

Family First Credit Union

Safe Deposit Box Policy

General Policy Statement

Family First Credit Union may rent safe deposit boxes to members of the credit union. The credit union offers safe deposit box service as part of our commitment to support the financial needs of the membership.

Reasonable and appropriate procedures and agreements to implement the terms and provisions of the policy statement shall be established by the Board of Directors or the person or persons appointed for such purpose by the Board of Directors.

Guidelines

Eligibility

Any member of Family First Credit Union is eligible to rent a safe deposit box subject to availability on a first-come, first-serve basis. In the event that demand exceeds the number of available boxes, the Credit Union shall prepare and maintain a waiting list for members desiring a safe deposit box.

Fees

The annual rental rates for leasing a safe deposit box shall be established by the Board of Directors or the person or persons appointed for such purpose by the Board of Directors.

Rent shall be payable annually in advance for the safe deposit boxes. Rent paid is non-refundable in the event the agreement is terminated prior to the expiration of the term. At the time of termination, the Renter shall be required to sign the Release on the Signature and Receipt of Renter Card, pay any remaining obligations on the agreement, and return the keys to the Credit Union.

Fees may be charged for the rental Family First Credit Union safe deposit boxes. Rates will be listed in the Family First Credit Union "Schedule of Fees". The credit union may revise or change the rates from time to time as may be required upon due notice to the safe deposit box renter, his or her authorized agent, or to any legal representative.

Family First Credit Union Board of Directors and Full-time Staff are entitled to rent a safe deposit box at the current rental rate less a twenty-five dollar (\$25.00) discount.

Lease Agreement

Prior to receiving a safe deposit box, the Renter shall be required to execute a Safe Deposit Rental Contract and a Signature and Entrance Record along with submitting proper identification and additional documentation as required by the credit union including, when applicable, powers of attorney, letters of testamentary, and similar documentation establishing the identity and authority of the Renter.

The Rental Agreement establishes a relationship between the credit union and the box renter. An authorized credit union representative and the box renter must sign the document. If a deputy or agent is desired, the box renter must execute a written appointment. The deputy or agent name will be added to the Rental Agreement. The Rental Agreement governs the Credit Union's right to access the box and the member's responsibility to properly maintain and use the box. *All deputies or agents must have an OFAC verification performed at the time they are added to the Rental Agreement. OFAC procedures should be followed to determine the next steps for positive hits. (See OFAC Policy and Procedures)*

Family First Credit Union reserves the right to terminate renting or possession of a safe deposit box at any time.

A safe deposit box renter may terminate the rental agreement at any time upon written notice to the credit union and the surrender of all keys to the box without the right of refund of any rental paid.

If the renter of a safe deposit box, at the expiration of any term, or upon an earlier termination, shall not renew such renting and shall fail to give possession of the box, the credit union shall have the right to forcibly open the box of the renter, in the presence of two officers of the credit union, and to remove the contents, if any, there from. The credit union will hold and retain the contents on special deposit subject to the payment of all rents that may be unpaid and for the use of the box after ending of the term in proportion to the annual rent thereof and all expenses incurred in opening the box and changing its locks and keys and also for keys not returned and for the safekeeping of the box contents after their removal from the box, and to dispose of the contents at any time in the manner prescribed by law.

Before forcibly opening any safe deposit box or making arrangements therefore, an officer of the Credit Union and its attorney shall be consulted.

Access

Access to the preparatory key shall be restricted to designated employees named by the Credit Union President or Branch Manager.

Before access is given to the safe deposit box, proper identification and documentation as required by the credit union must be submitted by the person requesting access.

The credit union employee handling the request for access to the safe deposit box shall review the Signature and Receipt of Renter Card to verify the person's authority to access the safe deposit box, identify the person, and have the Entrance Record completed and signed by the person.

Access to the safe deposit box shall be limited to the renter or any other person authorized by the renter or by law.

Renters shall have access to a safe deposit box only during the credit union's regular business hours as established and in the presence of a credit union employee.

Employees of Family First Credit Union may refuse to permit more than two persons to enter the safe deposit vault at any one time and may refuse to allow such persons to remain in the vault longer than necessary for opening or closing a safe deposit box.

In the event of the death of any person having access to a safe deposit box, the surviving persons or persons legally entitled to access shall have access to the safe deposit box as permitted by law.

