

expanding Horizons

Don't 'Click' Links in Unsolicited Messages

Alert: Phone, Text, and eMail Spoof Campaign Targeting Patriot Members

Patriot Federal Credit Union is fully committed to protecting the security and privacy of its members. As cybercriminals have begun to shift their approach from targeting consumers directly through known and trusted channels of communication, we have become aware of sophisticated scams involving fraudulent outreach via text, phone calls, and email that appear to be initiated by Patriot but are NOT. These communications are instead being sent by a malicious third party masquerading as Patriot in hopes of collecting our members' personal or account related information.

According to the FTC, consumers reported losing more than **\$8.8 billion** to fraud in 2022, a **44% increase** over the prior year.

Heightened awareness about these tactics is the best defense. These are some helpful tips:

- **Do NOT click** on links in text or email links in fraud alerts
- **Do NOT share** your Mobile/eBranch password by phone, text, or email. Patriot will **NEVER** ask you this information
- **NEVER share your Mobile/eBranch credentials** (username) via phone, text, or email, unless you initiate the outreach to us and know with certainty that you are communicating directly with a Patriot member service representative
- **Do NOT respond to requests** for other financial or personal information such as:
 - o Full credit/debit card number
 - o Card expiration and 3-digit code
 - o Social security number
- **Slow it down** – Take your time and ask questions. Scammers create a sense of urgency so that they can bypass your better instincts. "Immediate Action required" is a red flag!

Examples of fraudulent messages:

Your Online Mobile Access has been locked. Verify Now
patriotfcu_gulfelite.net

Your Patriot FCU card has been charged \$246.90 on ApplePay. Visit pfcu.servintperu.com to verify immediately.

Your account has been limited for security purpose. Visit pfcuhelp.projectbit1024.com to verify immediately

Your account has been limited for security purposes. Attend patriotfcu.idexports.net to verify immediately

An unauthorized Access has been noticed on your account visit pat.jordaoveiculos.net to verify.

Call Patriot's automated service line at **240-349-0118** and provide your 16 digit card number to un-restrict your card.

FRM:Patriot Federal Credit Union
MSG:Your Account has been disabled, Due to unusual activities, Action required immediately: <https://artbybev14.com/aas/s/a>

Your account has been limited for security purpose. Visit patriot.loari.net to verify immediately

FRM:Patriot Federal Credit Union
MSG:Your Online banking profile has been locked. Action required Now:
<https://coachvikram.com/aa/s/a>

Patriot members who believe they may have responded to a fraudulent text, call, or email and disclosed personal or account-related information should immediately change their Patriot Mobile/eBranch credentials (username AND password). Then contact our Member Service Contact Center at 888-777-9982 for assistance.

A Message from the CEO



As the first half of 2023 has come to a close, economic storm clouds swirl in the wake of rising interest rates, unprecedented modern-day bank failures, and an inverted yield curve that has served as a precursor of the past seven recessions. The combination of these factors and many other economic

indicators point to gloomy weather ahead. For example, in the financial services sector, many banks and credit unions are witnessing delinquent loans, while remaining low for the moment, beginning to rise as consumers face rising costs for basics like food, clothing, and shelter. Add to this geopolitical instabilities internationally and subsiding consumer sentiment - which measured the lowest it has been in six months, and there's bound to be a climate disturbance ahead.

Complicating the economic weather forecast are some conflicting indicators, like extremely low unemployment and solid loan demand despite higher interest rates. This is not what the Federal Reserve had hoped to achieve when they started their "tightening" process in March 2022, as they seek to contain inflation and guide the economy to a soft landing without experiencing a deep recession. Rate hikes, which make it more expensive for consumers to borrow, may not be enough, especially with many businesses and households having ample cash, much of which was fueled by COVIDera government stimulus.

The Fed has also employed a strategy to reduce its balance sheet, but there is still significant uncertainty about its effectiveness. When will the recessionary rains and winds finally come upon us? And will the impact be a Tsunami or light shower? We can't be certain, as the accuracy of many economists' predictions often parallel those of local weather prognosticators . . . perhaps Punxsutawney Phil excluded. It may not be February 2, but it's likely we're going to experience Groundhog Day, the movie, in real-time.

Despite the impending storm, Patriot Federal Credit Union is off to a great start in 2023. Even as we experience higher interest rates, loans outstanding have increased by more than \$45 million. And, although inflation has served as a source of stress for many consumers, with more and more individuals withdrawing money from savings accounts to pay for 'normal' expenses, credit union deposits have grown by over \$35 million. Net Income for the first six months will come in around \$4.5 million, more than half a million over our budget forecast.

