

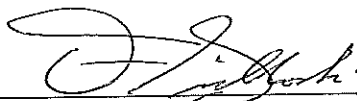
RURAL MUNICIPALITY OF WEYBURN NO. 67
Weyburn, Sask.

BYLAW NO. 1-2003

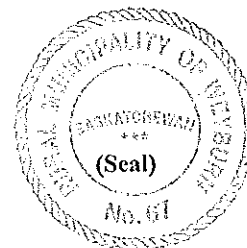
A BYLAW TO MAKE PAYMENTS BY ELECTRONIC TRANSFER, AS
PER SUBSECTION 64(3) OF *THE RURAL MUNICIPALITY ACT, 1989.*

The Council of the Rural Municipality of Weyburn No. 67 in the Province of
Saskatchewan enacts as follows:

1. The administrator shall establish on our bank account at the Weyburn
Credit Union Limited for funds to be electronically transferred for the
payment of salaries and wages, payroll deductions, benefits, school
collections, power, energy, telephone, cellular phone.
2. The Council hereby authorizes the signing of the "Customer
Automated Funds Transfer Agreement" (Exhibit "A") with the
Weyburn Credit Union.
3. The payment of the monthly expenditures mentioned in Section 1 is
hereby authorized to be transferred by the administrator and either the
reeve or deputy reeve.
4. A list of accounts paid according to this bylaw shall be submitted at the
next regular meeting of Council for ratification.




Reeve



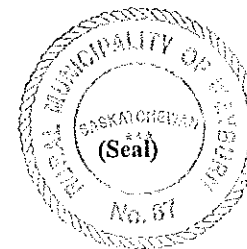


Administrator

Certified a true copy of Bylaw No. 1-2003
adopted by Council on the 8th day of April,
2003.



Reeve





Administrator

Customer Automated Funds Transfer Agreement

BETWEEN:

WEYBURN

Credit Union Ltd. (hereinafter called the "Credit Union");

AND

RM OF WEYBURN

(hereinafter called the "Member");

In consideration of the Credit Union agreeing to collect Pre-authorized Debits or distribute Direct Debits issued by the Member, and in consideration of other financial institutions agreeing through the rules of the Canadian Payments Association, to accept Pre-authorized Debits drawn on the accounts of their customers, or to deposit Direct Debits paid to the account of their customers, the Member agrees as follows:

1.0 DEFINITIONS

1.1 In this Agreement, unless there is something in the context inconsistent therewith, the following words and phrases shall have the following meanings:

"Clearing Arrangement" means the arrangement made from time to time by the Credit Union with the Canadian Payments Association for the clearing and settlement of transactions through its national clearing and settlement system.

"CPA" means the Canadian Payments Association.

"Current Account" means the Member's current account with the Credit Union, including related overdraft loan facilities.

"Direct Deposit" means an order which is created by a Payor in accordance with any applicable CPA rules or standards which directs the crediting of a Payees' designated accounts in designated Institutions.

"Institution" means a financial institution that is a member of the Canadian Payments Association, or that has made arrangements for clearing payments with a member of the Canadian Payments Association.

"Payee" means an individual, corporation, government or other organization, which is, or is to be, the beneficiary of a Direct Deposit to the credit of its account with an Institution.

"Payor" means an individual, corporation, government or other organization that has issued an order authorizing the Payor's account with an Institution to be debited with the amount of the order.

"Pre-Authorized Debit" means an order created by a Payor in accordance with CPA rules or standards which directs debits to be drawn on designated account of a Payor with an Institution payable to a designated account of a Payee with an Institution.

"Processing Institution" means an Institution that holds the account of a Payor or Payee, which is to be debited or credited with a Pre-Authorized Debit or Direct Deposit.

