

Mokelumne News



"SIMPLIFIED BANKING"

January 2015

Board of Directors

Blaine Pack, President
Chad Palmer, Vice President
Ray Davis, Secretary

Board Members

Jim Norton
Anita Marquardt
Abey Rajan
Dick Vargo

Supervisory Committee

Vic Marquardt, Chairman
Janet Davis
Chad Palmer

Management

Liz Maynard, CEO
Mick Santoro, CFO
Mandy Rodriguez,
Tienda Branch Manager
Amanda S. Villanueva,
Mills Branch Manager
Donald White,
Collection Manager

Credit Union Hours

Monday through Thursday

Drive-up (Mills) 9:00 to 5:00
Lobby 9:30 to 5:00

Friday

Drive-up (Mills) 9:00 to 5:30
Lobby 9:30 to 5:30

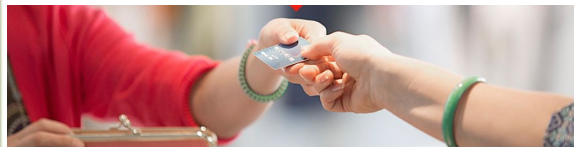
Mills Br. Pho: (209) 334-3200
Tienda Br. Pho: (209) 333-5424

PAT: (209) 333-5422
Website: www.mfculodi.org



Merchant Card Breaches

It has been all over the news lately: another massive data breach at a national retailer, most recently an estimated 56 million cards that were used at Home Depot. Before that was Target along with T.J. Maxx, and Albertsons just to name a few of the higher-profile data compromises in the last few years. What does this mean for you and Mokelumne Federal Credit Union (MFCU)? What is MFCU doing to help minimize the impact of these breaches and what can you do to protect yourself, your money and your data?



A Major Inconvenience

These data breaches are a major source of frustration for you and your credit union. Because of the substantial impact these compromises may have on our members and the Credit Union, we make the decision to reissue only after very careful consideration. Reissuing is a significant inconvenience for our members and a significant expense to the Credit Union. However, there are also considerations if we choose not to reissue, some of which could be a larger member

inconvenience than receiving a reissued card. For example, if we do not reissue proactively, we may need to block thousands of cards without advance notice to members. Members could also experience increased card blocks and declines at merchants due to additional fraud monitoring that takes place when cards are compromised. Finally, MFCU could incur hundreds of thousands of dollars in fraud losses on the affected cards. Again, we carefully take into consideration all of these factors when making the decision whether or not to reissue cards.

As a result of reissuing cards, you will need to activate new cards with new card numbers and expiration dates. You will also need to contact merchants to change the automatic payments that are connected to your cards.

Who is Liable for Fraud Losses?

In most of these recent high profile data breaches, a theft of data at the retailer was the cause. However, under current law, the merchant is not responsible for the financial losses associated with a compromise. Instead, the financial institutions issuing the affected cards bear this expense,

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Updating Your Information

Please remember to update your information with us. When name, address or phone number changes occur, it is your responsibility to notify us.

It is very important to update your information so that we can reach you regarding your account. Having the correct information eliminates return mail as well as the expense of storing member information.

Mokelumne Federal Credit Union sends out mail such as CD renewal notices, promotional offers, statements, delinquent loan reminders and notification of canceled or a lapse in car insurance. When these notices are returned, your account may be subject to a fee.

As a security measure toward invalid address and personal contact information we will consider removing certain



privileges such as Overdraft Protection (ODP). Removing ODP may cause returned checks and additional fees to accrue.

Remember, whenever a special event takes place in your life, it may require a review of your personal information.

USA PATRIOT ACT

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING OR CHANGING AN ACCOUNT WITH MOKELUMNE FEDERAL CREDIT UNION

Member Identification Requirements

Section 326 of the USA PATRIOT ACT requires all financial institutions to obtain, verify and record information that identifies each person who opens an account or changes an existing account. This federal requirement applies to all new members and current members. This information is used to assist the United States government in the fight against the funding of terrorism and money-laundering activities.

What this means for you:

When opening an account or changing an existing account, we will ask each person for their name, physical address, mailing address, date of birth, social security number and other information that will allow us to identify them. We will ask to see each person's driver's license and other identifying documents and copy or record information. In some cases, identification will be requested for current members if original documentation was not obtained or information is no longer valid such as expired Identification Card.

Services may be denied if we are unable to properly identify you.

Holiday Closure:

January 19th - Martin Luther King Day

February 16th - Presidents' Day



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even though these credit unions and banks had absolutely nothing to do with the incident. In 2013 Mokelumne Federal Credit Union took losses of more than \$50,000 in debit card fraud.

What Can You Do?

We want our members to enjoy the convenience of credit and debit cards and we want you to use your cards regularly. We also care about protecting you from data breaches. In addition, our responsibility as a financial institution and a member-owned cooperative is to balance the convenience of plastic card payments with protecting MFCU and our membership from financial losses. Here are a few suggestions about how you can help minimize the impact to yourself and MFCU:

Regularly monitor your debit card history for suspicious activity and contact us immediately if you notice any charges you did not make. Downloading our phone app allows you immediate access to your account history, making this more convenient when you are on the go.

Always ensure that contact information we have for you is up-to-date. It is critical that we have this information so we can contact you immediately in the event your card is blocked for potential fraud.

If you have multiple accounts with debit cards, consider using just one of your cards at merchants and online and the other card for your regular recurring payments. If a merchant experiences a data compromise, only one of your cards will be reissued.



Members' Annual Meeting

Mokelumne Federal Credit Union's Annual Members' Meeting is

Wednesday March 4, 2015 at 5:00 pm.
The meeting will be held at the Tienda Branch office located at 2310 Tienda Drive, Suite 204, next to Chipotle.

In conjunction with the 2015 Annual Members' Meeting, Mokelumne Federal Credit Union will hold its Annual Board of Directors election. The following members have been nominated by the nominating

committee:

Jim Norton and Ray Davis

The credit union's bylaws permit nominations by member petition. Nominations must include the signature and account numbers of at least 14 members to be valid. Nominations may be delivered to the credit union not more than 30 days or less than 5 days prior to the annual meeting. Voting will take place by ballot at the meeting.

The Board of Directors, Board

Members and Supervisory Committee all consist of non-paid volunteers. You must be a member of Mokelumne Federal Credit Union to be considered for a position.

The Board of Directors meets on a monthly basis. They are responsible for establishing and maintaining policies and operations of the credit union.

Please join us for informative information, raffles and refreshments on March 4, 2015.