

Business Account Name: _____

Business Account Number: _____



BUSINESS FUNDS TRANSFER AGREEMENT AND NOTICE

In this Funds Transfer Agreement and Notice ("Agreement"), the words "YOU," "YOUR," and "YOURS" mean each and all of those who execute this Agreement below and your Authorized Agents. "Credit Union," "WE," "OUR," and "OURS" mean Los Angeles Police Federal Credit Union.

The State of California has adopted as law Article 4A of the Uniform Commercial Code and the Board of Governors of the Federal Reserve has amended Subpart B of Regulation J. This law and regulation cover the movement of funds by means of wire transfers, Automated Clearing House (ACH) credits and some book transfers on the Credit Union's records.

The law is intended to establish a comprehensive legal framework covering the duties, responsibilities and liabilities of all parties involved in a funds transfer. This Agreement contains several notices which the Credit Union is required to provide to you and establishes other terms of agreement which will apply to all funds transfers which involve you and the Credit Union. Using the Credit Union to send or receive funds transfers shall constitute your acceptance of all of the terms and conditions contained in this Agreement.

To the extent that the terms contained in this Agreement are different than those in any other agreement or terms of account, this Agreement shall control and be deemed to modify such other agreements or terms of account. If any part of this Agreement is invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect.

1. This Agreement applies to Funds Transfers as defined in the Article 4A of the Uniform Commercial Code (Division 11 of the California Uniform Commercial Code) and Subpart B of Regulation J of the Board of Governors of the Federal Reserve.
2. The Credit Union may establish or change cut-off times for the receipt and processing of funds transfer requests, amendments or cancellations. Unless other times are posted for the various types of funds transfers, the cut-off time for wire transfers will be at 1:30 p.m. P.S.T. for domestic and international transfers, on each business day (Monday – Friday) that the Credit Union is open which is not a federal holiday. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the next following business day and processed accordingly.
3. We may charge your account for the amount of any funds transfer initiated by you or by any person authorized by you as a joint tenant or other authorized party with the right of access to the account from which the funds transfer is to be made (collectively, your "Authorized Agents"). You must provide a complete list of your Authorized Agents below, as only you and your Authorized Agents will be permitted to initiate funds transfers from your accounts at the Credit Union. You understand and agree that you are fully responsible for all transactions conducted by your Authorized Agents, regardless of whether such transactions are authorized by you or exceed the amounts of any transaction authorized by you. You must promptly notify us of any changes in your Authorized Agents by executing a new copy of this Agreement. Changes in Authorized Agents by you shall be effective on the business day following our receipt of a new Agreement.
4. We shall have the right to charge the amount of any funds transfer request to any of your accounts at the Credit Union in the event that no account is designated, or in the event that a designated account has insufficient collected funds to cover the amount of a funds transfer request. We may charge a service fee for services relating to the sending or receiving of the funds transfer request. Such fee(s) are set forth in the Credit Union's Fee Schedule, which was previously provided to you and which is incorporated by this reference.
5. The Credit Union may establish, from time to time, security procedures to verify the authenticity of a payment order. The current security procedures are set forth at Exhibit "A," which is attached hereto and incorporated by this reference. You understand and agree that the Credit Union may amend the security procedures. You agree that the authenticity of payment orders may be verified using the security procedures at Exhibit "A" unless you notify the Credit Union in writing that you do not agree to the security procedure. In that event, the Credit Union shall have no obligation to accept any payment order from you or other authorized parties on the account until you and the Credit Union agree, in writing, on an alternate security procedure. You will be notified, in writing, if there are amendments to the security procedure that will be used to verify payment orders issued by you or for which your account will be liable. Provided that we comply with the security procedures in Exhibit A (or the security procedures as otherwise agreed, or as amended by us) you will be liable for payment of the transferred amount plus transfer fees, even if the transfer request was not actually transmitted or authorized by you. If

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we do not follow the security procedure, but can prove the transfer request was originated by you or your Authorized Agent, you will still be liable for the transfer amount plus service fees relating to the transfer. You authorize us to record electronically or otherwise any telephone calls relating to any transfer under this Agreement.