Customer Automated Funds Transfer Agreement

2.0 SERVICES

- 2.1 The Credit Union agrees to process Direct Deposits and Pre-Authorized Debits through the Clearing Arrangement subject to the terms and conditions of this Agreement (referred to in this Agreement as the CAFT service).
- 2.2 The Member shall provide the Credit Union at the times specified by the Credit Union, all of the information required and in the format specified by the Credit Union to enable the Credit Union to process Direct Deposits and Pre-Authorized Debits on behalf of the Member.
- 2.3 The Credit Union shall, on behalf of the Member, in accordance with the information furnished by the Member, deliver Pre-Authorized Debits and Direct Deposits to Processing Institutions.
- 2.4 The Credit Union shall provide the Member with Pre-Authorized Debit and Direct Deposit procedures, and shall have the right to amend the procedures from time to time. The Member shall comply with all procedures and shall indemnify the Credit Union for compliance with procedures by the Member.
- 2.5 The processing of Direct Deposits and Pre-Authorized Debits by the Credit Union on behalf of the Member shall be subject to all applicable rules and regulations established by the CPA. The Member agrees to abide by all such CPA Rules as in force and amended from time to time. Without limiting the generality of the foregoing the Member agrees to abide by all relevant provisions of CPA Rule H4 related to the pre-notification of Payors and will, prior to the issuing of Debits against a Payor's account, inform the Payor of the recourse, notification, and all other provisions of Rule A4 relevant to Payors. Where possible, the Member will also provide the Payor with a copy of the authorization signed by the Payor.

3.0 SETTLEMENT

- 3.1 As soon as any Direct Deposit is charged to the Credit Union through the Clearing Arrangement, the Credit Union shall forthwith debit the Current Account of the Member in the amount of the Direct Deposit and shall only be required to re-credit an amount if such amount is re-credited to the Credit Union. If an amount re-credited is subsequently recharged to the Credit Union, the Credit Union shall have the right to again forthwith debit the Current Account of the Member with such amount.

As soon as any Pre-Authorized Debit is credited to the Credit Union under the Clearing Arrangement, the Credit Union shall credit the Current Account of the Member in the amount credited to it. The Credit Union shall be entitled to debit any such amount if such amount is debited to the Credit Union under the Clearing Arrangement.

- ~~3.2 The Member will pay service fees to the Credit Union for the use of the CAFT service, based on the rates in the Schedule of Fees. The Credit Union may amend the Schedule of Fees on thirty days notice to the Member. Service fees shall be calculated monthly and charged to the Current Account of the Member.~~

Customer Automated Funds Transfer Agreement

4.0 PAYMENT AUTHORIZATION

- 4.1 The Member shall warrant and guarantee to the Credit Union that each Payor on whose behalf a Pre-Authorized Debit purports to have been drawn or direction purports to have been given, will have signed and delivered to the Member a written authorization in a form satisfactory to the Credit Union authorizing a Pre-Authorized Debit to be issued or directed on behalf of the Payor as if it were signed by such Payor, and authorizing such direction to be acted on as though it were a written direction signed by such Payor. The Member assumes all liability for ensuring that the person(s) signing a Payor's authorization is a valid signing authority for the Payor's account.
- 4.2 The Member undertakes, within five business days of the request of the Credit Union or Payor, or an authorized representative of the Credit Union or Payor (including a Processing Institution) to permit inspection and shall provide copies of the authorization of any Payor for Pre-Authorized Debits which are being relied upon by the Credit Union in the issuance of a Pre-Authorized Debit.

5.0 TERMINATION

- 5.1 Either party may terminate this Agreement on not less than 60 days written notice to the other party prior to the date the termination is to take effect. Notwithstanding any such termination, the provisions of this Agreement and the provisions of the CPA Rules shall continue to remain in full force and effect with respect to any Direct Deposits and Pre-Authorized Debits processed in accordance with the provisions of this Agreement prior to the day that the termination takes effect and until such time as all such outstanding transactions have been posted to the Member's Current Account.
- 5.2 Notwithstanding the provisions of Section 5.1, this Agreement may be terminated by the Credit Union at any time without notice, if the Member fails to have funds available for settlement of Direct Deposits or Pre-Authorized Debits, or is in breach of its obligations under this Agreement.

