

# **Kelly Community Federal Credit Union**

## **External Account Funds Transfer Disclosure**

### **External Account Funds Transfer Agreement**

This External Account Funds Transfer Agreement sets forth the terms and conditions under which Kelly Community Federal Credit Union (Us, We, Our, the Credit Union) may, at your instruction, initiate a transfer of funds from your Kelly Community Federal Credit Union account(s) to an account you own at another financial institution or a transfer from that account to your Kelly Community Federal Credit Union account. These terms and conditions affect your rights and you should read them carefully. By reading and accepting these terms and conditions you are affirming your consent to receive information electronically, you have the ability to receive and retain electronic communications, and you agree to the terms and conditions set forth in this agreement.

Kelly Community Federal Credit Union reserves the right to provide information and notices about this service to you by non-electronic means as well. Kelly Community Federal Credit Union reserves the right to refuse enrollment in the External Account Funds Transfer Service to any member for any reason.

### **Electronic Consent and Acceptance of Terms and Conditions**

In order to enroll in and use the External Account Funds Transfer Service, you must consent to receive and accept the terms and conditions of the External Account Funds Transfer Service and any amendments to it electronically. You may withdraw your consent to having this information provided to you electronically by providing Kelly Community Federal Credit Union with a written request to us by mail or e-mail; however, by doing so you understand this will terminate your right to use the service. Withdrawing your consent in this manner will not prevent you from re-enrolling for the service in the future. Instructions on how to contact us are below.

### **Scope**

This agreement covers all funds transfers using the External Account Funds Transfer Service initiated by you from time to time through Kelly Community Federal Credit Unions External Account Funds Transfer Service.

### **Definitions**

- **External Accounts:** The accounts held by financial institutions other than Kelly Community Federal Credit Union which are referred to within this agreement.
- **External Transfer:** The transfer of funds between your deposit accounts at Kelly Community Federal Credit Union and accounts held at other financial institutions (external accounts).
- **Inbound Transfer:** The transfer of funds TO your deposit account(s) at Kelly Community Federal Credit Union from an external account.
- **Outbound:** The transfer of funds FROM your deposit account(s) at Kelly Community Federal Credit Union to an external account.
- **Eligible Account:** Any eligible Kelly Community Federal Credit Union account established with the credit union that qualifies to be used with the service, such as your savings or checking account and is enrolled in the service.
- **Financial Institution:** A credit union, bank, or another depository institution.
- **Verified Account:** An account owned by you at Kelly Community Federal Credit Union or another financial institution located in the United States that has been enrolled in the service and verified as described in the agreement.
- **ACH Network:** The funds transfer system, governed by the NACHA Rules, which provides funds transfer services to participating financial institutions.
- **Business Day:** Any day that is not a Saturday, Sunday or observed holiday. **Cut-off Time:** The cut-off time for scheduling external transfers is 12:00 noon.

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### **Description of Service**

The External Account Funds Transfer Service enables you to request a transfer of funds from any eligible Kelly Community Federal Credit Union account to a verified account or from a verified account to any eligible Kelly Community Federal Credit Union account. Kelly Community Federal Credit Union will use the ACH Network to execute your requests, but other methods of transfer may also be used. All requests must be made through the External Account Funds Transfer Service. You will be subject to all of the terms and conditions in the Agreement, and other separate account agreements and disclosures we provided, you accepted or acknowledged governing your account including the Membership Agreement you received at account opening.

### **Authorization to Transfer Funds**

You hereby represent and warrant to Kelly Community Federal Credit Union that you own each of your accounts, verified such accounts, and have full right and authority to all of the funds on deposit therein. In addition, you authorize Kelly Community Federal Credit Union to execute and charge your eligible account(s) for any transfer requests, including any related fees, subject to any applicable limit as to dollar amount (if applicable). You understand and acknowledge we are under no obligation to execute any request for transfers which are not initiated in accordance with proper procedures. You further acknowledge the acceptance and processing of all transfer requests is subject to the terms and conditions stated in this agreement as amended from time to time. This authorization shall remain in full force and effect until you have informed Kelly Community Federal Credit Union that you have revoked your authorization and we have had a reasonable opportunity to act upon it. Kelly Community Federal Credit Union reserves the right to change this agreement at any time.

### **Information Provided**

You acknowledge and agree Kelly Community Federal Credit Union is relying upon the information you provided in originating a transfer on your behalf. Errors in the information are your responsibility, including incorrect or inconsistent account names, numbers, ABA information, or name of financial institution holding your verified account. Although you represent and warrant to the credit union you are the owner of each verified account and describe it to us by name and account number, you understand and agree if the instructions identify a verified account by name and account number, the relevant financial institution may execute those instructions by reference to the account number only, even if such number does not correspond to the name. You understand some financial institutions holding your verified accounts may not investigate discrepancies between names and numbers. In addition, you agree Kelly Community Federal Credit Union has no responsibility to investigate discrepancies between names and account numbers in this or any instances.

