

New Covenant Dominion Federal Credit Union

Nonparticipation Policy

Effective Date: July 1, 2024

Under federal law, the board of directors of a federal credit union may adopt and enforce a policy to terminate the membership of members who do not participate in the affairs of the credit union. In accordance with this law, membership in New Covenant Dominion Federal Credit Union (the “Credit Union”) may be terminated for any of the following reasons:

- (a) If the member does not purchase and maintain a share at par value, accounting for any applicable changes in par value from time to time;
- (b) If the member does not vote in three (3) consecutive annual credit union elections; or
- (c) If the member does not conduct business with the Credit union, causing their account(s) to fall into dormant status.

Membership termination due to non-participation becomes effective six (6) months after the member receives notification of termination, either by mail or electronic mail if the member has consented to electronic communications from the Credit Union. Notifications are sent to the member's last known mailing or email address. Termination will only become effective if the member does not notify Credit Union of their intention to participate as defined above before the expiration of the six (6) month period.

Upon termination for non-participation, the member will lose all privileges of membership, including the ability to obtain a loan from the Credit Union and the right to vote on any matter on which members may vote. However, a terminated member may be permitted to maintain accounts with the Credit Union as a non-member in the discretion of the Credit Union's board of directors, as long as the Credit Union holds the designation from the National Credit Union Administration that allows for the maintenance of non-member accounts. If the board of directors or the member opts to terminate the members' account(s) with the Credit Union after termination of the membership, the Credit Union will close the account(s) as instructed and will provide the member with funds representing the positive balance in the account. If the member cannot be located to receive the funds, Credit Union will escheat the funds to the applicable state in accordance with state's escheatment laws.