6.0 LIABILITY AND INDEMNITY

- 6.1 The Credit Union shall not be responsible or liable for any claim, demand, cost, expense, damage, penalty, delay or inconvenience to the Member or any other person resulting from failure of the Credit Union to perform any of the services herein contemplated arising out of any cause beyond the control of the Credit Union.
- 6.2 The Credit Union shall not be liable for any demand, cost, expense, damage, or penalty in any event and regardless of the cause for action, for any special, indirect or consequential damages. The liability of the Credit Union for any claim shall be limited in each claim to the service charge assessed by the Credit Union in relation to the service giving rise to the claim.
- 6.3 The Member shall indemnify and save the Credit Union and any Processing Institution harmless from and against any and all amounts debited or credited, damages, expenses, judgements or orders suffered or incurred by the Credit Union or Processing Institution in processing any Direct Deposit or Pre-Authorized Debit as a result of any error or incompleteness in such orders based on information furnished to the credit union by the Member, or its officers, employees, or agents, or as a result of any error by the Credit Union or any Processing Institution in processing such orders, or as a result of a failure by the Member to obtain any authorization required by Section 4 of this Agreement.

Customer Automated Funds Transfer Agreement

- 6.4 The acceptance by an Institution of monies paid by the Credit Union on behalf of the Member hereunder shall be a full and final discharge of the Credit Union's obligation to the Member in respect of monies so paid.
- 6.5 The Member agrees to reimburse the Credit Union or any other Processing Institution for any amount paid in accordance with CPA rules for disputed Pre-Authorized Debits or Direct Deposits as a result of a declaration filed by a Payor or other person alleging that the amount of a Pre-Authorized Debit or Direct Deposit has not been drawn in accordance with the Payor's authorization, the Payor's authorization was revoked, the Payor did not receive the required pre-notification in accordance with CPA Rules, or no contractual relationship (payment authorization) ever existed between the person making the claim and the Member.
- 6.6 The Member shall be liable for any interest claim associated with the return of a Pre-Authorized Debit for the reason that there is no Pre-Authorized Debit agreement in place between the Member and the Payor.
- 6.7 paymentsanytime.comTM is provided by the Credit Union to the member for the purpose of providing access to the CAFT service. paymentsanytime.comTM is the sole property and trademark of Credit Union Payment Services (CUPS) and is used under license by the Credit Union. The Member agrees that it will ensure that any equipment including, but not limited to, software, communication devices, computer hardware, internet service providers, or other devices of products used by the Member to access paymentsanytime.comTM will comply with the specifications issued from time to time by CUPS for access to the paymentsanytime.comTM hardware and software. The Member shall indemnify CUPS for any loss or damage incurred by CUPS due to the use of equipment not in compliance with CUPS specifications.

7.0 GENERAL

- 7.1 Any notice required or permitted to be given hereunder shall be in writing and shall be either delivered personally, by registered mail, or by fax to the Credit Union at the address set forth below and to the Member at the Member's latest address on the records of the Credit Union.

Weyburn Credit Union
(Credit Union Name)

Attn: CARLA LILLEJORD

Address: 221 Coteau Ave

WEYBURN, SK S4H 0G5

Any notice delivered personally shall be deemed given at the time marked on the delivery receipt or fax confirmation. Any notice mailed shall be deemed to have been given the third business day following the date of mailing unless between the time of mailing and the time of deemed receipt there occurs an interruption in postal service in which case the notice shall not be deemed to have been given until actually received.

Customer Automated Funds Transfer Agreement

- 7.2 This Agreement shall be interpreted in accordance with the laws of the Province of incorporation of the Credit Union and be subjected to all applicable laws of that province and Canada applicable therein.
- 7.3 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed this 7th of

January, 2003.

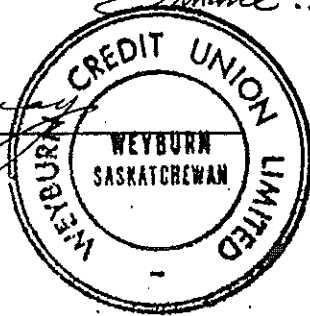
WEYBURN CREDIT UNION LTD.
(Credit Union Name)

Per:

[Signature]
Executive Manager of
[Signature]

Per:

[Signature]



R.M. OF WEYBURN
(Member Name)

Per:

[Signature]

Per:

[Signature]

Revised: April 13, 2000