



USA Patriot Act

Introduction

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT —
To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Membership Eligibility

Harvard Federal Credit Union (Harvard FCU) is a not-for-profit financial institution that provides retail banking services to the employees and family members of Harvard University and affiliated organizations. Groups requesting Harvard FCU services must make a written request, including proof of Harvard affiliation, to the Board of Directors. The Board must approve this request for Harvard FCU services to be provided to these employees.

New Member Identification

A) Employee Request for Membership:

1) Employees of Harvard University or affiliated organizations are required to produce two types of photo identification for membership in Harvard FCU:

a) Valid (non-expired) US or state government issued photo identification such as drivers license, state identification card, US passport, foreign passport (or cedula), US military identification, Alien Registration receipt card with photo,



Canadian Drivers License, or other photo ID under List A or List B of the US Department of Justice Form I-9.

b) Photo ID issued by Harvard University or affiliated organizations. New employees must receive their photo ID from their employer before joining Harvard FCU.

2) All new members must provide a valid social security or other taxpayer identification number issued by the Social Security Administration.

3) All new member applications will be verified by third party credit reference and screening to Office of Foreign Asset Control lists by, not limited to, the National Check Protection Service. Any derogatory information will be reported to the Branch Manager or Supervisor at that location. That individual has complete and final authority to decline the membership request based on this derogatory information.

B) Family Member Request for Membership:

A family member of an eligible employee requesting membership is subject to all three steps described above with the exception of 1-b. Two forms of photo identification must be presented, one of which complies with 1-a above. In addition, contact information about qualifying employee must be provided to verify membership eligibility.

Existing Member Identification

A) Transactions Performed In Person :

Harvard FCU Staff members are expected to properly identify all members before performing transactions. In cases of transactions involving disbursement of funds (including withdrawals, loan advances, and new loan closings),



members are expected to provide photo identification upon request. Supporting documentation may include account signature card, ATM/Debit card or Membership card. Photo identification is also required from members requesting Notary Public and Signature Guarantee services, as well as account verifications.

Manager or supervisor in charge has complete authority to refuse transaction requests if proper identification of the member cannot be made.

B) Transactions By Telephone:

Members requesting transactions or account inquiries by telephone will be identified using their telephone banking personal identification number (PIN). This PIN is verified prior to performing the transaction. Harvard FCU Staff as well as the automated voice response system (Call24) use the PIN for telephone identification.

3) Internet Transactions:

The Harvard FCU Home Banking system utilizes the same PIN as (B) above to verify identity of members requesting transactions.

4) Plastic Card Transactions:

A separate member selected PIN is verified by our EFT Processing Vendor (currently NYCE) before ATM or Debit Cards may be used at an ATM or for PIN based point of sale purchases. Debit Cards or Credit Cards used for signature based payments are identified in accordance with operating rules of MasterCard and Visa.



Nonmember Identification

When a nonmember presents a check payable to himself or herself and drawn on a member's checking account at Harvard FCU, we will make every attempt to negotiate the check. Once the validity of the check has been verified (member signature, available funds, lack of stop payment), the nonmember must show two forms of valid photo identification. One form must be from the same type described in Section A 1-a previously. In addition, the nonmember will be compared to the OFAC Control Lists using OFAC Tracker software. Manager or Supervisor must approve all nonmember check cashing. The

Manager or Supervisor in charge has full authority to refuse transaction if check validity cannot be determined, nonmember cannot be properly identified or appears on OFAC Control List. In addition, the transaction may be refused if disbursement of the amount of cash requested would diminish our ability to provide cash to our members at that location.

Harvard FCU does not provide any other services to nonmembers.

Effect of Future Regulations

Financial industry regulators, operating under the USA Patriot Act, will continue to issue guidelines regarding customer identification and identification procedures. Any new requirements issued by an authority or agency that regulates Harvard FCU will be incorporated into this policy and our procedures within the time frame specified.