

Funds Transfer Agreement



Your Lifetime Financial Partner

This Funds Transfer Authorization Agreement & Notice (Agreement) shall apply to all wire transfer and Automated Clearing House (“ACH”) services provided by Northwest Federal Credit Union. 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” means an order from you directing us to transfer 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 withdrawable balance on deposit in the appropriate account to execute the payment order. NWFCU will not follow any wire transfer instructions that violate the terms of this Agreement or that do not afford us sufficient time to verify the authenticity of the instructions.

Governing Regulations

We may accept on your behalf payments to your account that have been submitted by Fedwire and that are not subject to the Electronic Fund Transfer Act (“Regulation E”). We may also use Fedwire to send a wire transfer requested by you. Your rights and obligations with respect to such transfers shall be governed and construed in accordance with Regulation J, Subpart B—Funds Transfers Through Fedwire and the applicable Federal Reserve Bank Operating Circular.

Whenever an ACH is used as part of a transaction that does not involve Fedwire, you acknowledge and agree that any such transaction will be governed by the National Automated Clearing House Association (“NACHA”) Operating Rules, the Rules of any local ACH, and the Rules of any other system through which the transaction is made.

Where none of the above-stated rules apply, the transactions contemplated by this Agreement shall be governed by the laws of the state of Virginia, including Article 4A of the Virginia Uniform Commercial Code.

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 will be verified using a member-created password. 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 will be verified using a member-created password.

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 hereby acknowledge 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.

Impossibility of Performance

The Credit Union will not be liable for failure to comply with the terms of a wire transfer agreement caused by legal constraint, interruption, or failure of transmission and/or communications facilities, war, emergency, labor dispute, act of nature, or other circumstances beyond the control of the Credit Union.

Indemnification

You hereby indemnify the Credit Union, its agents, and employees against any loss, liability, or expense (including attorney's fees) resulting from or arising out of any claim of any person in connection with any matters subject to this Agreement, except where applicable law precludes your notification.

Notice of Rejection

In the event NWFCU rejects an outgoing funds transfer request, we shall provide notice of such rejection to you, or an authorized individual, orally or in writing by the end of the next nonholiday weekday that such funds transfer would have otherwise been executed by NWFCU.

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 nonholiday weekdays (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 are executed as soon as possible after received; therefore, you should tell us immediately if you wish to cancel or modify wire instructions.

Outgoing Request Cancellations and/or Amendments

You shall have no right to cancel or amend a wire transfer request after NWFCU has received it. However, NWFCU shall make a reasonable effort to act on your request for cancellation or amendment of a wire transfer request prior to the time that we execute such transfer, but NWFCU shall have no liability if such cancellation or amendment is not effected. You must notify us immediately in person or by telephone for cancellations or amendments. All cancellations or amendments will be subject to the same identification procedures used when initiating a wire transfer request.

Under no circumstances will NWFCU be liable to you for cancellations or amendments acted upon by us after execution of your original wire transfer request. You agree to reimburse NWFCU for any costs, losses, or damages, including reasonable attorney's fees, we incur in connection with your cancellation or amendment request.

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. 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 unless otherwise provided by law or regulation. 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.

Limitation of Liability

If we are ever obligated by law to pay dividends on the amount of a transfer, you will be paid dividends on a daily basis equal to the current dividend rate that is otherwise applicable to the account from which the funds transfer should have occurred. In the event we are ever liable to you for damages due to a transfer, your damages will be limited to actual damages only. We will not be responsible for incidental or consequential damages, court costs, or attorneys fees unless otherwise provided by law or regulation.

If you make a payment order which instructs us to wire funds to foreign countries, we assume no liability as to the length of time necessary to complete such a transfer provided we have acted in good faith with ordinary care and in compliance with applicable law.

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



Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government. National Credit Union Administration, a U.S. Government Agency. NWFCU does business in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act. All information is current as of 10/2009 and is subject to change without notice.



CU SERVICE CENTERS.
The Member Friendly Financial Network

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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



