

# CONSUMER DEPOSIT ACCOUNT AGREEMENT - TABLE OF CONTENTS

	Page
<b>PRIVACY</b> .....	2
<b>TERMS AND CONDITIONS OF YOUR ACCOUNT</b> .....	4
Important Information About Procedures for Opening a New Account .....	4
Agreement.....	4
Liability .....	4
Deposits .....	5
Withdrawals.....	5
Understanding Overdrafts and Non-Sufficient Funds (NSF Returned Item), and How to Avoid Overdraft Fees .....	6
Ownership of Account and Beneficiary Designation .....	8
Agent.....	8
Fiduciary Accounts .....	8
Stop Payments .....	8
Telephone Transfers .....	9
Amendments and Termination .....	9
Correction of Clerical Errors .....	9
Notices .....	9
Statements .....	9
Reporting Fraud, Errors, Etc .....	9
Account Transfer.....	10
Reimbursement of Federal Benefit Payments .....	10
Setoff.....	10
Restrictive Legends or Indorsements .....	10
Facsimile Signatures.....	11
Check Processing .....	11
Indorsements .....	11
Death or Incompetence.....	12
Credit Verification .....	12
Legal Actions Affecting Your Account.....	12
Account Security .....	12
Instructions From You .....	13
Monitoring and Recording Telephone Calls and Account Communications .....	13
Claim of Loss .....	13
Early Withdrawal Penalties .....	13
Changes in Name and Contact Information .....	13
Resolving Account Disputes .....	13
Waiver of Notices .....	13
ACH and Wire Transfers.....	13
International ACH Transactions .....	14
Power of Attorney .....	14
Stale-Dated Checks .....	14
FDIC Insurance .....	14
Unclaimed Property.....	14
UTMA/UGMA Accounts .....	14
Backup Withholding/TIN Certification .....	14
Remotely Created Checks .....	15
Health Savings Accounts (HSA) .....	15
<b>ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES</b> .....	16
<b>NOTICE OF ATM/NIGHT DEPOSIT FACILITY USER PRECAUTIONS</b> .....	20
<b>YOUR ABILITY TO WITHDRAW FUNDS</b> .....	21
<b>SUBSTITUTE CHECKS AND YOUR RIGHTS</b> .....	22
<b>TRUTH-IN-SAVINGS DISCLOSURE</b> .....	23
Banner's Digital Account .....	23
Connected Checking Account.....	23
Rewards Checking Account .....	23
Banner's Best Checking Account .....	23
Connected Savings Account.....	23
Money Market Savings Account .....	24
Banner's Best Savings Account .....	24
Certificate of Deposit.....	24
IRA Certificate of Deposit .....	25
IRA Savings Account .....	26
<b>SCHEDULE OF FEES - Personal Accounts</b> .....	27



# FACTS

## WHAT DOES BANNER BANK DO WITH YOUR PERSONAL INFORMATION?

<b>Why?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
<b>What?</b>	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li style="display: inline-block; width: 45%;">- Social Security number</li> <li style="display: inline-block; width: 45%;">- Overdraft history</li> <li style="display: inline-block; width: 45%;">- Account balances</li> <li style="display: inline-block; width: 45%;">- Account transactions</li> <li style="display: inline-block; width: 45%;">- Credit History</li> <li style="display: inline-block; width: 45%;">- Checking account information</li> </ul> <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>
<b>How?</b>	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information, the reasons Banner Bank chooses to share, and whether you can limit this sharing.

Reasons we can share your personal information	Does Banner Bank share?	Can you limit this sharing?
<b>For our everyday business purposes –</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus.	Yes	No
<b>For our Marketing purposes –</b> To offer our products and services to you.	Yes	No
<b>For joint marketing with other financial companies</b>	No	We don't share
<b>For our affiliates' everyday business purposes –</b> information about your transactions and experiences.	Yes	No
<b>For our affiliates' everyday business purposes –</b> information about your creditworthiness.	No	We don't share
<b>For our affiliates to market to you</b>	No	We don't share
<b>For non-affiliates to market to you</b>	No	We don't share

<b>Questions?</b>	Call toll-free 800-272-9933, contact us via <a href="http://bannerbank.com">bannerbank.com</a> , or write to us at PO Box 907, Walla Walla, WA 99362
-------------------	--

