



AGREEMENT FOR WIRE TRANSFER SERVICES

This Agreement is made by and between Denton ISD
("Customer") and NORTHSTAR BANK OF TEXAS ("Bank") to provide for wire transfer services Customer's funds to and/or from Customer designated account(s).

DEFINITIONS: The following terms have the meanings assigned when used herein:

"Agreement" means this Wire Transfer Service Agreement between Customer and Bank, together with the properly completed and signed forms attached to this Agreement, as they may be amended from time to time.

"Fedwire" means the funds transfer system owned and operated by the Federal Reserve Banks that is used primarily for the transmission and settlement of payment orders governed by the Fedwire Regulation.

"Fedwire Regulation" means subpart B of Regulation J of the Board of Governors of the Federal Reserve System, as amended from time to time.

"Repetitive Transfer" means wire transfer in which the receiving bank, payee, and account are the same for each transfer, and only the transfer date and amount vary.

"Request" means a Customer's request to Bank for a wire transfer, or for a cancellation or amendment of a wire transfer, made in the name, or having the unique identifier, of Customer as sender requesting that funds belonging to, or under the control of, Customer be transferred to a specified account or beneficiary.

"Security Procedure" means each of the procedures described in the Security Addendum for verifying the authenticity of Requests.

"Wire Transfer Business Day" means any day other than a Saturday or a Sunday, on which the Federal Reserve Bank is open for business in Washington. The end of the wire transfer business day is determined by a wire transfer deadline set by the Federal Reserve Bank and subject to change from time to time.

1. Scope

- a. Terms and conditions. Customer agrees to submit wire transfer requests (Request) to the Bank in accordance with the terms and conditions of this Agreement. In all other respects the terms and conditions of Customer's Deposit Agreement with Bank supplement this Agreement and apply to any such Request. If there is a conflict between these Agreements, this Agreement shall control with respect to wire transfers.
- b. Service description. Customer authorizes Bank to transfer funds to and/or from any accounts, which are designated in the properly completed and signed forms, attached to this Agreement. Bank, subject to its then current security procedures, will execute wire transfers in accordance with Requests from authorized customer representatives (Authorized Representatives) whether such Requests are written, oral, telephonic, electronic, or via an automatic transfer device (except as mode of Request is limited by written Agreement). Funds must be available in the account specified in the Request at the time the Request is made. Bank will not search for funds in accounts other than the one(s) specified in the Request.
- c. Fedwire notice. In connection with Customer's use of this service, Bank notifies Customer of the following:
 - i. Bank may use Fedwire when acting upon Customer Request.
 - ii. Any subsequent Bank may use Fedwire when carrying out Customer's Request.
 - iii. The rights and obligations of Bank and Customer in a wire transfer intended to carry out Customer's Request, any part of which is carried out through the use of Fedwire, are governed by Fedwire Regulations.

