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**POLICY:**

**Membership Qualifications:**

All prospective members must be a United States Citizen or a citizen of a different country, who is in the United States legally.

All members must meet one of the following qualifications:

- Employed by or retired from one of our several hundred Member Firms, employer groups or associations.
- A family member of a current Westmark member.
- Reside, work, headquartered, paid, or retired from certain employment classification groups within Ada; Adams; Bannock; Bear Lake; Bingham; Blaine; Boise; Bonneville; Butte; Camas; Canyon; Caribou; Cassia; Clark; Custer; Elmore; Franklin; Fremont; Gem; Gooding; Jefferson; Jerome; Lemhi; Lincoln; Madison; Minidoka; Oneida; Owyee; Payette; Power; Teton; Twin Falls; Valley; and Washington counties.

Prospective members who were previously members MUST re-qualify for a membership. If the prospective member is under the age of 18 they must have a parent or guardian sign on the membership as an authorized signer.

**Identification:**

Prospective members must provide adequate proof of identification. All identification must be issued by a branch of the United States government and must contain a picture.

The identification used for all members will be verified and documented on the account agreement.

Acceptable Identification:

- Valid Driver's License
- Valid State Identification Card
- Valid United States Passport
- U.S. Military Identification Card

The membership must be opened under the legal name of the individual who qualifies for the membership.

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Tax Payer Identification Number:

All memberships require a Tax Identification Number (TIN). For United States Citizens, a Social Security number is used. For a citizen of a different country, who is in the United States legally, an ITIN number must be used. Businesses such as Associations, Non-profit Organizations, Limited Liability Corporations, and Partnerships must have an Employer Identification Number. (See OP 329; Memberships for Non- US Persons)

As an exception some Trusts and Sole Proprietorships can use Social Security Numbers.

A Tax Identification number is required to ensure dividends earned on each membership are properly reported to the Internal Revenue Service (IRS).

Penley Identification Verification and Qualifile

Prior to opening any new membership, the Penley ID Verification and Qualifile or Qualifile Business inquiries are required. If a checking account is being added to an existing account, the inquiries must be ran on each new or existing authorized signer. New information could have been added to the report since the last inquiry was performed.

ID Verification compares the name and Social Security Number or EIN to the OFAC (Office of Foreign Assets Control) SDN (Specially Designated Nationals) list for the USA Patriot Act compliance.

Qualifile is a consumer reporting agency that reports previous NSF activity and closures.

If a “failed” result is received for an OFAC inquiry, consult with a Branch/Department Manager, Assistant Branch Manager, Branch Supervisor or Full Service Officer BEFORE opening a new membership. It is important to determine whether the inquiry was an actual fail or is based on non-matching information. A Branch/Department Manager, Assistant Branch Manager, Branch Supervisor or Full Service Officer will document approval in the XA system. (See BP 320) Once the OFAC comments have been entered in the XA System the OFAC, as well as the “Qualification/Comments” will be sent to the Operations Coordinator for review and retention.

If there is an adverse report on the Qualifile inquiry, consult with a Branch/Department Manager, Assistant Branch Manager, Branch Supervisor or Full Service Officer before opening a new membership. If an account is NOT opened based on the information from the Qualifile a “Notice of Action Based on Information Contained in Consumer Report” must be given to the prospective member.

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Disclosure:

The following disclosures are required to be given to the member BEFORE the membership is opened in order to correspond with regulation.

- Important Account Information for our Members.
- Privacy Disclosure (Regulation P)
- Your Insure Funds (NCUA Booklet)
- Overdraft Protection Disclosure
- The Appropriate Truth in Savings Disclosure Addendum for the Share Account(s) opened.
- Dividend Rate Schedule
- Fee Schedule
- Join. Protect. Provide.

The employee must inform the member of the Early Closure Fee that will be assessed if the membership is closed within 90 days of the opening date.

The employee must also inform the member of the Inactive Account Fee which will be collected from every suffix, beginning in the seventh month when the membership aggregate balance is less than \$100 and there is no activity. Memberships on which the member is under the age of 20 are exempt from the inactive fee. The crediting of dividends is NOT considered activity.