Who we are	
Who is providing this notice?	Banner Bank
What we do	
How does Banner Bank protect my personal information?	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>We also maintain other physical, electronic, and procedural safeguards to protect this information and we limit access to information to those employees for whom access is appropriate.</p>
How does Banner Bank collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>• Open an account</li> <li>• Pay your bills</li> <li>• Apply for a loan</li> <li>• Use your credit or debit card</li> <li>• Make deposits or withdrawals from your account</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> <li>- Sharing for affiliates' everyday business purposes – information about your creditworthiness</li> <li>- Affiliates from using your information to market to you</li> <li>- Sharing for non-affiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>

## Definitions

<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li>- <i>Our affiliates include financial companies such as Banner Corporation and its banking affiliates and subsidiaries, Banner Bank, Northwest Financial Corporation, Community Financial Corporation, and Springer Development, LLC.</i></li> <li>- <i>We also operate under the trade names Banner Investment Services and Banner Financial Services.</i></li> </ul>
<b>Non-affiliates</b>	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li>- <i>Banner Bank does not share with non-affiliates so they can market to you.</i></li> </ul>
<b>Joint marketing</b>	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>- <i>Banner Bank does not jointly market.</i></li> </ul>

## Other important information

# TERMS AND CONDITIONS OF YOUR ACCOUNT

**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.

**AGREEMENT** - This document, along with any other documents we give you pertaining to your account(s), is a contract (also referred to as "this agreement") that establishes rules which control your account(s) with us. Please read this carefully and retain it for future reference. If you open the account (whether in-person, electronically, or by any other method permitted by us) or continue to use the account after receiving a notice of change or amendment, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this agreement. If you have any questions, please ask us.

This agreement is subject to applicable federal laws, the laws of the state of the branch in which your account is located 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 agreement 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 agreement 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 agreement is intended to vary our duty to act in good faith and with ordinary care when required by law.

As used in this agreement the words "we," "our," and "us" mean the Banner Bank and the words "you" and "your" mean the account owner(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 agreement 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 agreement should be construed so the singular includes the plural and the plural includes the singular.

Throughout this document, when a provision is identified as being applicable to a certain state (for example, "in Washington"), it means that the provision is only applicable if your account is held at a branch located in that particular state. Any provision which is not described as applying to a particular state, applies to your account.

**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 Fees. You authorize us to deduct these charges, without notice to you, directly from the account balance as accrued. You may be required to pay any additional reasonable charges for services you request which are not covered by this Agreement.

Each of you also agrees to be jointly and severally (individually) liable, to the extent permitted by applicable law, 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.

You agree that except as provided in this Agreement and to the extent allowed by law, we are not liable for any indirect, incidental, special, consequential or punitive damages for any error or mistake we make in good faith. The limitation applies to any damages that might be in contract or tort, and whether or not the consequences were foreseeable by us.

**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 indorsement or lack of indorsement on the item and 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 indorsement, claim of alteration, encoding error, counterfeit cashier's check 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 standard midnight deadline for holding items. 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, we will notify you of discrepancies over \$10. 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 cut-off 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. The daily cut-off time for deposits made or received in-person is the closing time of the branch where you are making your deposit. If you make deposits through other channels (for example: ATM, Snapshot Deposit, Night Deposit, etc), there are separate cut-off times that apply, please inquire for details. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check or draft for deposit, we may require any third-party indorsers to verify or guarantee their indorsements, or indorse in our presence.

#### **WITHDRAWALS** -

**Important terms for accounts where more than one person can withdraw** - 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 indorse any item payable to you or your order for deposit to this account or any other transaction with us.

**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, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. Because we process checks mechanically, your notice will not be effective and we will not be liable for failing to honor your notice unless it precisely identifies the number, date, amount and payee of the item.

**Checks and withdrawal rules** - If you do not purchase your checks from us, you must be certain that we approve the checks 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 by our policy, 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 any 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 your account as another type of 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.

**Cash withdrawals** - We recommend you take care when making large cash withdrawals because carrying large amounts of cash may pose a danger to your personal safety. As an alternative to making a large cash withdrawal, you may want to consider a cashier's check or similar instrument. You assume full responsibility of any loss in the event the cash you withdraw is lost, stolen, or destroyed. You agree to hold us harmless from any loss you incur as a result of your decision to withdraw funds in the form of cash.