2. Responsibilities

- a. Security. Customer agrees that Bank's security procedures recorded on the Security Addendum attached to this Agreement are commercially reasonable. Customer agrees that Bank will use such procedures to detect an unauthorized Request prior to accepting Customer's Request. Customer furthermore agrees that any Request acted upon by Bank in compliance with these security procedures, whether or not authorized by Customer, shall be treated as Customer's authorized Request. Customer acknowledges that Bank reserves the right to change its security procedures from time to time.
- b. Passwords, codes, and tokens. Bank may assign to Customer confidential passwords, codes or tokens to be used in requesting wire transfers. When so assigned, Requests will not be acted upon without use of correct security devices. Customer has the responsibility of maintaining the confidentiality of such passwords, codes and tokens and for notifying the Bank if it is suspected that any security device(s) have been compromised.
- c. Payment to Bank. Unless otherwise agreed in writing, Customer must pay Bank the amount of the wire transfer, plus any applicable fees, before Bank will execute Customer's Request. Fees applicable to wire transfers are posted in the Fee Schedule and are subject to change from time to time as the sole discretion of Bank.
- d. Acceptance and execution of request of Bank. Customer's Request is considered accepted by Bank when Bank executes it. Customer acknowledges that the Bank maintains deadlines for accepting wire transfer requests. If Customer's Request is received prior to the deadline it will be executed by Bank that wire transfer business day. A Customer's Request received after the deadline may be executed the next wire transfer business day. Wire transfer deadlines are subject to change from time to time at the sole discretion of the Bank. No instructions or other restrictions limiting Bank's acceptance of Customer's Requests(s) shall be effective unless accepted and agreed to in writing by Bank. However, Bank at its option may elect to act consistently with such instructions or Customers made other restrictions, which it believes in good faith.
- e. Rejection of wire transfer. Bank has no responsibility to accept any incoming wire transfer for Customer's benefit. Likewise, Bank has a right to reject Customer's Request for an outgoing wire transfer for reasons including, but not limited to, insufficient funds or insufficient uncollected funds in the account specified in the Request, Bank's inability to execute the wire transfer for the reasons set out in Paragraph 2 (1) below, or if Bank is unable to verify the authenticity of Customer's Request. Bank will notify Customer by phone or mail if it rejects the Customer's Request.
- f. Cancellation or amendment of wire transfer request. Customer may not be able to cancel or amend a Request after it is received by Bank. However, Bank may at its discretion use reasonable efforts to act on Customer's Request or cancellation or amendment. This is provided so that the method by which Customer notifies Bank of the request for cancellation or amendment complies with Bank's security procedures. However, Bank shall have no liability if such cancellation or amendment is not effected. Furthermore, Customer agrees to indemnify and hold harmless from any and all liabilities, costs, and expenses Bank may incur in attempting to cancel or amend the wire transfer.
- g. Repetitive transfers. If Bank of Customer determines that requests have become repetitive, Bank may assign a Repetitive number to Customer's Requests. If Bank does so, Customer may utilize such number as part of an expedited procedure in communicating such Requests to Bank in the future. Bank may execute Request containing this number.
- h. Erroneous requests. Customer acknowledges and agrees that when Customer provides Bank with a name and account number when requesting a wire transfer, which payment may be made solely on the basis of the account number even if the account number identifies a beneficiary different from the beneficiary named by Customer. Customer furthermore agrees that its obligation to pay the amount of the wire transfer to Bank is not excused in such circumstances. Likewise, wire transfers received by the Bank for Customer's benefit may be paid by bank solely on the basis of account number. Customer agrees that Bank shall not be responsible for any delay arising out of Bank's attempt to

reconcile inconsistencies between name and account number, or otherwise investigate suspected irregularities.

- i. Provisional payments. Credit Bank gives to Customer for a wire transfer is provisional until Bank receives final payment for the amount of the wire transfer. If Bank does not receive final payment for the wire transfer, Customer agrees to refund to Bank the amount of the transfer.
- j. Account statements. All wire transfers will be reflected on Customer's periodic bank statement. In some cases Bank will also notify Customer in writing, electronically, or by a report produced by one of the Bank's information reporting services. Customer should review each statement or other such Bank notice for any discrepancies in connection with wire transfers. If Customer believes a wire transfer is in error or needs more information about a wire transfer, Customer must contact Bank in writing upon discovery of the error within 14 days after Customer receives the first notice of statement which has a discrepancy, whichever is earlier. Failure to do so will relive Bank of any obligation to pay interest on or otherwise compensate Customer for the amount of an unauthorized or erroneous wire transfer.
- k. Method used to make the wire transfer. Bank may select any means for the transmission of funds that it considers suitable, including but not limited to Bank's own internal systems or Fedwire. Bank is not responsible for performance failure as a result of an interruption in transfer facilities, labor disputes, power failures, equipment malfunctions, and suspension of payment by another bank, refusal or delay by another bank to accept the wire transfer, war, emergency conditions, fire, earthquake, or other circumstances not within Bank's control.
- l. Authorization changes. Customer agrees that only those Persons authorized on the Wire Transfer Agreement, Attachment A ("Authorization") attached to this Agreement may initiate and/or verify Requests with Bank. Furthermore, wires may be initiated only from the account numbers designated on the Authorization. Changes by Customer in any information supplied to Bank or any changes in the designated account numbers or authority of the persons named on the Authorization shall not be binding upon Bank until Bank has received actual written notice of the changes at the address of Bank designated in Paragraph 4 (h) of this Agreement and has had reasonable time to implement them.

3. Liability

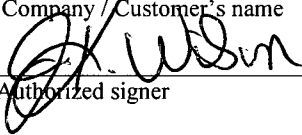
- a. Duty of reasonable care. Bank shall exercise good faith and reasonable care in processing Customer's wire transfers. Customer shall similarly exercise good faith and reasonable care in observing and maintaining security procedures, in communicating wire transfer Requests to Bank, and in reviewing bank statements or notices for any discrepancies, Customer is responsible for ensuring the accuracy of Requests and Bank 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.
- b. Liability of Bank. Bank shall be liable for Customer's lost interest and Customer's expenses directly related to Customer's Request if Bank fails to exercise ordinary care. **BANK IS NOT LIABLE IN ANY CASE FOR ANY SPECIAL, INDIRECT, EXEMPLARY, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS) OF ANY KIND. IN THE EVENT THE CUSTOMER UTILIZES ONLINE WIRES, THE BANK SHALL NOT BE LIABLE IF CUSTOMER'S COMPUTERS BECOME COMPROMISED AND ERRONEOUS/FRAUDULENT WIRES ARE INITIATED.**
- c. Liability of Customer. Customer shall be liable for any loss or damage resulting from Customer's breach of this Agreement or to which Customer's negligence contributed, or which resulted from unauthorized, fraudulent, or dishonest acts by Customer's current and/or former Authorized Representative. Such liability includes instances when a current or former Authorized Representative affects one or more wire transfers to Customer's detriment.

