

# **COLFAX POWER PLANT EFCU**

## **USA Patriot Act Customer Identification Program Policy**

### **A. PURPOSE OF THIS POLICY**

The Board of Directors of the Colfax Credit Union EFCU adopted this Customer Identification Program (CIP) policy, as required by Section 326 of the USA Patriot Act. This CIP policy is effective immediately and is incorporated into our overall Bank Secrecy Act policy. This CIP policy will help our credit union detect and prevent money laundering and terrorist financing schemes.

Colfax Credit Union EFCU understands that CIP requires the credit union to follow these basic steps when a member and or an account owner (hereafter known as “member”) opens a new account or when a new member is added to an existing account:

- Provide a CIP disclosure
- Obtain basic information about the member
- Verify the identity of the member
- Check if a member appears on a government terrorist list
- Retain records for 5 years after the account has been closed.

### **B. POLICY GOALS**

- Verify the identity of any member opening a new account.
- Maintain records of information used to verify the identity of members opening new accounts for a period of 5 years after the account has been closed.
- Cross-check names of members opening new accounts against lists of known or suspected terrorists/terrorist organizations provided by agencies of the US government.
- Provide for internal procedures/controls to ensure ongoing CIP compliance by credit union staff.

### **C. GENERAL PROVISIONS**

#### **1. Applicability**

This CIP policy applies to:

- a. Any new member opening an account at Colfax Credit Union EFCU
- b. Any new member added to an existing member’s account
- c. **EXCEPTION:** This CIP policy does not apply to existing members of the credit union opening new accounts as long as:

- Existing member identity was previously verified.
- Employee of the credit union has a reasonable belief he or she knows the identity of the member.

## 2. Member Notice

*To our account holders and potential account holders:*

*In accordance with Section 326 of the USA Patriot Act of 2001, which requires the Colfax Credit Union EFCU to help the government fight the funding of terrorism and money laundering activities, Colfax Credit Union EFCU is required to obtain basic identifying information from you and verify that information when you open a new account.*

*This means the Colfax Credit Union EFCU staff will ask you for some basic information such as your name, address, date of birth, and other information designed to help us identify you. Our staff will also ask to see documents identifying you such as a social security card, driver's license, passport, and/or some other government-issued document.*

*In some cases, identification will be requested for those individuals conducting business with Colfax Credit Union EFCU prior to the effective date of the member identification requirements. This is because original documentation was not obtained with the opening of the account or we are unable to form a reasonable belief that we know the true identity of the existing account holder.*

*In all cases, protection of our member's identity and confidentiality is the Credit Union's pledge to you. Colfax Credit Union EFCU appreciates your patience and understanding as we all do our part in complying with the new account identification procedures required by the federal USA Patriot Act of 2001.*

*Respectfully,*

*The Board of Directors,  
Staff and Members of the  
Colfax Credit Union EFCU*

Notice shall be given to new account owners in any of the following ways:

- Oral notice given to new account owners, in person or on the phone
- Lobby notice
- Brochure/paper notice included in new member packets

## D. PROCEDURES

### **1. Opening a New Account—Collecting Basic Information**

a. Any member who wishes to open a new account with Colfax Credit Union EFCU must provide the following basic information BEFORE opening an account:

- 1) Name as it appears on the social security card
- 2) Date of Birth
- 3) Address, which shall be:
  - a) For an individual, a residential or business street address;
  - b) For an individual who does not have a residential or business street address, an Army Post Office (APO) or Fleet Post Office (FPO) box number, or residential or business street address of next of kin or of another contact individual; or
  - c) For a person other than an individual (such as a corporation, partnership or trust), a principal place of business, local office or other physical location; and
- 4) Identification Number
  - a) US Persons:
    - Social Security Number
    - Drivers License Number
  - b) Non-US Persons (1 or more of these):
    - 9-Digit Individual Tax Identification Number
    - Passport Number & Country of Issuance
    - Alien Identification Card Number (Green Card)
    - Document Number & Country Issuing any "other" document" showing evidencing nationality or residence and bearing a photograph or similar safeguard.
    - US Military/ Military dependant ID card.

b. If the member is applying for a TIN/SSN or a card is not available, Colfax Credit Union EFCU will accept a letter from the social security administration documenting that the card has been applied for or reissued. We will require the member to produce the card within three months time. In the case of an infant or adopted minor, identification numbers will be required from the parent(s) on the account. Minors without an identification number will be monitored on a monthly basis with Member Service Representatives contacting the parents each month until the card is produced at the credit union.

## **2. Verifying Required Information—Methods Used**

When a new member opens an account, Colfax Credit Union EFCU staff shall use both “document and “non-document” methods to verify the identity of all new account owners. If an account is requested through the mail it will not be opened until document information and a signed account card are received.

a. Document Identification includes requiring any of the following (listed in order of preference:

- Unexpired Government Issued Identification Card
- Passport
- Employer Identification Card
- Student Identification Card
- Other National Identification Document
- US Military / Military dependent ID card

b. Additional verification for certain customers: Based on the credit union's risk assessment of a new account opened by a customer that is not an individual, the credit union will obtain information about individuals with authority or control over such account, including signatories, in order to verify the customer's identity. This verification method applies only when the credit union cannot verify the customer's true identity using the verification methods described above.

### **3. Special Circumstances—Lack of Verification**

In situations where Colfax Credit Union EFCU cannot form a reasonable belief regarding the identity of a new account owner (either due to lack of document identification or non-document verification) the staff at Colfax Credit Union EFCU will:

- (a) Not open the account.
- (b) A Suspicious Activity Report will be filed in accordance with applicable law and regulation.

### **4. Comparison with Government Lists**

Colfax Credit Union EFCU will crosscheck the name(s) of any new member against any list of known or suspected terrorists or terrorist organizations issued by any Federal government agency and designated as such by Treasury in consultation with the Federal functional regulators. This determination will be made at the time the account is opened. Colfax Credit Union EFCU will follow all Federal directives issued in connection with such lists. Any member whose name appears on any of the above-mentioned lists may not be permitted to open an account at Colfax Credit Union EFCU.

### **5. Record Retention—Five Years**

CIP requires the credit union to "make and maintain" a record of all identifying information received from new account owners for a period of five years AFTER an account is closed.

Record retention shall consist of a description of any document used to establish identity, to include:

- Type of document (e.g., drivers license, passport)
- Any identification number on the document
- Place document was issued, expiration date of document

When using non-documentary methods to verify identity (e.g., credit report, calling employer), and requesting additional verification for certain customers, Colfax Credit Union EFCU shall:

- Identify the non-document method used (e.g., called employer and payroll)

When any substantive discrepancy is discovered when verifying the identifying information, a description of the resolution will also be maintained.

#### **E. RESPONSIBILITY**

The General Manager will be responsible for implementing the CIP and will assume responsibility for ongoing compliance with the CIP.

#### **F. TRAINING**

All credit union personnel who might, in the daily course of business, open new accounts are to be given intensive training in the requirements of the CIP. Additionally, all employees will be given an overview of the CIP on an annual basis

#### **G. ANNUAL REVIEW**

This policy will be reviewed by the board of directors on an annual basis.

Revised May 23, 2016