YOUR DEPOSIT ACCOUNT

Terms and Conditions
Business Debit Card
Funds Availability
Specific Account Details

Northrim Bank
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AGREEMENT
This document, herein referred to as (“Agreement”), along with any other documents we give you pertaining to your Account(s), is a contract that establishes rules which control your Account(s) with us. Please read this carefully and retain it for future reference. If you sign the signature card (or other agreement to open an account) or open or continue to use the Account, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us.

This Agreement is subject to applicable federal laws, the laws of the state of Alaska and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this Agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

1. summarize some laws that apply to common transactions;
2. establish rules to cover transactions or events which the law does not regulate;
3. establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
4. give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your Account or in some other document. Nothing in this document is intended to vary our duty to act in good faith and with ordinary care when required by law.

As used in this document the words “we,” “our,” and “us” mean the financial institution and the words “you” and “your” mean the Account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the Account. However, this Agreement does not intend, and the terms “you” and “your” should not be interpreted, to expand an individual’s responsibility for an organization’s liability. If this Account is owned by a corporation, partnership or other organization, individual liability is determined by the laws generally applicable to that type of organization. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular. “Account” means any deposit Account that we designate as a checking, savings, retirement or certificate of deposit.

CONTROLLING LANGUAGE
English shall be the controlling language between you and the Bank. Should we translate our forms, disclosures or advertisements into another language and there is a discrepancy between the English materials and the translation, we will consider the English language version as conclusive and controlling within all applicable laws.

LIABILITY
You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this Account and the schedule of charges. You authorize us to deduct these charges, without notice to you, directly from the Account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this Agreement.

You also agree to be jointly and severally (individually) liable for any Account shortage resulting from charges or overdrafts, whether caused by you or another with access to this Account. This liability is due immediately, and we can deduct any amounts deposited into the Account and apply those amounts to the shortage. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft.

You will be liable for our costs as well as for our reasonable attorneys’ fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your Account. This includes, but is not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your Account. This also includes any action that you or a third party takes regarding the Account that causes us, in good faith, to seek the advice of an attorney, whether or not we become involved in the dispute. All costs and attorneys’ fees can be deducted from your Account when they are incurred, without notice to you.

BANK LIABILITY
We will follow reasonable commercial general standards as followed by or that do not unreasonably differ from the general standards of other similarly situated Alaska banks. These standards are referred to as “ordinary care.” By exercising ordinary care we are not liable to you except as legally required. We will meet our obligation to you to care for your Account within these standards. Clerical errors, equipment failure, or even an honest mistake does not mean the Bank failed to exercise ordinary care.

We will not be held responsible for delays or our inability to provide any or all of the services due to force majeure such as fire, earthquake, extreme weather, war, strikes, acts of terrorism, interruptions of communication, transportation, utilities, or services, or other unforeseen circumstances.

AMENDMENTS AND TERMINATION
We may change any term of this Agreement. Rules governing changes in interest rates are provided separately. For other changes, we will give you reasonable notice in writing or by any other method permitted by law. We may also close this Account at any time upon reasonable notice to you and tender of the Account balance personally or by mail.
NOTICES
Any written notice you give us is effective when we actually receive it, and it must be given to us according to the specific delivery instructions provided elsewhere, if any. We must receive it in time to have a reasonable opportunity to act on it. If the notice is regarding a check or other item, you must give us sufficient information to be able to identify the check or item, including the precise check or item number, amount, date, and payee. Written notice we give you is effective when: (1) it is deposited in the United States Mail with proper postage and addressed to your mailing address we have on file; or (2) provided through electronic delivery through the Online Documents Service. Notice to any of you is notice to all of you.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT
To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an Account.

What this means for you: When you open an Account, we will ask for your name, address, date of birth (for individuals), and other information that will allow us to identify you. We may also ask to see your driver’s license (for individuals) or other identifying documents.

Additionally, each time an Account is opened for a covered Legal Entity, we are required to ask you for identifying information (name, address, date of birth, social security number as well as identification documents) for each individual that has beneficial ownership (25% or more) and one individual that has significant managerial control of the Legal Entity.

If you are opening an Account on behalf of a Legal Entity, you will be required to provide the appropriate documentation and to certify that this information is true and accurate to the best of your knowledge.

BACKUP WITHHOLDING/TIN CERTIFICATION
Federal tax law requires us to report interest payments we make to you of $10 or more in a year, and to include your taxpayer identification number (TIN) on the report. Interest includes dividends, interest and bonus payments for purposes of this rule. Therefore, we require you to provide us with your TIN and to certify that it is correct. The TIN is either a social security number (SSN) or an employer identification number (EIN). For most organization or business Accounts other than sole proprietorships, the appropriate TIN is the EIN of the organization or business entity. For sole proprietorships, either the SSN or the EIN is appropriate. However, we must supply the IRS with both the individual owner’s name and the business name of the sole proprietorship.

In some circumstances, federal law requires us to withhold and pay to the IRS a percentage of the interest that is earned on funds in your Accounts. This is known as backup withholding. We will not have to withhold interest payments when you open your Account if you certify your TIN and certify that you are not subject to backup withholding due to underreporting of interest. We may subsequently be required to begin backup withholding if the IRS informs us that you supplied an incorrect TIN or that you underreported your interest income. If you do not have a TIN, we may defer backup withholding if you certify that you do not have a TIN but have applied for one. However, we must begin backup withholding if you do not supply us with a certified TIN within 60 days. If you do not have a TIN because you are a foreign person (either an individual who is a nonresident alien or a foreign organization) you must certify your foreign status. If you are an exempt payee (receiver of interest payments), you do not need to certify your TIN, but you will have to certify your exempt status and supply us with your TIN. The most common exempt payees are corporations, organizations exempt from tax under Section 501(a), and an individual retirement plan or a custodial Account under Section 403(b)(7). If you do not supply us with the appropriate TIN, we may refuse to open your Account.

CREDIT VERIFICATION
You agree that we may verify credit and employment history by any necessary means, including preparation of a credit report by a credit reporting agency.

TEMPORARY ACCOUNT AGREEMENT
If the Account documentation indicates that this is a temporary Account agreement, it means that all Account owners have not yet signed the signature card, or that some other Account opening requirement has not been completed. We may give you a duplicate signature card so that you can obtain all of the necessary signatures and return it to us. Each person who signs to open the Account or has authority to make withdrawals (except as indicated to the contrary) may transact business on this Account. However, we may at some time in the future restrict or prohibit further use of this Account if you fail to comply with the requirements we have imposed within a reasonable time.

FIDUCIARY ACCOUNTS
Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. We are not responsible for the actions of a fiduciary, including the misuse of funds. This Account may be opened and maintained by a person or persons named as a trustee under a written trust agreement, or as executors, administrators, or conservators under court orders. You understand that by merely opening such an Account, we are not acting in the capacity of a trustee in connection with the trust nor do we undertake any obligation to monitor or enforce the terms of the trust or letters.

DEPOSITS
We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn “on us”). Before settlement of any item becomes final, we act only as your agent, regardless of the form of endorsement or lack of endorsement on the item even though we provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen, or returned. Unless prohibited by law, we also reserve the right to charge back to your Account the amount of any item deposited to your
Account or cashed for you which was initially paid by the payor bank and which is later returned to us due to an allegedly forged, unauthorized or missing endorsement, claim of alteration, encoding error or other problem which in our judgment justifies reversal of credit. You authorize us to attempt to collect previously returned items without giving you notice, and in attempting to collect we may permit the payor bank to hold an item beyond the midnight deadline. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. If you deliver a deposit to us and you will not be present when the deposit is counted, you must provide us an itemized list of the deposit (deposit slip). To process the deposit, we will verify and record the deposit, and credit the deposit to the Account. If there are any discrepancies between the amounts shown on the itemized list of the deposit and the amount we determine to be the actual deposit, your account will be credited or debited for that amount and we will notify you of the discrepancy. You will be entitled to credit only for the actual deposit as determined by us, regardless of what is stated on the itemized deposit slip. We will treat and record all transactions received after our “daily cutoff time” on a business day we are open, or received on a day we are not open for business, as if initiated on the next business day that we are open. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check for deposit, we may require any third-party endorsers to verify or guarantee their endorsements, or endorse in our presence.

BUSINESS, ORGANIZATION AND ASSOCIATION ACCOUNTS
Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. You represent that you have the authority to open and conduct business on this Account on behalf of the entity. We may require the governing body of the entity opening the Account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the entity.

REMOVED CREATEN CHECKS
Like any standard check or draft, a remotely created check (sometimes called a telecheck, preauthorized draft or demand draft) is a check or draft that can be used to withdraw money from an Account. Unlike a typical check or draft, however, a remotely created check is not issued by the paying bank and does not contain the signature of the Account owner (or a signature purported to be the signature of the Account owner). In place of a signature, the check usually has a statement that the owner authorized the check or has the owner’s name typed or printed on the signature line.

