

Funds Transfer Agreement



Your Lifetime Financial Partner

This Funds Transfer Authorization Agreement & Notice (“Agreement”) applies to all domestic or international Wire Transfers and Automated Clearing House (“ACH”) transactions received in or originated from your accounts at Northwest Federal Credit Union (“Credit Union”). These funds transfer services exclude those covered by the Electronic Funds Transfer Act and Regulation E or VISA® and or MasterCard® debit and credit card rules. In addition to this Agreement, you agree to be bound by our Rules and Regulations, Account Agreements & Disclosures, and applicable state and federal laws and regulations governing your accounts with NWFCU. This Agreement supersedes any inconsistent terms contained in NWFCU’s Account Agreements & Disclosures and any previous Funds Transfer Authorization Agreement & Notice.

As used in this Agreement, the terms “I,” “us,” “we,” “our,” “NWFCU” and “Credit Union” refer to Northwest Federal Credit Union. The words “you” and “your” refer to the member and joint owner(s), if any, who has requested or utilized the wire transfers services stated herein.

The term “payment order” used in this Agreement has the meaning provided in the Code of Virginia § 8.4A-103 (a)(1) and means an instruction by you to us directing us to send by wire or ACH funds to a designated account or beneficiary.

Acceptance of Payment Orders

In general, we will accept payment orders only if you have signed a Funds Transfer Authorization Agreement & Notice Acknowledgement (Acknowledgement). Once you have signed an Acknowledgement, we will accept payment orders from you in person, in writing, by fax or by telephone provided our security procedures are followed and you have a sufficient available balance on deposit in the appropriate account to execute the payment order.

We reserve the right to require that any payment order be in writing. In general we will request a written payment order when: (1) the account is a business account; (2) we have reason to believe the person requesting the payment order is not authorized to make the request; or (3) we deem it necessary to verify the identity of the person requesting the payment order or the instructions about the payment order.

NWFCU will not complete any requested wire transfer or ACH transaction where it determines the transfer would violate the terms of this Agreement, applicable law or we are not afforded sufficient time to complete our security procedures.

Governing Regulations

For wire transfers conducted using Fedwire or similar means, this Agreement is governed by the provisions of Federal law including Regulation J, 12 CFR Part 210, Subpart B and its appendices. Terms which are not defined in this Agreement shall have the same meanings as defined in Uniform Commercial Code Article 4A as adopted in the Commonwealth of Virginia. This Agreement is also subject to all applicable operating circulars of the Federal Reserve Bank in Richmond and any other applicable provision of federal or state law. To the extent that Regulation J does not apply, this Agreement is governed by the laws of the Commonwealth of Virginia.

ACH transfers are governed by the rules of the National Automated Clearinghouse Association (“NACHA”) and the rules of local ACHs participating in the transaction. To the extent that ACH rules do not apply to any aspect of an ACH transaction, this Agreement is governed by the laws of the Commonwealth of Virginia.

Funds transfers originating or ending outside the United States may be subject to the rules of the Society for Worldwide Interbank Financial Transactions (“SWIFT”). SWIFT transfers may be subject to currency rules and fees and charges related to the rate of exchange. You agree to the application of those fees, charges and currency rules to your international funds transfer transactions. SEE YOUR SCHEDULE OF FEES FOR CURRENT FEES and CHARGES related to those transactions.

The Credit Union will comply with regulations issued by the US Treasury’s Office of Foreign Assets Control (OFAC). If any transfer request is to an entity listed on OFAC’s list of Specially Designated Nationals and Blocked Persons, by law the Credit Union is not permitted to complete the transfer and shall “block” the funds until such time OFAC issues a written release to the Credit

Union. The Credit Union shall have no liability to you as a result of the Credit Union's compliance with these rules.

You agree to be bound by Regulation J, NACHA, Virginia Code Title 8.4A - Commercial Code - Funds Transfers, SWIFT rules and operating circulars and interpretations as applicable to your transaction. You agree you will not submit any funds transfer request by or to a person or entity prohibited by OFAC.

Security Procedures

You agree that we may verify the authenticity of the payment orders requested by you or any communications amending or cancelling any such payment orders using the following security procedure:

1. Payment orders submitted in person to one of our employees may be verified using a member-created password or PIN. We may also require positive identification via valid photo identification and signature verification.
2. Payment orders requested in writing, by fax or telephone, or by other means not in person may be verified using a member-created password or PIN.

Security procedures may also include callback verification by a NWFCU employee.