When the downpour of economic uncertainty comes, we believe that Patriot is in a unique position to continue to deliver value that the mega financial institutions and online banks can't provide. Why Patriot and not some bank? First, as a credit union we are a member owned cooperative, not a publicly traded company with shareholders. As a result, we can typically offer lower fees, better loan rates, higher savings rates and a more personalized approach to service to our members, all while maintaining a strong focus on serving our local communities. Our staff are members of the community - - it's where they shop to support local businesses, volunteer, and raise their families . . . your neighbors and friends.

Unlike some of the big banks that have gotten themselves in trouble, Patriot has over 90% of its deposits under the NCUA threshold, meaning our member's savings are federally insured to at least \$250,000 and backed by the full faith and credit of the US government. We're safe, secure, and strong. Want some proof? For the 30th year in a row, Patriot has been awarded the coveted 5-Star rating by Bauer Financial, an independent financial services research firm. A 5-Star rating, Bauer Financial's highest possible rating, demonstrates that Patriot is one of the strongest credit unions in the nation in key areas such as capital, profitability, liquidity, and asset quality.

While these statistics highlight that Patriot is performing at its very best financially, we're also proud of what this means for our top priority, our members. Our financial strength allows us to provide top-notch member service, fueled by our superior financial stability and security, no matter the circumstances.

We are here for you, our members - in good times and in challenging ones. Whether you have a solid foundation or are concerned about your financial future and health, Patriot can help with services, support, financial education to help you get control of and confidence with your finances, and options to help you improve your financial well-being.

In closing, I want to thank our members, friends, and 'fans' for voting Patriot as the "Best in the Tri-State" this spring. Not only did the community recognize us for being the best credit union in the area, but Patriot received the most votes of all business and organizations in the 'services' category. We certainly appreciate this honor and will continue to work hard to retain it as we earn the opportunity to serve your financial needs.

Sincerely,
Ron Celaschi, CEO

Annual Meeting Notice • September 26, 2023

You are invited to attend Patriot Federal Credit Union's Annual Meeting, which will be held Tuesday, September 26, 2023 at the first floor Corporate Center, 1330 South Seventh Street, Chambersburg, beginning at 1:30 pm. Please plan to be there to elect board members and receive reports on Patriot's financial performance and activities over the past year.

RSVP your plans to attend by calling 717-262-4301 no later than September 22, 2023.

Doors open and registration will begin at 1:00 pm. Coffee, soft drinks and cookies will be served.

Biographies for the candidates nominated for the Board of Directors are shown below. Other members who would like to be considered as candidates for the Board of Directors may do so by petitioning to have their names placed on the ballot. The following information must be submitted to the Secretary of the Board of Directors by Thursday, July 13, 2023.

- A Petition Containing 100 Members' Names
- A Written Statement of Qualifications
- A Biographical Information Sheet

Complete information can be found in the Volunteer Recruitment Kit available in all Patriot offices, or by calling 717-262-4301.

Nominations

Garry Gontz, Dr. Lorenzo York and Calvin St. Juste have been nominated to fill three, 3-year terms on Patriot Federal Credit Union's Board of Directors.

Garry Gontz

Garry E. Gontz, a resident of Chambersburg, PA, is a retired Business and Industry Specialist for the U.S. Department of Defense-Office of Economic Adjustment with nearly 34 years combined federal service. His work experience includes working for the Pentagon coordinating defense department assistance, project management and grants at Base Realignment and Closure sites across the country and Base Transition Coordinator for Department of the Army at Letterkenny Army Depot. Mr. Gontz holds a Bachelor of Arts degree in public relations from Shippensburg University and a Certificate in Strategic Planning from the

Graduate School, Washington, D.C. He is the Secretary on the Board of the Letterkenny Industrial Development Authority and a small business owner. Mr. Gontz has served on the Franklin County Assessment Board and most recently on the County's Board of Elections. Mr. Gontz has been a member of Patriot Federal Credit Union since 1973 and currently serves as Board Treasurer.

Lorenzo Cooper York

Rev. Dr. York is the Chief Operating Officer of Empowering Community Leaders Network, (ECLN)—a nonprofit he co-founded with his wife, Phyllis. He served as Director of the Doctor of Ministry program at Ashland Theological Seminary. Prior to being a faculty member and director at ATS, Dr. York served honorably as a Navy Chaplain. He retired at the rank of Captain with over 29 years as a military chaplain. Dr. York has since been serving as a Navy civil servant at Headquarters, Commander, Navy Installations Command.

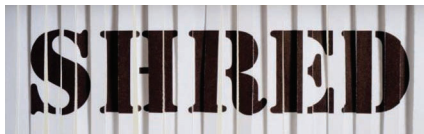
Dr. York received a B.A. in Political Science from Tulane University; a Master of Divinity degree from The Interdenominational Theological Center; and a Doctor of Ministry degree from Ashland Theological Seminary.