You warrant and agree to the following for every remotely created check we receive from you for deposit or collection: (1) you have received express and verifiable authorization to create the check in the amount and to the payee that appears on the check; (2) you will maintain proof of the authorization for at least 2 years from the date of the authorization, and supply us the proof if we ask; and (3) if a check is returned you owe us the amount of the check, regardless of when the check is returned. We may take funds from your Account to pay the amount you owe us, and if there are insufficient funds in your Account, you still owe us the remaining balance.

WITHDRAWALS
Generally, unless clearly indicated otherwise on the Account records, any of you, acting alone, who signs to open the Account or has authority to make withdrawals may withdraw or transfer all or any part of the Account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person who signs or has authority to make withdrawals to endorse any item payable to you or your order for deposit to this Account or any other transaction with us.

Checks and Withdrawal Rules – If you do not purchase your check blanks from us, you must be certain that we approve the check blanks you purchase. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us or by any method we do not specifically permit. We may refuse any withdrawal or transfer request which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. In addition, we may place limitations on the Account until your identity is verified. Even if we honor a nonconforming request, we are not required to do so later. If you violate the stated transaction limitations (if any), in our discretion we may close your Account or reclassify it as a transaction Account. If we reclassify your Account, your Account will be subject to the fees and earnings rules of the new Account classification.

If we are presented with an item drawn against your Account that would be a “substitute check,” as defined by law, but for an error or defect in the item introduced in the substitute check creation process, you agree that we may pay such item. See the Funds Availability Section for disclosure information about when you can withdraw funds you deposit. For those Accounts to which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal. An item may be returned after the funds from the deposit of that item are made available for withdrawal. In that case, we will reverse the credit of the item. We may determine the amount of available funds in your Account for the purpose of deciding whether to return an item for insufficient funds at any time between the time we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the Account balance at the subsequent time will determine whether there are insufficient available funds.

Postdated Checks – A postdated check is one which bears a date later than the date on which the check is written. We may properly pay and charge your Account for a postdated check even though payment was made before the date of the check.

Stale-Dated Checks – We are not obligated to, but may at our option, pay a check, other than a certified check, presented for payment more than six months after its date. If you do not want us to pay a stale-dated check, you must place a stop-payment order on the check in the manner we have described elsewhere.
Restrictive Legends or Endorsements – We are not required to honor any restrictive legend or restrictive endorsement on checks you write unless we have agreed in writing to the restriction. Examples of restrictive legends are “must be presented within 90 days” or “not valid for more than $1,000.00.” The payee’s signature accompanied by the words “for deposit only” is an example of a restrictive endorsement.

Multiple Signatures – We will not review the number or combination of signatures on any items drawn against your Account. If the indication on a check is that more than one signature is required, this is for your purposes only.

Check Processing – We process items mechanically by relying solely on the information encoded in magnetic ink along the bottom of the items. This means that we do not individually examine all of your items to determine if the item is properly completed, signed and indorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree that we have exercised ordinary care if our automated processing is consistent with general banking practice, even though we do not inspect each item. Because we do not inspect each item, if you write a check to multiple payees, we can properly pay the check regardless of the number of indorsements. We are not responsible for any unauthorized signature or alteration that would not be identified by a reasonable inspection of the item. Using an automated process helps us keep costs down for you and all Account holders.

Stop Payments – Unless otherwise provided, the rules in this section cover stopping payment of items such as checks and drafts. Rules for stopping payment of other types of transfers of funds, such as consumer electronic fund transfers, may be established by law or our policy. If we have not disclosed these rules to you elsewhere, you may ask us about those rules.

We may accept an order to stop payment on any item from any one of you. You must make any stop-payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. Because stop-payment orders are handled by computers, to be effective, your stop-payment order must precisely identify the number, date, and amount of the item, and the payee. You may stop payment on any item drawn on your Account whether you sign the item or not. Generally, if your stop-payment order is given to us in writing it is effective for six months. Your order will lapse after that time if you do not renew the order in writing before the end of the six-month period. If the original stop-payment order was oral your stop-payment order will lapse after 14 calendar days if you do not confirm your order in writing within that time period. We are not obligated to notify you when a stop-payment order expires. We could accept a release of stop payment from another signer on the account.

If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses, including attorneys’ fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order.

AVAILABLE BALANCE AND OVERDRAFTS

Your Account’s available balance is the balance available for your use or withdrawal. We use the available balance to authorize your transactions during the day (e.g. debit card purchases and ATM withdrawals). We also use the available balance to pay your transactions during nightly processing.

The available balance is determined by using the ending Account balance from the prior business day then reducing this by any holds placed on a deposit to your Account and any holds placed due to legal process. Added to that amount is the deposits that are immediately available for your use that are credited as of the current business day (see “Funds Availability” section for additional details). We subtract any “pending” withdrawals that we have either authorized (such as debit card purchases and ATM withdrawals), debit card holds, or other debits that are known to us (such as your checks and preauthorized automatic ACH withdrawals) but have not yet processed.

Debit card holds occur when a merchant obtains an authorization for a purchase. These holds will remain on the Account and will affect your available balance for a period of three (3) business days (or up to thirty (30) business days for certain types of debit or ATM card transactions, including car rental, cash, and international transactions). In certain circumstances (e.g. rental car, hotel stay, or gas station purchases) the merchant may also hold a greater dollar amount then the final purchase amount. This could result in a larger hold amount on your Account balance than anticipated.

We are only required to permit withdrawal from your Account if you have available funds to cover the entire amount of the item presented. Items presented for payment from an Account that does not have sufficient available funds, may be either paid or returned unpaid in accordance with our overdraft procedures or according to any other agreement that you may have with us such as an overdraft protection agreement or Courtesy Overdraft Service.

Please refer to the applicable fee schedule for the fees that may be assessed for non-sufficient funds and overdraft protection.

The return or payment of items presented against insufficient available funds will be subject to related service charges. You waive notice of dishonor of checks as authorized by the Alaska Uniform Commercial Code. You agree to deposit sufficient funds to cover any overdraft and associated fees immediately. A decision by us to allow an overdraft does not obligate us to allow future over drafts.

You understand and agree that we may, in our discretion, utilize automated processing of overdrafts and are not required to provide prior notification of this process, unless otherwise specified by applicable law or regulation.

TRANSACTION PROCESSING

To keep the most accurate record of your Account balance it is important to track all of the individual transactions you make. It is also important to understand how different types of transactions are posted to your Account, and in what order. The following section describes how transactions post to your Account and the order in which items will be posted. These transactions may include but are not limited to in-person, bank-by-mail, ATM, debit card, ACH, and electronic transactions.
Transactions processed throughout the day will affect your Account balance immediately, which results in both deposits and withdrawals having an immediate impact on your Account balance. This means that you will need to deposit the funds necessary to cover any kind of debit such as a check, transfer, point of sale (POS) purchase, or withdrawal prior to the item being presented for payment or it may be declined for insufficient available funds. Transactions processed throughout the day will generally impact your Account balance in the order received. Transactions normally posted at night and those processed during the business day will be final posted to your Account in a batch process at the end of each business day. When batch posting occurs transactions are arranged in groups and posted in the following order:

1. Deposits are credited to your Account, including cash and check deposits, transfers, received prior to 7:00pm or other disclosed cut-off time.
2. Withdrawals/payments we have previously authorized, such as; items pending from the prior business day, Account transfers, Northrim Bank online banking transfer debits and bill pay transactions, and teller-cashed checks will generally post in time order based on when they were presented for payment. For some transactions, such as bill pay transactions or teller-cashed checks, the time may be assigned by our systems and may vary from the time it was actually conducted. Multiple transactions that have the same time will be sorted and paid from lowest to highest dollar amount.
3. Debit card and ATM withdrawal transactions will generally final post to your Account in the order based on the original date and time you conducted the transactions. If a merchant does not seek authorization from the Bank at the time of the transaction, we will use the date the transaction is presented for payment.
4. Preauthorized electronic debits (such as bills you pay by authorizing a third party to withdraw funds directly from your Account) are processed in account order from the lowest to highest dollar amount.
5. Check transactions are posted on the date received by us and if more than one check is received they are posted in check number order from the smallest check number first to the highest check number last.

TRANSFER LIMITATIONS
For savings and money market Accounts you may make up to six transfers or withdrawals by means of a preauthorized, automatic, or telephonic transfer to another Account of yours or to a third party or by check, debit card, or similar order to a third party during any calendar month (or statement cycle of at least four weeks). A preauthorized transfer includes any arrangement with us to pay a third party from your Account at (1) a predetermined time; (2) on a fixed schedule or (3) upon oral or written orders including orders received through the automated clearing house (ACH). If the transfer or withdrawal is initiated in person, by mail, or at an ATM then there is no limit on the number of payments that may be made directly to you, directly to us for amounts you owe us, or transfers to other Accounts you have with us. Withdrawals by phone are also unlimited if you are requesting that a check be mailed to you.

