

# Members Exchange Federal Credit Union Policies and Procedures

**Policy:** Fraud Policy  
**Applies to:** All Departments  
**Approved:** November 21, 1996

Members Exchange Federal Credit Union considers any form of fraud or dishonesty by its employees unacceptable. Acts which are considered to be either fraudulent or dishonest include, but are not limited to:

1. Manipulation of loan accounts, documents, computer records, shares, or share draft accounts.
2. Theft of any kind, including stealing from member accounts, overpaying dividends, and creating fictitious loans.
3. Check/share draft kiting.
4. Forgeries.
5. Unauthorized or unapproved salary advances or overtime reimbursement.
6. Intentional violation of credit union rules, internal controls, regulations, or procedures.
7. Intentionally failing to secure collateral, to properly record a security interest in collateral, or pledging a member's shares as collateral without that member's permission.
8. Granting or requesting preferential treatment for ANYONE.

I have read the above Fraud Policy. I understand that management will not tolerate fraudulent or dishonest activities of any kind, and I am not to engage in acts of fraud or dishonesty while employed at Members Exchange Federal Credit Union. I further understand that if I commit any fraudulent act, my employment will be terminated immediately, and Members Exchange Federal Credit Union will prosecute to the fullest extent of the law.

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Employee's Signature

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Date