6. If you send or receive a wire transfer, Fedwire may be used. Your rights and liabilities in a wire transfer involving Fedwire will be governed by Regulation J. We shall be excused from delaying or failing to execute a funds transfer if it would result in us exceeding any limitation on its intra-day net funds position established through the 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.
7. If you give us a payment order which identifies the beneficiary (recipient of the funds) by both name and identifying account number, payment may be made by the beneficiary's bank on the basis of the identifying account number, even if the number identifies a person different than the named beneficiary. This means that you will be responsible to us if the funds transfer is completed on the basis of the identifying account number you provided the Credit Union.
8. If you give us a payment order which identifies an intermediary or beneficiary's bank by both name and an identifying number, a receiving bank may rely on the number as the proper identification even if it identifies a different person or institution than the named bank. This means that you will be responsible for any loss or expense incurred by a receiving bank which executes or attempts to execute the payment order in reliance on the identifying number you provided.
9. We 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 financial institution, and any beneficiary, none of which shall be deemed our agent.
10. The Credit Union may give you credit for Automated Clearing House (ACH) payments before it receives final settlement of the funds transfer. Any such credit is provisional until the Credit Union receives final settlement of the payment. You are hereby notified and agree, if the Credit Union does not receive such final settlement, that it is entitled to a refund from you of the amount credited to you in connection with that ACH entry. This means that the Credit Union may provide you with access to ACH funds before the Credit Union actually receives the money. However, if the Credit Union does not receive the money, then the Credit Union may reverse the entry on your account and you would be liable to repay the Credit Union.
11. ACH transactions are governed by operating rules of the National Automated Clearing House Association. In accordance with these rules, the Credit Union will not provide you with next day notice of receipt of ACH credit transfers to your account. You will continue to receive notices of receipt of ACH items in the periodic account statements which we provide.
12. If we receive a funds transfer for you or for other persons authorized to have access to your account, you agree that we are not obligated to provide you with next day notice of the receipt of the funds transfer. We will provide you with notification of the receipt of all funds transfers by including such items in your periodic account statements. You may, of course, inquire between receipt of periodic statements, whether or not a specific funds transfer has been received.

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

You shall have no right to cancel or amend any transfer request after it is received by us; however, we shall use reasonable efforts to act on a cancellation or change request as long as it is received from you in accordance with the security procedures set forth in this Agreement, or as otherwise agreed upon. We shall have no liability if the cancellation or change is not affected.

13. If we become obligated under Article 4A (Division 11 of the California Uniform Commercial Code) to pay interest to you, you agree that the rate of interest to be paid shall be equal to the dividend rate, on a daily basis, applicable to the account at the Credit Union to which the funds transfer should have been made or from which the funds transfer was made.
14. We may, in our sole discretion, reject any funds transfer request which: (1) exceeds the collected and available funds on deposit in your designated account(s); (2) is not authenticated to our satisfaction or which we reasonably believe may not be authorized by you; (3) contains incorrect, incomplete, or ambiguous information; (4) involves funds subject to a lien, hold, dispute or legal process pending their withdrawal; or (5) involves a transfer that is prohibited under applicable law, rule, or regulation. You understand and agree that we shall incur no liability for any loss occasioned by our refusal to accept any funds transfer order.

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15. If you initiate a funds transfer request denominated in United States dollars for transfer to a foreign country, we may transfer payment in the currency of the beneficiary bank's country at our buying rate of exchange to United States dollars. If the transfer is returned for any reason, you agree to accept the refund in United States dollars in the amount of the foreign money credit, based on the then-current buying rate of the bank converting the currency to United States dollars at the date of refund, less any charges and expenses we incur.
16. Except as expressly prohibited by applicable state and federal laws and regulations, you understand and agree that the Credit Union will not be liable for any loss or liability arising from: (1) any unauthorized transfer or interest thereon (including, but not limited to, fraudulent transfers and/or a transfer which we failed to abide by the agreed upon security procedures) which you fail to report to us within thirty (30) days after your receipt of notification of the transfer; (2) any negligent or intentional action or inaction on the part of any person not within our reasonable control, including, but not limited to, the failure of other financial institutions to provide accurate or timely information; (3) the failure of other financial institutions to accept a funds transfer order; (4) your negligent or intentional action or inaction and/or breach of this Agreement; (5) any ambiguity or inaccuracy in any instruction given to us by you or your authorized agent; or (6) any error, failure or delay in execution of any funds transfer instruction, or cancellation or amendment caused by circumstances beyond our reasonable control, including, but not limited to, any computer or communication facilities malfunction. In addition, we shall be excused from delaying or failing to execute a transfer if it would result in our exceeding any limitation on its intra-day net funds position established through the 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.
17. Except as otherwise provided by applicable state or federal laws or regulations, our liability for any negligent or intentional action or inaction in connection with any funds transfer request shall be limited to your direct loss and payment of interest. **UNDER NO CIRCUMSTANCES SHALL WE BE LIABLE FOR ANY LOST PROFITS, CONSEQUENTIAL, INDIRECT, PUNITIVE OR SPECIAL DAMAGES WHICH YOU MAY SUFFER IN CONNECTION WITH THIS AGREEMENT AND/OR ANY FUNDS TRANSFER REQUEST.**
18. Subject to applicable state and federal laws and regulations, we may amend the terms of this Agreement at any time, by providing notice of such amendment to you in writing. By thereafter using or continuing to use our funds transfer services, you agree to such amendments.
19. Except as otherwise expressly provided by applicable state and federal laws and regulations, this Agreement and all transactions initiated hereunder shall be governed by and construed in accordance with the internal laws of the State of California, notwithstanding any conflict of laws doctrines of such state to the contrary.

