

**LUCKY SAVERS PRIZE LINKED SAVINGS PROGRAM
CREDIT UNION PARTICIPATION AGREEMENT**

This Lucky Savers Credit Union Participation Agreement (Agreement) is made and entered into as of the _____ day of _____ 20____, by and between _____ Credit Union (Credit Union), a _____ (state/federal) chartered credit union with its principal place of business located at _____ and the New York Credit Union Association (NYCUA), a not-for-profit trade association, with its principal place of business located at 1021 Watervliet Shaker Road #3, Albany, NY 12205 (each a “Party” and, together, the “Parties”).

RECITALS

WHEREAS, the Credit Union is a not-for-profit financial institution owned by its members; and

WHEREAS, Credit Union acknowledges that the Lucky Savers Prize Linked Savings Program utilizes the Prize-Linked Savings Method “PLS Method” and further acknowledge that although NYCUA has adopted a different name, the PLS Method is valuable property of Commonwealth (formerly known as Doorways to Dreams); and

WHEREAS, NYCUA has agreed to promote and fund the Lucky Savers program to and for its member credit unions; and

WHEREAS, NYCUA has contracted with the Minnesota Credit Union Network (MnCUN), the not-for-profit trade association for Minnesota’s credit unions, to utilize the TruLync, an affiliate of MnCUN, for ongoing administration of the technology component of the Lucky Savers program. TruLync is a payments processing company that provides operations services to credit unions. NYCUA will be utilizing the file transfer and security framework already created for TruLync’s products and services to credit unions. NYCUA further represents that TruLync has contracted with a third-party vendor to create the requisite software to collect and store member data, verify member eligibility, tabulate entries, apply a randomization formula to select prize winners and deliver notification of prize winners to Credit Union through the TruLync Information Center; and

WHEREAS, under the Lucky Savers program, for each twenty-five dollars (\$25) deposited into a “Lucky Savers Certificate Account,” a credit union member may qualify to receive one entry (up to 10 entries per member per month) into a drawing for a savings promotion raffle that offers an opportunity to win various monthly and quarterly prizes; and

WHEREAS, the Credit Union wishes to participate in this prize-linked savings program by offering the program to its membership;

NOW THEREFORE, in consideration of the terms and conditions set forth in this Agreement, the Parties agree as follows:

(1) **Credit Union Responsibilities.** The Credit Union agrees to the following responsibilities:

(a) **Proper Administration of Lucky Savers Program.**

(i) Adhere to the Implementation Guide, listed as Exhibit A, attached hereto.

(ii) Adopt and offer a Share Certificate/Certificate of Deposit account, including base savings product, name, APY offered, prize drawing structure including participation in the monthly and quarterly prize drawings, and use of provided or credit union-generated marketing plan and materials, and administration of a participant survey for research and informational purposes.

(iii) Require that the sole consideration for entries into the Lucky Savers program will be the deposit of

at least \$25.00 (twenty five dollars) into a Lucky Savers Share Certificate account.

(iv) Solely to the extent of the Credit Union's involvement the conduct of any quarterly prize raffles, as well as any monthly prize raffles, administered by TruLync under the Lucky Savers program to be conducted so that each entry has an equal chance of winning.

(v) Inform each participating member that the credit union will disclose the social security number of the account holder to TruLync in a safe, secure, encrypted manner for the sole purpose of creating a unique identifier for each participant. All social security number data will be destroyed at the end of each drawing period and will not be kept by TruLync or transferred to any third party.

(b) Adherence to Lucky Savers Official Rules. To the extent applicable to the Credit Union, the Credit Union shall adhere to the Lucky Savers Official Rules, as set forth in Exhibit B, attached hereto.

(c) Appointment of Credit Union Project Manager. The Credit Union shall appoint a single person (Project Manager) who shall be authorized to represent the Credit Union in the Lucky Savers program, and shall be the primary contact with TruLync and the NYCUA. The Project Manager shall be an active and collaborative participant in Lucky Savers program meetings, as required, including monthly and/or quarterly conference calls.

(d) Initial Data Testing.

Upon execution of this Agreement, and upon receiving log in credentials to the TruLync Information Center, Credit Union shall upload to TruLync a test entry data file in order to test compatibility on or before September 30, 201_. The test entry data file shall conform to the requirements provided in Appendix 3 of the attached Implementation Guide (Exhibit A).

(e) Collection and Reporting of Data. The Credit Union shall, on an ongoing basis:

(i) Upload entry data into the TruLync Information Center.

(ii) Use or develop systems for the collection and reporting of data. The Credit Union commits to the timely and accurate execution and reporting of Lucky Savers member data.