You hereby acknowledge the security procedures described are commercially reasonable and that you have selected the security procedure offered by the Credit Union after due consideration of all such alternatives and your business circumstances including the size, type, and frequency of payment orders that you anticipate issuing to the Credit Union.

You agree that the authenticity of payment orders may be verified using the described security procedure unless you notify NWFCU in writing that you do not agree to that security procedure. In that event, NWFCU shall have no obligation to accept any payment order from you or other authorized parties on the account until you and NWFCU agree, in writing, on an alternate security procedure.

You agree the security procedures are commercially reasonable and that you will be liable for any payment order or communication amending or cancelling a payment order, whether or not authorized, that is issued in your name and accepted by the Credit Union in compliance with the agreed-upon security procedure.

You hereby agree to follow the security procedures when making a payment order.

Your Liability

You shall be liable to the Credit Union for and shall indemnify and hold the Credit Union harmless from any and all claims, causes of action, damages, expenses (including reasonable attorney's fees and other legal expenses), liabilities and other losses resulting from acts, omissions, or provision of invalid or inaccurate data by you or any other person acting in your behalf, including without limitation; a) a breach by you of any provision of this Agreement; b) the Credit Union's debiting or crediting of the account of any person as requested by you; and c) the failure to act or the delay by any financial institution other than the Credit Union.

Credit Union Liability

The Credit Union shall be responsible only for performing the funds transfer services provided in this Agreement and shall be liable only for its negligence or willful misconduct in performing these services. The Credit Union shall not be liable for acts or omissions by you or any other person including, without limitation, any funds transfer system, any Federal Reserve Bank, any beneficiary's bank, and any beneficiary, none of which shall be deemed the Credit Union's agent. Without limitation, the Credit Union shall be excused from delaying or failing to act if caused by legal constraint, interruption of transmission or communications facilities, equipment failure, war, emergency conditions, strikes, or other circumstances beyond the Credit Union's control. In addition, the Credit Union shall be excused from delaying or failing to execute a transfer if it would result in the Credit Union's exceeding any limitation established through Federal Reserve guidelines or if it would result in violating any present or future risk control program of the Federal Reserve or a rule or regulation of other governmental regulatory authorities. In no event shall the Credit Union be liable for any consequential, special, punitive, or indirect losses or damages incurred relating to this agreement including,

without limitation, subsequent wrongful dishonor resulting from the Credit Union's acts or omissions. Any liability of the Credit Union for loss of interest resulting from its error or delay shall be calculated using a rate equal to the Federal Funds Rate at the Federal Reserve Bank of Richmond for the period involved. Payment will be made by crediting the appropriate account involved in the funds transfer.

Notice of Rejection

In the event NWFCU rejects an outgoing funds transfer request, we shall notify you, or an authorized individual, by telephone, electronic message, or U.S. mail sent to the address and/or phone or electronic address of record by the end of the next business day that such funds transfer would have otherwise been executed by NWFCU.

If the Credit Union receives notice that a wire transfer or ACH transmitted by the Credit Union has been rejected, the Credit Union shall notify you of such rejection including the reason given for rejection by telephone, electronic message, or U.S. mail sent to the address and/or phone or electronic address of record. The Credit Union will have no further obligation to transmit the rejected wire or ACH transfer if it complied with this Agreement with respect to the original transfer request.

Notification

You agree that we will not provide you with separate notification each time we receive a wire transfer into your account. We will provide you with notification of incoming wire transfers as part of your periodic statement. In the event we accept payments to your account through one or more Automated Clearing Houses, the operating rules of the NACHA will be applicable to ACH transactions involving your account. These rules do not require that we provide you with next-day notice of receipt of an ACH item. As such, we will also provide you with notification of the receipt of these items as part of your periodic statement.

You hereby agree to notify us in writing of any unauthorized or erroneous payment order within 30 days from the date you first received notification from the Credit Union either that the order was accepted or your account was debited with respect to the order. Should you fail to promptly notify us of any unauthorized or erroneous payment order as discussed above, we will not be liable to you for any subsequent similar occurrence that we could have prevented had we received such notice.

Funds-Transfer Business Day

Funds transfers occur on business days (Monday through Friday) only. NWFCU's funds-transfer business days consists of the hours from 7:30 a.m. to 4:00 p.m. on weekdays we are open for business. Any wire transfers or receipts after 4:00 p.m. will be processed the following nonholiday weekday. Payment orders received by the cut-off time are processed upon completion of our Security Procedures generally within the same business day. Once a payment order is sent by us, the Credit Union is under no obligation to stop, cancel or seek a return of the funds transferred.