Account Owner

Name Contact Telephone Number

Signature Address, City, State and ZIP

Joint Owner (if applicable)

Name Contact Telephone Number

Signature Address, City, State and ZIP

Business Account Name: _____

Business Account Number: _____

EXHIBIT "A"

SECURITY PROCEDURES – Please read carefully:

Signature Comparison (For Funds Transfer Request accepted in writing AND one of the items listed under Callback Procedure, i.e., PIN, Callback Password or Security Questions).

AND

Callback Procedure: For Funds Transfer Request accepted via telephone all items listed below must be confirmed (PIN, Callback Password and Security Questions).

Personal Identification Number (PIN) _____

AND

Callback Password _____

Callback Phone Number Home Office Cell _____

The Callback Phone Number must meet one of the following requirements:

1. Was provided by you or your authorized representative at the time the account was opened;
2. Was provided after the account was opened, in person by you or your authorized representative who was physically present on Credit Union premises and provided a valid government-issued photo identification;
3. Was provided in a signed written funds transfer agreement with you or your authorized representative;
4. Was a replacement telephone number for the account, provided that the Credit Union confirmed the legitimacy of the change through direct contact with you or your authorized representative at the previous telephone number on record;
5. Was obtained by you from a public or private telephone directory that lists your name; or
6. Was a replacement telephone number for you or your authorized representative that the Credit Union received at least [90] days prior to the receipt of the wire transfer instructions.

Each funds transfer request shall be written (original) and shall include the signature of one of the agents listed below, or your signature. Signatures will be compared to that appearing below and to picture identification.

Funds transfer request by telephone will be subject to all of the Callback Procedure listed above (not just one) and Security Questions listed on next page.

Upon receiving a funds transfer request by phone, the Credit Union shall telephone you at the above **Callback Phone Number** to receive final verification by requesting the **current PIN AND Callback Password** and you will also be asked the **Security Questions** selected below.

Security Questions. Please create five questions that you wish to be your security questions and provide answers to those questions.

Q: _____ ? **A:** _____

Q: _____ ? **A:** _____

Q: _____ ? **A:** _____

Q: _____ ? **A:** _____

Q: _____ ? **A:** _____

Requests shall be made to the Communications Department. Requests must be received by the Credit Union in time to complete the security procedure. Transfer requests received after these times will be treated as being received on, and may be executed on, the following funds transfer business day. Times may vary at the Credit Union's discretion.

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Authorization: The Member represents and warrants that the accounts listed below are owned entirely by the within-named Member, and are hereby authorized to be charged as instructed by the Member for wire transfers and related fees:

_____ # _____ # _____

The Member hereby authorizes the following individuals as agents for purposes of authorizing wire transfer requests on behalf of the Member. The Member also has informed his or her agents of the security procedures that the Member has selected. These agents shall remain authorized until the Member notifies the Credit Union in writing of revocation of any agent's authorization and completes a new Agreement. Other individuals can be authorized only by completing a new Agreement. Changes in authorized agents by the Member shall be effective the day after the receipt of a new Agreement.

Name _____ Title _____ Signature _____

Name _____ Title _____ Signature _____

Name _____ Title _____ Signature _____