(iii) The Credit Union commits to the timely and accurate execution of research-related activities and will, in its sole discretion, share such data with TruLync, NYCUA and Commonwealth (subject to consumer privacy protection) upon request by NYCUA and/or Commonwealth.

(f) Member Verification

(i). At account opening. Credit Union agrees that it will make every effort to verify account holder eligibility at the initial account opening stage.

(ii). Prior to each data upload. Credit Union further agrees to verify the information contained in the data file for membership eligibility prior to each data upload, including but not limited to confirming member remains in good standing as defined by Credit Union, that member is not deceased or is not otherwise ineligible to win a prize.

(g) Submission of IRS Form 1099 to Drawing Winners. The Credit Union shall issue IRS Form 1099 to all Lucky Savers prize drawing winners.

(h) **Notification to Winners.** The Credit Union shall notify its members when a Credit Union entry is selected for any and all prize drawings.

(1) **Fees.** Credit Union shall pay to the NYCUA the fees set forth in the attached Credit Union Fee Schedule.

(2) **NYCUA Responsibilities.** NYCUA agrees to provide the following services:

(a) **Project Management.** NYCUA shall provide or cause to be provided the day-to-day project management and product administration for the Lucky Savers program. Such day-to-day project management shall include credit union implementation, testing and training, product overview and onboarding. Such day-to-day product administration shall include data audits and reporting, drawing functions and ongoing support.

(b) **Prize Administration.** NYCUA shall provide or cause to be provided prize administration for the Lucky Savers program on behalf of the Credit Union. Such prize administration shall include conducting the monthly and quarterly central prize drawings, including any optional credit union member-only drawing, as well as notifying the Credit Union whenever a Credit Union member entry is selected. Such prize administration shall include the administration of any Credit Union-administered prizes.

(c) **Conduct of Raffles.** NYCUA shall ensure that the quarterly prize raffles, as well as any monthly prize raffles under the Lucky Savers program are conducted so that each entry has an equal chance of winning and comply in all respects with the Lucky Savers Official Rules.

(d) **Creation of Official Rules.** NYCUA shall provide the Credit Union with the Official Rules for the Lucky Savers program prior to initial launch date or January 1 of each year.

(e) **Appointment of Project Manager.** NYCUA shall appoint a single person (Project Manager) who shall be authorized to represent NYCUA in the Lucky Savers program, and shall be the primary contact with the Credit Union.

(f) **Implementation Guide.** NYCUA shall perform the duties set forth for NYCUA in the Implementation Guide (Exhibit A).

(g) **Compliance Responsibilities.** NYCUA agrees that it shall be responsible for the compliance with the laws of the State of New York for all aspects of the Lucky Savers program as conducted in that state. It shall review all program documents and contest rules to ensure their initial and continued compliance and enforceability, and shall inform Credit Union and TruLync of any instances of non-compliance or potential nonenforceability it identifies.

(4) **Prizes.** NYCUA shall contribute a total sum for all participating credit unions in the State of New York in the aggregate of prizes awarded throughout twelve months equal to thirty eight thousand dollars (\$38,000.00). The winners of the Monthly and Quarterly Prizes will be drawn from among all participants from New York credit unions in the raffle; they will not be drawn on a per credit union basis. Each winner will be notified via telephone, e-mail, or standard U.S.P.S. mail. The prizes are non-transferable. The prizes are all cash prizes and the amount of the prizes will be deposited into each winner's regular share account in the credit union through which the winner entered the raffle.

The distribution of prizes for the 20__/20__ program year is as follows:

(a) NYCUA shall contribute twelve thousand dollars (\$12,000) for monthly prize drawings from October to September as follows: One thousand dollars (\$1,000) shall be awarded with sixteen (16) prizes of twenty five dollars (\$25), eight (8) prizes of fifty dollars (\$50) and two (2) prizes of one hundred dollars (\$100) each month. Drawing for Monthly Prizes will be conducted within fifteen (15) days of the conclusion of the previous month, for each valid entry.

(b) NYCUA shall also contribute twenty six thousand dollars (\$26,000) for the quarterly prizes awarded in the months of

January, April, July and October as follows: One (1) prize of five hundred dollars (\$500), one (1) prize of one thousand dollars (\$1,000) and one (1) prize of five thousand dollars (\$5,000) each quarter. Drawing for Quarterly Prizes will be conducted within fifteen (15) days of the conclusion of the previous quarter, for each valid entry.

