

CORRESPONDENT AGREEMENT
RECIPROCAL CASHING OF SHARE DRAFTS AND CHECKS
MONTANA CREDIT UNION NETWORK

The purpose of this agreement is to provide for reciprocal share draft and check cashing privileges for the members of those credit unions adopting it by board resolution. A copy of the resolution shall be sent to the Montana Credit Union Network. The Network will maintain a list of all participating credit unions and store copies of the resolutions. The Network will also maintain a master copy of this agreement. Any changes must be unanimously adopted by all of the parties.

AUTHORIZED SERVICE

A participating "Disbursing Credit Union" agrees to generally fulfill the purpose of this agreement in good faith by cashing share drafts and checks for members of participating "Home Credit Unions" within any limits set forth in the Disbursing Credit Unions' board resolution.

The Disbursing Credit Union may refuse to process a particular transaction for any reason. The Disbursing Credit Union must notify the Home Credit Union of such a refusal. Repeated refusals tending to defeat the spirit of this agreement may be grounds for termination of rights and privileges by written request of a majority of all other participating credit unions.

The Disbursing Credit Union may request a written or oral guarantee from a Home Credit Union binding the Home Credit Union to reimburse the Disbursing Credit Union for any potential loss.

SETTLEMENT

Share drafts/checks received through the correspondent program will be routed in accordance with the Disbursing Credit Union's routine daily procedure. No special procedures are required.

COMMUNICATION BETWEEN CREDIT UNIONS

Participating credit unions shall communicate with each other concerning individual transactions by telephone, facsimile machine (FAX), electronically, US Mail, or any other means as appropriate in a given situation.

FEES

The Disbursing Credit Union will cash share drafts and checks for members of the Home Credit Union as a reciprocal service and in consideration thereof. There will be no fees charged to any credit union or member for participation in the correspondent program.

CHANGE IN PARTIES TERMINATION OF CONTRACT

Whenever a new credit union enters this agreement and sends the Montana Credit Union Network a copy of the adopting resolution, the Network will notify all other participants of the addition in a reasonably timely manner.

Any participating credit union may terminate its participation by giving the Montana Credit Union Network at least thirty (30) days written notice. Whenever a participant is terminated for any reason, the Network shall make reasonable efforts to notify all other participants of the termination before it is effective. Any transaction processed under this agreement prior to the effective date of a termination shall be governed in all respects by this agreement.

ARBITRATION OF DISPUTES

Any dispute arising regarding any particular transaction shall be resolved between the credit unions involved and not through the Montana Credit Union Network. The credit unions involved may agree to submit the dispute to arbitration under Title 27, Chapter 5, Montana Code Annotated.

GOVERNING LAW

Except to the extent preempted by federal law or regulation, this agreement and transactions under it are governed by the law of the State of Montana.