



**Healthcare Systems
Federal Credit Union**
It's better to be a member

ACH Origination Terms and Conditions Agreement & Notice

By agreeing to these terms and conditions, you, as Originator, authorize Healthcare Systems Federal Credit Union as the ODFI (Originating Depository Financial Institution) to transmit an electronic transfer, either a debit or credit, through the ACH (Automated Clearing House) system.

ACH (Automated Clearing House) transfers are governed by the rules of the National Automated Clearinghouse Association (NACHA) and in accordance with the laws of the Commonwealth of Virginia.

When initiating an ACH transfer, you are agreeing to comply with this agreement and the applicable requirements and rules.

In this Agreement, the terms, "us", "we", "our", "HSFCU", or "Credit Union" refer to Healthcare Systems Federal Credit Union. The words, "you" and "your" refer to the member and joint owner(s), if any, who request or utilize Healthcare Systems Federal Credit Union for ACH Origination transactions. The term "funds transfer", "ACH Origination", "ACH Originated transfers", "ACH Transfer", "electronic transfer" refer to the transaction being performed.

Funds Transfer Business Day

Per the Code of Virginia § 8.4A-105 (4), the "Funds-transfer business day" of a receiving bank means the part of a day during which the receiving bank is open for the receipt, processing, and transmittal of payment orders and cancellations and amendments of payment orders.

ACH origination transfers occur on funds-transfer business days only. Business days/processing days for HSFCU are Monday through Friday, excluding Holidays. If the funds transfer date falls on a weekend or Federal holiday, the transfer will occur on the next business day. If the transfer date falls on the 29th, 30th, or 31st in February, the transfer date will occur on the last day of the month, unless it falls on a weekend, then the transfer will occur on the next business day.

Cut-Off Times and Cancellation/Modification of Transfer Requests

Healthcare Systems Federal Credit Union may establish or change cut-off time for the receipt and processing of the funds transfer requests, amendments, or cancellations.

The cut-off time for ACH Origination funds transfers is 2:45pm. Any funds transfer requests, 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.

If you have told us in advance to make regular payments out of your account, you can stop any of these payments by notifying us one (1) day prior to the transfer. If you wish to cancel or modify a transfer request or funds transfer instructions, you must immediately notify us by contacting the Credit Union by telephone at (703) 776-2700 or via eservices@hsfcu1.org. We may require you to put your request in writing. If you instruct us after we have received your transfer request to cancel, reverse or modify the funds transfer request you provided, we may, in our sole discretion, attempt to do so but the Credit Union shall not be liable in any manner whatsoever if the transfer request cannot reasonably be canceled, reversed, or modified.

Provisional Credit

Any credits provided to you by us with respect to any ACH Origination transaction is provisional until we receive final settlement for the entry through a Federal Reserve Bank. If we do not receive the final settlement, you are hereby notified and agree that we have the right to reverse/adjust the amount credited to you in connection with the entry (without prior notice). This includes the adjustment of any loan payments, which may incur fees.

Account Limitations/Rejection or Refusal

Healthcare Systems Federal Credit Union may, at its sole discretion, reject or refuse to accept or execute a funds transfer request if (1) the designated account(s) does not have the sufficient funds available; (2) the information provided is incorrect, incomplete, or ambiguous; (3) the transfer request is not authorized or does not comply with applicable security procedures, laws, or terms of this Agreement; (4) or if the funds transfer amount is not within the \$2,500.00 limitation.

The total of all transfers to an account through ACH Origination is limited to \$2,500.00.

Healthcare Systems Federal Credit Union will not originate an ACH Origination to non-members nor will we originate international ACH Origination transfers.

HSFCU can accept funds transfers from your share savings account, checking, and/or money market accounts; however, with respect to share savings and money market accounts, we will allow you to make no more than six (6) withdrawals or transfers per month. If these limits are exceeded, you may be subject to account closure.

