

# Patriot Act Compliance

**One South Federal Credit Union** is adopting this policy to comply with the requirements of the **USA PATRIOT Act** and its implementing regulations to establish the identity of individuals and entities opening accounts at the credit union.

**One South Federal Credit Union's Member and Customer Identification Program (CIP)** will consist of this board-approved policy as well as procedures established by management that at a minimum will include:

- ❖ Verifying the identity of any member or customer seeking to open an account;
- ❖ Maintaining records of the information used to verify identity, using either unexpired government-issued documents or non-documentary verification methods; and
- ❖ Determining whether the customer appears on any government list provided to the credit union by federal agencies, when these federal lists are issued.

In formulating and maintaining appropriate procedures, management will take into consideration the types of accounts offered, the method of establishing accounts, and the credit union's field of membership, to determine what level of risk the credit union feels it has in opening accounts. Procedures will establish what documents and non-documentary information are to be relied upon to verify identity.

For purposes of the CIP, accounts include all formal account relationships established, whether established as share, share draft, certificate, or other savings account, as well as loan account relationships. New members and customers establishing any type of account on or after October 1, 2003 will be subject to the CIP procedures. The term customer includes non-member joint owners, non-member co-borrowers or any other individual or entity (business, corporation, trust, partnership) establishing a formal account relationship with One South Federal Credit Union who will not be a member.

One South Federal Credit Union will require that every new member or customer provide a name, date of birth, address, and identification number prior to opening any account. One South Federal Credit Union will maintain this information for five years after the account is closed. One South Federal Credit Union will take reasonable steps to verify this information through documentary or non-documentary verification methods as required by the Treasury Department's CIP regulations. The verification methods One South Federal Credit Union will accept are specified in One South Federal Credit Union's CIP procedures, and the description of documents reviewed, and the verification method used will be maintained for five years after the description is recorded.

One South Federal Credit Union's CIP program will require additional verification for individuals whose true identity cannot be verified using the standard verification methods. One South Federal Credit Union will not maintain an account if it cannot verify a member's identity.

The Bank Secrecy Act officer is responsible for maintaining ongoing compliance with the PATRIOT Act requirements and its implementing regulation. Appropriate staff will be adequately trained on BSA and CIP requirements.

An annual internal audit of CIP compliance will be conducted.

Before opening an account, potential members and new customers will be advised of the credit union's CIP program through the appropriate notice as specified in the implementing procedures.

One South Federal Credit Union believes that it has a reasonable basis to assume that members and customers of record as of October 1, 2003 are known to the credit union. If events occur that raise questions as to whether the credit union knows the true identity of a person, the credit union will seek to verify the person's identity, as called for in the CIP procedures.