

# COLORADO FEDERAL SAVINGS BANK

## FUNDS TRANSFER AUTHORIZATION AGREEMENT AND NOTICE

**Definitions:** As used in this Funds Transfer Authorization Agreement and Notice (Agreement), the words “bank”, “I”, “us”, “we”, or “our” shall apply to and mean Colorado Federal Bank. The words “you” and “your” shall apply to and mean the client and all account owners or other authorized parties listed on the account.

**Choice of Law:** If an Automated Clearing House (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.

**Authorization to Initiate Funds Transfer:** Any accountholder signature on this Agreement allows that all account owners or authorized signers on the account have authorization to initiate a funds transfer from the account provided our security procedures are followed. Any changes to information provided by you shall be effective only at such time as the Bank has had a reasonable opportunity to act after receipt of written notice from you and confirmed acceptance of the change.

**Funds Transfer Cut-off Time:** The Bank 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 will be 12:00 PM, Mountain Time, on each business day the Bank is open. Payment orders, cancellations or amendments received after the applicable cut-off time may be treated as having been received on the next business day and processed accordingly.

**Service Charges/Fees:** The Bank may charge your account for the amount of any funds transfer initiated by you. Refer to our Schedule of Fees and Services for current fees.

**Security Procedures:** We may establish, from time to time, security procedures to verify the authenticity of a payment order. We will notify you of the security procedure, if any, to be used to verify payment orders you initiate or for which your account will be liable. You acknowledge that you will be liable for any payment order or amendment to or cancellation of 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.

**Identification of Beneficiary:** If you give the Bank a payment order which identifies the beneficiary (recipient of funds) by both name and identifying number or account number, payment may be made by the beneficiary’s bank on the basis of the identifying or bank account number, even if the number identifies a person different than the named beneficiary. This means that you will be responsible to the Bank if the funds transfer is completed on the basis of the identification number you provided.

**Identification of Beneficiary or Intermediary Bank:** If you give the Bank a payment order which identifies a beneficiary or intermediary bank by both name and identifying number, a receiving bank may rely on the number as the proper identification even if it identifies a different bank than the named bank. This means you will be responsible for any loss or expenses incurred by a receiving bank which executes or attempts to execute the payment order in reliance on the identifying number you provided.

**Provisional ACH Payments:** The Bank may, at its discretion, give you credit for automated clearinghouse (ACH) payments before it receives final settlement for the funds transfer. Any such credit is provisional until the Bank receives final settlement of the payment. You are hereby notified and agree that, if the Bank does not receive final settlement, it is entitled to a refund from you of the amount credited to you.

**Notice of Receipt of Incoming Funds Transfers:** You agree that the Bank is not obligated to provide you with next day notice of receipt of any funds transfers to your account. You will receive notices of received funds transfers in the periodic account statements which we provide.

**Risk of Loss:** Except as expressly prohibited by applicable state and federal laws and regulations, you understand and agree that the Bank will not be liable for any loss or liability arising from: (1) any unauthorized, erroneous, or fraudulent transfer or interest thereon (including a transfer in which the Bank failed to abide by the agreed upon security procedures) which you fail to report to the Bank within thirty (30) days after we provide notification of the transfer; (2) any negligent or intentional action or inaction on the part of any person not within the Bank's reasonable control; (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 the Bank 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 the Bank's reasonable control. Except as otherwise provided by applicable state or federal laws or regulations, the Bank's 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.

**Terms of Agreement:** To the extent that the terms contained in this Agreement are different from those in any other Bank agreement or terms of account, this Agreement shall control and be deemed to modify such other agreements or terms of account. If any term of this Agreement is held to be invalid, illegal or unenforceable, the other Agreement terms shall not be affected. Subject to applicable law and regulations, the Bank may amend the terms of this Agreement at any time. Your use thereafter of the Bank's funds transfer service constitutes your agreement to such amendments.

**Signatures:** I understand and agree that all funds transfer transactions are subject to the applicable terms and conditions set forth in this Agreement, the Electronic Fund Transfers Disclosure and the Schedule of Fees, receipt of which is acknowledged and

which is incorporated herein by this reference. By clicking below I acknowledge that I have read and agree to all terms stated.