Termination or Amendment

HSFCU may, at any time, terminate the funds transfer request. If this funds transfer request is for a loan payment, termination of this Agreement by either HSFCU or you does not affect any obligation(s) under any loan Agreements.

Notifications

You agree that the Credit Union is not obligated or required to provide you with a notification of an incoming ACH Origination. Funds transfer notifications will be provided as a part of your periodic statement. You will get a monthly account statement (unless there are no transfers in a particular month. In any case you will get the statement at least quarterly. In the event of a rejected ACH origination, we shall notify you, or an authorized owner, by telephone, electronic message, or U.S. mail according to the mailing/email address and/or phone number listed on your account. If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (703) 776-2700 to find out whether or not the deposit has been made.

Process Obligation

We will process entries with respect to your initiations only if they are received by us in accordance with this Agreement, and any that are not received as such will be rejected. We will provide notification to you if an ACH Origination has been rejected/returned or cannot be processed along with the reason.

Liability

You understand and agree that Healthcare Systems Federal Credit Union shall not be liable for loss or liability that may arise from: (1) any incorrect or unauthorized transfer of interest which you fail to report to this Credit Union within (60) days after your receipt of notification of transfer; (2) the failure of other financial institutions to accept the funds transfer request; (3) your failure to agree to or breach of this Agreement; (4) any inaccuracies or ambiguity in any instructions (written and verbal) given to this Credit Union by you; (5) acts of civil or banking authorities or national emergencies; (6) legal constraint; (7) any error, failure/rejection, or delay in the completion of the funds transfer instruction, cancellation or amendment caused by circumstances beyond HSFCU's reasonable control including, but no limited to, any unavoidable technical or communication failure or malfunctions, (8) if, through no fault of ours, you do not have enough money in your account to make the transfer, or (9) if the transfer would go over the credit limit on your overdraft line.

You further acknowledge that, except as otherwise provided by applicable state or federal laws or regulations, HSFCU's liability for any negligent or intentional action or inaction in regard with any funds transfer request shall be limited to your direct loss and payment of interest. **UNDER NO CIRCUMSTANCES SHALL THE CREDIT UNION 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.**

If your statement shows transfers that you did not make, including those made by card or other means, tell us at once. You can notify us at (703) 776-2700, via e-mail at eservices@hsfcu1.org or via U.S. mail at 3300 Gallows Rd. Falls Church, VA 22042. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

Acknowledgement and Indemnification

You acknowledge that entries cannot be initiated that violate the laws of the United States or other laws and agree to indemnify and hold the credit union harmless with respect to any entries that you initiate that do violate such laws.

You acknowledge that the information you have provided on the Automated Funds Transfer Authorization form is true, complete, and correct. You agree to indemnify and hold HSFCU, harmless from any and all claims, causes of action, damages, expenses (including reasonable attorney's fees and other legal expenses and costs), liabilities and other losses resulting from acts, omissions, or provision of invalid or inaccurate data or recipient information by you or any authorized representative or other person acting on your behalf, including without limitation: (a) a breach of any provision of this Agreement; (b) the Credit Union's debiting or crediting of the account of any person as requested by you or your authorized representative; and (c) the failure to act or the delay by any financial institution other than the Credit Union. You agree that you shall be solely responsible for the identification of any error or inaccuracy in the transfer request information provided by you and that you shall immediately notify the Credit Union of any such error or inaccuracy known or discovered by you.

Confidentiality. We will disclose information to third parties about your account or the transfers you make: (i) Where it is necessary for completing transfers, or (ii) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or (iii) In order to comply with government agency or court orders, or (iv) If you give us your written permission.

Error Resolution Notice. In Case of Errors or Questions About Your Electronic Transfers Telephone us at (703) 776-2700, e-mail eservices@hsfcu1.org, or write us at 3300 Gallows Rd. Falls Church, VA 22042 as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. (1) Tell us your name and account number (if any). (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.(3) Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.