TRUNCATION, SUBSTITUTE CHECKS, AND OTHER CHECK IMAGES
If you truncate an original check and create a substitute check, or other paper or electronic image of the original check, you warrant that no one will be asked to make payment on the original check, a substitute check or any other electronic or paper image, if the payment obligation relating to the original check has already been paid. You also warrant that any substitute check you create conforms to the legal requirements and generally accepted specifications for substitute checks. You agree to retain the original check in conformance with our internal policy for retaining original checks. You agree to indemnify us for any loss we may incur as a result of any truncated check transaction you initiate. We can refuse to accept substitute checks that have not previously been warranted by a bank or other financial institution in conformance with the Check 21 Act. Unless specifically stated in a separate agreement between you and us, we do not have to accept any other electronic or paper image of an original check.

EARLY WITHDRAWAL PENALTIES (AND INVOLUNTARY WITHDRAWALS)
We may impose early withdrawal penalties on a withdrawal from a certificate of deposit even if you don’t initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the Account or as a result of an attachment or other legal process. We may close your Account and impose the early withdrawal penalty on the entire Account balance in the event of a partial early withdrawal. See your notice of penalty for early withdrawals for additional information.

CHANGING ACCOUNT PRODUCTS
We may change your Account to another product offered by us at any time by giving you notice that your Account will be changed to another product on a specified date. If your Account is a certificate of deposit Account, the change will not occur before the next maturity date of your Account. If you do not close your Account before the date specified in the notice, we may change your Account to that other product on the date specified in the notice.

LOST, DESTROYED, OR STOLEN CASHIER’S OR TELLER’S CHECKS
Under some circumstances you may be able to assert a claim for the amount of a lost, destroyed, or stolen cashier’s or teller’s check. To assert the claim: (a) you must be the remitter or payee of the check, (b) we must receive notice from you describing the check with reasonable certainty and asking for payment of the amount of the check, (c) we must receive the notice in time for us to have a reasonable opportunity to act on it, and (d) you must give us a declaration (in a form we require) of your loss with respect to the check. You can ask us for a declaration form. Even if all of these conditions are met, your claim may not be immediately enforceable. We may pay the check until the ninetieth day after the date of the check. Therefore, your claim is not enforceable until the ninetieth day after the date of the check or date of acceptance, and the conditions listed above have been met. If we have not already paid the check, on the day your claim is enforceable we become obligated to pay you the amount of the check. We will pay you in cash or issue another check.

At our option, we may pay you the amount of the check before your claim becomes enforceable. However, we will require you to agree to indemnify us for any losses we might suffer. This means that if the check is presented after we pay your claim, and we pay the check, you are responsible to cover our losses. We may require you to provide a surety bond to assure that you can pay us if we suffer a loss.
TRANSACTIONS BY MAIL
You may deposit checks by mail. You should endorse the check being sent through the mail with the words “For Deposit Only” and should include your correct account number underneath to ensure the check is credited to the correct account. You should use the pre-encoded checking deposit slips found behind your checks in your checkbook. If you do not use your deposit slip or provide us with instructions indicating how or where the check should be credited, we may apply it to any account or any loan balance you have with us or we may return the check to you. Receipts for such transactions will be mailed to you only if a self-addressed stamped envelope is provided. Following your deposit, examine your statement carefully or call us to ensure that we received the item. Do not send cash through the mail for deposit.

ADDRESS OR NAME CHANGES
You are responsible for notifying us of any change in your address or your name. Unless we agree otherwise, change of address or name must be made in writing by at least one of the Account holders. Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you only by use of the most recent address you have provided to us. If provided elsewhere, we may impose a service fee if we attempt to locate you.

STATEMENTS
Statements are a valuable tool to help prevent fraudulent or mistaken transfers. Your statement will show the transactions that occurred in connection with your Account during the statement period.

YOUR DUTY TO REPORT UNAUTHORIZED SIGNATURES, ALTERATIONS AND FORGERIES
Your statement will provide sufficient information for you to reasonably identify the items paid (item number, amount, and date of payment). You should keep a record of each transaction as it is made so that when we give you the information in the statement, you will have a complete understanding of each transaction listed.

You have some responsibilities in connection with your statement. You must examine your statement with “reasonable promptness.” Also, if you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss). The loss you might bear, in whole or part, could be not only with respect to items listed on the statement, but also other items with unauthorized signatures or alterations by the same wrongdoer. Of course, an attempt can be made to recover the loss from the thief, but this is often unsuccessful.

You agree that if you fail to report any unauthorized signatures, alterations or forgeries within 30 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 30-day limitation is without regard to whether we exercised ordinary care. The limitation in this paragraph is in addition to those contained in the second paragraph of this section.

Contact us if you do not receive your regular statement. If this is a business Account, you agree that you will have at least two people review your statements, notices, and returned checks, or in the alternative, the person who reviews these will be someone who does not have authority to transact business on the Account.

YOUR DUTY TO REPORT OTHER ERRORS
In addition to the Commercial Code and other state law, you agree there is a common law duty to promptly review your statement for errors in addition to unauthorized signatures, alterations or forgeries. Promptly reviewing your statement is valuable to both you and us because it can help identify, correct and prevent future mistakes.

In addition to your duty to review your statements for unauthorized signatures, alterations and forgeries, you agree to examine your statement with reasonable promptness for any other error - such as an encoding error. In addition, if you receive or we make available either your items or images of your items, you must examine them for any unauthorized or missing endorsements or any other problems. You agree that the time you have to examine your statement and items and report to us will depend on the circumstances. However, this time period shall not exceed 30 days. Failure to examine your statement and items and report any errors to us within 30 days of when we first send or make the statement available precludes you from asserting a claim against us for any errors on items identified in that statement and as between you and us the loss will be entirely yours. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the 30 day time period to report other errors.

CLAIM OF LOSS
If you claim a credit or refund because of a forgery, alteration, or any other unauthorized withdrawal, you agree to cooperate with us in the investigation of the loss, including giving us an affidavit containing whatever reasonable information we require concerning your Account, the transaction, and the circumstances surrounding the loss. You will notify law enforcement authorities of any criminal act related to the claim of lost, missing, or stolen checks or unauthorized withdrawals. We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim of loss. Unless we have acted in bad faith, we will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorneys’ fees incurred by you.

You agree that you will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights or, at our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources.
RIGHT TO SETOFF
We may (without prior notice and when permitted by law) set off the funds in this Account against any due and payable debt you owe us now or in the future. If this Account is owned by one or more of you as individuals, we may set off any funds in the Account against a due and payable debt a partnership owes us now or in the future, to the extent of your liability as a partner for the partnership debt. If your debt arises from a promissory note, then the amount of the due and payable debt will be the full amount we have demanded, as entitled under the terms of the note, and this amount may include any portion of the balance for which we have properly accelerated the due date.

This right of setoff does not apply to this Account if prohibited by law. For example, the right of setoff does not apply to this Account if: (a) it is an Individual Retirement Account or similar tax-deferred Account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor’s right of withdrawal only arises in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this Account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

ACCOUNT TRANSFER
This Account may not be transferred or assigned without our prior written consent.

POWER OF ATTORNEY
We reserve the right to reject powers of attorney that are not in a form acceptable to us. We will not accept powers of attorney that delegate authority or fiduciary responsibility to another to act on behalf of an entity, unless a resolution is provided that indicates that use of the power of attorney has been authorized by the entity. In addition, we reserve the right not to accept powers of attorney that delegate a trustee’s responsibility under a trust to an agent, unless such power is expressly authorized in the trust document. We will not act on a power of attorney after we have received actual notice of your death and have had reasonable time to act on such notice.

LEGAL ACTIONS AFFECTING YOUR ACCOUNT
If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your Account (termed “legal action” in this section), we will comply with that legal action. Or, in our discretion, we may freeze the assets in the Account and not allow any payments out of the Account until a final court determination regarding the legal action. We may do these things even if the legal action involves less than all of you. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have withdrawn funds from your Account or in any way restricted access to your funds in accordance with the legal action. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys’ fees and our internal expenses) may be charged against your Account. The list of fees applicable to your Account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

SECURITY
It is your responsibility to protect the Account number(s) and access device(s) (e.g., an ATM card, point-of-sale card and/or PIN) for your Account(s). Do not discuss, compare, or share information about your Account number(s) or access device(s) with anyone unless you are willing to give them full use of your money. Checks and electronic withdrawals are processed by automated methods, and anyone who obtains your Account number or access device could use it to withdraw money from your Account, with or without your permission.

Except for consumer electronic fund transfers subject to Regulation E, you agree that if we offer you services appropriate for your Account to help identify and limit fraud or other unauthorized transactions against your Account, such as positive pay or commercially reasonable security procedures, and you reject those services, you may be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services we offered, unless we acted in bad faith or to the extent our negligence contributed to the loss.