(5) **Term; Termination.** This Agreement shall have a term of one (1) year effective as of the date hereof or the date of the last Lucky Saver drawing whichever event occurs later and will automatically renew unless a party provides notice of its intention not to renew the agreement at least one (1) month prior to the end of the initial term or a subsequent renewal term. This Agreement may be terminated by any Party at any time in the event that any other Party materially breaches this Agreement by giving written notice to the breaching Party; termination will be effective 30 days from receipt of notice unless the breach has been cured within such 30-day period. This Agreement may be terminated by the Credit Union at any time; termination shall be effective 30 days from receipt of notice. The Agreement shall also automatically terminate if the Lucky Savers Agreement between TruLync and NYCUA terminates effective on the date of termination of such Lucky Savers Agreement; NYCUA shall provide notice to Credit Union of such a termination if it occurs. Upon termination by any party, the Credit Union's entrants will no longer be eligible for any Lucky Savers prize drawings.

(6) **Participant Survey.** NYCUA reserves the right to conduct a survey of members who have been entered into the Lucky Savers administrative database. The Lucky Savers program is part of an ongoing research effort of NYCUA and Commonwealth (formerly called Doorways to Dreams), which includes the study of information about prize-linked savings programs and savings habits of consumers.

(7) **Transfer of Information to D2D.** NYCUA shall transfer or cause to be transferred monthly data files provided by the Credit Union to Commonwealth via a secure data sharing process for the sole purpose of conducting research. Information that is transferred to Commonwealth in the monthly data files shall include all data fields, excluding members' social security number, in order to analyze the impact of Lucky Savers on credit unions and their members. Commonwealth will only publish data in the aggregate so no personally identifiable information will be publicized. Data that includes any personally identifiable information regarding any individual program participant, shall not be disclosed to any third party, unless an individual program participant has authorized disclosure of such information in writing to Commonwealth and any third parties, and only to extent of such authorization.

(8) **Confidentiality.**

(a) **NYCUA Responsibilities**

(i) Non-public financial information that is personally identifiable to a member of the Credit Union (referenced in the Gramm-Leach-Bliley Act of 1999 as "Non-public Personal Information" or "NPI," as well as Parts 716 and 748 of the National Credit Union Administration (NCUA) Rules and Regulations, and Part 682 of the Federal Trade Commission Rules (FTC) shall be treated by NYCUA as "Confidential Information." Confidential Information shall remain the property of the Credit Union shall only use this information to carry out the terms of this Agreement.

(ii) NYCUA shall use the same degree of care to protect the Credit Union's Confidential Information as each uses to safeguard its own and shall establish procedural, physical and electronic safeguards to prevent the compromise or unauthorized disclosure of Confidential Information designed to comply with applicable regulations.

(iii) As soon as reasonably practicable, NYCUA agrees to notify Credit Union if it discovers a security breach that has compromised the Credit Union's Confidential Information. NYCUA shall report to Credit Union all necessary corrective action taken to respond to the intrusion.

(iv) This Agreement shall in no way be construed to grant NYCUA any right, license, or authorization to use Confidential Information except as permitted in this Agreement.

(v) NYCUA shall restrict access to Confidential Information to those employees and persons in the receiving party's organization with a need to know such Confidential Information in order to perform its obligations under this Agreement. Such employees and persons shall be under the same obligations to hold secret and confidential such Confidential Information. To the extent NYCUA retains third party

vendors to assist NYCUA in performing its duties under this Agreement, it shall first require such vendor similarly to protect and restrict the use of Confidential Information.

(b) Credit Union Responsibilities

(i) The Credit Union shall maintain the strictest level of confidentiality regarding the nonpublic personal information of the members and non-member consumers of every other participating credit union, and specifically agrees to implement appropriate measures designed to meet the objectives of the Gramm-Leach-Bliley Act of 1999 as “Non-public Personal Information” or “NPI,” as well as Parts 716 and 748 of the NCUA Rules and Regulations, and Part 682 of the Rules issued by the Federal Trade Commission.

(ii) The Credit Union agrees that it will not disclose or use any nonpublic personal information it obtains under the Lucky Savers program to any third party other than to carry out the purposes for which the information is disclosed by any other credit union in the ordinary course of business pursuant to this Agreement.

(iii) The Credit Union agrees to implement policies and procedures designed to protect against unauthorized or unintentional disposal of consumer information in accordance with the provisions specified in Title V of the Gramm-Leach-Bliley Act, Parts 716 and 748 of the NCUA Rules and Regulations, and Part 682 of the Rules issued by the Federal Trade Commission, including any amendments.

