

# **Family First Credit Union**

## **Identity Theft Prevention Policy**

### **Purpose**

It is policy of Family First Credit Union to develop and implement a documented identity theft program as a result of the credit union's size, products and services offered, as well as associated risks. Family First Credit Union will comply with the FACT Act's guidelines on detecting, preventing, mitigating identity theft.

### **Definitions**

#### Account

A continuing relationship established by a person with Family First Credit Union to obtain a product or service for personal, family, household or business purposes.

#### Covered Account

An account primarily for personal, family, or household purposes, that involves or is designed to permit multiple payments or transactions, or any other account for which there is a reasonably foreseeable risk to members or the safety and soundness of Family First Credit Union from identity theft, including financial, operational, compliance, reputation or litigation risks.

#### Identity Theft

A fraud committed or attempted using the identifying information of another person without authority.

#### Identifying Information

The following items have been labeled identifying information at Family First Credit Union: name, SSN, date of birth, official state or government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number; an address on a utility bill, rental contract, leasing agreement, or other approved documents; and any other information associated with the MIP (Member Identification Program).

#### Red Flag

A pattern, practice, or specific activity that indicates the possible existence of identity theft

#### Service Provider

A business entity that provides a service directly to Family First Credit Union

## **Policy Statements**

In order to effectively establish policy for the identity theft prevention program, Family First Credit Union will identify the following responsibilities regarding implementation and oversight.

The Family First Credit Union Board of Directors (BOD) is responsible for approval and annual review of this policy. The BOD will be responsible for approving any changes to this policy.

At the discretion of the BOD, management may update the procedures of the identity theft prevention program. Duties of senior management will include but not limited to the assignment of specific responsibilities and the annual review of the risk assessments, service provider arrangements, incidents of identity theft, or recommendations for material changes to the identity theft prevention program. Management will be responsible for approving procedural changes and must report any new developments to the BOD (Board of Directors), at least, annually.

Family First Credit Union will train staff, as necessary, to effectively implement the identity theft prevention program.

**COMPLETE by November 30, 2009**

If a service provider is used in connection with covered accounts, Family First Credit Union will ensure that the activity of the service provider is conducted pursuant to reasonable policies and procedures that are designed to detect, prevent and mitigate the risk of identity theft.

Family First Credit Union will follow the requirements of the FCRA (Fair Credit Reporting Act) and reconsider extending credit when fraud or an active duty alert is detected, update inaccurate or incomplete information and report only accurate information to credit bureaus, file Suspicious Activity Reports (SAR), and prohibit against the collection of debts resulting from identity theft.

Family First Credit Union will implement an identity theft prevention program to incorporate the identification, detection, response, and mitigation of relevant red flags for covered accounts

Credit union will determine identity theft red flags based on its risk assessment.

The credit union will address red flags in connection with the opening of covered accounts, by using the existing Member Identification Program (MIP) rules. As well, the credit union will address the detection of red flags in connection with existing covered accounts by authenticating members, monitoring transactions, and verifying the validity of change of address requests.

In order to respond appropriately, the credit union will assess whether the red flag detected evidence a risk of identity theft, and will have a reasonable basis for concluding that a red flag does not evidence such a risk.

The credit union will periodically update its policies, procedures and risk assessment to reflect changes in identity theft risks to members and to the safety and soundness of the credit union.

Family First Credit Union will, at least annually, determine whether it offers or maintains any covered accounts by conducting or reviewing a previously conducted a risk assessment. The risk assessment will provide a review of, and associate risks in opening or accessing all credit union products and services. In addition, the credit union will review all previous experiences with identity theft and methods used to reflect any changes.

**COMPLETED** May 2009

Family First Credit Union will monitor the detection and perform a risk assessment of established red flags under the FACT Act; Appendix J of INTERAGENCY GUIDELINES ON IDENTITY THEFT DETECTION, PREVENTION, AND MITIGATION.

**COMPLETED** May 2009

All address changes will be verified at Family First Credit Union and members will be properly notified. For those changes to a member address in person, the credit union will confirm the identity of a member based on the Member Identification Program (MIP) and other procedures based on an assessment of risks.

Family First Credit Union will compare the information provided in consumer reports, provided by a consumer reporting agencies, with the information that the credit union obtains to positively identify a member under their MIP and the USA PATRIOT Act, maintains in its own records, and any information obtained from third-party sources. The credit union will verify the information provided in a consumer report.

Family First Credit Union will also use reasonable procedures for furnishing to the consumer reporting agencies, from which it received a notice of address discrepancy, when the credit union can form a reasonable belief that the report relates to the member about whom the report was requested; establishes a continuing relationship with the member; and regularly furnishes information to the consumer reporting agency from which the notice of address discrepancy was obtained.

Family First Credit Union may reasonably confirm that an address is accurate by verifying the address with the member; reviewing its own records to verify the address of the member; verifying the address through third party sources; or using other reasonable means. The credit union will provide the member's accurate address to the consumer reporting agency as part of the information it regularly furnishes for the reporting period in which it establishes a relationship with the member.

**Codes for Products and Services Assessment**

Code	Description
I	In Person
M	Mail
POS	Point of Sale
O	Online
D	Draft
S	Shared Branch
A	ATM
P	Phone

Adopted \_\_\_\_\_

Date \_\_\_\_\_

Reviewed \_\_\_\_\_

Date \_\_\_\_\_