Calvin St. Juste

Calvin is currently the Global Audit Head of Technology Enablement at T. Rowe Price where he leads their corporate technology audits and drives the data analytics program for the division. Previously he held several executive positions at Morgan Stanley including Chief Operating Officer (COO) & Head of Business Strategy for Morgan Stanley Wealth Management Financial Wellness Business, and also held the role of Global COO of Morgan Stanley Fraud Operations.

Calvin earned an undergraduate degree in Management Information Systems from Goldey-Beacom College, and a master's degree from the Stevens Institute of Technology, where he currently sits as a Board Advisor for their Business School. He is Six Sigma Black Belt-certified and also received management certificates from the University of Cambridge in the U.K. and the Wharton School at University of Pennsylvania.

Upcoming Shred Days: Get rid of clutter and help protect your identity!



Patriot has two upcoming Shred Days at our Shippensburg and Robinwood offices. These events are great opportunities to securely dispose of personal documents such as old bills, credit union statements, and other paper containing personal information to reduce clutter and help protect your identity.

Please limit the amount of paper you bring to no more than four boxes. Also, no plastic, binder clips, cardboard, or 3-ring binders. We'll also be collecting food items to help stock local food pantries. Please bring canned and boxed food items to donate to those less fortunate.

Saturday, September 9th | 9:00 AM - Noon | Shippensburg Office, 1095 West King Street, Shippensburg

Saturday, October 7th | 9:00 AM - Noon | Robinwood Office, 11067 Robinwood Drive, Hagerstown

Important Changes to Your Membership and Account Agreement and Courtesy Pay Agreement

Effective immediately, Patriot has made the following enhancement to how you will be assessed Courtesy Pay fees for overdrawing your account when certain debit card transactions are processed.

For debit card transactions involving merchant authorization holds, there may be a delay between the hold being applied and the transaction posting to your account. During the delay, intervening transactions may impact the available balance in your account. It is important to keep in mind that we check your available balance both at the time the merchant's authorization request is received and again when the transaction settles and posts to your account. You will not be assessed a fee for overdrawing your account if your transaction was authorized with a sufficient (positive) available balance, even if the transaction settles and posts to your account with an insufficient (negative) available balance. You will be assessed a fee for overdrawing your account if your transaction was authorized with an insufficient (negative) available balance and settles and posts to your account with an insufficient (negative) available balance.

The following example illustrates how this works:

Assume your actual and available balances are both \$40, and you use your debit card at a restaurant to pay your bill totaling \$30. If the restaurant requests authorization in the amount of \$30, an authorization hold is placed on \$30 in your account. Your available balance is only \$10, but the actual balance remains \$40. Before the restaurant charge is sent to us for payment, a check that you wrote for \$40 is presented for payment. Because your available balance is only \$10 due to the \$30 authorization hold, your account will be overdrawn by \$30 when the check transaction is posted to your account even though your actual balance is \$40. In this example, if we pay the \$40 check in accordance with our standard overdraft services, we will charge you a fee for overdrawing your account as disclosed in the Schedule of Fees and Charges. The fee will also be deducted from your account, further increasing the overdrawn amount. In addition, when the restaurant charge is finally submitted to us for payment, we will release the authorization hold and pay the transaction amount to the restaurant. The transaction amount may be \$30 or a different amount (for example, if you added a tip). Even though the amount of the restaurant charge exceeds your available balance at the time the charge is settled (i.e., at the time the merchant or its financial institution requests payment or the transaction posts to your account), we will not charge you a fee for overdrawing your account, since you had a sufficient available balance in your account at the time the restaurant charge was authorized and approved.

Patriot believes this improvement will allow members better control over their ability to avoid overdraft fees and manage their account balances. The best way to avoid overdraft fees is to maintain an up to date record of all transactions that you have authorized including recurring transactions.

As always, you should assume that any item which would overdraw your account based on your available balance may create an overdraft. You may check your available balance online at www.patriotfcu.org, at an ATM, by visiting a credit union branch or by calling us at 888.777.9982.

If you have any questions concerning this enhancement or would like a copy of the most recent Membership and Account Agreement or Courtesy Pay Agreement, please contact the credit union.

Important Changes to Your Electronic Funds Transfer Agreement and Disclosure

Effective 07/01/2023, the following changes will be implemented to the availability of electronic funds transfer (EFT) services for your accounts. If you have any questions concerning these changes or wish to receive a current disclosure, please contact the credit union.

Summary of changes:

1. EFT SERVICES – If approved, you may conduct any one (1) or more of the EFT services offered by the credit union.

e. **eBranch.** The following electronic funds transfer service has been updated:

- Originate incoming ACH transactions

The following limitations on eBranch transactions may apply:

- ACH originations are limited to a maximum of \$3,000.00 per calendar month

f. **Patriot Mobile.** The following electronic funds transfer service has been added:

- Originate incoming ACH transactions

The following limitations on Patriot Mobile transactions may apply:

- ACH originations are limited to a maximum of \$3,000.00 per calendar month