### **You are prohibited from using the External Account Funds Transfer Service for any activity that:**

- Would result in you being or becoming a money service business as defined in the Bank Secrecy Act and its implementing regulations; or
- Knowingly accepting restricted transactions in connection with another person in unlawful Internet gambling as defined in the Unlawful Internet Gambling Enforcement Act and Regulation GG; or
- Directly or indirectly related to the use of the External Account Funds Transfer Service that is illegal or fraudulent.

## **Kelly Community Federal Credit Union External Account Funds Transfer Disclosure**

### **Transfer Limits**

For your security, the Credit Union has established limits on the amount of funds that can be transferred. The daily limit is \$750 per debit and credit entries. This means \$750 for outstanding outbound transfers and \$750 for incoming transfers relating to all of your accounts. Limitations on aggregate or individual transfer transaction amounts may be changed at any time without notice.

### **Settlement of Transfers**

Transfers to and from External Transfer Funds accounts could take between one and three business days to settle. Scheduled transfers, both one-time and recurring, will settle one to three days after the transfer scheduled date.

### **Termination of Service**

Termination of service with an External Transfer Funds account may be requested by you, or by any other owner presenting ownership of the External Transfer Funds account. This agreement will continue to be in effect for any transactions that cannot be cancelled at the time of your termination.

We reserve the right to terminate any access to this service. The Credit Union may remove any or all enrolled External Transfer Funds account(s) for any or no reason, including without limitation fraud, misuse, kiting, ACH transaction returns, or any other unauthorized access to this Service.

### **Unauthorized Transfers and Liability**

You understand the importance of your role in preventing misuse of your Accounts associated with the Services. You agree to protect the confidentiality of your Accounts and Account number and passwords. If you think someone has compromised your access to External Account Funds Transfer Service, an unauthorized external transfer or other type of online transaction has been made from one of your accounts, you must notify Kelly Community Federal Credit Union immediately by calling (903) 597-7291 or write to the following address:

Kelly Community Federal Credit Union  
2105 W. Grande Blvd.  
Tyler, TX 75703  
Fax: (903) 939-3096

By providing such prompt notice, you may limit your personal liability for unauthorized transfers as more fully described in the E-Statement Disclosure within the Electronic Disclosures and Agreements Disclosure you received at account opening and which is also available at [www.kellycommunity.org](http://www.kellycommunity.org).

### **Error Reporting and Claims**

If you think your statement is wrong, if you need more information about a transfer listed, or in case of errors or questions, call (903) 597-7291 or write to the following address:

Kelly Community Federal Credit Union  
2105 W. Grande Blvd.  
Tyler, TX 75703  
Fax: (903) 939-3096

## **Kelly Community Federal Credit Union External Account Funds Transfer Disclosure**

You can see a complete statement of all of your funds transfers affected or pending at any time within CU Online. We must hear from you within 60 days after we FIRST posted the transfer to your statement.

1. Tell us your name and the account number of the account to which the error relates.
2. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is in error or why you need more information.
3. Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require you to send us your complaint or question in writing within ten (10) business days. We will determine whether we committed an error within ten (10) business days (20 business days for new member accounts) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days for new member accounts) to investigate your complaint or questions. If we decide to do this we will credit/debit the applicable accounts within ten (10) business days (20 business days for new member accounts) for the amount you believe is in error, so you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your question or complaint in writing and we do not receive it within ten (10) business days, we may not credit/debit the applicable accounts.

We will tell you the results of our investigation within three (3) business days. If we conclude we did not make an error, we will send you a written explanation. You may ask for copies of the documents we used in our investigation.

We are not responsible for errors, delays and other problems caused by or resulting from the action or inaction of financial institutions holding the account(s). Although we will try to assist you in resolving any such problems, you understand that any such errors, delays, or other problems are the responsibility of the relevant financial institution of the recipient. Any rights you may have against a financial institution for such errors, delays, or other problems are subject to the terms of the agreements you have with such financial institutions, including any time limits during which complaints must be made.

### **Security**

You acknowledge that we will disclose information to third parties about your Account: To enable your access to the External Account Funds Transfer Service

- When it is necessary for completing deposits, and
- As required by law.