(c) For purposes of this section, Confidential Information, other than non-personal information, shall not include:

(i) information that becomes available to the public through no wrongful action of NYCUA, (ii) is already in the possession of NYCUA and not subject to an existing agreement of confidentiality between the parties, (iii) is received from a third party without restriction and without breach of this Agreement; or (iv) is disclosed pursuant to a requirement or request from a government agency.

(d) The Parties agree that money damages would not be a sufficient remedy for any breach of this Agreement and that a party seeking damages for such breach shall be entitled to equitable relief, including injunction and specific performance, as a remedy for any such breach. Such remedies shall not be deemed to be the exclusive remedies for a breach of this Agreement but shall be in addition to all other remedies available at law or equity. In the event of litigation relating to this Agreement, if a court of competent jurisdiction determines that a party has breached this Agreement, then that party shall be liable for, and shall pay to, the party seeking damages the reasonable legal fees incurred in connection with such litigation, including any appellate proceedings.

(9) Indemnification.

(a) NYCUA agrees to indemnify and hold harmless Credit Union and its officers, directors, agents, and employees, from and against, and hold them harmless from any and all claims, demands, obligations, causes of action and lawsuits and all damages, liabilities, fines, judgments, costs (including settlement costs), and expenses associated therewith (including the payment of reasonable attorney fees and disbursements), arising out of: (1) the failure of NYCUA, its employees or agents, to comply with the terms and conditions of this Agreement, the Implementation Guide, or the Operating Rules; (2) actions or omissions of NYCUA that result in violation(s) of any laws or regulations applicable to the Lucky Savers program; (3) the negligent acts or omissions of NYCUA, or its respective employees, agents, or subcontractors in connection with this Agreement, including the operation and management of any event or activity incidental thereto.

(b) The Credit Union agrees to indemnify and hold harmless NYCUA, their respective officers, directors, agents and employees, as well as TruLync in its role as the technology administration vendor, its respective officers, directors, agents, and employees, from and against and hold them harmless from any and all claims, demands, obligations, causes of action and lawsuits and all damages, liabilities, fines, judgments, costs (including

settlement costs), and expenses associated therewith (including the payment of reasonable attorney fees and disbursements), arising out of: (1) the failure of the Credit Union, its employees or agents, to comply with the terms and conditions of this Agreement, the Implementation Guide, or the Operating Rules; (2) misuse by the Credit Union of the Lucky Savers program administrative database; (3) any conduct associated with Credit Union-administered prize drawings; (4) any actions or omissions that result in violation(s) of any credit union-related laws or regulations associated with the marketing of Share Certificates/Certificates of Deposit under the Lucky Savers program; or (5) determination by a regulatory body that the Credit Union's participation in the Lucky Savers program presents a safety and soundness issue for the Credit Union.

(10) **Expenses.** Each Party shall bear its own legal fees and other fees and expenses incurred in connection with the negotiation and execution of this Agreement.

(11) **Choice of Law.** This Agreement shall be construed in accordance with, and governed by, New York law, excluding laws that direct the application of another jurisdiction's laws. In such circumstance, the Parties agree that any suit, action, or proceeding arising out of or relating to this Agreement, or the interpretation, performance, or breach of this Agreement, shall be entered in any court of the State of New York located in Albany County. Each Party irrevocably submits to said jurisdiction and waives all objections to jurisdiction or venue that it may have under the laws of the State of New York or otherwise in those courts in any suit, action, or proceeding.

(12) **Notices.** All notices hereunder shall be given to the appropriate party at its address indicated above, to the attention of its chief executive officer. Notices shall be given by U.S. Certified Mail, postage prepaid, return receipt requested, and shall be effective upon delivery. Any party may change the address to be used for notices by following the procedure described in this section.

(13) **Survival.** This Agreement is binding on the Parties and their successors and permitted assignees. The provisions in Sections 8 and 9 herein shall survive termination or expiration of this Agreement.

(14) **Assignment.** No Party shall assign any of its rights or obligations under this Agreement without the prior written approval of the other Parties.

(15) **Severability.** In the event any provision of this Agreement is held to be illegal, invalid or unenforceable to any extent, (i) the legality, validity and enforceability of the remainder of this Agreement shall not be affected thereby, (ii) said provision shall be modified by the court to the extent necessary to render it not illegal, invalid or unenforceable, and (iii) this Agreement shall continue in full force and effect as modified and shall be enforced to the fullest extent permitted by law.

(16) **Entire Agreement; Amendment.** This Agreement, and the attached Exhibits, constitutes the entire understanding between the Parties with respect to the subject matter hereof and supersedes any prior agreement, arrangement or understanding between the Parties or any of their affiliates or representatives relative to such subject matter. This Agreement cannot be amended except by an agreement in writing signed by both Parties.