Account numbers - Thieves can encode your Account number on a check which looks and functions like an authorized check and can be used to withdraw money from your Account. Your Account number can also be used to issue a “remotely created check.” Like a typical check, a remotely created check (sometimes called a telecheck, preauthorized draft or demand draft) is a draft or check that can be used to withdraw money from your Account. Unlike a typical check or draft, however, a remotely created check is not issued by the paying bank and does not contain the signature of the Account owner (or a signature purported to be the signature of the Account owner). If you have truly authorized the remotely created check (to purchase a service or merchandise, for example), it is properly payable. But it can be risky to authorize a remotely created check. A swindler could issue a remotely created check in an amount greater than you authorized, or issue additional remotely created checks that you have not authorized. We will not know if the withdrawal is unauthorized or in an amount greater than the amount you have authorized. Payment can be made from your Account even though you did not contact us directly and order the payment.

Access devices - If you furnish your access device and grant actual authority to make transfers to someone who then exceeds that authority, you will be liable for the transfers unless we have been notified that transfers by that person are no longer authorized. Please review the additional information you have received or will receive regarding transfers by access device.

Blank checks - You must also take precaution in safeguarding your blank checks. Notify us at once if you think your blank checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself, or share the loss with us if we failed to use ordinary care which substantially contributes to the loss.

TELEPHONIC INSTRUCTIONS
Unless required by law or we have agreed otherwise in writing, we are not required to act upon instructions you give us via facsimile transmission or leave by voice mail or on a telephone answering machine.
DORMANCY AND UNCLAIMED PROPERTY
Your Account is considered dormant if there is not any customer-initiated activity other than that covered by applicable law or regulation, for

FDIC INSURANCE
Funds in your Account(s) with us are insured by the Federal Deposit Insurance Corporation (FDIC) and backed by the full faith and credit of

ATTORNEY’S FEES AND COSTS
In the event either you or the Bank brings an arbitration or legal action to enforce rights under this Agreement, the prevailing party shall be

ACCOUNT CLOSURE
You may close your Account by notifying us in person or in writing.

SPAM ACT
A "spam act" is a statute or regulation that prohibits or restricts unsolicited commercial electronic messages, also known as "spam.

DORMANCY AND UNCLAIMED PROPERTY
Your Account is considered dormant if there is not any customer-initiated activity other than that covered by applicable law or regulation, for
years we are required to deliver the funds to the State of Alaska. Once the funds have been delivered to the State, the Account will be closed and you will need to contact the State of Alaska to reclaim the funds.

CASH TRANSACTION REPORTING
To help law enforcement agencies detect illegal activities, the law requires all financial institutions to gather and report information on some types of cash transactions. If the information we need to complete the report is not provided, we are required to refuse to handle the transaction. If you have any questions regarding these rules, please contact your local Internal Revenue Service office.

UNLAWFUL INTERNET GAMBLING NOTICE
Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through this Account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful Internet gambling.

OFFICE OF FOREIGN ASSETS CONTROL
The Office of Foreign Assets Control (OFAC) may prevent us from opening an Account, sending a check or other item, ACH transaction or wire transfer to or receiving a check or other item, ACH transaction or wire transfer from certain parties that are referred to as “Blocked Parties”. It is your obligation to make sure you do not initiate or receive checks or other items, ACH transactions or wire transfers to or from Blocked Parties. You acknowledge that if we receive any item from you for credit to a Blocked Party, we are obligated to deduct the amount of the item from your Account, and credit the amount to a bank controlled Account and report the event to the OFAC.

DEATH OR INCOMPETENCE
You agree to notify us promptly if any person with a right to withdraw funds from your Account(s) dies or is adjudicated (determined by the appropriate official) incompetent. We may continue to honor your checks, items, and instructions until: (a) we know of your death or adjudication of incompetence, and (b) we have had a reasonable opportunity to act on that knowledge. You agree that we may pay or certify checks drawn on or before the date of death or adjudication of incompetence for up to ten (10) days after your death or adjudication of incompetence unless ordered to stop payment by someone claiming an interest in the Account.

RESOLVING ACCOUNT DISPUTES
We may place an administrative hold on the funds in your Account (refuse payment or withdrawal of the funds) if it becomes subject to a claim adverse to (1) your own interest; (2) others claiming an interest as survivors or beneficiaries of your Account; or (3) a claim arising by operation of law. The hold may be placed for such period of time as we believe reasonably necessary to allow a legal proceeding to determine the merits of the claim or until we receive evidence satisfactory to us that the dispute has been resolved. We will not be liable for any items that are dishonored as a consequence of placing a hold on funds in your Account for these reasons.

DEPOSIT RECLASSIFICATION DISCLOSURE
For accounting purposes, all checking Accounts consist of a checking subaccount and a savings subaccount. You agree that we may periodically transfer funds between these two subaccounts and that the savings subaccount is not accessible to you. The savings subaccount is governed by the rules governing our other savings Accounts. If your Checking Account is one on which interest is paid, your interest calculation will remain the same. Otherwise, the savings subaccount will be non-interest bearing. This does not affect your available balance, restrict your access to your checking Account, the interest you may earn, Federal Deposit Insurance Corporation (FDIC) insurance protection, or your monthly statement. This process may reduce the required amount the Bank will reserve for the period reviewed.

ACH AND WIRE TRANSFERS
This Agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your Account with us. If you originate a fund transfer and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or Account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your Account and the party originating such payment will not be considered to have paid the amount so credited. Credit entries may be made by ACH. If we receive a payment order to credit an Account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

FUNDS TRANSFERS
The terms used in this section have the meaning given to them in Article 4A of the Uniform Commercial Code - Funds Transfers (UCC 4A). This section will generally not apply to you if you are a consumer. However, even if you are a consumer, this section will apply to that part of any funds transfer that is conducted by Fedwire. This section is subject to UCC 4A as adopted in the state in which you have your deposit with us. This Agreement is also subject to all clearing house association rules, rules of the Board of Governors of the Federal Reserve System and their operating circulars. If any part of this Agreement is determined to be unenforceable, the rest of the Agreement remains effective. This Agreement controls funds transfers unless supplemented or amended in a separate written Agreement signed by us. This Agreement does not apply to a funds transfer if any part of the transfer is governed by the Electronic Fund Transfer Act of 1978 (EFTA), except this Agreement does apply to a funds transfer that is a remittance transfer as defined in EFTA unless the remittance transfer is an electronic fund transfer as defined in EFTA.

Funds Transfer – A funds transfer is the transaction or series of transactions that begin with the originator's payment order, made for the purpose of making payment to the beneficiary of the order. A funds transfer is completed by the acceptance by the beneficiary's bank of a
payment order for the benefit of the beneficiary of the originator’s order. You may give us a payment order orally, electronically, or in writing, but your order cannot state any condition to payment to the beneficiary other than the time of payment. Credit entries may be made by ACH.

**Authorized Account** – An authorized Account is a deposit Account you have with us that you have designated as a source of payment of payment orders you issue to us. If you have not designated an authorized Account, any Account you have with us is an authorized Account to the extent that payment of the payment order is not inconsistent with the use of the Account.

**Acceptance of Your Payment Order** – We are not obligated to accept any payment order that you give us, although we normally will accept your payment order if you have collected and available funds in an authorized Account sufficient to cover the order. If we do not execute your payment order, but give you notice of our rejection of your payment order after the execution date or give you no notice, we are not liable to pay you as restitution any interest on a withdrawable credit in a non-interest-bearing Account.

**Cutoff Time** – If we do not receive your payment order or communication canceling or amending a payment order before our cutoff time on a funds transfer day for that type of order or communication, the order or communication will be deemed to be received at the opening of our next funds transfer business day.

**Payment of Your Order** – If we accept a payment order you give us, we may receive payment by automatically deducting from any authorized Account the amount of the payment order plus the amount of any expenses and charges for our services in execution of your payment order. We are entitled to payment on the payment or execution date. Unless your payment order specifies otherwise, the payment or execution date is the funds transfer date we receive the payment order. The funds transfer is completed upon acceptance by the beneficiary’s bank. Your obligation to pay your payment order is excused if the funds transfer is not completed, but you are still responsible to pay us any expenses and charges for our services. However, if you told us to route the funds transfer through an intermediate bank, and we are unable to obtain a refund because the intermediate bank that you designated has suspended payments, then you are still obligated to pay us for the payment order. You will not be entitled to interest on any refund you receive because the beneficiary’s bank does not accept the payment order.

**Security Procedure** – As described more fully in a separate writing, the authenticity of a payment order or communication canceling or amending a payment order issued in your name as sender may be verified by a security procedure. You affirm that you have no circumstances which are relevant to the determination of a commercially reasonable security procedure unless those circumstances are expressly contained in a separate writing signed by us. If you refuse a commercially reasonable security procedure that we have offered you, you agree that you will be bound by any payment order issued in your name, whether or not authorized, that we accept in good faith and in compliance with the security procedure you have chosen.

