



Lutheran Church Extension Fund
> where investments build ministry

Electronic Funds Transfers Agreement and Disclosure

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This Electronic Funds Transfers Agreement is the contract that covers your rights and LCEF's rights and responsibilities concerning the electronic funds transfer ("EFT") services offered to you by the Lutheran Church Extension Fund—Missouri Synod ("LCEF"). In this Agreement, the words "you" and "yours" mean those persons who sign any LCEF application for EFT service(s), including the LCEF investment application as applicants, joint owners or any authorized user. Electronic funds transfers are electronically initiated transfers of money from your investment through the electronic funds transfer services described below. By signing an application describing and authorizing EFT services, or using any EFT service, each of you, jointly and severally, agree to the terms and conditions in this agreement and any amendments for the EFT services offered.

1. EFT Services

A. Automated Telephone Access System

To use the automated telephone access system, you will be required to obtain a separate Personal Identification Number ("PIN") that will be assigned to you. You must use your PIN along with your investment number to access your LCEF investments. At the present time, the system provides balance and transaction history information on LCEF investments. Your investments can be accessed through the system via a touch-tone telephone only. This service will be available 24 hours per day. This service may be interrupted for a short time each day for data processing. There is no limit to the number of inquiries you may make in any one day. The call will be transferred to LCEF's Customer Relations team if the information entered does not match LCEF records, no option is selected when prompted, or the call exceeds the allowed time limit.

B. Preauthorized EFTs

1. Direct Investment

Upon instruction of your employer or other financial institutions, LCEF will accept direct investments of your paycheck or other recurring payments to the following Certificates: StewardAccount, FlexPlus, Family Emergency StewardAccount, Gold Tier StewardAccount, Y.I. StewardAccount and Congregation StewardAccount. Additional investments also may be made to Dedicated/Demand Certificates, Floating-Rate Term Notes and certain fixed-rate term notes when such instructions are given directly to LCEF.

2. Preauthorized Debits

Upon instruction, LCEF will pay certain recurring amounts from certain LCEF Notes.

C. MyAccount Online Service

The terms and conditions for use of LCEF's *MyAccount* online service are published on LCEF's website at lcef.org. Personal users may enroll for access at lcef.org. Authorized individuals on non-personal accounts must complete a *MyAccount* application to enroll in this online financial service. At the present time, this service offers the ability to:

1. View current investment and loan balances and activity in real time.
2. Make internal transfers between **eligible** LCEF accounts.
3. Make a single or recurring external transfer

between your LCEF account and your account at another financial institution. Personal users may also have access to our bill pay feature.

4. Access statements electronically (e-statements).
5. Use calculators for things such as loan payments.
6. See images of checks written from your StewardAccount.
7. Communicate with LCEF staff safely and securely using options under Self Service.

D. Visa® Debit Card

The Visa debit card ("Card") is an optional method of redeeming funds from the following LCEF Certificates: StewardAccount, Gold Tier StewardAccount, Y.I. StewardAccount, FlexPlus and Congregation StewardAccount. All applications for a Card are made directly with UMB Bank, n.a. (the "Bank") via LCEF and are subject to approval by the Bank. All the terms and conditions applicable to this service are available in the StewardAccount Visa Debit Card Agreement or the FlexPlus Visa Debit Card Agreement (and in other documents that are provided by the Bank).

2. Transfer Limitations

There may be a transactional and/or daily limit on the amount of transfers that may be made from your LCEF investments.

3. Conditions of EFT Services

A. Security of Access Code (PIN)

You may use one or more access codes with your electronic transfers. The access codes issued to you are for security purposes. Any codes issued to you are confidential and should not be disclosed to third parties. You are responsible for safekeeping your access codes. You agree not to disclose or otherwise make your access codes available to anyone not authorized to sign on your investments. You understand that anyone you authorize to use an access code may redeem or transfer funds from any of your investments. If you fail to maintain the security of these access codes and LCEF suffers a loss, LCEF may terminate your EFT services immediately.

B. Joint Investments

If any of your investments accessed under this Agreement are joint investments, all joint owners, including any authorized users, shall be bound by this Agreement, and alone and together, shall be responsible for all EFT transactions to or from any investments as provided in this Agreement. Each joint owner, without the consent of any other owner, may, and hereby is authorized by every other joint owner, to make any transaction permitted under this Agreement. Each joint owner is authorized to act for the other owners, and LCEF may accept orders and instructions regarding any EFT transaction on any investment from any joint owner.

