

**TO: MAYOR AND CITY COUNCIL**

**FROM: NEIL JENSEN, City Administrator**

**SUBJECT: Corporate Wire Transfer Agreement (Merchants Bank)**

**MEETING DATE: October 4, 2022**

**BACKGROUND**

This agreement is just an update for signatures allowing Sara Peer and I to move or transfer money between the banks that are listed in the depository resolution adopted at the annual meeting each year.

**STAFF RECOMMENDATION**

Please approve the Corporate Wire Transfer Agreement with Merchants Bank.

**REQUESTED COUNCIL ACTION**

Please approve the Corporate Wire Transfer Agreement with Merchants Bank.

## **CORPORATE WIRE TRANSFER AGREEMENT**

THIS AGREEMENT IS MADE THIS \_\_\_\_\_ OF October, 2022 by and between, City of Cannon Falls (the "Company") and Merchants Bank, National Association (the "Financial Institution").

### **DEFINITION OF TERMS**

1. The term "Authorized Representative" shall mean the individual or individuals listed in Exhibit A (attached). From time to time, the company may add or delete authorized representatives. Written notice to the Financial Institution by an officer of the Company authorized to direct wire transfers of the Company's funds (as stated in the corporate resolution on file at the Financial Institution), will be required for the purpose of adding or deleting authorized representative.
2. The term "Covered Account" shall mean the depository account maintained in the name of the Company at the Financial Institution and described in Exhibit A.

### **AUTHORITY**

1. The Financial Institution is authorized from time to time to transfer funds of the Company maintained in any covered accounts to any account of the Company or to the account of any third party whether maintained at the Financial Institution or elsewhere:
  - a. when requested to do so by an Authorized Representative of the Company, or
  - b. in cases where the transfer has been preauthorized as indicated in paragraph two (2) below.
2. Wire transfers which the Financial Institution is to effect automatically without further instruction or direction by the Company shall be deemed preauthorized when communicated to the Financial Institution in writing by an officer of the Company at least three (3) business days prior to the date the initial wire transfer is made. Transfer requests other than those, which have been preauthorized, may be communicated to the Financial Institution in writing or by telephone.
3. Company may choose to utilize electronic delivery of wire transfer requests utilizing Merchants Internet Banking system and, as such, pass on the use of security codes or verification calls for validation of the wire request. Companies that choose this method, will be required to utilize the Out of Band Authentication (OOBA) and must implement a submitter and approver process within the Internet Banking set-up. It is the Companies responsibility to ensure their

computers are up-to-date with vulnerability management techniques. For these customers, the Financial Institution will process these wire transfer requests as received and provide verification of the processing of the request in a method so indicated by the Company. No call back procedure or other verification will be used.

4. The Financial Institution may assign identification codes to repetitive wire transfer requests. The Financial Institution may also assign security codes to Authorized Representatives of the Company. If repetitive or security codes are assigned, the Company agrees to use the codes in conveying wire transfer instructions to the Financial Institution and to implement security procedures and/or devices as it deems necessary and appropriate to ensure the integrity of the codes assigned.
5. The Financial Institution may refuse to make any funds transfer made by the Company if the amount requested to be transferred would exceed the available collected balance in the covered account to which the funds transfer request relates.

#### **MISCELLANEOUS**

1. All wire transfers made by the Financial Institution in accordance with the terms of this Agreement shall be considered final and shall not be subject to stop payment or recall orders. Although the Financial Institution may, at the request of the Company, endeavor to affect such stop payment or recall orders of the Company, it shall not be liable to the Company for its failure to do so.
2. The Financial Institution will make available via mail or electronic means to the Company notification of each transfer made by and received by the Financial Institution in the form of a monthly statement. The Company agrees to notify the Financial Institution within a reasonable time, not to exceed thirty (30) days after the Company receives the statement, of any discrepancy between the Company's records and the information in the statement.
3. The Financial Institutions duties and responsibilities are limited to those described in this Agreement. The Financial Institution will use ordinary care in performing under this Agreement and will be responsible for any loss sustained by the Company to the extent such loss is a result of the Financial Institution's negligence; however, liability will extend only to the resulting actual, direct loss or damages, and to any consequential, special loss or damages. The Financial Institution shall not be liable for any losses or damages resulting from:
  - a. fraudulent transfer requests initiated by Authorized Representatives
  - b. any delay in the performance of or failure to perform responsibilities under this Agreement which is caused by an act of God, fire or any other catastrophe, electrical or computer failure

- c. acts of, delays or failure to act by any carrier and/or agent operating between the Financial Institution and the Company, or by recipients of the transferred funds and their personnel
  - d. any other causes beyond the Financial Institutions control
- 6. The Company will indemnify and hold the Financial Institution, its Officers and Directors, harmless from any claims, demands, expenses, loss and damage arising out of the Financial Institution's acting upon the wire transfer requests made in accordance with this Agreement.
- 7. Either party may terminate this Agreement upon delivery to the other party, a written notice of termination. The effective date will be five (5) business days following receipt of notice of termination.

Exhibit "A"

MERCHANTS BANK  
WIRE TRANSFER AGREEMENT

ACCOUNT NAME: City of Cannon Falls  
ADDRESS: 918 River Rd  
CITY, STATE, ZIP: Cannon Falls, MN 55009  
TELEPHONE # 507-263-9314 FAX #: 507-263-5843  
EMAIL ADDRESS: \_\_\_\_\_  
ACCOUNT # \_\_\_\_\_ Authentication code \_\_\_\_\_

☐ We elect to use Merchants Online Banking to submit wire transfers and will implement Out of Band Authentication (OOBA) and Dual Authorization and as such, will NOT receive a call back verification from Merchants Bank on any wire transfers submitted through Online Banking.

☐ We elect to submit wire transfer requests in writing, via telephone, or Online Banking. However, we will expect a call back verification of the request.

AUTHORIZED REPRESENTATIVES

<u>NAME</u>	<u>TITLE</u>	<u>SIGNATURE</u>
1. <u>Nail Jensen</u>	<u>City Administrator</u>	_____
2. <u>Sara Peer</u>	<u>City Clerk</u>	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____

**SPECIAL INSTRUCTIONS:**\_\_\_\_\_

\_\_\_\_\_

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**PROCESSING NOTIFICATION INSTRUCTIONS:**\_\_\_\_\_

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Finding the foregoing Wire Transfer Agreement satisfactory, the signatures below evidence acceptance of the agreement between the Financial Institution and the Company.

COMPANY

FINANCIAL INSTITUTION

By:\_\_\_\_\_

By:\_\_\_\_\_

Its: Mayer\_\_\_\_\_

Its:\_\_\_\_\_

Date:\_\_\_\_\_

Date:\_\_\_\_\_