**Duty to Report Unauthorized or Erroneous Payment** – You must exercise ordinary care to determine that all payment orders or amendments to payment orders that we accept that are issued in your name are authorized, enforceable, in the correct amount, to the correct beneficiary, and not otherwise erroneous. If you discover (or with reasonable care should have discovered) an unauthorized, unenforceable, or erroneously executed payment order or amendment, you must exercise ordinary care to notify us of the relevant facts. The time you have to notify us will depend on the circumstances, but that time will not in any circumstance exceed 14 days from when you notified of our acceptance or execution of the payment order or amendment or that your Account was debited with respect to the order or amendment. If you do not provide us with timely notice you will not be entitled to interest on any refundable amount. If we can prove that you failed to perform either of these duties with respect to an erroneous payment and that we incurred a loss as a result of the failure, you are liable to us for the amount of the loss not exceeding the amount of your order.

**Identifying Number** – If your payment order identifies an intermediate bank, beneficiary bank, or beneficiary by name and number, we and every receiving or beneficiary bank may rely upon the identifying number rather than the name to make payment, even if the number identifies an intermediate bank or person different than the bank or beneficiary identified by name. Neither we nor any receiving or beneficiary bank have any responsibility to determine whether the name and identifying number refer to the same financial institution or person.

**Record of Oral or Telephone Orders** – You agree that we may, if we choose, record any oral or telephone payment order or communication of amendment or cancelation.

**Notice of Credit** – If we receive a payment order to credit an Account you have with us, we are not required to provide you with any notice of the payment order or the credit.

**Provisional Credit** – You agree to be bound by the automated clearing house association operating rules that provide that payments made to you or originated by you by funds transfer through the automated clearing house system are provisional until final settlement is made through a Federal Reserve Bank or otherwise payment is made as provided in Article 4A-403(a) of the Uniform Commercial Code.

**Refund of Credit** – You agree that if we do not receive payment of an amount credited to your Account, we are entitled to a refund from you in the amount credited and the party originating such payment will not be considered to have paid the amount so credited.

**Amendment of Funds Transfer Agreement** – From time to time we may amend any term of this Agreement by giving you reasonable notice in writing. We may give notice to anyone who is authorized to send payment orders to us in your name, or to anyone who is authorized to accept service.

**Cancelation or Amendment of Payment Order** – You may cancel or amend a payment order you give us only if we receive the communication of cancelation or amendment before our cutoff time and in time to have a reasonable opportunity to act on it before we accept the payment order. The communication of cancelation or amendment must be presented in conformity with the same security procedure that has been agreed to for payment orders.

**Intermediaries** – We are not liable for the actions of any intermediary, regardless of whether or not we selected the intermediary. We are not responsible for acts of God, outside agencies, or nonsalaried agents.
Limit on Liability – You waive any claim you may have against us for consequential or special damages, including loss of profit arising out of a payment order or funds transfer, unless this waiver is prohibited by law. We are not responsible for attorney fees you might incur due to erroneous execution of payment order.

Erroneous Execution – If we receive an order to pay you, and we erroneously pay you more than the amount of the payment order, we are entitled to recover from you the amount in excess of the amount of the payment order, regardless of whether you may have some claim to the excess amount against the originator of the order.

Objection to Payment – If we give you a notice that reasonably identifies a payment order issued in your name as sender that we have accepted and received payment for, you cannot claim that we are not entitled to retain the payment unless you notify us of your objection to the payment within one year of our notice to you.

DISPUTE RESOLUTION

Informal Dispute Resolution – If a dispute arises out of or relates to this Agreement or the alleged breach thereof, the parties agree to exercise their best efforts to resolve the dispute informally. The executives or representatives of each of us with authority to resolve the dispute shall meet within ten (10) days of receipt of a written request for a meeting under this section of the Agreement. The parties agree to exchange relevant information and, recognizing their mutual interests, diligently endeavor to resolve the dispute. All reasonable requests for information by one party shall be honored by the other party.

Mediation – If the parties cannot so resolve their dispute informally, the parties agree next to try in good faith to resolve the dispute by mediation under the mediation rules for Commercial Financial Disputes of the American Arbitration Association, before resorting to arbitration. The parties shall mutually select an acceptable mediator. If they are unable to do so, the parties may either use the process for selecting an arbitrator when the parties are unable to do so or they may elect to go directly to arbitration.

Arbitration – Any unresolved controversy or claim arising out of or relating to this Agreement, or alleged breach thereof not resolved informally or by mediation, shall be resolved by a single neutral arbitrator utilizing arbitration rules for Commercial Financial Disputes of the American Arbitration Association.

PLEASE READ THIS SECTION OF THE AGREEMENT CAREFULLY. IT PROVIDES THAT ANY DISPUTE MAY BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, YOU WILL NOT BE ABLE TO BRING A CLASS ACTION OR OTHER REPRESENTATIVE ACTION IN COURT SUCH AS IN THE FORM OF A PRIVATE ATTORNEY GENERAL ACTION, NOR WILL YOU BE ABLE TO BRING ANY CLAIM IN ARBITRATION AS A CLASS ACTION OR OTHER REPRESENTATIVE ACTION. YOU WILL NOT BE ABLE TO BE PART OF ANY CLASS ACTION OR OTHER REPRESENTATIVE ACTION BROUGHT BY ANYONE ELSE, OR BE REPRESENTED IN A CLASS ACTION OR OTHER REPRESENTATIVE ACTION. IN THE ABSENCE OF THIS ARBITRATION AGREEMENT, YOU AND WE MAY OTHERWISE HAVE HAD A RIGHT OR OPPORTUNITY TO BRING CLAIMS IN A COURT, BEFORE A JUDGE OR JURY, AND/OR TO PARTICIPATE OR BE REPRESENTED IN A CASE FILED IN COURT BY OTHERS (INCLUDING CLASS ACTIONS AND OTHER REPRESENTATIVE ACTIONS), OTHER RIGHTS THAT YOU WOULD HAVE IF YOU WENT TO A COURT, SUCH AS DISCOVERY OR THE RIGHT TO APPEAL THE DECISION MAY BE MORE LIMITED. EXCEPT AS OTHERWISE PROVIDED BELOW, THOSE RIGHTS ARE WAIVED.

The Arbitrator selected by the parties shall be appointed from the National Roster for Commercial Financial Disputes as provided in the Rules of the American Arbitration Association unless otherwise mutually agreed to by the parties. Mediators shall be appointed, with consent by the parties, from the National Panel of Mediators, when practicable, but otherwise by agreement of the parties. If the parties cannot agree on the selection of a mediator or arbitrator, each party shall select a representative and the representatives so selected shall select the mediator or the arbitrator. If the parties so selected shall not agree, either party may petition the superior court sitting in Anchorage, Alaska to appoint an arbitrator.

We will reimburse you for the initial arbitration filing fee if paid by you up to the amount of $500 upon receipt of proof of payment. Additionally, if there is a hearing, we will pay any fees of the arbitrator and arbitration administrator for the first two days of that hearing. The payment of any such hearing fees by us will be made directly to the arbitration administrator selected pursuant to this Arbitration Agreement. All other fees will be allocated in keeping with the rules of the arbitration administrator and applicable law. Each party to this Agreement will bear the expense of its own counsel, experts, witnesses and preparation and presentation of its case; provided, however, that the arbitrator may include an award of recovery of all or a portion of the prevailing party’s attorney’s fees and costs (including the arbitrator’s fees) in the arbitration award.

Any arbitrator award shall be in the form of a reasoned opinion signed by the arbitrator and shall generally state the reasons and the factual and legal basis upon which the award is based and shall include findings of fact and conclusions of law.

The arbitrator is not empowered and shall not have the authority to award damages (such as punitive, exemplary, or statutory damages) in addition to compensatory damages, and each of us hereby irrevocably waives any right to recover such damages with respect to any dispute under this Agreement resolved by arbitration. The arbitrator shall not have the power to order specific performance of any obligation or duty of any party to this Agreement or to issue injunctions in connection therewith or otherwise.

The parties and any mediator and arbitrator shall treat all aspects of the mediation and arbitration proceedings including, without limitation, discovery, testimony and other evidence, briefs and award, as strictly confidential; provided, however, that any award or order entered by the arbitrator hereunder may be entered as a judgment or order in court.

Nothing in the preceding paragraphs, or otherwise, nor the exercise of any right to negotiation, mediation or arbitration, nor the commencement or pendency of any proceeding, shall limit the right of any party to this Agreement:

To seek judicial equitable relief or pursue provisional rights or remedies under applicable statutory and/or case law including, but not limited to, injunctive relief and the appointment of a receiver; or
To exercise any self-help rights or any other rights or remedies available to it by contract or applicable statutory or case law (including but not limited to the filing of an involuntary petition in bankruptcy, the right of set off, attachment, recoupment, foreclosure, or repossession) with respect to an extension of credit, the protection and preservation of collateral, the liquidation and realization of collateral, the protection, continuation and preservation of lien rights and priorities, the collection of indebtedness, and the processing and payment or return of checks or other items, whether such occurs before, during or after the pendency of any negotiation, mediation, or arbitration proceeding.

