



LCEF

Electronic Funds Transfers Agreement and Disclosure

*These are the Terms and Conditions of the **Dedicated Savings Certificates, StewardAccount® Certificates, FlexPlus Certificates, Floating-Rate Term Notes, Fixed-Rate Term Notes, Growth Certificates, Congregation Demand Certificates, Congregation StewardAccount® Certificates, Congregation Fixed-Rate Endowment Certificates, and Congregation Floating-Rate Endowment Certificates ("Notes")** issued by the Lutheran Church Extension Fund—Missouri Synod ("LCEF") effective October 1, 2006, and as may be amended as herein provided.*

Electronic Funds Transfers Agreement And Disclosure

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. The word "account" means any one or more investment accounts you have with LCEF. Electronic funds transfers are electronically initiated transfers of money from your account 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. Audio Response System

To access the audio response service, 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 account number to access your LCEF accounts. At the present time, the audio response system provides:

1. Funds transfer capabilities between certain types of LCEF investment accounts.
2. Balance information on LCEF accounts.

Your accounts can be accessed under the audio response 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, transfers, or withdrawal requests you may make in any one day. LCEF reserves the right to refuse any transaction that would withdraw an account below its current balance. The service will discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction, and there may be limits on the duration of each telephone call.

B. Preauthorized EFTs

1. Direct Deposit

Upon instruction of your employer or other financial institutions, LCEF will accept direct deposits of your paycheck or other recurring payments to LCEF StewardAccount® and FlexPlus Certificates. Additional investments also may be made to Dedicated Savings Certificates and Floating-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 Internet Service

The terms and conditions for use of LCEF's MyAccount Internet service are published on LCEF's Web site at <http://www.lcef.org>. Upon LCEF's approval of your MyAccount Internet access, a separate MyAccount ID and an initial password will be sent to you.

At the present time, this service allows you to:

1. View account information.
2. Request funds transfers between investment

accounts at LCEF.

3. Request wire transfers to accounts at other financial institutions.
4. Request automated clearinghouse ("ACH") transfers to accounts at other financial institutions.
5. Request ACH transfers to authorized LCEF investment accounts from other financial institutions.
6. Request other special services via Secure Mail e-mail.

D. VISA® Check Card

The VISA Check Card ("Card") is an optional method of redeeming funds from LCEF's StewardAccount and FlexPlus Certificates. 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 Check Card Agreement or the FlexPlus VISA Check Card Agreement (and in other documents that are provided by the Bank).

2. Transfer Limitations

There is no limit on the amount of preauthorized, automatic, or telephone transfers and withdrawals that may be made from your LCEF investment accounts.

3. Conditions of EFT Services

A. Security of Access Code

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 accounts. You understand that any joint owner you authorize to use an access code may withdraw or transfer funds from any of your accounts. 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 Accounts

If any of your accounts accessed under this Agreement are joint accounts, 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 accounts as provided in this Agreement. Each joint account owner, without the consent of any other account owner, may, and hereby is authorized by every other joint account owner, to make any transaction permitted under this Agreement. Each joint account owner is authorized to act for the other account owners, and LCEF may accept orders and instructions regarding any EFT transaction on any account from any joint account owner.

4. Fees and Charges

Currently, there are no fees and charges for electronic funds transfer services other than certain wire transfers. For a current listing of all applicable fees, refer to LCEF's current fee schedule provided to you at the time of application for these electronic services. From time to time, the charges may be changed. 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 Check Card, or your access code, you are responsible for any transactions they authorize or conduct on any of your accounts. For liability information concerning your VISA Check Card, contact UMB Bank, n.a.

For all other EFT services, notify LCEF **at once** if you believe someone has used your access code or otherwise accessed your accounts without your authority. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your investment account. If you inform LCEF within two business days, you can lose no more than \$50 if someone used your access code without your permission. If you do not inform LCEF within two business days after you learn of the loss or theft of your access code, and LCEF can prove that LCEF could have stopped someone from using your access code without your permission if you had informed LCEF, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, contact LCEF at once. If you do not inform LCEF within 60 days after the statement was mailed to you, you may not receive back any money lost after the 60 days, if LCEF can prove that LCEF could have stopped someone from making the transfers if you had informed LCEF in time.

If you believe your access code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, contact LCEF:

Phone: 1-800-843-5233
Fax: 314-996-1131
Mail: Lutheran Church Extension Fund
P.O. Box 229009
St. Louis, MO 63122-9009

6. Right to Receive Documentation

A. Periodic Statements

Transfers and redemptions made through any audio response transactions, preauthorized EFTs, **MyAccount** Internet Service, or VISA Check Card transaction 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 accounts on which you have authorized EFT services.

B. Direct Deposit

If you have arranged to have a direct deposit made to your account 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 deposit has been made by calling 1-800-843-5233. This does not apply to transactions occurring outside the United States.

7. Account Information Disclosure

LCEF will disclose information to third parties about your account 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., Central Standard Time, excluding holidays.

9. LCEF's Liability for Failure to Make Transfers

If LCEF does not complete a transfer to or from your account 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 accounts 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 account is subject to legal process or other claim.
- E. If the money in your investment account 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 telephone or computer equipment you use to conduct audio response or electronic **MyAccount** transactions is not working properly and you know or should have known about the breakdown when you started 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 account(s) for money you owe others, you may stop payment of preauthorized transfers from your account. You must notify LCEF by phone or in writing at any time at least three business days before the scheduled date of the transfer. LCEF may require written confirmation of the stop payment order to be made within 14 days of any oral notification. If LCEF does not receive the written confirmation, the oral stop payment order shall cease to be binding 14 days after it has been made.

B. Notice of Varying Amounts

If these regular payments vary in amount, the person you are going to pay is required to tell you 10 days before each payment when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set.

C. Liability for Failure to Stop Payment of Preauthorized Transfers

If you order LCEF to stop payment of a preauthorized transfer three business days or more 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 address 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 investment accounts, telephone or write LCEF:

Phone: 1-800-843-5233

Mail: Lutheran Church Extension Fund
P.O. 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 account 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 account within 10 business days (20 business days if the transaction occurred 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 account.

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 may also 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 accounts that this Agreement has been terminated and that LCEF will not accept any further preauthorized transaction instructions. LCEF may also 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 local 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 account 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 and are subject to the provisions of the terms and conditions applicable to the Notes issued by LCEF that comprise your accounts.



Lutheran Church Extension Fund

PO Box 229009
St. Louis, MO 63122-9009

1-800-843-5233

www.lcef.org

LCEF is a nonprofit religious organization; therefore, LCEF investments are not SIPC- or FDIC-insured bank deposit accounts. This is not an offer to sell investments or a solicitation to buy. The offer is made only in states where authorized and solely by LCEF's Offering Circular.