4. General

- a. Amendments. Bank may amend this Agreement including the procedures upon written notice to Customer.
- b. Waiver and severability. Bank or Customer may delay exercising their rights without losing them. Any waiver or partial exercise of ones rights is not a waiver of other rights or the same right at another time. If any provision of this Agreement, or its application to any person or set of circumstances is held invalid or unenforceable to any extent, the remainder of this Agreement, and the application to any person or set of circumstances is not impaired or otherwise affected.
- c. Termination. This Agreement may be terminated in the following circumstances:
 - i. Either party may terminate this Agreement without cause by giving 30 days prior written notice. Such termination shall not affect transfers made prior to receipt and implementation of the termination notice.
 - ii. Notwithstanding Paragraph 4 (i), Bank may terminate this Agreement immediately at any time upon telephone notification and to an Authorized Representative, followed by written notification, if (A) Bank reasonably deems itself insecure, (B) Customer has breached this Agreement, or (C) Bank becomes aware of information which may indicate illegal or improper transaction.
- d. Choice of law. The rights, duties and liabilities of parties to this Agreement shall be subject to Uniform Commercial Code Article 4A as in effect in Texas and as amended there from time to time. In all other respects, this Agreement will be subject to the laws of Texas. If any part of a wire transfer involves the use of Fedwire, the rights and obligations of Bank and Customer regarding that wire transfer are governed by Regulation J of the Federal Reserve Board.
- e. Venue. Customer irrevocably submits to the jurisdiction of any stator federal court sitting in Texas, and agrees that in any action brought hereunder venue shall be placed in Texas and that Customer will not claim that such forum is inconvenient.
- f. Attorney fees. In the event of litigation concerning the subject matter of this Agreement, the prevailing party's legal fees, court costs, and other related expenses shall be paid by the other party.
- g. Attached forms. This Agreement includes the following properly completed and signed forms.
 - Wire Transfer Security Agreement
 - Wire Transfer Agreement Attachment A
 - Corporate Documents
- h. Addresses. Except as otherwise provided, all written correspondence shall be sent to the most recent address for the Customer on file with the Bank. If to the Bank, all written correspondence shall be set to: 400 N. Carroll Blvd., Denton, TX 76201, Attention: Wire Department.

Denton ISD

Company / Customer's name



Authorized signer

7-5-2011

Date

James K Wilson, III

Name Printed

**WIRE TRANSFER
SECURITY ADDENDUM**

Denton ISD
Customer Name

1307 N. Locust, Denton, TX 76201
Customer Address

SECURITY PROCEDURE DESCRIPTION

DELIVERY METHOD:
Automated Wire Transfer System

SECURITY PROCEDURE:
Customer dials into designated Bank number using a confidential identifier and delivers required information and test code using a terminal device.

DELIVERY METHOD:
Direct Call to Wire Transfer Services

SECURITY PROCEDURE:
Customer dials into designated Bank number using a confidential identifier and delivers required information using a telephone. Bank performs 100% callback on all wires over a certain amount, which is changed periodically by Bank's Wire Transfer Services and is confidential to Bank. Bank performs random callback on wires of lesser amounts.

DELIVERY METHOD:
All Other Methods, Including Online

SECURITY PROCEDURE:
Customer delivers information to Bank using methods other than terminal or telephone. Customer utilizes may be issued an access ID and token. In some cases one time passwords may be issued. Secondary approvals may be required. Bank reserves the right to perform callbacks on any wire transfer initiated by the Customer via any method.

SECURITY AGREEMENT

I agree that the security procedures for the delivery methods recorded above are commercially reasonable methods of security. I understand that the Bank, at its discretion, may change its security procedures upon written notice to me. I furthermore agree that my continued use of any such changed procedures evidences my agreement to, and acceptance to, and acceptance of, the commercial responsibility of such changed procedures.

