

## MEMBER CONDUCT AND LIMITATION OF SERVICES POLICY

### POLICY DESCRIPTION

The privilege of Kentucky Telco Credit Union (hereinafter, the “Credit Union”) services are reserved for members who are in “good standing.” The Credit Union may limit member services for those members who are deemed “not in good standing” in accordance with the Member Conduct and Limitation of Services Policy (hereinafter, the “Policy”). This Policy defines what constitutes a “monetary loss” in addition to addressing standards of member conduct in order to assure the rights and protection of the Credit Union’s members, employees, and volunteers.

I acknowledge and agree that the Credit Union’s good reputation is due in large part to the loyalty, commitment and conduct of its members, employees, and volunteers. The Credit Union is committed to treating its members, employees, and volunteers with the respect they deserve and is committed to maintaining a safe work place free from unacceptable conduct from any source.

In the event that I: (1) cause the Credit Union a “monetary loss”; (2) fail to comply with the Credit Union’s “No Hats, No Hoods, No Sunglasses” Security Program; or (3) engage in any type of abusive behavior, towards a Credit Union member, Credit Union employee or Credit Union volunteer, the Credit Union is authorized to take appropriate remedial measures against me.

This Policy extends to any member “not in good standing” who seeks member services whether directly or indirectly through a Credit Union account. This policy also applies to any person, including but not limited to, any joint account owner who has access to Credit Union services directly or indirectly through me.

I will be deemed a member “not in good standing” with this Credit Union if:

1. I fail to comply with the terms and conditions of any lawful obligation with this Credit Union and as a result, the Credit Union suffers a “monetary loss” as defined below;
2. I fail to comply with the Credit Union’s “No Hats, No Hoods, No Sunglasses” Security Program as set forth below;
3. I manipulate or otherwise abuse Credit Union services or products to the detriment of the Credit Union’s membership; or
4. I engage in “abusive behavior,” as defined below, including over the phone or at a Credit Union location, or otherwise injure any person or damage any property while on Credit Union premises, at any Credit Union function, or while on the premises of any Credit Union Service Centers location.

The determination of whether I am in “good standing” with this Credit Union will be made at the sole discretion of the Senior Management of this Credit Union.

This Policy also extends to member conduct at any Credit Union Service Centers location or any other shared-branching network.

## **POLICY DEFINITIONS**

1. “Member services” are hereby defined as any products or services now or hereafter provided or sponsored by the Credit Union or otherwise made available to Credit Union members, which services include, but are not limited to: loans, deposit accounts, checking or share drafts, ATM services, online banking services, and other electronic fund transfer services.
2. A “monetary loss” to the Credit Union occurs when the Credit Union writes off as uncollectible any monies which I owe, for whatever reason, to the Credit Union.
  - (i) For loans: the monetary loss is defined as the principal amount of any monies owed and written off as uncollectible. The amount of the monetary loss does not include interest and expenses.
  - (ii) For shares: the monetary loss is defined as the negative balance in the share account written off as uncollectible.
3. “Abusive behavior” includes, but is not limited to, any of the following conduct:
  - (i) Any threats of or actual bodily harm or illegal activity against another Credit Union member, Credit Union employee, or Credit Union.
  - (ii) Any form of action which may constitute harassment under the Credit Union’s Workplace Harassment Policy. For example:
    - Any type of harassment, including age, sexual, ethnic, or racial harassment; making racial or ethnic slurs, making sexual overtures, or other inappropriate sexual conduct.
    - Inappropriate touching.
    - Making sexual flirtations, advances or propositions; engaging in verbal abuse of a sexual, racial or ethnic nature; making graphic or degrading comments about an individual or his or her appearance.
    - Displaying sexually suggestive objects or pictures.
  - (iii) Fighting, kicking or other physical harm or attempted harm towards a Credit Union member, Credit Union employee, or Credit Union volunteer. For example:
    - Engaging in offensive or abusive physical contact.
    - Making false, vicious or malicious statements about any Credit Union employee, Credit Union volunteer, or the Credit Union and its services, operations, policies, practices, or management.