The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary rights or remedies or exercise of self-help remedies, all as provided herein, and the pursuit of any such rights or remedies, shall not constitute a waiver of the right or obligation of any party, including the party seeking judicial relief or remedies, to submit a dispute to negotiation, mediation and arbitration, including disputes that may arise from the exercise of such rights.

As an exception to this Arbitration Agreement, you retain the right to pursue in a small claims court any claim that is within that court’s jurisdiction and proceed on an individual basis. If a party elects to arbitrate a claim, the arbitration will be conducted as an individual action.

Neither you nor we agree to any arbitration on a class or representative basis, and the arbitrator will have no authority to proceed on such basis. This means that even if a class action lawsuit or other representative action, such as that in the form of a private attorney general action, is filed, any claim between us related to the issues raised in such lawsuits will be subject to an individual arbitration claim if either you or we so elect.

The laws of the State of Alaska, including the Alaska Revised Uniform Arbitration Act, and applicable Federal law govern this Agreement. Issues regarding arbitrability, validity, the class action waiver and enforceability of this dispute resolution shall be resolved by the court. In the event the class action waiver is determined to be unenforceable, this dispute resolution provision shall no longer be of any force or effect. Venue for any mediation or arbitration proceeding shall be where the branch of the Bank in which the Account giving rise to the dispute is located or where both parties may otherwise mutually agree. This arbitration Agreement shall survive amendment, termination or expiration of this Agreement.

DEBIT MASTERCARD® BUSINESS CARD AGREEMENT

TERMS AND CONDITIONS

INTRODUCTION
This Debit Mastercard Business Card Agreement contains contract terms and other important information relating to your Debit Mastercard Business Card (referred to in disclosure as, “Business Card or Card”). These terms govern the operation of this Account unless varied or supplemented in writing. This Agreement also incorporates any other terms and conditions provided separately with your Account agreement as well as the terms of any disclosures you may have received. You should read this Agreement carefully and keep a copy for your records.

APPLICABLE LAW
This Agreement will be governed by the laws of the state in which your Account is located as well as federal laws and regulations. Normal banking customs and practices also apply.

DEFINITIONS
Unless inconsistent, words and phrases used in this document shall be construed so that the singular includes the plural and the plural includes the singular. The words “we,” “our,” and “us” refer to the financial institution which issues the Card. The words “you” and “your” refer to the owner of the specific Account for which Card transactions are permitted. The word “Cardholder” refers to any person authorized by you to use the Card.

BUSINESS CARD PURPOSE
You and any Cardholder agree that this Card is for use by business owners and employees. The Card can be used for business purpose point-of-sale and Automated Teller Machine (ATM) transactions only. The Card may not be used for personal purposes. You acknowledge and understand that the Card shall not be treated as a consumer card under the provisions of state and federal law. You agree to provide written instructions to all Cardholders that the Card shall not be used for consumer purposes. We assume all transactions are for business purposes. We do not monitor transactions to determine their purpose.

ACCOUNT REQUIREMENT, PAYMENT RESPONSIBILITY, TRANSFERABILITY, ENFORCEABILITY
The services described in this Agreement will be available to you only as long as you maintain a business checking or savings Account with us. You are liable for the payment of Card transactions authorized by you or your agent or any Cardholder or their agent. This Account may not be transferred or assigned without our written consent.

If any terms of this Agreement cannot be legally enforced, it will be considered changed to the extent necessary to comply with applicable laws. If any part of this Agreement becomes unenforceable, it will not make any other part unenforceable.

HOW TO USE THE BUSINESS CARD, SECURITY PROCEDURES
The Card allows Cardholders to directly access the business checking or savings Account specified in your Card Application. We will issue Cards and codes to you at your request. Each Card will identify your business as well as the Cardholder.

You agree to the following security procedures. Each Cardholder must sign their Card before it may be used. You agree to require both a Card and a code to be used together to purchase goods, pay for services or obtain cash at designated ATMs. A Card cannot be used to
complete a transaction without a code. Once a Card has been issued it cannot be transferred to another person. You agree to immediately notify us when you terminate a Cardholder’s rights and to promptly return the Card to us. You agree to provide written instructions to all Cardholders about the importance of protecting the Card and code. You agree to examine your receipts and periodic statements in a timely manner. You agree that the dollar/frequency limits assigned to each Cardholder will also act as a security procedure.

TERMINATION AND AMENDMENTS
- We may suspend for breach, unauthorized use of your card and/or PIN, conflicting claims, and at the customer’s request.
- You may terminate this Agreement at your request.

NOTICES
Any notices mailed to you under this Agreement will be mailed to the address we have for you in our records. You will keep us notified of your current mailing address.

OVERDRAFT PROTECTION PLAN
If your Account has an overdraft protection plan, Card transactions that would otherwise overdraw your Account will be covered by the overdraft protection plan. Your overdraft protection plan will be documented on a separate agreement. You should become familiar with that document as some of the terms, such as your liability for unauthorized transfers initiated with your Card, may vary from the terms of this Agreement.

STOP PAYMENT
Only stop-payment requests from you or the Cardholder who authorized the transaction will be honored. However, because Card transactions are often processed immediately, stopping or amending payment is difficult and we cannot ensure that any request you make will be effective. In order to be effective, we must receive your request in time to give us a reasonable opportunity to act. Your request must precisely identify the transaction by date, time, location and dollar amount. Only you may release a stop-payment request.

TYPES OF TRANSACTIONS
Below are the types of transactions your Card will accommodate.

ATM Transfers and Transaction Limits – You may access your Account(s) by ATM using your Card and personal identification number, to make deposits at most Northrim ATMs to checking and savings Account(s).
You may use various ATMs to obtain cash withdrawals from checking and savings Account(s) with your Card. You may withdraw no more than $600 per day. You may transfer funds using a Card from savings to checking Accounts or checking to savings Accounts.
You may obtain information about the Account balance of checking and savings Account(s).
Some of these services may not be available at all terminals.

Point-of-Sale Transactions – You may access your checking Account(s) to purchase goods (in person, online, or by phone), pay for services (in person, online, or by phone), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that a participating merchant will accept. You may not exceed $5,000 in transactions per day.

CURRENCY CONVERSION AND CROSS-BORDER TRANSACTION FEES
If you effect a transaction with your Card in a currency other than US Dollars, Mastercard will convert the charge into a US Dollar amount. The Mastercard currency conversion procedure includes use of either a government-mandated exchange rate, or a wholesale exchange rate selected by Mastercard. The exchange rate Mastercard uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of purchase or the date the transaction was posted to your Account.
Mastercard charges us a Currency Conversion Assessment of 20 basis points (.2% of the transaction) for performing the currency conversion. In addition, Mastercard charges us an Issuer Cross-Border Assessment of 90 basis points (.9% of the transaction) on all cross-border transactions regardless of whether there is a currency conversion. A cross-border transaction is a transaction processed through the Global Clearing Management System or the Mastercard Debit Switch in which the country of the merchant is different than the country of the cardholder.

ADVISORY AGAINST ILLEGAL USE
You agree not to use your Card for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the Cardholder may be located.

FEES
Please refer to the separate fee schedule for additional information on fees.

DOCUMENTATION
Terminal Transfers – You can get a receipt at the time you make a transfer to or from your Account using an automated teller machine or point-of-sale terminal. However, you may not get a receipt if the amount of the transfer is $15 or less.

Retain Copies for Your Records – You should retain copies of all records including receipts, credit slips (for returned merchandise), and cancellation numbers (for cancelled reservations). You should also mark each transaction in your Account record (but not while at a
terminal). You should review your periodic statement for accuracy and compare your Account record against your periodic statement to reconcile balances.

**Periodic Statements** – You will get a monthly Account statement from us for your checking and savings Account that will also include a record of transactions made using your Card.

**LIMITATIONS ON OUR LIABILITY**

We will not be liable if:

- you do not have enough money in your Account to make the transfer.
- you have an overdraft line and the transfer would cause you to exceed your credit limit.
- an ATM does not have sufficient cash.
- a terminal or system is not working properly.
- circumstances beyond our control (such as fire or flood) prevent the transfer.
- a merchant refuses to accept your Card.
- an ATM rejects your Card.

There may be other limitations on our liability.

**UNAUTHORIZED TRANSFERS**

**Additional Risk Associated with Use of Business Purpose Cards** – You will not have the benefit of any consumer law limiting liability with respect to the unauthorized use of your Card. This means your liability for the unauthorized use of your Card could be greater than the liability in a consumer debit card transaction. You accept and agree to undertake the additional risk and greater measure of liability associated with the use of business purpose cards as described in this Agreement.