[Signature]
Authorized Customer Signature

Deputy Superintendent
Date

BANK USE ONLY	
WTS Representative	Date Received

**WIRE TRANSFER AGREEMENT
ATTACHMENT A**

By signing the Attachment A, the Customer agrees to the security procedures and other terms specified in this Attachment A.

1. Security Code. Customer requests code(s) to be assigned for use with these DDA accounts:

Account Number	Account Name
1130617	DISD General
1130609	DISD Payroll
1130625	DISD Child Nutrition
1130633	DISD Healthcare Trust
1130641	DISD HCT Section 125

The Customer authorizes the Bank to execute oral Payment Orders from anyone giving the Customer's DDA account number accompanied by the appropriate, assigned security code. The Bank will maintain a listing of the security code(s) assigned to the Customer and shall take reasonable precautions to protect the integrity of the security code(s) and its wire transfer system. The Customer has sole responsibility for distribution and use of the security code(s). Security code(s) may be canceled by Customer by delivery of written notice to Bank by fax, courier or U.S. Mail, effective upon confirmation of receipt by the Bank. New security code(s) may be issued to Customer upon five (5) business day's advance written notice from the Customer to the Bank.

2. Repetitive and Free-form Payment Orders. The Customer may initiate either of two types of Payment Orders. Repetitive Payment Orders are those for which the Customer preprograms the destination, credit and debit information which remains constant for subsequent Payment Orders designated by a repeat code assigned by the Bank. Free-form Payments Orders are those for which the Customer supplies the destination, credit and debit information for each Payment Order. The Bank will contact a call-back party to verify all Free-form Payment Orders of \$50,000 or more, and will not execute any such Free-form Payment Order which is not verified by a call-back party.

3. Initiators and Transaction Limits. The Customer hereby designates those individuals listed below as authorized initiators to initiate Payment Orders with the maximum dollar limitation as noted for each such Initiator. The Bank will call a call-back party to verify any Payment Orders exceeding the established limit. The Customer authorizes the Bank to execute a Payment Order upon verification by the call-back party if necessary.

Customer requests the following transaction limits:

Initiator	Dollar Limit – Online Y or N	Account Number
^{1.} Debbie Monschke	\$5,000,000.00 Y	All
^{2.} Julie Simpson	\$5,000,000.00 Y	All
3.		
4.		
5.		
6.		
7.		
8.		

4. Call-Back Parties. The Customer authorizes the Bank to contact a call-back party to verify any information in question, verify a Free-form Payment Order, or to authorize any Payment Order exceeding any customer-established transaction limits provided that a "call-back" party shall not be authorized to approve transactions in excess of \$ 5,000,000.00

Name	Title	Phone Number
1. Debbie Monschke	Exec. Dir Admin Services	940-369-0010
2. Julie J. Simpson	Accounting Supervisor	940-369-0019
3. Sharon Harris	General Ledger Accountant	940-369-0012

5. Notification. The Customer hereby requests notification of execution of Payment Orders and acceptance of Incoming Transfers as follows:

_____ requests notification by first class mail sent within two (2) business days of such execution or acceptance.
 _____ requests telephone notification at _____
 _____ requests fax notification at _____
 requests email notification at j.simpson@dentonisd.org

The Customer acknowledges that there is an additional charge for telephone and fax notification.

No Notice of Creditor Process. The Bank is not obligated to notify the Customer of any levy, attachment, garnishment, notice of lien, sequestration of other process issued by a creditor of the Customer with respect to the Customer's accounts with the Bank.

6. Written Orders and Authorized Changes. The Customer authorizes any one (designate one or more) of the following individuals (at least three) on behalf of the Customer to initiate written Payment Orders in any amount or request changes pertaining to this Attachment and the Wire Transfer Agreement, including changes in security codes, telephone notification, transaction limits, call-back parties and repeat codes. The Bank will compare the signature(s) on the written request with the following signature specimens. The Customer authorizes and directs the Bank to act upon original or faxed written requests reasonably believed by the Bank to be from any one of the individuals named below. Any requested change pertaining to this Attachment or the Wire Transfer Agreement, including but not limited to a change in designated individuals authorized to initiate written Payment Orders, or any changes in security codes, telephone notification, transaction limits, call-back parties and repeat codes must be in writing, delivered to the Bank by courier or U.S. mail, and will be effective upon confirmation of receipt.

Name	Signature
1. Dr. Ray Braswell	
2. Debbie Monschke	Debbie Monschke
3.	
4.	

Denton ISD
 Customer Name
 By [Signature]

7-5-11
 Date
Deputy Superintendent
 Title