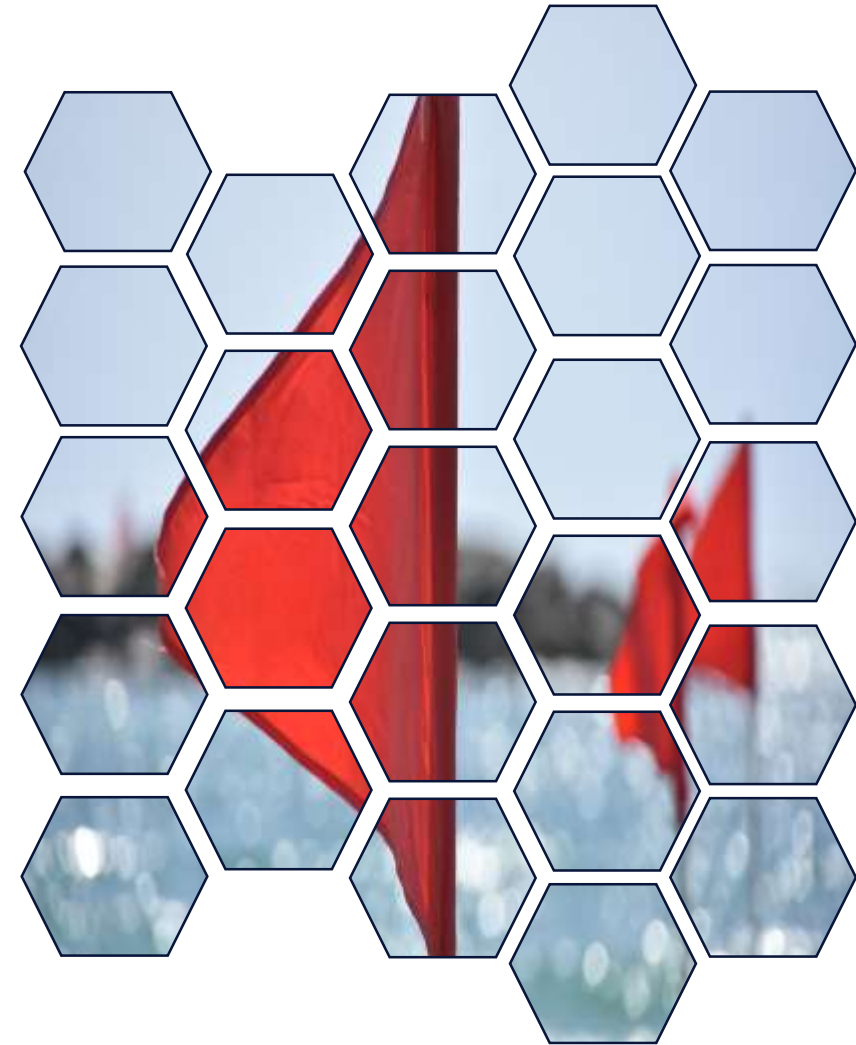# What is the Red Flag Report

Fair and Accurate Credit Transactions Act of 2003 (FACTA) required reasonable procedures to identify "Red Flags" defined by the Federal Trade Commission as "a pattern, practice, or specific activity that indicates the possible existence of identity theft."

Mission
Strengthening our community by providing resilient essential services + **Vision**
Be a trusted community partner dedicated to excellence in service + **Core Values**
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Red Flag Reporting

- Red flag reporting is a system used to **detect** and **prevent identity theft** in financial services.

- Identifying **suspicious patterns** or **activities**, known as "red flags," that may indicate potential **identity theft**.

- Help financial institutions and creditors spot these **warning signs** in their day-to-day operations and take appropriate actions to **prevent** and **mitigate** the damage caused by **identity theft**.

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NBU Theft Prevention Program

NBU implemented the Identity Theft Prevention Program to manage the following activities for "Red Flag" identification:

1 Identify relevant Red Flags for new and existing covered accounts and incorporate those Red Flags into the program;

2 Incorporate Red Flags already identified in existing NBU Policy into the program;

3 Describe and establish appropriate responses to any Red Flags as detected to prevent and mitigate identity theft; and

4 Update the Program periodically to assess changes in customer risk incidents, methods of risk identification or classification, supervisory oversight requirements, and training needs.

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Cybersecurity Incident Reporting

The National Institute of Standards and Technology (**NIST**) defines a cybersecurity incident as an event that:

- Jeopardizes the **confidentiality, integrity**, or **availability** of information systems or the information they process, store, or transmit.

- Violates security policies, acceptable use policies, or standard security practices.

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For the calendar year 2024, there were

- <u>No</u> Red Flag incidents
- <u>No</u> Cybersecurity incidents

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