4. Fees and Charges

Currently, there are no fees related to the initiation or receipt of most electronic funds transfers. There is a fee for initiating a wire transfer. For a complete and current listing of all applicable fees, refer to LCEF's Fee Schedule. The Fee Schedule is available at lcef.org. From time to time, the service fees may be adjusted. LCEF will notify you of any changes as required by applicable law.

5. Investor's Liability

You are responsible for all EFT transactions you authorize. If you permit someone else to use an EFT service, your Visa debit card or your access code (PIN), you are responsible for any transactions they authorize or conduct on any of your investments.

Visa Debit Card

For liability information concerning your card or to report a lost or stolen card, contact UMB Bank, n.a. at 800-449-9176.

Automated Clearinghouse (ACH)

You may from time to time be a party to an ACH entry, which may be credited or charged to an LCEF investment. You are bound by the National Automated Clearinghouse Association (NACHA) operating rules then in effect for ACH transactions authorized. You agree that payment of ACH entries will be processed on the basis of the identifying number for the ACH, even if the identifying number identifies a financial institution, person, or entity different from the named party in the transaction. You have fifteen (15) days from the time LCEF sends or makes the statement available to notify LCEF of unauthorized ACH debits to your account.

Other EFT Services

For all other EFT services, notify LCEF at once if you believe someone has used your access code or otherwise accessed your investments without your authority. Telephoning is the best way of keeping your possible losses to a minimum.

Phone: 800-843-5233

Fax: 314-996-1131

Mail: Lutheran Church Extension Fund

PO Box 229009 | St. Louis, MO 63122-9009

You agree to examine your statement promptly. You agree to report any claim that a transfer or payment from the investment was forged, altered, or otherwise not authorized within thirty (30) days of receipt of the statement first containing a reference to such activity. You agree that failure to notify LCEF or the Bank within that time will preclude any claim against LCEF and the Bank by reason of any unauthorized or missing signature, alteration, or error of any kind. In the event LCEF or the Bank is deemed liable for any unauthorized payment, such liability shall not exceed the face amount of the payment improperly made.

All Accounts

If LCEF completes an authorized payment or transfer and subsequently learns that your account has insufficient funds for the transaction, you agree that LCEF may reverse the transaction or offset the shortage with funds from any investment you have with LCEF.

Each owner individually releases LCEF from any liability and agrees to not make any claim or bring any action against LCEF for honoring or allowing any action or transaction in which the person performing the action is authorized to use the *MyAccount* user name and password or the Visa debit card. Each owner agrees to indemnify LCEF and hold LCEF harmless from and against any and all liability (including but not limited to reasonable attorney fees) arising from any such claims or actions.

6. Right to Receive Documentation

A. Periodic Statements

Transfers and redemptions made through preauthorized EFTs, *MyAccount* Online Service, or Visa debit card transactions will be recorded on your periodic statement.

You will receive a monthly statement unless there is no EFT transaction in a particular month. In any case, you will receive a statement at least quarterly for those investments on which you have authorized EFT services.

B. Direct Investment

If you have arranged to have a direct transfer made to your investment at least once every 60 days from the same source and you do not receive a receipt (such as a pay stub), you can receive information on whether or not the transfer has been made by calling 800-843-5233. This does not apply to transactions occurring outside the United States.

7. Investment Information Disclosure

LCEF will disclose information to third parties about your investment or the transfers you make:

- A. As necessary to complete transfers.
- B. To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant.
- C. To comply with government agency or court orders.
- D. If you give LCEF your written permission.

8. Business Days

LCEF's business days are Monday through Friday, 7:45 a.m. to 4:15 p.m., CT, excluding holidays.

9. LCEF's Liability for Failure to Make Transfers

If LCEF does not complete a transfer to or from your investment on time or in the correct amount according to our agreement with you, LCEF may be liable for your losses or damages. However, LCEF will not be liable for direct or consequential damages in the following events:

- A. If, through no fault of LCEF, there is not enough money in your investment to complete the transaction.
- B. If you use your access code in an incorrect manner.
- C. If circumstances beyond LCEF's control (such as fire, flood or power failure) prevent the transaction.
- D. If the money in your investment is subject to legal process or other claim.
- E. If the money in your investment was previously pledged by you as collateral for a loan.
- F. If the electronic transfer is not completed as a result of your willful or negligent use of your access code.
- G. If the computer equipment you use to conduct electronic *MyAccount* transactions is not working properly and you know or should have known about the breakdown prior to the completion of the transaction.
- H. Any other exceptions as established by LCEF.