**Your Liability for Unauthorized Transfers** – Unauthorized EFTs that are not subject to the Zero Liability provisions indicated below are the responsibility of the Account owner. The owners of those Accounts must notify us immediately if they discover any unauthorized transactions or errors, and must send us a written notice of the problem within a reasonable time (not to exceed fourteen (14) days from the date of discovery, or the date of receipt of the first statement or notice reflecting the problem, whichever occurs first). Under no circumstances will we be liable for any special, punitive or consequential damages involving such Accounts. We may process transactions that are initiated by means of an access device for such Accounts or through ACH, even if the transactions are not initiated or authorized by you, unless we are notified in advance that the access device has been lost or stolen, or that the transaction is not authorized.

Zero Liability protects you from unauthorized use of your Card on purchases made in the store, over the telephone, online or via a mobile device, and ATM transactions if the following conditions are met:

- You have exercised reasonable care in safeguarding your Card from the risk of loss, theft or unauthorized use,
- You have promptly reported to us the loss, theft or unauthorized use of your Card.

If you fail to satisfy any of these conditions and someone uses your Card without your authorization, you may be liable for the amount of money, property, labor, or services obtained by the unauthorized use before notification to the Bank. To qualify for Zero Liability; you must notify us within two (2) business days after learning of an unauthorized transaction, or the loss or theft of your card. For purposes of this rule, unauthorized use means the use of a Mastercard-branded card by a person other than you who does not have actual, implied, or apparent authority for such use, and from which you did not receive any benefit. Cards that are issued to authorized individuals or agents on a business Account are the sole responsibility of the Account owner, business or entity. If an agent or authorized signer is removed from an Account, the Account owner is responsible for recovering Cards issued to prevent unauthorized transactions as well as notifying the Bank.

**Contact in Event of Unauthorized Transfer** – If you believe your Card and/or code has been lost or stolen or that someone has transferred or may transfer money from your Account without your permission, call or write us at the telephone number or address listed in this disclosure.

You may ask for copies of the documents that we used in our investigation.

NORTHRIM BANK
CUSTOMER SERVICE CENTER
P.O. BOX 241489
ANCHORAGE, AK 99524-1489
Business Days: Monday through Friday
Excluding Federal Holidays
Phone: (907) 562-0062 or (800) 478-2265

**FUNDS AVAILABILITY**

This policy statement applies to “transaction” Accounts. Transaction Accounts, in general, are Accounts which permit an unlimited number of payments to third persons and an unlimited number of telephone and preauthorized transfers to other Accounts of yours with us. Checking Accounts are the most common transaction Accounts. Feel free to ask us whether any of your other Accounts might also be under this policy.
Our policy is to make funds from your check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits and cash will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use the funds to pay checks that you have written.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before closing on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after closing or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your Account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another Account with us. The funds in the other Account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

**LONGER DELAYS MAY APPLY**

**Case-by-case delays.** In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the third business day after the day of your deposit. The first $200 of your deposits, however, will be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

**Safeguard exceptions.** In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

We believe a check you deposit will not be paid.

You deposit checks totaling more than $5,000 on any one day.

You redeposit a check that has been returned unpaid.

You have overdrawn your Account repeatedly in the last six months.

There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the eighth business day after the day of your deposit.

**SPECIAL RULES FOR NEW ACCOUNTS**

If you are a new customer, the following special rules will apply during the first 30 days your Account is open.

Funds from electronic direct deposits and cash deposits to your Account will be available on the day we receive the deposit. Funds from deposits of wire transfers and the first $5,000 of a day’s total deposits of cashier’s, certified, teller’s, traveler’s, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over $5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first $5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the twelfth business day after the day of your deposit.

**DEPOSITS AT AUTOMATED TELLER MACHINES**

Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we own or operate will not be available until the first business day after the day of your deposit.

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**SPECIFIC ACCOUNT DETAILS**

**CHECKING ACCOUNTS**

**BUSINESS EDGE CHECKING**

**Minimum balance to open the Account** – You must deposit $100.00 to open this Account.

**Transaction limitations:**

Posted debits, posted credits and deposited items are limited to 750 per month.

Cash deposited limited to $10,000.00 per month.
Fees:
An inactivity fee of $5.00 will be charged monthly if there is no activity for 365 days and your balance is less than $100.00.

BUSINESS ADVANTAGE CHECKING
Minimum balance to open the Account – You must deposit $100.00 to open this Account.

Minimum balance to avoid imposition of fees – If your average daily collected balance falls below $2,500.00 for the month we will impose a maintenance service charge of $9.00 for that month. If your average daily collected balance is at least $2,500.00 but no more than $4,999.99 for the month we will impose a maintenance service charge of $7.00 for that month. If your average daily collected balance is at least $5,000.00 but no more than $7,499.99 for the month we will impose a maintenance service charge of $5.00 for that month. The average daily collected balance is calculated by adding the collected balance in the Account for each day of the period and dividing that figure by the number of days in the period.

Fees:
A per check fee of $.20 will be charged for each check in excess of 300 during a calendar month.

BUSINESS INTEREST CHECKING
Rate Information – The interest rate and annual percentage yield for your Account depend upon the applicable rate tier. The interest rate and annual percentage yield for these tiers may change. Frequency of rate changes - We may change the interest rate on your Account at any time.

Determination of rate – The interest rate on your Account is subject to change at our discretion.

Compounding and crediting frequency – Interest will be compounded and credited monthly.

Effect of closing an Account – If you close your Account before interest is credited, you will not receive the accrued interest.

Minimum balance to open the Account – You must deposit $100.00 to open this Account.

Daily balance computation method - We use the daily balance method to calculate the interest on your Account. This method applies a daily periodic rate to the principal in the Account each day.

Accrual of interest on noncash deposits – Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

Fees:
A maintenance service charge of $4.50 will be charged each calendar month.
A per check fee of $.20 will be charged for each check.

BUSINESS SWEEP CHECKING
Rate Information – The interest rate and annual percentage yield for your Account depend upon the applicable rate tier. The interest rate and annual percentage yield for these tiers may change. Frequency of rate changes - We may change the interest rate on your Account at any time.

Determination of rate – The interest rate on your Account is subject to change at our discretion.

Compounding and crediting frequency – Interest will be compounded and credited monthly.

Effect of closing an Account – If you close your Account before interest is credited, you will not receive the accrued interest.

Daily balance computation method - We use the daily balance method to calculate the interest on your Account. This method applies a daily periodic rate to the principal in the Account each day.

Accrual of interest on noncash deposits – Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

Transaction limitations:
Funds must sweep to/from Business Analysis Account.
Only Sweep transactions are allowed on this Account.

SAVINGS ACCOUNTS
BUSINESS SAVINGS
Rate Information – The interest rate and annual percentage yield for your Account depend upon the applicable rate tier. The interest rate and annual percentage yield for these tiers may change. Frequency of rate changes - We may change the interest rate on your Account at any time.

Determination of rate – The interest rate on your Account is subject to change at our discretion.

Compounding and crediting frequency – Interest will be compounded and credited monthly.

Effect of closing an Account – If you close your Account before interest is credited, you will not receive the accrued interest.

Minimum balance to open the Account – You must deposit $100.00 to open this Account.
Minimum balance to avoid imposition of fees – A maintenance service charge of $1.50 will be imposed each monthly statement cycle if the average daily balance for the monthly statement cycle falls below $100.00. The average daily balance is calculated by adding the principal in the Account for each day of the period and dividing that figure by the number of days in the period.

Daily balance computation method - We use the daily balance method to calculate the interest on your Account. This method applies a daily periodic rate to the principal in the Account each day.

Accrual of interest on noncash deposits – Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

Transaction limitations:
Transfers from a Business Savings Account to another Account or to third parties by preauthorized, automatic, telephone, or computer transfer are limited to six per calendar month with no transfers by check, draft, debit card, or similar order to third parties.

Fees:
An excess withdrawal fee of $5.00 will be charged for each transaction in excess of the above limitations.

BUSINESS PERFORMANCE SAVINGS
Rate Information – The interest rate and annual percentage yield for your Account depend upon the applicable rate tier. The interest rate and annual percentage yield for these tiers may change. Frequency of rate changes – We may change the interest rate on your Account at any time.

Determination of rate – The interest rate on your Account is subject to change at our discretion.

Compounding and crediting frequency – Interest will be compounded and credited monthly.

Effect of closing an Account – If you close your Account before interest is credited, you will not receive the accrued interest.

Minimum balance to open the Account – You must deposit $500.00 to open this Account.

Minimum balance to avoid imposition of fees – A maintenance service charge of $10.00 will be imposed every statement cycle if the balance in the Account falls below $2,000.00 any day of the cycle.

