
Shoreline Credit Union Privacy Policy

Board Approved Date: 12/17/2019

General Policy Statement:

The Credit Union recognizes its responsibility to protect the privacy of member nonpublic personal information. The purpose of this policy is to set forth the guidelines under which such information may be shared with third parties. It is the intent of the Credit Union and any of its affiliates to abide by all applicable laws and regulations governing the privacy of nonpublic personal information including the Consumer Financial Protection Bureau (CFPB) privacy rule as required by the Gramm-Leach-Bliley Act and the FTC Privacy rule (16 CFR Part 313) for affiliates, issued to implement the provisions of the Gramm-Leach-Bliley Act.

Guidelines:

1. **DEFINITIONS.** For the purpose of this privacy policy, the following definitions shall apply.
 - A. **Affiliate.** Any company that controls, is controlled by, or is under common control with another company/credit union.
 - B. **Non-Affiliate.** A non-affiliate third party is any person except:
 - A. The credit union's affiliate
 - B. A person employed jointly by the credit union and any company that is not the credit union's affiliate.
 - C. **Consumer.** A consumer is an individual who has obtained a financial product or service from the Credit Union that is to be used primarily for personal, family or household purposes. A consumer is not necessarily a member of the Credit Union.
 - D. **Member.** A member is a consumer who is a member of the credit union, as defined in the credit union bylaws. For purpose of the rule, it will include certain nonmembers.
 - A. A nonmember joint accountholder held with a member;
 - B. A nonmember who has a loan that the Credit Union services;
 - C. A nonmember who has an account with the low-income designated Credit Union; and
 - D. A nonmember who has an account in a federally-insured state-chartered Credit Union pursuant to state law.
 - E. **Nonpublic Personal Information.** Personally identifiable financial information; and any list, description or other grouping of consumers (and publicly available information pertaining to them) that is derived using any personally identifiable financial information.

- F. **Personally identifiable financial information.** Any information that a consumer provides to the credit union to obtain a financial product or service from the credit union; the results of a transaction between the consumer and the credit union; or information that a credit union otherwise obtains about a consumer in connection with providing a financial product or service
 - G. **Clear and Conspicuous.** This means that a notice is reasonably understandable and designed to call attention to the nature and significance of the information in the notice.
2. **COLLECTION OF INFORMATION.** In the course of delivering products and services, the Credit Union obtains nonpublic personal information, either directly from the member or from outside sources. This nonpublic personal information is used to comply with federal and state laws and regulations, to provide effective member service and to inform members of products and services which may be of interest to the member.
 3. **MAINTENANCE OF ACCURATE INFORMATION.** The Credit Union will exercise reasonable caution in the gathering and maintenance of information to ensure its accuracy. When inaccurate information is discovered, it will be corrected as promptly as possible.
 4. **LIMITS ON DISCLOSURES FOR NON-PUBLIC PERSONAL INFORMATION TO NON-AFFILIATED THIRD PARTIES.** Except for certain existing federal privacy exceptions under this rule, the Credit Union will not disclose any non-public personal information about a consumer to any non-affiliated third-party.
 5. **RESPONSIBILITY OF SERVICE PROVIDERS.** The Credit Union will only approve service providers with established policies of privacy similar to those of the Credit Union. The Credit Union will require contractual agreements from third parties that will include confidentiality of member information disclosed by the Credit Union and prohibit the service provider from disclosure and reuse of nonpublic personal information for any reason other than the intended purpose.
 6. **EXCEPTIONS FOR SERVICE PROVIDES AND JOINT MARKETING.** The opt-out requirements will not apply when the Credit Union provides non-public personal information to a non-affiliated third-party to perform services or functions on its behalf if the initial notice is in accordance with the privacy rule and the Credit Union has entered into a contractual agreement with the third-party that prohibits them for disclosing or using the information other than to carry out the purpose for which the information was disclosed.

Any services a non-affiliated third-party performs for the Credit Union that qualifies as an opt-out exception may include marketing the Credit Union's own product and services or marketing financial products and services offered pursuant to joint agreements between the Credit Union and one or more financial institutions.

7. **PRIVACY OF ELECTRONIC TRANSACTIONS.**

- A. **Encryption.** Electronic interfaces with members (such as Internet transactions) will be encrypted using Secure Socket Layer (SSL) encryption of no less than 128-bit.
- B. **Account Access.** Member account information and transactions will be protected by a password that must be used in conjunction with a username or account number. Members must apply for this capability and be registered with the Credit Union for authentication purposes.
- C. **"Cookies".** The Credit Union may use "cookies" as part of its web site interface. A "cookie" is a small file that is placed on the user's computer. While it contains no member information, it identifies the member's computer and allows the Credit Union to measure usage of the web site and customize the web site experience.
- D. **Links.** The Credit Union will frequently link to other sites as a convenience to our members. The Credit Union will seek to link with other sites that adhere to similar privacy standards. However, the Credit Union is not responsible for the content of linked sites, or for their policies on the collection of member information.
- E. **Online Privacy of Children's Information.** The Credit Union will not collect, use or disclose online information received from children under age 13 without prior parental notification and consent, which will include an opportunity for the parent to prevent use of information and participation in the activity. Online information will only be used to respond directly to the child's request and will not be used for other purposes without prior parental consent.