10. Stopping Preauthorized Transfers

A. Stop Payment Rights

If you have arranged in advance to make regular electronic funds transfers out of your investment(s) for money you owe others, you may stop payment of preauthorized transfers from your investment. To stop a preauthorized transfer, you must complete an ACH Stop Payment Form and the completed form must be received by LCEF at least two business days before the scheduled date of the transfer. The ACH Stop Payment Form is available at lcef.org or by calling LCEF. If a permanent stop payment is selected, the LCEF investment will no longer accept debits from the company until LCEF receives written notice from you to discontinue the stop payment. All stop payments will incur a service fee.

B. Liability for Failure to Stop Payment of Preauthorized Transfers

If LCEF receives your completed ACH Stop Payment Form to stop payment of a preauthorized transfer at least two business days before the transfer is scheduled and LCEF does not do so, LCEF will be liable for your losses or damages.

11. Notices

All notices from LCEF will be effective when LCEF has mailed or delivered them to your last known address in LCEF's records. Notices from you will be effective when received by LCEF at the addresses specified in this Agreement. LCEF reserves the right to change the terms and conditions upon which this service is offered. LCEF will mail notice to you at least 21 days before the effective date of any change.

12. Resolution of Errors

In case of errors or questions about electronic funds transfers to or from your LCEF investments, telephone or write LCEF:

Phone: 800-843-5233

Mail: Lutheran Church Extension Fund

PO Box 229009 | St. Louis, MO 63122-9009

Contact LCEF as soon as possible if you think your statement is incorrect or if you need more information about an electronic transfer listed on your statement. LCEF must hear from you within 60 days after you were sent the **first** statement on which the problem or possible error appeared.

A. How to Report a Problem

1. Provide LCEF your name and investment number.
2. Describe the possible error or the transaction you are unsure about, and explain why you believe it is an error or why you need more information.
3. Provide the dollar amount and date of the suspected error.

B. Reporting Back to You

LCEF will provide you with the results of the investigation within 10 business days after LCEF receives your information, and LCEF will correct any verified error promptly. If LCEF requires more time, LCEF may take up to 45 days (90 days if the transaction was not initiated within a U.S. state or occurred within 30 days after an initial investment was made) to investigate your complaint or question. If such action is necessary, LCEF will credit your investment within 10 business days (20 business days if the transaction occurred within 30 days after the initial investment was made) for the amount in question, so you will have use of the money during the time it takes LCEF to complete its investigation. If LCEF requests that you put your complaint or question in writing and LCEF does not receive this information within 10 business days, LCEF may not credit your investment.

LCEF will inform you of the results within three business days after completing the investigation. If LCEF concludes that no error occurred, LCEF will send you a written explanation.

You may ask for copies of the documents pertaining to your inquiry that LCEF uses in its investigation.

13. Termination of EFT Services

You may terminate this Agreement or any EFT service under this Agreement at any time by notifying LCEF in writing and stopping your use of any access code. LCEF also may terminate this Agreement at any time by notifying you via telephone or in writing. If LCEF terminates this Agreement, LCEF may notify any persons making pre-authorized debits or credits to any of your investments that this Agreement has been terminated and that LCEF will not accept any further preauthorized transaction instructions. LCEF also may update the system not to accept your access code for any EFT service. Whether you or LCEF terminates this Agreement, the termination shall not affect your obligations under this Agreement for any EFTs made prior to termination.

14. Governing Law

This Agreement is governed by federal laws and regulations, the laws and regulations of the state of Missouri, and national clearinghouse rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the court of the county in which LCEF is located.

15. Enforcement

You are liable to LCEF for any loss, cost, or expenses incurred resulting from your failure to follow this Agreement. You authorize LCEF to deduct any such loss, costs, or expenses from your investment without prior notice to you. If LCEF brings a legal action to collect any amount due under or to enforce this Agreement, LCEF shall be entitled, subject to applicable law, to payment of reasonable attorney fees and costs, including fees on any appeal, bankruptcy proceedings and any post-judgment collection actions.

16. Applicability to EFTs Only

The terms of this Agreement relate only to rights and responsibilities concerning electronic funds transfers and do not alter, amend, revoke, or otherwise change the provisions of the terms and conditions applicable to the Notes issued by LCEF that comprise your investments.

LCEF is a nonprofit religious organization; therefore, LCEF investments are not FDIC-insured bank deposit accounts. This is not an offer to sell LCEF investments, nor a solicitation to buy. LCEF will offer and sell its securities only in states where authorized. The offer is made solely by LCEF's Offering Circular. Investors should carefully read the Offering Circular, which more fully describes associated risks. StewardAccount (includes FlexPLUS Disbursement) access features provided through UMB Bank, n.a. The Dedicated/Demand Certificates and StewardAccount are not available to investors in South Carolina. The Family Emergency StewardAccount is known as the Family StewardAccount in the state of Ohio.