Membership Password:

Each membership will have an assigned password that is chosen by the member. The password is used to identify the member when transactions are requested over the telephone or in person. (See OP100; Passwords)

Card PIN

Refer to OP 268.1

Account Agreement:

The account agreement is a contract and an affidavit stating that the prospective member qualifies for a membership with the Credit Union. An agreement is required for every membership that is opened. All authorized signers must be given the opportunity to read the information in the Account Agreement. Ensure the authorized signer understands the contents of the W-9 box before he/she signs and dates the W-9 Certification.

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The agreement must be signed by the member. If the account is opened through our Online Banking the member will be verified through ID Authentication. After the member has been identified, the members consent to do business with the credit union will be recorded.

#### Payable on Death Beneficiaries (POD)

A POD is not required. Only an authorized signer can decide whether or not a POD is appointed. If the authorized signer wishes to appoint a POD Designee, the POD section is completed by an employee and signed by the member. A POD does not come into effect unless all authorized signers have deceased. In the event that a POD is activated, all shares will be disbursed equally amongst all designated PODs.

#### Primary Savings Account

All memberships must maintain a minimum balance of five dollars **per authorized signer** in the Primary Savings Account. The only exception to the required five dollar balance in the Primary Savings Account is a membership for a child, who is under the age of 13, with a Little Eagles Account. If a Little Eagles suffix is not opened on the membership, the required five dollars must be deposited into the Primary Savings Account regardless of age. This requirement constitutes the member's one share interest in the Credit Union and allows members, age 16 and over, and one vote in all ballot issues. A qualified member of the Credit Union may have more than one membership. However, only one vote will be allowed on any ballot issue no matter how many different memberships an individual may have.

#### Checking Accounts

If the membership already has a Primary Savings Account but no checking, a new Qualifile Inquiry and an ID Verification must be done on each existing or new authorized signer.

When a Checking Account is opened do not order checks or a check card until all signatures are on file. A minimum deposit of \$25 is required the day the checking account is opened.

#### Authorized Signers

A qualified member can authorize one or more authorized signers on a membership. The individual must qualify just as any other prospective member in order to become an authorized signer on a membership.

Once the member is qualified, and is a signer on the account, they now have equal shares, right of survivorship, and are now members of the Credit Union. All authorized signers intend that when one is deceased, the balance in the account will belong to the survivor(s).

As long as the membership has the required five dollars per authorized signer in the Primary

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Savings the authorized signers have all rights to the account. The signers can close the account, open new term certificates, order check cards, apply for new loans, designate PODS, PINs, and passwords.

### Computer Maintenance

It is the responsibility of the Westmark employee opening a new membership to properly input the new member's information in the XA System. The XA System automatically generates the Account Agreement. The employee must ensure that the information generated is accurate. Upon completion of an account being opened a second employee must put their teller initial on the Account Agreement. The teller initial indicates that the employee has checked that the account has been opened properly and accurately. The agreement can then be archived into the XA Doc Archive. The Account Agreement must be checked by the second employee no later than 30 days after the opening date.

The member's legal name must be keyed in the system. If the member goes by a different name or nick name it may be keyed on a 3000 series memo line.

### Membership Statements

It is regulatory to provide each member with a periodic statement. This ensures the member receives updates to Terms and Conditions, the annual re-disclosure (Reg P), notices of the Board of Directors elections, and any other changes that may have been made. For an active membership, with monthly activity, the statements will be mailed monthly. For a membership that does not have monthly activity the statement will be mailed quarterly.

As of August 7, 2014, members who are enrolled in Personal Branch can receive electronic versions of their statements (eStatement) from their account. All eStatements will be available within 5 business days of their statement cycle.

### Restricted Access

Westmark does not monitor the number of signatures used to authorize transactions on any type of account; therefore, an account may not be set up with a "Two Signature" restriction.

### Branch Procedures

Refer to the Branch Procedure Manual for procedures required to open a new membership.

- BP 320
- BP 320.1
- BP 320.2

Refer to the following policies and procedures for opening share suffixes.

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- OP 325
- BP 325

Additionally, refer to the following for additional requirement for other membership types.

- OP & BP 321: Membership of Minors
- OP & BP 322: Trust Memberships
- OP & BP 323: Custodial & Estate Memberships
- OP 323.1 Charitable Memberships
- OP & BP 324 Business Memberships