The Credit Union will not distribute to third parties, other than its affiliate, personally identifiable information without prior parental consent.

The Credit Union will not post or otherwise distribute personally identifiable information without prior parental consent.

The Credit Union will not entice by the prospect of a special game, prize or other activity, to divulge more information than is needed to participate in the activity.

Personally identifiable information collected online from their children may be reviewed by a parent or guardian upon written request. The parent or guardian has the right to have information deleted and instruct the Credit Union to cease collecting further information from their child.

- 8. **MEMBERS' RIGHT TO "OPT OUT".** Privacy regulations allow members to "opt out" of having their information disclosed to third parties in certain situations. Before the Credit Union discloses any member information to a nonaffiliated third party that is not otherwise covered by a disclosure exception in the regulation, the Credit Union must properly inform members of their right to "opt out" and to record and honor the member opting out.
- 9. **DISCLOSURE OF PRIVACY POLICY.** The Credit Union will disclose its privacy policy as required by law.

- A. **Privacy Policy May Be Combined With or In Other Documents.** The Credit Union's privacy policy may be printed in a document containing other information, so long as the privacy policy is clear and conspicuous.
- B. **Initial Privacy Notice.** The initial privacy notice will be provided no later than when the Credit Union establishes a member relationship unless there is an exception and before the Credit Union discloses nonpublic personal information about the consumer to any nonaffiliated third party.

SLCU is not required to provide an initial notice if (a) it does not disclose nonpublic personal information about the consumer to any nonaffiliated third parties (other than as authorized) and (b) if a member relationship is not established.

- C. **Existing Members.** If an existing member obtains a new financial product or service used primarily for personal, family or household purposes, the Credit Union may satisfy the initial notice requirements as follows:
 - A. Provide a revised policy notice that covers the member's new financial product or service or if the initial or revised notice SLCU recently provided to the member was accurate, a new one is not required.
- D. **Joint Relationships** If two or more consumers jointly obtain a financial product or service, other than a loan, SLCU will provide one initial notice to those consumers jointly.

SLCU will provide an initial notice to a borrower or guarantor on a loan if nonpublic personal information with nonaffiliated third parties other than for purposes under §1016.13, §1016.14 and §1016.15 are shared.

- E. **Annual Privacy Notices.** The Credit Union is not required to provide an annual privacy notice if two conditions are met:
 - 1. The privacy policies and practices have not changed since the Credit Union provided its most recent privacy notice to consumers; and
 - 2. The Credit Union shares non-public personal information with non-affiliated third parties only in accordance with requirements for certain existing federal privacy exceptions, including those related to:
 - Performing services for, or functions on behalf of, the credit union, pursuant to a joint marketing agreement;
 - Administering, servicing, or processing a transaction a consumer requests or authorizes; maintaining or servicing certain consumer accounts, or performing securitizations, secondary market sales, or similar transactions; or
 - Other specified operational and legal purposes, including disclosure with the consumer's consent or at the consumer's direction and disclosure to protect the confidentiality and security of records related to the consumer, service, product, or transaction.

Therefore, the Credit Union is only required to send an annual privacy notice if:
1) its privacy policies and practices have changed since its last notice or if 2) it

has started sharing information with non-affiliated third parties in a way that triggers a right to opt-out. Both of these types of changes would usually require a revised privacy notice.

- F. **Termination of Member Relationship.** The Credit Union does not provide annual privacy notices to “former members”. A former member may include, but is not limited to:

An individual who is no longer considered a member as defined by the Credit Union’s bylaws.

A nonmember’s share or share draft account that is inactive under the Credit Union’s policies.

The Credit Union has not communicated with the nonmember about the relationship for a period of 12 consecutive months other than to provide annual privacy notices or promotional materials.

10. **PRIVACY COMPLIANCE.** The Credit Union and any of its affiliates will comply with all applicable laws and regulations governing the privacy, confidentiality, security, and integrity of nonpublic personal information.

11. **ADMINISTRATION AND AMENDMENTS.**

- A. The Credit Union will create controls and procedures whereby any new product, service, or delivery method shall be reviewed and modified to insure that it conforms to existing Credit Union privacy policies with regards to nonpublic personal information.
- B. Since no policy can address every possible contingency and circumstance, Credit Union management shall use its good faith business judgment in administering this privacy policy and expects that all officers, volunteers and employees will use good faith in their actions to protect the privacy of Credit Union members.
- C. The Credit Union reserves the right to amend this privacy policy in any respect with disclosure to members as required by law.
- D. The Credit Union’s Privacy Policy notice will be posted on the home page of its website for ease of access by any consumer.
- E. The Credit Union will comply with state and federal laws and regulations applicable to the maintenance and retention of any records pertaining to the privacy rule.