

Online Wire Transfer Services Agreement

This *Online Wire Transfer Services Agreement* ("Agreement") applies to Salal Credit Union's ("Salal", "Credit Union") provision of wire transfer services requested through Mobile or Online Banking ("Digital Banking"). Online Wire Transfer Services ("Service") allow a business to request an outgoing wire transfer using the Credit Union's Digital Banking Service. The Credit Union is willing to provide this Service to the business subject to the provisions of this Agreement.

This Agreement is intended to supplement the *Business Digital Banking Disclosure & Agreement*. Use of the Credit Union's Online Wire Transfer Services constitutes the Business's acknowledgement of, and agreement to, the Agreement.

The Business should keep a copy of this Agreement for their records.

Unless otherwise defined in this Agreement, capitalized terms shall have the meanings set forth in Articles 3 and 4 of the Uniform Commercial Code, as codified in the State of Washington. Additional terms used in this Agreement are defined below:

- **Authorized Representative** – An authorized account signer or another person designated by the Business to initiate and/or approve Requests on behalf of the Business.
- **Business Day** – Every day except Saturday, Sunday, and federal holidays.
- **Fedwire** – The funds transfer system owned and operated by the Federal Reserve Bank used primarily for the transmission and settlement of payment orders governed by the Fedwire Regulation.
- **Fedwire Regulation** – Subpart B of Regulation J of the Board of Governors of the Federal Reserve System, as amended from time to time.
- **Request** – The Business's request to the Credit Union for a wire transfer, or for a cancellation or amendment of a wire transfer, made in the name, or having the unique identifier, of the Business as sender requesting that funds belonging to, or under the control of, the Business be transferred to a specified account or beneficiary.

Acceptance And Execution Of Requests, Cut-Off Time

The Business authorizes the Credit Union to transfer funds from any accounts designated by the Business. The Credit Union, subject to its Security Procedure, will execute wire transfers in accordance with Requests from the Business. Funds must be available in the account specified in the Request at the time the Request is made. The Credit Union will not search for funds in accounts other than the account specified in the Request.

The Credit Union will transmit Requests to Fedwire so long as the request is made before the cut-off time established by the Credit Union. Online wire transfers must be transmitted by **1:30 p.m. Pacific Time (PT) in order to be processed on that Business Day**. Requests received after the deadline may be executed the next Business Day. Wire transfer deadlines are subject to change at the sole discretion of the Credit Union.

The Business acknowledges that the earlier in the day that Requests are submitted, the greater the likelihood that funds will be received by the beneficiary's financial institution on the same day, however, the Credit Union cannot under any circumstances guarantee same-day receipt of funds. The Business's Request is considered accepted by the Credit Union when the Credit Union executes it. The order in which the Credit Union processes Requests and incoming wire transfers is determined solely by the Credit Union.

No instructions or other restrictions limiting the Credit Union's acceptance of Business's Request(s) shall be effective unless accepted and agreed to in writing by the Credit Union. However, the Credit Union, at its option, may elect to act consistently with such instructions or other restrictions which it believes, in good faith, were made by the Business.

Rejection Of Wire Transfer Or Request

The Credit Union has a right to reject the Business's Request for an outgoing wire transfer for reasons including, but not limited to, insufficient funds or insufficient available funds in the account specified in the Request, the Credit Union's inability to execute the wire transfer, or if the Credit Union is unable to verify the authenticity of Business's Request. The Credit Union will notify the Business by email communication, phone, or mail if it rejects the Business's Request.

Cancellation Or Amendment Of Request

Cancellations and amendments of Requests are considered a Request and are subject to this Agreement. The Business may not be able to cancel or amend a Request after it is received by the Credit Union. However, the Credit Union may, at its discretion, use reasonable efforts to act on the Business's Request for cancellation or amendment. However, the Credit Union shall have no liability if such cancellation or amendment is not executed.

Security

The Business shall issue Requests to the Credit Union in accordance with the following procedures. The Business agrees that these procedures are commercially reasonable. The Business furthermore agrees that any Request acted upon by the Credit Union in compliance with these procedures shall be treated as the Business's authorized Request.

If the Credit Union believes in its sole judgment that changes in any security procedure are immediately necessary to reduce the risk of unauthorized funds transfer, the Credit Union may initiate such changes immediately. The Credit Union will notify the Business of such changes as soon as practicable.

An Authorized Representative shall communicate Requests to the Credit Union by using the Credit Union's Digital Banking services. Such communication shall utilize user identification, passwords, and dollar limits and may also utilize secondary approval, rekey, or verification of totals as established by the Business within Digital Banking. The Credit Union will not perform call back confirmations on Requests submitted through Digital Banking.