Cancellation/Modification of Payment Orders

If you wish to cancel or modify funds transfer instructions, you must tell us at once by contacting the Credit Union at 703-709-8901 or toll-free at 866-709-8901. We may require you to put your request in writing. The Credit Union is under no obligation to accept your request to cancel, reverse or modify your funds transfer request after the funds transfer request is received by us. If you instruct us after we have received your Payment Order to cancel, reverse or modify the funds transfer request you provided, we will attempt to do so but have no liability to you if the transfer cannot be canceled, reversed or modified.

Account Limitations

It is the policy of NWFCU to accept funds transfers from your share savings, checking and money market accounts; however, with respect to share savings and money market accounts, we will allow you to make no more than six withdrawals or transfers to another NWFCU account that you own or to third parties by means of a preauthorized or automatic transfer or telephonic order or instruction or similar order per month. Your account will be subject to closure if you exceed these limits.

Charges and Fees

We will charge your account for the amount of any payment order initiated by you. See the Schedule of Fees for current fees and charges related to funds transfers covered by this Agreement. If you do not designate an account to be charged or the designated account does not have sufficient funds to cover the amount of the payment order request, we may charge any account in which you have an interest for the amount of the payment order.

We will charge you a fee for each payment order you give to us as set forth in our Schedule of Fees. You authorize us to charge wire transfer fees to any account in which you have an interest. If wiring instructions you provide are incorrect and the wire transfer is returned to us for any reason, you can provide us with the correct information that will permit us to execute the payment order again but in such a case you will be charged an additional fee. You agree to pay us for any additional expenses we incur to execute, cancel, or amend any payment order or perform any related act that you may request, and we may charge any such expenses to any of your accounts without notice.

NWFCU makes no warranties with respect to fees charged by other financial institutions with respect to your payment orders.

Provisional Credit

Credit given by us to you with respect to an ACH entry is provisional until we receive final settlement for the credit entry through a Federal Reserve Bank. If we do not receive final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with the credit entry. Moreover, you are hereby notified that the party making payment to you (the originator) shall not be deemed to have paid you the amount of the credit entry.

Your Liability for Incorrect Information

If you give us a payment order that identifies a beneficiary (the person to whom you are wiring funds) by name and account number or some other identifying number (such as a Social Security, taxpayer I.D. or driver's license), we may pay the beneficiary on the basis of the number provided to us by you and consider that number to be proper identification. This will be true even if the number you provided to us identifies a person different from the named beneficiary unless otherwise provided by law or regulation.

If you give us a payment order that identifies the beneficiary's financial institution in the funds transfer by name and routing and transit ("R/T") or other identifying number, we, as well as the receiving financial institution, may rely on the number provided to us by you as the proper identification. This will be true even if the number provided identifies a financial institution that is different from the named financial institution. This means that you will be responsible for any loss or expense incurred by a receiving financial institution which executes or attempts to execute the payment order in reliance on the identifying number you provided.

Amendment and Termination

NWFCU has the right to modify this Agreement at any time by 5 days written advance notice to you at the last address shown for your Primary Share Account on NWFCU's records, by posting notice in branches of NWFCU, or as otherwise permitted by law. By thereafter using or continuing to use NWFCU's wire transfers services, you agree to such amendments.

NWFCU has the right to terminate this Agreement and your use of the wire transfers services, in whole or in part, at any time by giving written or oral notice to you. Unless terminated by NWFCU, this Agreement shall remain in effect until NWFCU receives written notice of termination from you. NWFCU is not responsible for any transfers made before we have a reasonable opportunity to act on your termination notice, and you remain obligated for any transfers made by NWFCU on your behalf. You may not assign this Agreement to any other party.



Website: www.nwfcu.org
Mobile: go.nwfcu.org
Email: nwfcu@nwfcu.org



Federally insured by NCUA. NWFCU does business in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act. All information is current as of 1/2012 and is subject to change with notice.



CU SERVICE CENTERS.
The Member-Friendly Financial Network

GAM (1/2012) 3M

Funds Transfer Authorization Agreement & Notice Acknowledgement

By signing below, I, Member, and Joint Owner(s), if any, acknowledge that I have received a copy, read, and agree to the terms and conditions of the Funds Transfer Authorization Agreement & Notice.

Member's Signature

Date

Member's Printed Name

Joint Owner's Signature

Date

Joint Owner's Printed Name

Account Number (Last five digits)

Mailing Address

City

State

Zip

()

()

Daytime Phone Number

Evening Phone Number

Email Address

Return form to:

Northwest Federal Credit Union

Attention: Accounting Department

P.O. Box 1229

Herndon, VA 20172-1229

Or by FAX to:

703-709-9510