Daily balance computation method - We use the daily balance method to calculate the interest on your Account. This method applies a daily periodic rate to the principal in the Account each day.

Accrual of interest on noncash deposits – Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

Transaction limitations:
Transfers from a Business Performance Savings Account to another Account or to third parties by preauthorized, automatic, telephone, or computer transfer are limited to six per calendar month with no transfers by check, draft, debit card, or similar order to third parties.

Fees:
An excess withdrawal fee of $5.00 will be charged for each transaction in excess of the above limitations.

BUSINESS MONEY MARKET
Rate Information – The interest rate and annual percentage yield for your Account depend upon the applicable rate tier. The interest rate and annual percentage yield for these tiers may change. Frequency of rate changes - We may change the interest rate on your Account at any time.

Determination of rate – The interest rate on your Account is subject to change at our discretion.

Compounding and crediting frequency – Interest will be compounded and credited monthly.

Effect of closing an Account – If you close your Account before interest is credited, you will not receive the accrued interest.

Minimum balance to open the Account – You must deposit $500.00 to open this Account.

Minimum balance to avoid imposition of fees – A maintenance service charge of $6.00 will be imposed every statement cycle if the balance in the Account falls below $2,000.00 any day of the cycle.

Daily balance computation method - We use the daily balance method to calculate the interest on your Account. This method applies a daily periodic rate to the principal in the Account each day.

Accrual of interest on noncash deposits – Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

Transaction limitations:
Transfers from a Business Money Market Account to another Account or to third parties by preauthorized, automatic, telephone, or computer transfer or by check, draft, debit card, or similar order to third parties are limited to six per calendar month.

Fees:
An excess withdrawal fee of $5.00 will be charged for each transaction in excess of the above limitations.
ALASKA CD

Rate Information - The interest rate and annual percentage yield for your Account depend upon the applicable rate tier. The interest rate and annual percentage yield for these tiers may change. Frequency of rate changes - We may change the interest rate on your Account at any time.

Determination of rate - The interest rate on your Account is subject to change at our discretion.

Compounding and crediting frequency - Interest will be compounded and credited quarterly.

Effect of closing an Account - If you close your Account before interest is credited, you will not receive the accrued interest.

Minimum balance to open the Account - You must deposit $10,000.00 to open this Account.

Minimum balance to obtain the annual percentage yield disclosed - You must maintain a minimum balance of $5,000.00 in the Account each day to obtain the disclosed annual percentage yield.

Daily balance computation method - We use the daily balance method to calculate the interest on your Account. This method applies a daily periodic rate to the principal in the Account each day.

Accrual of interest on noncash deposits - Interest begins to accrue no later than the business day we receive credit for the deposit of noncash items (for example, checks).

Transaction limitations:
The maximum balance in this Account cannot exceed $5,000,000.00. Transfers from an Alaska CD Account to another Account or to third parties by preauthorized, automatic, telephone, or computer transfer are limited to six per calendar month with no transfers by check, draft, debit card, or similar order to third parties.

Fees:
An excess transaction fee of $100.00 will be charged each quarter. This fee will apply if there is more than one debit per quarter or if more than $500,000.00 is withdrawn during the quarter.

Additional Terms:
If this Account is linked to a Loyalty Club account, Business Analysis account or Flex Checking account in the Power and President’s Club tier the Account may qualify for a bonus interest rate.

CERTIFICATES OF DEPOSIT

CERTIFICATE OF DEPOSIT (CD)

Rate Information – You will be paid the disclosed rate until first maturity.

Compounding and crediting frequency – Interest will be compounded and credited quarterly.

Minimum balance to open the Account – You must deposit $500.00 to open this Account.

Minimum balance to obtain the annual percentage yield disclosed – You must maintain a minimum balance of $500.00 in the Account each day to obtain the disclosed annual percentage yield.

Daily balance computation method – We use the daily balance method to calculate the interest on your Account. This method applies a daily periodic rate to the principal in the Account each day.

Accrual of interest on noncash deposits – Interest begins to accrue on the business day you deposit noncash items (for example, checks).

Transaction limitations:
You may not make any deposits into your Account before maturity.

You may make withdrawals of principal from your Account before maturity only if we agree at the time you request the withdrawal. Principal withdrawn before maturity is included in the amount subject to early withdrawal penalty.

You can only withdraw interest credited in the term before maturity of that term without penalty. You can withdraw interest only on the crediting dates. You may choose to have interest transferred to another Account of yours, transferred through ACH or paid by check to you.

Time requirements – Your Account will mature as stated on your certificate of deposit receipt or other disclosure provided.

Early withdrawal penalties (a penalty will be imposed for withdrawals before maturity) –

• If your Account has an original maturity of 32 days or less:
  The fee imposed will equal 7 days simple interest on the amount withdrawn.

• If your Account has an original maturity of one year or less but more than 32 days:
  The fee imposed will equal 30 days simple interest on the amount withdrawn.

• If your Account has an original maturity of more than one year:
  The fee imposed will equal 90 days simple interest on the amount withdrawn.

In certain circumstances such as the death or incompetence of an owner of this Account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.
For any time deposit which earns an interest rate that may vary from time to time during the term, the interest rate we will use to calculate this early withdrawal penalty will be the interest rate in effect at the time of the withdrawal.

**Withdrawal of interest prior to maturity** – The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Automatically renewable time Account** – This Account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the Account at maturity (or within the grace period mentioned below, if any). If you prevent renewal, interest will not accrue after final maturity.

Each renewal term will be the same as the original term, beginning on the maturity date. The interest rate will be the same we offer on new time deposits on the maturity date which have the same term, minimum balance (if any) and other features as the original time deposit. You will have ten calendar days after maturity to withdraw the funds without a penalty.

**JUMP UP CERTIFICATE OF DEPOSIT**

**Jump Up Option Plan and Rate Information (variable rate Account):** The interest rate and annual percentage yield may change. We will not change the rate on your Account during the term of the Account. However, you have the option to exchange this interest rate one time during each term of the Account on a 1 year CD and two times during each term of the Account on CDs with terms of 18 months or more. The new interest rate will be the interest rate being offered on time deposits with the same term at the time of the request. This exchange will be at no cost to you. If you make an exchange, the maturity date of this Account will remain the same as originally scheduled. You may exercise this option one time during each term of the Account on a 1 year CD and two times during each term of the Account of CDs with terms of 18 months or more.

**Compounding and crediting frequency** – Interest will be compounded and credited quarterly.

**Minimum balance to open the Account** – You must deposit $500.00 to open this Account.

**Minimum balance to obtain the annual percentage yield disclosed** – You must maintain a minimum balance of $500.00 in the Account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** – We use the daily balance method to calculate the interest on your Account. This method applies a daily periodic rate to the principal in the Account each day.

**Accrual of interest on noncash deposits** – Interest begins to accrue on the business day you deposit noncash items (for example, checks).

**Transaction limitations:**

Deposits cannot be made more often than every seven days and deposits cannot be made during the first or last seven days of the CD term.

You may make withdrawals of principal from your Account before maturity only if we agree at the time you request the withdrawal. Principal withdrawn before maturity is included in the amount subject to early withdrawal penalty.

You can only withdraw interest credited in the term before maturity of that term without penalty. You can withdraw interest only on the crediting dates. You may choose to have interest transferred to another Account of yours, transferred through ACH or paid by check to you.

**Time requirements** – Your Account will mature as stated on your certificate of deposit receipt or other disclosure provided.

**Early withdrawal penalties** (a penalty will be imposed for withdrawals before maturity) –

- If your Account has an original maturity of 32 days or less:
  The fee imposed will equal 7 days simple interest on the amount withdrawn.

- If your Account has an original maturity of one year or less but more than 32 days:
  The fee imposed will equal 30 days simple interest on the amount withdrawn.

- If your Account has an original maturity of more than one year:
  The fee imposed will equal 90 days simple interest on the amount withdrawn.

In certain circumstances such as the death or incompetence of an owner of this Account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

For any time deposit which earns an interest rate that may vary from time to time during the term, the interest rate we will use to calculate this early withdrawal penalty will be the interest rate in effect at the time of the withdrawal.

**Withdrawal of interest prior to maturity** – The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Automatically renewable time Account** – This Account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the Account at maturity (or within the grace period mentioned below, if any). If you prevent renewal, interest will not accrue after final maturity.

Each renewal term will be the same as the original term, beginning on the maturity date. Interest will be calculated on the same basis as during the original term.

You will have ten calendar days after maturity to withdraw the funds without a penalty.
MINIMUM AND MAXIMUM BALANCE REQUIREMENTS
Keeping a minimum balance in your Account may be necessary in order to avoid being assessed a fee or to earn interest for that period.

Exceeding the maximum balance requirement designated for specific products for your Account may result in reduction of the interest rate or no interest rate applied to the amount exceeding the maximum balance. In addition, we may require that you immediately withdraw the amount necessary to bring the balance below the stated maximum.