### **Warranty and Limitation of Liability**

YOU UNDERSTAND AND AGREE KELLY COMMUNITY FEDERAL CREDIT UNION MAKES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT OR AS REQUIRED BY LAW. WE DO NOT AND CANNOT WARRANT THAT SERVICES WILL OPERATE WITHOUT ERRORS, OR THAT ANY OR ALL SERVICES WILL BE AVAILABLE AND OPERATIONAL AT ALL TIMES, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, OR OTHERWISE REQUIRED BY LAW. YOU UNDERSTAND AND EXPRESSLY AGREE USE OF THE FUNDS TRANSFER SERVICE IS AT YOUR SOLE RISK, ANY MATERIAL AND/OR DATA AND/OR DATA DOWNLOADED OR OTHERWISE OBTAINED THROUGH THE USE OF THE FUNDS TRANSFER SERVICE IS DOWNLOADED OR OBTAINED AT YOUR OWN DISCRETION AND WITHOUT LIMITATION, DAMAGE TO YOUR COMPUTER SYSTEM OR LOSS OF DATA THAT RESULTS FROM OBTAINING

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SUCH MATERIAL AND/OR DATA. YOU AGREE TO HOLD HARMLESS KELLY COMMUNITY FEDERAL CREDIT UNION, ITS AFFILIATES, PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, CONSULTANTS, SERVICE PROVIDERS, AND AGENTS FROM ANY AND ALL THIRD-PARTY CLAIMS, LIABILITY, DAMAGES AND/OR COSTS (INCLUDING, BUT NOT LIMITED TO, ATTORNEYS FEES) ARISING FROM YOUR USE OF THE EXTERNAL ACCOUNT FUNDS TRANSFER SERVICE, OUR RELIANCE ON THE INFORMATION, INSTRUCTION, LICENSE AND/OR AUTHORIZATION PROVIDED BY YOU UNDER OR PURSUANT TO THIS AGREEMENT, YOUR VIOLATION OF THE TERMS OR YOUR INFRINGEMENT, OR INFRINGEMENT BY ANY OTHER USER OF YOUR FUNDS TRANSFER ACCOUNT, OF ANY INTELLECTUAL PROPERTY OR OTHER RIGHT OF ANY PERSON OR ENTITY.

THE CREDIT UNION SHALL BE RESPONSIBLE ONLY FOR PERFORMING THE SERVICES EXPRESSLY PROVIDED FOR IN THIS AGREEMENT AND SHALL BE LIABLE ONLY FOR ITS NEGLIGENCE IN PERFORMING THOSE SERVICES. THE CREDIT UNION SHALL NOT BE RESPONSIBLE FOR THE MEMBERS ACTS OR OMISSIONS (INCLUDING WITHOUT LIMITATION THE AMOUNT, ACCURACY, OR TIMELINESS OF TRANSMITTAL) OR THOSE OF ANY PERSON, INCLUDING WITHOUT LIMITATION ANY FEDERAL RESERVE FINANCIAL INSTITUTION OR TRANSMISSION OR COMMUNICATIONS FACILITY, AND NO SUCH PERSON SHALL BE DEEMED THE CREDIT UNIONS AGENT.

IN NO EVENT SHALL THE CREDIT UNION BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE, OR INDIRECT LOSS OR DAMAGE WHICH THE MEMBER MAY INCUR OR SUFFER IN CONNECTION WITH THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, LOSS OR DAMAGE FROM SUBSEQUENT WRONGFUL DISHONOR RESULTING FROM THE CREDIT UNIONS ACTS OR OMISSIONS PURSUANT TO THIS AGREEMENT.

WITHOUT LIMITING THE GENERALITY OF THE FORGOING PROVISIONS, OR THE PROVISIONS OF THIS AGREEMENT, THE CREDIT UNION SHALL BE EXCUSED FROM FAILING TO ACT OR FROM DELAY IN ACTING IF SUCH FAILURE OR DELAY IS CAUSED BY LEGAL CONSTRAINT, INTERRUPTION OF TRANSMISSION OR COMMUNICATION FACILITIES, EQUIPMENT FAILURE, WAR, EMERGENCY CONDITIONS OR OTHER CIRCUMSTANCES BEYOND THE CREDIT UNIONS CONTROL. IN ADDITION, THE CREDIT UNION SHALL BE EXCUSED FROM FAILING TO TRANSMIT OR DELAY IN TRANSMITTING A DEPOSIT IF SUCH TRANSMITTAL WOULD RESULT IN THE CREDIT UNION VIOLATING ANY PROVISION OF ANY PRESENT OR FUTURE RISK CONTROL PROGRAM OF THE FEDERAL RESERVE OR ANY RULE OR REGULATION OF ANY OTHER UNITED STATES GOVERNMENTAL REGULATORY AUTHORITY.

NOTWITHSTANDING ANY OTHER PROVISION SET FORTH HEREIN TO THE CONTRARY, IN THE EVENT OF DEFAULT UNDER THE TERMS OF THIS AGREEMENT BY THE MEMBER, THE CREDIT UNION SHALL HAVE ALL RIGHTS AND REMEDIES AVAILABLE AT LAW OR IN EQUITY.

This Agreement shall be construed in accordance with Texas law and the laws of the United States of America. We and you agree that jurisdiction over, and venue in any legal proceeding arising out of or relating to this Agreement, will exclusively be in the state or federal courts located in Tyler, Texas.

If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, the remaining provisions shall remain in full force and effect.

This Agreement shall take effect immediately upon the acceptance.