- (iv) Cursing or other abusive or vulgar language directed towards a Credit Union member, Credit Union employee, or Credit Union volunteer. For example:
  - Using profane, abusive, intimidating or threatening language.
- (v) Bringing or possessing firearms, weapons, or any hazardous or dangerous device on Credit Union premises or at a Credit Union function or on the premises of any Credit Union Service Centers location. Threatening a Credit Union member, Credit Union employee, or Credit Union volunteer with harm at a future date (with or without a weapon), Example I'll come back in with my gun...
- (vi) Possession, sale, use or being under the influence of an unlawful or unauthorized substance (e.g., drugs or alcohol) on Credit Union premises, at a Credit Union function, or on the premises of any Credit Union Service Centers location or any other shared branching network.
- (vii) Attempting to coerce or interfere with a Credit Union employee or Credit Union volunteer in the performance of their duties.
- (viii) Conducting, or attempting to conduct or engage, in any fraudulent, dishonest or deceptive activity of any kind involving Credit Union employees or Credit Union services.
- (ix) Any posting, defacing, or removing notices or signs on Credit Union premises; writing on Credit Union bulletin boards without management authorization.
- (x) Appropriation or misappropriation of Credit Union funds, property or other material proprietary to the Credit Union or its destruction;
- (xi) Immoral conduct or indecency on Credit Union premises.
- (xii) Deliberate or repeated violations of security procedures or safety rules.
- (xiii) Any other act which endangers the safety, health or well-being of another person, or which is of sufficient magnitude that causes disruption of business at the Credit Union.

This list is non-exhaustive and is used only as an example of types of behavior that may be deemed as “abusive” by the Credit Union.

## **“NO HATS, NO HOODS, NO SUNGLASSES” SECURITY PROGRAM**

I acknowledge that the Credit Union participates in the “No Hats, No Hoods, No Sunglasses” Security Program, a bank robbery prevention initiative endorsed by the FBI, Kentucky State Police, local law enforcement agencies, and Kentucky Bankers Association, which is part of an effort to make financial institutions safer for its employees and for me. For my safety, I agree to remove my hat (*Brim based only*), hood and/or sunglasses before entering any Credit Union branch. I acknowledge and agree that if I do not remove these items before entering a Credit Union branch, I may be approached by designated Credit Union personnel and asked to remove these items. If I refuse to remove my hat, hood and/or sunglasses after being directly asked to do so by Credit Union personnel, I acknowledge and agree that I may be denied service and asked to leave the premises. I further acknowledge and agree that if I refuse to remove my hat, hood and/or sunglasses or otherwise refuse to cooperate with Credit Union personnel in the enforcement of this policy (e.g., I become belligerent, refuse to leave Credit Union premises after being asked, or engage in “abusive behavior” as defined below), Credit Union personnel may take actions, including contacting local law enforcement, to assist in removing me from the premises. I acknowledge and agree that my failure to comply with the “No Hats, No Hoods, No Sunglasses” Security Program may result in the Credit Union deeming me a member “not in good standing,” and as such, may serve as a basis for limiting member services.

### **POLICY ENFORCEMENT**

I acknowledge and agree that the availability of member services for members who are “not in good standing” with this Credit Union shall be restricted. Any or all of the following actions may be imposed against a member who is deemed to be “not in good standing”:

1. Denial of all services other than the right to maintain a share account, and the right to vote at annual and special meetings, if par value is maintained.
2. Restricted from personal contact with Credit Union employees or volunteers, including in person or over the phone, requiring that Credit Union services may be available only through written communication through the U.S. mail, online banking, automated telephone banking, or other remote access device designated by Credit Union Senior Management.
3. Restricted from access to Credit Union premises.
4. Restricted from access to any Credit Union Service Centers location or any other shared-branching network, and revoking any shared branching privileges.
5. Taking any other action deemed appropriate under the circumstances that is not precluded by the Credit Union Act, NCUA Rules and Regulations, the Credit Union’s Bylaws, or other applicable federal or state law.

I acknowledge and agree that any threats of bodily harm or any other illegal activity against any Credit Union member, Credit Union employee, or Credit Union volunteer, or other affiliated individual will be reported to appropriate local, state, and/or federal authorities.

In the case of repeated abusive behavior or a particularly abusive incident, I acknowledge and agree that I may be subject to expulsion from the Credit Union at a special meeting of the members.

These limitations shall not prohibit me from exercising my rights under federal or state law or regulation.