



Funds Transfer Agreement

Effective November 26, 2018

The following rules apply to funds transfer services provided by CapEd. As used in this agreement, the words "I," "us," "we," or "our" shall apply to and mean CapEd Federal Credit Union. The words "you" and "your" shall apply to and mean the person who has requested or used the funds transfer services. This Funds Transfer Agreement supersedes any inconsistent terms contained in our member account agreements and any previous Funds/Wire Transfer Agreements. This agreement is subject to change and/or termination upon five days' written notice to you.

ACCEPTANCE OF PAYMENT ORDERS. Uniform Commercial Code (UCC) Article 4A does not require that we accept a payment order. In general, we will accept payment orders only if you have received and agreed to this Funds Transfer Agreement, completed a Funds Transfer Request form, have a sufficient available balance in your appropriate account to execute the payment order, and produce valid identification.

SECURITY PROCEDURES. Once you have received and agreed to this Funds Transfer Agreement and provided us with a security question and answer, secure callback telephone number, and/or other commercially reasonable method of providing security against unauthorized payment orders, we will accept payment orders from you in person at a branch location, or via telephone, fax, or email.

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

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 us in compliance with the agreed-upon security procedure.

You hereby agree to follow the security procedures when making a payment order via telephone, fax, or email.

IMPOSSIBILITY OF PERFORMANCE. The credit union will not be liable for failure to comply with the terms of a funds transfer agreement caused by legal constraint, your negligence, interruption or failure of transmission and/or communications facilities, war, emergency conditions, labor dispute, act of nature, or other circumstances beyond our control. We will not be liable for failure to send or delay in sending a payment order without any liability if sending the order would violate any guideline, rule, or regulation of any government authority.

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.

NOTIFICATION. You will not be provided with separate notification each time we receive a funds transfer into your account. We will provide you with notification of all incoming funds transfers as part of your periodic statement. In the event we accept payments to your account through one or more Automated Clearing Houses ("ACH"), the operating rules of the National Automated Clearing House Association ("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 thirty 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.

CHOICE OF LAW. We may accept, on your behalf, payments to your account that have been submitted by Fedwire and that are not subject to the Electronic Funds Transfer Act ("Regulation E"). 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, the rules of that ACH will govern that part of the transaction. Where none of the above-stated rules apply, the transactions contemplated by this agreement shall be

governed by the laws of the State of Idaho, including Article 4A of the Idaho Uniform Commercial Code.

FUNDS TRANSFER BUSINESS DAY. Funds transfers occur on non-holiday weekdays (Monday through Friday) only. Payment orders are executed as soon as possible after received; therefore, you should tell us immediately if you wish to cancel or modify transfer instructions.

CANCELLING A PAYMENT ORDER. You have no right to cancel or amend this payment order. If you ask us to cancel or amend it, we may make a reasonable effort to act on your request but we are not liable to you if for any reason this payment order is not amended or cancelled. You agree to reimburse us for any costs, losses, or damages that we incur in connection with your request to amend or cancel the payment order.

If we try to cancel this funds transfer, we do not have to refund your money until we determine that the beneficiary has not received the money and the money is returned to us. If we return your money, the refund may not be equal to the amount of the original payment order because of fees or charges other financial institutions may impose to return the funds transfer.

ACCOUNT LIMITATIONS. It is our policy to accept funds transfers from your savings or checking account; however, with respect to certain savings accounts, we will allow you to make no more than six withdrawals or transfers to another credit union 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. The account will be subject to closure if you exceed these limits.

FEES. In addition to debiting your account for the amount you have requested, we will charge you a Wire Transfer fee for each payment order you give us. (Please refer to our Fee Schedule for the fee amount.) 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 wire transfer fee. We make 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 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 ID or driver's license number), 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 us to identify a person is 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.

LIMITATION OF LIABILITY. If we are ever obligated by law to pay interest on the amount of a transfer, you will be paid interest 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 attorney's 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.

Please keep a copy of this document for your records.