

BUSINESS BILL PAYMENT – TERMS AND CONDITIONS OF THE BILL PAYMENT SERVICE

SERVICE DEFINITIONS

"Service" or "the Service" means the bill payment service offered by Banner Bank.

"Agreement" means these terms and conditions of the bill payment service.

"Customer Service" means the Customer Service department of Banner Bank. Please see the ERRORS AND QUESTIONS section below for Customer Service contact information.

"Payee" is the person or entity to which you wish a bill payment to be directed or is the person or entity from which you receive electronic bills, as the case may be.

"Payment Instruction" is the information provided by you to the Service for a bill payment to be made to the Payee (such as, but not limited to, Payee Name, Payee Account Number, and Scheduled Payment Date).

"Pay From Account" is the checking account from which bill payments will be debited.

"Business Day" is every Monday through Friday, excluding Federal Reserve holidays.

"Payment Date" is the day you want your Payee to receive your bill payment. This day can only be a Business Day.

"Process Date" is the date that the payment is initiated. For Check Payments, it is the date the check is mailed to be received by the Payee on the Payment Date. For Electronic Payments, it is the date that the funds are verified and debited from the Pay From Account.

"Due Date" is the date reflected on your Payee statement for which the payment is due; it is not the late date or grace period.

"Pending Payment" is a payment that has been scheduled through the Service but has not begun processing.

"You" or "your" means the Banner Bank client whose accounts are accessed to pay bills in connection with use of the Service, and includes any person or user assigned rights to access the Service.

PAYMENT SCHEDULING

The earliest possible Scheduled Payment Date for each Payee (typically four (4) or fewer Business Days from the current date) will be designated within the application when you are scheduling the payment. Therefore, the application will not permit you to select a Scheduled Payment Date less than the earliest possible Scheduled Payment Date designated for each Payee. When scheduling payments you must select a Scheduled Payment Date that is no later than the actual Due Date reflected on your Payee statement unless the Due Date falls on a non-Business Day. If the actual Due Date falls on a non-Business Day, you must select a Scheduled Payment Date that is at least one (1) Business Day before the actual Due Date. Scheduled Payment Dates must be prior to any late date or grace period. Any Payment not scheduled in this manner may not make it to the Payee on time, and you could incur late charges or other penalties, for which the Service shall have no responsibility.

PAYMENT AUTHORIZATION AND PAYMENT REMITTANCE

By accepting this Agreement, you represent and warrant that you have full authority to do so. By providing the Service with names and account information of Payees to whom you wish to direct payments, you authorize the Service to follow the Payment Instructions that it receives through the payment system. In order to process payments more efficiently and effectively, the Service may edit or alter payment data or data formats in accordance with Payee directives.

When the Service receives a Payment Instruction, you authorize the Service to debit your Payment Account and remit funds on your behalf so that the funds arrive as close as reasonably possible to the Scheduled Payment Date designated by you. You also authorize the Service to credit your Payment Account for payments returned to the Service by the United States Postal Service or Payee, or payments remitted to you on behalf of another authorized user of the Service.

The Service will use its best efforts to make all your payments properly. However, the Service shall incur no liability and any Service Guarantee shall be void if the Service is unable to complete any payments initiated by you because of the existence of any one or more of the following circumstances:

1. If, through no fault of the Service, your Payment Account does not contain sufficient funds to complete the transaction or the transaction would exceed the credit limit of a linked overdraft account;
2. The payment processing center is not working properly and you know or have been advised by the Service about the malfunction before you execute the transaction;
3. You have not provided the Service with the correct Payment Account information, or the correct name, address, phone number, or account information for the Payee; and/or,
4. Circumstances beyond control of the Service (such as, but not limited to, fire, flood, or interference from an outside force) prevent the proper execution of the transaction and the Service has taken reasonable precautions to avoid those circumstances.

Provided none of the foregoing exceptions are applicable, if the Service causes an incorrect amount of funds to be removed from your Payment Account or causes funds from your Payment Account to be directed to a Payee which does not comply with your Payment Instructions, the Service shall be responsible for returning the improperly transferred funds to your Payment Account, and for directing to the proper Payee any previously misdirected transactions, and, if applicable, for any late payment related charges.

PAYMENT METHODS

The Service reserves the right to select the method in which to remit funds on your behalf to your Payee. These payment methods include Electronic or Check Payment, generally depending on whether the Payee has been set up to accept electronic payments. For Electronic Payments, funds are debited on the Process Date after available funds have been verified. If funds are not available on the processing day, then the service will attempt to process the payment for a total of three (3) business days by checking for available funds. If funds are still not available at the end of the third processing day, then the payment will be cancelled. If the payment is part of a recurring series, only that particular payment will be cancelled, not the entire payment series.

For Check Payments, funds remitted to the Payee are deducted from your Payment Account when the Check is presented to your financial institution for payment, no funds verification takes place. You will be responsible for keeping track of your financial records to ensure you have available funds for that payment.

