made the business decision not to handle these accounts. Some of you have determined to provide the service.

The Legislature has addressed the issue, enacting SB 423. With an effective date of July 1, 2011, the new law makes all commercial grower/distributor operations illegal and effectively puts them out of business. The industry is attempting to suspend the new law by petition and is suing to obtain a court order to enjoin the law from taking effect.

If your credit union currently maintains one or more grower/distributor accounts, we recommend that you be prepared to close such accounts **on or before July 1**. Of course, you cannot be complicit in the operation of an illegal business.

How and when you contact member business owners is your business decision. Some of these members may close the accounts before you contact them. You may want to contact them with a letter to determine their intentions. Here are some suggested points for your communication:

- As you know, effective July 1 of this year, a new Montana law will prohibit the continued operation of your business.
- The credit union takes no position on the issue of Medical Marijuana, but we cannot legally continue to maintain an account for an illegal commercial business.
- We understand that there are efforts to suspend or enjoin the new law by petition or court order. However, unless we receive notice that such efforts have been successful prior to July 1, we will have to close the account at that time.
- Please be prepared to come in and close the account on or before July 1. If we do not hear from you and we do not receive notice that the law has been suspended or enjoined, we will close the account and send a check for the balance to the address you provided for the account holder.

- We regret that we will no longer be able to serve you in this capacity. We would welcome your [application for/continued] individual personal membership.
- If you have any questions, please contact \_\_\_\_\_.

After account closing, we recommend that you maintain complete and accurate records on the account for at least 8 years.

We hope this is helpful as you address this upcoming issue. If you have questions concerning the new law, contact me at ext 168 or by email at [pyfer@mcun.org](mailto:pyfer@mcun.org).