

BLUE COAST FEDERAL CREDIT UNION AGREEMENTS AND DISCLOSURES

Limitation of Services Policy

This policy establishes limitations and restrictions of services for members whose actions could be deemed to not be in “good standing” with Blue Coast Federal Credit Union. The policy protects credit union directors, personnel, members, volunteers, and vendors (collectively Credit Union Related Parties) from abusive members or other persons. Blue Coast Federal Credit Union will not tolerate members or other persons who are abusive in any way. This policy also defines situations and actions that would be considered by BCFCU to remove a member from the status of “good standing” with the credit union. Our intent is not to restrict anyone’s rights and freedoms, but rather to address certain unacceptable conduct or abusive account behavior to assure the rights and protections of the credit union and credit union related parties.

This policy shall extend to any member “not in good standing” who seeks member services directly or indirectly through a Blue Coast Federal Credit Union account, any person who has access to Blue Coast Federal Credit Union services directly or indirectly through a member, or a member or other person’s conduct through the use of mobile, ATM or electronic devices, or through any shared network.

Any combination of the following restrictions may be imposed by the management of the credit union against a member or other person who has engaged in abusive conduct:

- Suspension, restriction or termination of all or some of Blue Coast Federal Credit Union services other than the right to maintain a share account and the right to vote at annual and special meetings.
- Suspension or termination of services of Blue Coast Federal Credit Union that involve personal contact with credit union employees.
- Suspension or termination of access to Blue Coast Federal Credit Union premises.
- Any other sanctions or restrictions which the management of the credit union deems necessary or appropriate under the circumstances and which is not otherwise prohibited by the Federal Credit Union Act, National Credit Union Administration Rules and Regulations, other applicable law or by the credit union’s bylaws.
- Threats of any nature will be reported to the appropriate law enforcement authorities. Any order will be obtained to protect the credit union premises, members, employees, officials and officers.

The Board of Directors of Blue Coast Federal Credit Union is committed to treating our employees and credit union related parties with the respect they deserve and is also committed to maintain a workplace and business environment free from any type of abuse.

1. DEFINITIONS

a. Good Standing

A member may be considered not in “good standing” with the credit union if they meet any of the following requirements:

- Fail to comply with the terms and conditions of any lawful obligations with the credit union and/or causes or can potentially cause the credit union a loss.
- The member is delinquent, in default on any credit union loan, or has caused the credit union a financial loss.
- The member has an overdrawn savings or share account or has repeated overdrafts in the member checking account.
- The member manipulates or otherwise abuses credit union services or products to the detriment of the credit union’s membership.
- The member manipulates or otherwise abuses credit union services or products in the furtherance of an illegal purpose for personal gain.
- The member engages in threatening, abusive, disruptive, harassing, belligerent or illegal behavior during any communication with credit union related parties, or otherwise injures any person or damages any property while on credit union premises, at any credit union function, or while using any electronic or network services.
- Inflict injury to any person or damage any property while on credit union premises or at any credit union function.
- The member fails to keep their accounts and records secure, including but not limited to: failing to adequately protect debit cards, credit cards, ATM cards, checks, card PINs, or passwords; or engages in improper activity such as filing excessive dispute claims; making frivolous claims; defrauding or attempting to defraud the credit union; failing to maintain adequate security procedures to safeguard accounts; deliberately or repeatedly violating credit union account requirements; or otherwise abusing an account relationship.
- The member engages in check kiting, attempted or actual deposits of counterfeit checks or other non-negotiable items, ATM transfers between checking and savings accounts which result in overdrafts of both accounts, attempted or actual theft of credit union or other member funds, or similar fraudulent type activities whereby the member illegally attempts to obtain funds not due the member.

b. Member Services

The term “member services” refers to any products or services now or hereafter provided by or sponsored by the credit union or otherwise made available to credit union members. Member services include but are not limited to: loans or other extensions of credit; share accounts; ATM and other card services; in-person, mobile, online, or telephone banking services; and other electronic transfer services.

c. Abusive Conduct

The term “abusive conduct” includes, but is not limited to, any of the following conduct:

- Any conduct, language, behavior or other action directed toward the credit union or a credit union employee, officer or official while in the performance of his or her duties for the credit union that is abusive, belligerent or unprofessional.
- Any type of harassment, including age, sexual, ethnic or racial harassment directed toward any credit union employee, official or officer or a fellow member while on credit union premises.
- Engaging in offensive or abusive physical contact directed toward any credit union employee, official or officer or fellow member while on credit union premises.

- Making false, vicious, slanderous or malicious statements about any credit union employee, official or officer or the credit union.
- Using profane, abusive, intimidating or threatening language toward credit union employees, officials, officers or fellow members.
- Making or suggesting threats of bodily harm or property damage to an employee, official or officer of the credit union or the family members of those individuals.
- Conducting or attempting to conduct or engage in any fraudulent, dishonest or deceptive activity or any kind involving credit union employees, officials or officers or credit union services.
- Misappropriating credit union funds, property or other material proprietary to the credit union.
- Deliberate or repeated violations of security procedures, rules, restrictions or transaction limitations.
- Possession, use or being under the influence of drugs or alcoholic substances on credit union premises.
- Fighting or possessing weapons of any kind on credit union premises except for on-duty law enforcement officers or security officers. □
Endangering the health or safety of themselves or others by failing to comply with credit union safety protocols and policies.

2. LIMITATION OR TERMINATION OF SERVICES – MEMBER RIGHTS

If the credit union terminates or limits access to member services as outlined in this policy, the member may still:

- A. Maintain a dividend bearing share account with the credit union, and
- B. Vote at annual and special membership meetings subject to credit union bylaws and policies.

In addition to termination or limitation of access to member services, the credit union reserves the right to move for the expulsion of the member from the credit union in accordance with the credit union's bylaws.

The credit union will notify the member of any limitations of services pursuant to this policy and the basis for the limitations. In the event of suspected or ongoing fraud, negative balance or possible loss, the member's account may be immediately frozen, restricted or terminated and then notification given. The credit union is not responsible for the return or refusal of any transactions as a result of the limitations of service. Upon receipt of any notice, the member should take action to make changes in his or her financial activity (direct deposit, bill pay, etc.) to avoid disruption.

The credit union may take action to limit, restrict, or terminate services provided and available to a member not in good standing. This may include any one or more of the actions listed below, other than the right to maintain a share account and the right to vote at annual meetings or special meetings of the membership.

- Denial, restriction or termination of any credit union products or services.
- Denial of services which involve personal contact with credit union employees. □ Denial of access to credit union premises.
- Preclusion from access to electronic services and networks (electronic account access, online banking, mobile banking, ATM functions).
- Taking other action deemed necessary under the circumstances that is not expressly precluded by account contract and the member service agreement provisions, the credit union's bylaws, and any state or federal law including, but not limited to, the Federal Credit Union Act, NCUA rules and Regulations, and the Equal Credit Opportunity Act.

3. MEMBER EXPULSION AND WITHDRAWAL

A member of the credit union may be expelled by a two-thirds vote of the members present at a special meeting called for that purpose. A member may withdraw from a credit union by filing a written notice of such intention and closing all accounts. Such member, when withdrawing shares or deposits, shall have no further right in the credit union or to any of its benefits, but such expulsions or withdrawals shall not relieve the member from any remaining liability to the credit union. Article XIV of the credit union bylaws provide direction and procedures for an expulsion of a member from the credit union.