The Service allows you to pay companies or individuals. The Service will determine the payment method. Individual Payees may be set up by entering the payee's routing and account number or by using the Payee's email address and allowing the Payee to input its routing and account number securely so that payments can be sent electronically.

PAYMENT CANCELLATION REQUESTS

You may modify or cancel any scheduled payment at any time using your Online Bill Pay before it has been processed. This should be done before the Processing Date (which is identified in the System for each Payment Instruction). Processing times are: Monday through Friday between 5:00 AM and 12:00 PM (noon) Pacific Time excluding Federal Reserve holidays.

If you are unable to access Banner Bank Online Banking to modify or cancel any scheduled payment, we will only accept a verbal or written notice to modify or cancel an Online Bill Pay transaction. Banner Bank can cancel a pending payment if it relates to a one-time payment scheduled for a future date or reoccurring and only if the notice is received at Banner Bank Online customer service at 1-800-272-9933 no later than two (2) business days before the Process Date of the payment. If you call, we may also require you to put your request in writing and forward it to us within fourteen (14) days after you call. If the transaction is reoccurring, the notice must detail whether the cancellation applied to only one of the recurring transactions, or all transactions in the recurring stream.

STOP PAYMENT REQUESTS

The Service can only process a stop payment request on a Check Payment, and only if the check has not cleared the account. The Service must have a reasonable opportunity to act on any stop payment request. If you desire to stop payment on a Check Payment, you may do so through Online Banking, contacting Customer Service or visiting a Banner Bank branch. If you call, we may also require you to present your request in writing within fourteen (14) days after you call. The charge for each stop payment request will be the current charge for such service as set out in the applicable fee schedule.

FAILED TRANSACTIONS

In using the Service, you are requesting the Service to make payments for you from your Payment Account. If we are unable to complete the transaction for any reason associated with your Payment Account (for example, there are insufficient funds in your Payment Account to cover the transaction), the transaction may not be completed.

FOREIGN BANNER CUSTOMER ADDRESSES

If you have a non-US Address, for Online Bill Payment purposes only, the Service will use the address of the Banner Bank branch where your primary transaction account was established to facilitate the enrollment process. This will also help ensure that payments can be properly returned should the Payee or US Postal Service return a Check Payment. Use of the branch address for this limited purpose will not affect the address you have provided for other account notifications.

PROHIBITED PAYMENTS

Payments to Payees outside of the United States or its territories are prohibited through the Service.

BILL DELIVERY AND PRESENTMENT

This feature is for the presentment of electronic bills only and it is your sole responsibility to contact your Payees directly if you do not receive your statements. In addition, if you elect to activate one of the Service's electronic bill options, you also agree to the following:

Information provided to the Payee - The Service is unable to update or change your personal information such as, but not limited to, name, address, phone numbers, or email addresses, with the electronic Payee. You will need to make any such changes by contacting the Payee directly. Additionally, it is your responsibility to maintain all usernames and passwords for all electronic Payee sites. You also agree not to use someone else's information to gain unauthorized

access to another person's bill. The Service may, at the request of the Payee, provide to the Payee your email address, service address, or other data specifically requested by the Payee at the time of activating the electronic bill for that Payee, for purposes of the Payee informing you about Service and/or bill information.

Activation - Upon activation of the electronic bill feature the Service may notify the Payee of your request to receive electronic billing information. The presentment of your first electronic bill may vary from Payee to Payee and may take up to sixty (60) days, depending on the billing cycle of each Payee. Additionally, the ability to receive a paper copy of your statement(s) is at the sole discretion of the Payee. While your electronic bill feature is being activated, it is your responsibility to keep your accounts current. Each electronic Payee reserves the right to accept or deny your request to receive electronic bills.

Authorization to obtain bill data - Your activation of the electronic bill feature for a Payee shall be deemed by us to be your authorization for us to obtain bill data from the Payee on your behalf. For some Payees, you will be asked to provide us with your user name and password for that Payee. By providing us with such information, you authorize us to use the information to obtain your bill data.

Notification - The Service will use its best efforts to present all of your electronic bills promptly. In addition to notification within the Service, the Service may, but is not required to, send an email notification to the email address listed for your account. It is your sole responsibility to ensure that this information is accurate. In the event you do not receive notification, it is your responsibility to periodically logon to the Service and check on the delivery of new electronic bills. The time for notification may vary from Payee to Payee. You are responsible for ensuring timely payment of all bills.

Cancellation of electronic bill notification - The electronic Payee reserves the right to cancel the presentment of electronic bills at any time. You may cancel electronic bill presentment at any time. The timeframe for cancellation of your electronic bill presentment may vary from Payee to Payee. It may take up to sixty (60) days, depending on the billing cycle of each Payee. The Service will notify your electronic Payee(s) as to the change in status of your account and it is your sole responsibility to make arrangements for an alternative form of bill delivery. The Service will not be responsible for presenting any electronic bills that are already in process at the time of cancellation.

Non-Delivery of electronic bill(s) - You agree to hold the Service harmless should the Payee fail to deliver your statement(s). You are responsible for ensuring timely payment of all bills. Copies of previously delivered bills must be requested from the Payee directly.