**Multiple signatures, electronic check conversion, and similar transactions** - An electronic check conversion transaction is a transaction where a check or similar item is converted into an electronic fund transfer as defined in the Electronic Fund Transfers regulation. In these types of transactions the check or similar item is either removed from circulation (truncated) or given back to you. As a result, we have no opportunity to review the signatures or otherwise examine the original check or item. You agree to waive any requirement of multiple signatures for these or any other items.

**Notice of withdrawal** - We reserve the right to require not less than 7 days' notice in writing before each withdrawal from a savings deposit as defined by Regulation D. (This right is rarely exercised.) Withdrawals from a time deposit prior to maturity or prior to any notice period may be restricted and may be subject to penalty.

## **UNDERSTANDING OVERDRAFTS AND NON-SUFFICIENT FUNDS (NSF RETURNED ITEM), AND HOW TO AVOID OVERDRAFT FEES -**

**Generally** - The information in this section is being provided to help you understand what happens if your account is overdrawn. Understanding the concepts of overdrafts and non-sufficient funds (NSFs), or returned items is important and can help you avoid being assessed overdraft fees or charges. This section also provides contractual terms relating to overdrafts and NSF transactions.

An overdrawn account will typically result in you being charged an overdraft fee. Generally, an overdraft occurs when there is not enough money in your account to pay for a transaction, but we pay (or cover) the transaction anyway. An NSF transaction is slightly different. In an NSF transaction, we do not cover the transaction. Instead, the transaction is rejected and the item or requested payment is returned.

**Determining your available balance** - We use the "available balance" method at the end of nightly processing to determine whether your account is overdrawn, that is, whether there is enough money in your account to pay for a transaction. Importantly, your "available" balance may not be the same as your account's "current" or "ledger" balance. This means an overdraft or an NSF transaction could occur regardless of your account's current or ledger balance.

Available balance at end of nightly processing is the current balance less any active hold(s). Active holds include those placed, for example: on a recent deposit; to satisfy a garnishment or levy; or as collateral to secure a loan. Although the available balance is updated during the day as items are authorized or presented for payment, overdrafts are based on the available balance at the end of nightly processing. While the available balance does not include funds from other linked accounts that provide overdraft protection, transfers are made as needed and available from the linked accounts during nightly processing. Funds in linked accounts are also used for transaction authorization. For more information read the subsection titled "A temporary debit hold authorization affects your account balance."

**Overdrafts** - We may, at our discretion, honor withdrawal requests (check, in-person withdrawal, ATM withdrawal, or other electronic means) that overdraw your account. However, the fact that we may honor withdrawal requests that overdraw the account balance does not obligate us to do so later. So you can NOT rely on us to pay overdrafts on your account regardless of how frequently or under what circumstances we have paid overdrafts on your account in the past. We can change our practice of paying, or not paying, discretionary overdrafts on your account without notice to you. You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances, such as an overdraft protection line-of-credit or a plan to sweep funds from another account you have with us. We may use subsequent deposits, including direct deposits of social security or other government benefits, to cover such overdrafts and overdraft fees.

**Overdraft Protection Plans** - Upon our receipt of the applicable Bank form, your checking account can be linked to one of the following: a checking account, savings account, money market account, or a line of credit with us, (each a "linked account") for the purpose of covering overdrafts that may occur on your checking account.

If on any day your checking account does not have sufficient funds to cover items that are presented for payment, funds will be automatically transferred from the linked account to cover the overdraft.

Our normal practice is to make transfers in \$25.00 increments. If a full increment is not available, we will transfer the amount that is available to the protected account.

We may make the transfer from the linked account, even though the transfer may reduce the balance in the debited account below any minimum balance requirement for that account and could result in a monthly service charge for that account.

Overdraft protection shall not limit right of setoff or recoupment.

**Non-sufficient funds (NSF) items** - If an item drafted by you (such as a check) or a transaction you set up (such as a preauthorized transfer) is presented for payment in an amount that is more than the available balance in your account, and we decide not to pay the item or transaction, we can return the payment. Such an item or payment may be presented multiple times by the merchant or other payee until it is paid, and we do not monitor or control the number of times a transaction is presented for payment.