Family First Credit Union will comply with any order of any court of competent jurisdiction in matters concerning a safe deposit box and access thereto without liability to the renter, his or her agents, representatives, successors, heirs, or assigns.

Safe Deposit Key Controls

Locks on day gates and safe deposit boxes help control access to renters' property. Strict key controls will be implemented to reduce the possibility of unauthorized access.

Vault Door Day Gate

The vault door gate will remain closed and locked. The key(s) to the day gate lock will remain under the exclusive control of the safe deposit box vault attendant. Day gate key(s) must never be left in the lock or in an unlocked location.

Guard Key

The guard key is held by the Credit Union to open one lock on each safe deposit box. Strict control over the guard key is crucial to the security of the safe deposit vault. Effective control procedures must be documented and followed at all times to ensure that no unauthorized person gains access to the guard key. The guard key will be held under the exclusive control of the vault attendant during business hours and be locked inside the safe deposit box vault during non-business hours.

Renter Keys

Each renter is provided two box keys (an original and a duplicate). Renters will be notified of key procedures and the importance of protecting keys. The Credit Union will advise renters of any charges for which they will be responsible if keys are lost.

Lost Renter Keys

At lease signing, renters will be instructed to notify the Credit Union immediately if they lose one or both keys. An alert will be placed on the access card and arrangements will be made to transfer the renter's property to another safe deposit box. The lock on the vacated safe deposit box will be changed before it is rented again. If both keys are lost, arrangements will be made with an authorized locksmith to drill the lock and transfer the box contents to another safe deposit box. Before the lock is drilled, the box renter(s) must provide the Credit Union with a written authorization to drill the lock. The authorization must specify who is authorized to perform the drilling and who is authorized to be present during the drilling process. At least one renter and one authorized Credit Union representative must be present. The written authorization must also hold the Credit Union harmless for any damage to the box contents.

Any safe deposit key or keys delivered to the Credit Union or found by a Credit Union employee shall be cut and destroyed by a Credit Union officer and witnessed by another Credit Union employee.

Keys to unrented Safe Deposit Boxes

Keys to unrented safe deposit boxes will be secured under dual control in the safe deposit box vault.

Box Opening, Handling, and Escort Procedures

The vault attendant and the box renter must never relinquish their respective keys. They will insert their own key into their own lock, open the lock, and retain their key. Keys must never be left hanging in the box locks.

The safe deposit box attendant will verify the identity of the renter before they are allowed access to the safe deposit box. A valid government issued identification will be obtained and used to identify the renter. The attendant will compare the signature to the signature on the Safe Deposit Box Contract to verify the renter's identity.

The safe deposit box attendant will accompany box renters while inside the safe deposit vault and escort the renters to a private viewing area located inside the safe deposit box vault.

Renters will be instructed to never leave their safe deposit boxes unattended. After the member leaves the viewing area, the vault attendant must check the area for property that was left behind. Credit Union staff must be alert to suspicious items found in the

viewing area. Wastebaskets must be checked and emptied each time the viewing area is used. If the box renter inadvertently left property in the booth, it must be placed under dual control and the box renter must be notified. Management must be notified immediately of unusual or suspicious behavior.

Access Changes

When a renter cancels a deputy, agent or power of attorney, such cancellation must be dated and signed by the renter and the name and signature must be immediately removed from the Access Card.

Cancellation

When a safe deposit box rental is cancelled or surrendered, a cancellation or surrender statement, approved by the Credit Union's legal counsel, must be completed, dated, and signed by the person or persons having authority to release the safe deposit box. The statement must acknowledge the renter's/deputy's/agent's receipt of the box contents and release the Credit Union from any further liability. When the box has been released, the lease will be marked "canceled" and be retained in a "closed" file.

Abandonment

State law governing abandonment and unclaimed property will dictate abandonment requirements of contact and time period. When a safe deposit box has been abandoned, normally indicated by failure to pay rental fees, efforts to locate to the renter will be initiated. When these efforts have proven unsuccessful, arrangements will be made to surrender the contents of the box to the appropriate state authority. A surrender statement will be completed, signed, and filed.

Record Retention

All change, cancellation, and abandonment records will be retained so as to be readily available if needed. Heirs of a former renter may have evidence that a safe deposit box was rented, but no evidence that the box was properly surrendered or canceled.

Adopted _____

Date _____

Reviewed _____

Date _____