Accuracy and dispute of electronic bill - The Service is not responsible for the accuracy of your electronic bill(s). The Service is only responsible for presenting the information we receive from the Payee. Any discrepancies or disputes regarding the accuracy of your electronic bill summary or detail must be addressed with the Payee directly.

This Agreement does not alter your liability or obligations that currently exist between you and your Payees.

ADMINISTRATOR AND SUB-USER RIGHTS AND ACCESS

The first authorized signer on a business account who enrolls in Business Online Banking is the "Administrator." The Administrator is given rights within Business Online Banking and Business Bill Pay to add or remove other users ("sub-users") and to modify sub-user access rights. When the Administrator enrolls in Business Bill Pay, any existing or newly added sub-users will automatically be able to do the following: schedule payments to existing payees on the Service, review payment history, schedule reminders, access reports and access the message center. The Administrator may within the Service change these sub-user default settings, such as by placing dollar limits on payments, restricting access to reports, allowing the addition or deletion of Payees, etc. The Administrator may also disable a sub-user's access to Business Bill Pay entirely through Online Banking.

EXCLUSIONS OF WARRANTIES

THE SERVICE AND RELATED DOCUMENTATION ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES

Refer to Banner Bank's Privacy Policy located at <https://www.bannerbank.com/privacy-policy>.

ALTERATIONS AND AMENDMENTS

This Agreement, applicable fees and service charges may be altered or amended by the Service from time to time. In such event, the Service shall provide notice to you. Any use of the Service after the Service provides you a notice of change will constitute your agreement to such change(s). Further, the Service may, from time to time, revise or update the applications, services, and/or related material, which may render all such prior versions obsolete. Consequently, the Service reserves the right to terminate this Agreement as to all such prior versions of the applications, services, and/or related material and limit access to only the Service's more recent revisions and updates. In addition, as part of the Service, you agree to receive all legally required notifications via electronic means.

ADDRESS OR BANKING CHANGES

It is your sole responsibility to ensure that the contact information in your user profile is current and accurate. This includes, but is not limited to, name, address, phone numbers and email addresses. Changes can be made either within the application or by contacting Customer Service. Any changes in your Payment Account should also be made in accordance with the procedures outlined within the application's Help files. All changes made are effective immediately for scheduled and future payments paid from the updated Payment Account information. The Service is not responsible for any payment processing errors or fees incurred if you do not provide accurate Payment Account or contact information.

SERVICE TERMINATION, CANCELLATION, OR SUSPENSION

You may terminate the Service at any time by contacting Customer Service.

RETURNED PAYMENTS

In using the Service, you understand that Payees and/or the United States Postal Service may return payments to the Service for various reasons such as, but not limited to, Payee's forwarding address expired; Payee account number is not valid; Payee is unable to locate account; or Payee account is paid in full. The Service will use its best efforts to research and correct the returned payment and return it to your Payee, or void the payment and deactivate the payee. You may receive notification from the Service.

INFORMATION AUTHORIZATION

Your enrollment in the Service may not be fulfilled if the Service cannot verify your identity or other necessary information. In order to verify ownership of the Payment Account(s) and/or Billing Account, the Service may issue offsetting debits and credits to the Payment Account(s) and/or Billing Account, and require confirmation of such from you. In addition, you agree that the Service reserves the right to obtain financial information regarding your account from a Payee or your financial institution (for example, to resolve payment posting problems or for verification).

DISPUTES

In the event of a dispute regarding the Service, you and the Service agree to resolve the dispute by looking to this Agreement. You agree that this Agreement is the complete and exclusive statement of the agreement between you and the Service which supersedes any proposal or prior agreement, oral or written, and any other communications between you and the Service relating to the subject matter of this Agreement. If there is a conflict between what an employee of the Service or Customer Service Department says and the terms of this Agreement, the terms of this Agreement will prevail.

ASSIGNMENT

You may not assign this Agreement to any other party. The Service may assign this Agreement to any future, directly or indirectly, affiliated company. The Service may also assign or delegate certain of its rights and responsibilities under this Agreement to independent contractors or other third parties.

NO WAIVER

The Service shall not be deemed to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Service. No delay or omission on the part of the Service in exercising any rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions.

CAPTIONS

The captions of sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington, without regard to its conflicts of law's provisions. To the extent that the terms of this Agreement conflict with applicable state or federal law, such state or federal law shall replace such conflicting terms only to the extent required by law. Unless expressly stated otherwise, all other terms of this Agreement shall remain in full force and effect.

THE FOREGOING SHALL CONSTITUTE THE SERVICE'S ENTIRE LIABILITY AND YOUR EXCLUSIVE REMEDY. IN NO EVENT SHALL THE SERVICE BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, INCLUDING LOST PROFITS (EVEN IF ADVISED OF THE POSSIBILITY THEREOF) ARISING IN ANY WAY OUT OF THE INSTALLATION, USE, OR MAINTENANCE OF THE EQUIPMENT, SOFTWARE, AND/OR THE SERVICE.