(17) **Captions.** Captions contained herein are inserted only as a matter of convenience and in no way define, limit or extend the scope or intent of any provision hereof.

(18) **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed and accepted by facsimile or portable data file (PDF) signature and any such signature shall be of the same force and effect as an original signature.

(19) **Data.**

a. **TruLync Data Collection.** TruLync will manage the data collection such that private member data will be encrypted during the import into the database. The program will also perform data validations and quality checks during import. CSV data files will be destroyed upon successful import. Data networks and security devices are hosted and managed internally by TruLync staff and are documented, configured, patched, managed and

monitored to prevent unauthorized internal/external access, modification, damage or use. In addition, network and security device activity is logged and available for review by management. TruLync engages a third-party security vendor on an annual basis to perform an internal vulnerability assessment and external penetration test.

b. **Data Ownership.** MnCUN acknowledges that all Credit Union information provided by Credit Union or its members to MnCUN in connection with the Lucky Savers prize administration (the “Credit Union Files”) is and shall remain the exclusive and confidential property of Credit Union with respect to its specific files. MnCUN will treat any data contained in Credit Union Files as confidential and will not use for its own corporate purposes or reveal to another party outside MnCUN’s own organization except for authorized third parties, including D2D, as otherwise enumerated in this Agreement. TruLync will instruct its employees having access to such data to keep such data confidential by using the same care and discretion that TruLync uses with respect to TruLync’s own confidential data. Notwithstanding the foregoing, MnCUN may use the Credit Union Files in the cumulative or statistical data in which the Credit Union Files are not identifiable. In such case, the statistical data shall be the sole and absolute property of MnCUN. Provided the statistical data remains unidentifiable, MnCUN shall have the right to use, sell and distribute such statistical data.

c. **Data Transmission.** To participate in the prize drawings, the primary account holder’s social security number, as well as other personally identifiable information, is transmitted by Credit Union via a secure data sharing process and then encrypted through a one-way hash algorithm. The new unique identifier is used by TruLync for drawing and reporting purposes. The data file will be deleted by TruLync as soon as it is imported and is not stored on any third party system or accessible by third party administrators.

d. **Data Release.** Commonwealth shall be permitted to compile and further analyze such data, and to share such data and analysis in furtherance of its charitable purposes, and shall specifically share such data with NYCUA for the benefit of its membership, and/or MnCUN for its research purposes. Provided, however, that in the event such data includes any personally identifiable information regarding any individual program participant, Commonwealth shall not disclose such personally identifiable information to any third party; provided, however, that, if an individual program participant has authorized disclosure of such information in writing to one or more third parties, Commonwealth may disclose such information in accordance with such participant’s written authorization. Commonwealth may publish findings from its analysis of data, prior review of which will be made by MnCUN.

e. **Confidentiality.** The parties further acknowledge that any non-public personally identifiable information (NPPII), as further defined by Title V of the Gramm-Leach-Bliley Act and its implementing regulations, that is shared by Credit Union with MnCUN during the course of this Agreement, will at all times remain confidential in accordance with state and federal law. The parties further agree that NPPII will be shared between them solely for the purpose of facilitating the state-wide and/or member-only prize drawing(s). The parties also agree that they have established and will maintain policies and procedures designed to ensure the confidentiality and security of any NPPII and any additional proprietary and/or confidential information obtained from the other, which shall include physical, electronic and procedural safeguards to protect against any anticipated threats or hazards to the security or integrity of information and unauthorized access to or use of the information. To the extent that the information provided by Credit Union to MnCUN includes NPPII of any member, MnCUN does hereby warrant that it has taken reasonable and appropriate measures to safeguard such data, that under no circumstances will the data be used by MnCUN to market any product or service either directly or indirectly to any member account holder, and the NPPII of members will exclusively be used to administer the state-wide prize drawings, and/or the member-only prize drawings, as appropriate.

f. **Technology License.** As part of MnCUN’s data administration of Lucky Savers on behalf of the NYCUA, Credit Union may have access to proprietary and confidential trade secret information of MnCUN. Credit Union shall ensure that any employees who have access to the confidential information shall keep the information confidential by using the same care and discretion that Credit Union uses with respect to its own confidential property and trade secrets. MnCUN shall at all times retain exclusive title of any and all intellectual property rights to any and all aspects of the technology utilized to run the Lucky Savers program.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

_____ CREDIT UNION

NEW YORK CREDIT UNION ASSOCIATION

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____