The Business and the Credit Union shall comply with the procedures described in the Security section and Appendix A of the *Business Digital Banking Disclosure & Agreement* with respect to Requests transmitted by the Business to the Credit Union. The Business acknowledges that the purpose of such Security Procedures is for verification of authenticity and not to detect an error in the transmission or content of a Request. No Security Procedures for the detection of any such error has been agreed upon between the Credit Union and the Business.

The Business agrees to originate Requests through Online Wire Transfer Services via a secured connection.

The business agrees that the uploading or transmitting of requests will be handled using multi-factor authentication and understands and assumes the risk and liability by refusing to perform transactions in this manner. The business further agrees to assume the risk for any transactions initiated by authorized users, or by usernames created by such authorized users, whether or not such users have actual authority to initiate any specific transaction on all account(s) accessible in mobile or online banking.

Payment To Credit Union

The Business shall pay all wire transfers based on Requests which are accepted by the Credit Union in compliance with the Credit Union's Security Procedures. The Business shall pay the Credit Union fees for wires transfers in accordance with the applicable *Business Product & Fee Disclosure* which may change from time to time. In the event a completed wire transfer results in an overdraft, the Credit Union shall be entitled to collect applicable fees as listed on the applicable *Business Product & Fee Disclosure*. In the event the Credit Union must refer the collection of amounts payable hereunder to an attorney or collection agency, the Business agrees to pay the Credit Union's reasonable attorneys' fees and collection costs, incurred with or without litigation and on appeal.

Inconsistency Of Name And Account Number

The Business acknowledges and agrees that when the Business provides the Credit Union with a beneficiary name and account number when requesting a wire transfer, that payment may be made solely on the basis of the account number even if the account number identifies a beneficiary name different from the beneficiary named by the Business. The Business furthermore agrees that its obligation to pay the amount of the wire transfer to the Credit Union is not excused in such circumstances.

Account Statements

All wire transfers will be reflected on the Business's periodic statement and via the Credit Union's Digital Banking Service. The Business should review each statement, or other such Credit Union notice for any discrepancies in connection with wire transfers. The Business should refer to the *Business Membership & Account Agreement* for error resolution procedures.

Method Used To Make The Wire Transfer

In connection with the Business's use of this service, the Credit Union notifies the Business of the following:

- The Credit Union may use Fedwire when acting upon Business's Request.
- Any subsequent financial institution may use Fedwire when carrying out Business's Request.

The rights and obligations of the Credit Union and the Business in a wire transfer intended to carry out the Business's Request, any part of which is carried out using Fedwire, are governed by Fedwire Regulation. The Credit Union may make a wire transfer by any reasonable means, including, without limitation, the use of such intermediary financial institution as the Credit Union deems advisable. Any subsequent financial institution may use SWIFT (Society for Worldwide Interbank Financial Telecommunications) or CHIPS (Clearing House Interbank Payments System) payments systems to process a Request.

Obligations Of The Parties

The Credit Union shall exercise good faith and reasonable care in processing the Business's Requests. The Business shall exercise good faith and reasonable care in observing and maintaining Security Procedures, in communicating Requests to the Credit Union, and in reviewing Credit Union statements or notices for any discrepancies, the Business is responsible for ensuring the accuracy of Requests and the Credit Union has no duty whatsoever to verify the accuracy of Requests, nor will it be liable for losses or damages arising out of Requests containing erroneous information. The Business will comply with the terms of the Electronic Funds Transfer Act or Uniform Commercial Code Article 4A, as codified in the State of Washington, as applicable, and shall perform its obligations under this Agreement in accordance with all applicable laws and regulations.

Liability Of The Credit Union

For Requests subject to UCC (Uniform Commercial Code) Article 4A, Credit Union will be liable to Business only for damages required to be paid under UCC Article 4A. For Requests not subject to UCC Article 4A, the Credit Union shall be liable for the Business's lost interest and any fees directly related to the Business's Request only if the Credit Union fails to exercise ordinary care. The Credit Union shall not be liable in any case for any special, indirect, exemplary, or consequential damages (including lost profits) of any kind, regardless of whether Credit Union knew or should have known such damages might be incurred.

Liability Of The Business

The Business shall be liable for any loss or damage resulting from Business's breach of the terms of this Agreement or to which the Business's negligence contributed, or which resulted from unauthorized, fraudulent, or dishonest acts by the Business's current and/or former Authorized Representatives. Such liability includes instances when a current or former Authorized Representative effects one or more Requests to the Business's detriment.

The Business shall defend, indemnify, and hold harmless the Credit Union from and against all claims arising from Business's use of the Credit Union's wire transfer services, negligence or fraudulent conduct of the Business, unauthorized data sent by electronic transmission by the Business, Credit Union's rejection of Request, malfunction or failure of Business's electronic transmission of Requests, any failure by Business to comply with the terms of this Agreement, applicable laws, rules, or regulations. This indemnification shall survive termination of this Agreement.