

Lakeside Employees Credit Union

DORMANT ACCOUNTS AND UNIFORM DISPOSITION OF UNCLAIMED PROPERTY POLICY

It is the position of Lakeside Employees Credit Union to develop the member relationship so the issues of dormancy and unclaimed property are exceptions to the norm. However, when the credit union has dormant accounts and unclaimed property accounts, the Board of Directors has approved the following policy.

DORMANT ACCOUNTS

We consider an account inactive if, for more than 12 months:

- there has been no debit or credit by the member;
- we receive no communication from the member, and;
- the automatic crediting of dividends or interest is the only documented activity.

Inactive accounts are reported on the credit union's Dormancy Report which is generated monthly.

It is the policy of the credit union to monitor dormant and inactive accounts. The system generated Dormancy Report provides an up-to-the date list of dormant and inactive accounts and is reviewed monthly by a designated employee.

Once an account reaches 48 months of dormancy, a quarterly dormant account fee is assessed on the account. The dormant account fee may be found on the credit union's fee schedule.

ABANDONED ACCOUNTS AND PROPERTY

At 60 months dormancy, the account/property is "presumed abandoned" and considered unclaimed property.

As required by the State of Tennessee Uniform Disposition of Unclaimed Personal Property, the credit union perform due diligence on the account by attempting to contact the member, following State guidelines, prior to submitting funds to the State Treasurer.

Lakeside Employees Credit Union shall follow State guidelines where the following are deemed abandoned:

- Checking accounts
- Savings accounts
- Vendor/Business expense checks
- Gift cards

- Cashier/teller checks
- Travelers checks

Lakeside Employees Credit Union shall submit their report of abandoned property, as defined by State statute, by May 1st of each year.

PENALTIES

Lakeside Employees Credit Union acknowledges they may be subject to fines and penalties for failure to perform reporting duties on abandoned accounts and property. It is the intent of the credit union to comply with State statutes on abandoned accounts and property.

RETENTION

Lakeside Employees Credit Union shall maintain adequate record retention as prescribed by the State of Tennessee for a period of 10 years following filing.

APPENDIX A

See Appendix A for State of Tennessee Dormancy Periods.

APPENDIX A

STATE OF TENNESSE DORMANCY PERIODS

<u>Property Type</u>	<u>Period</u>
Cashier Checks	5 Years
Certified Checks	5 Years
Checking Accounts	5 Years
Savings Accounts	5 Years
Vendor Checks/Business Expense Checks	5 Years
Money Orders	7 Years
Travelers Checks	15 Years
Gift Certificates/Gift Cards	2 Years
All Other Property Not Listed	5 Years