**Payment types** - Some, but not necessarily all, of the ways you can access the funds in your account include debit card transactions, automated clearing house (ACH) transactions, and check transactions. All these payment types can use different processing systems and some may take more or less time to post. This information is important for a number of reasons. For example, keeping track of the checks you write and the timing of the preauthorized payments you set up will help you to know what other transactions might still post against your account. For information about how and when we process these different payment types, see the "**Payment order of items**" subsection below.

**Important information regarding "decoupled" cards** - Decoupled debit cards are debit cards offered or issued by an institution or merchant other than us. As part of the issuing process, you provide the decoupled debit card issuer with the information it needs to link the decoupled debit card to your account with us. Once this is done, you can typically use the decoupled debit card as you would any other debit card. Importantly, however, while transactions initiated with these decoupled debit cards may originate as debit card transactions paid by the card issuer, we receive and process them as

ACH transactions. Additionally, you need to refer to your agreement with the decoupled debit card issuer to understand the terms of use for that card. Thus, when our documentation refers to "debit cards," "everyday debit card transactions," or "one-time debit card transactions," we are referring to debit cards issued by us, not decoupled debit cards issued by other institutions or merchants. Different payment types can use different processing systems and some may take more or less time to post. Knowing which card you are using and how the transaction is processed can help you manage your finances, including helping you to avoid overdraft or NSF fees.

**Balance information** - Keeping track of your balance is important. You can review your balance in a number of ways including reviewing your periodic statement, reviewing your balance online, accessing your account information by phone, or coming into one of our branches.

**Funds availability** - Knowing when funds you deposit will be made available for withdrawal is another important concept that can help you avoid being assessed fees or charges. Please see our funds availability disclosure (generally titled, "Your Ability to Withdraw Funds") for information on when different types of deposits will be made available for withdrawal. For an account 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 times 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.

**A temporary debit authorization hold affects your account balance** - On debit card purchases, merchants may request a temporary hold on your account for a specified sum of money when the merchant does not know the exact amount of the purchase at the time the card is authorized. The amount of the temporary hold may be more than the actual amount of your purchase. Some common transactions where this occurs involve purchases of gasoline, hotel rooms, or meals at restaurants. When this happens, our processing system cannot determine that the amount of the hold exceeds the actual amount of your purchase. This temporary hold, and the amount charged to your account, will eventually be adjusted to the actual amount of your purchase, but it could be three calendar days, or even longer in some cases, before the adjustment is made. Until the adjustment is made and except for our end-of-day transaction processing, the amount of funds in your account available for other transactions will be reduced by the amount of the temporary hold. Because the temporary debit authorization affects your intra-day available balance, if another transaction is presented for authorization in an amount greater than the funds left after the deduction of the temporary debit authorization amount, that transaction may not be approved. The temporary debit authorization will not affect your end of day available balance, which determines whether an overdraft fee is assessed for transactions presented for payment.

**Payment order of items** - The order in which items are paid is important if the available balance at the end of nightly processing in your account is not enough to pay all of the items that are presented. The payment order can affect the number of items overdrawn or returned unpaid and the amount of the fees you may have to pay. To assist you in managing your account, we are providing you with the following information regarding how we generally process those items. Items may not be processed in the order they are received.

We process, or 'post', transactions during nightly processing each Business Day (M-F except holidays). Our practice is to first process deposits or credits received before the deposit cut-off time that day. We process next withdrawals or debits (such as ATM, debit card or check transactions) received for payment from your account. We pay some types of transactions, such as debit card transactions, before other types of transactions, such as checks. Note: Except as limited by federal or state regulatory and judicial authorities, we may change the posting order at any time without notice to you.

We process withdrawals received for payment from your account in the following order:

- (1) Over-the-Counter (In Branch) Account Withdrawals - in dollar order from lowest to highest.
- (2) ATM and Debit Card - by type of transaction, and within each transaction type in dollar order, from lowest to highest.
- (3) Account Transfers and Account Withdrawals - by type of transaction, and within each transaction type in dollar order, from lowest to highest.
- (4) Automatic Payments (also known as ACH) and Banner Bank "Electronic" Online Bill Pay Payments - by type of transaction, and within each transaction type in dollar order, from lowest to highest.
- (5) Checks, Banner Bank "Check" Online Bill Pay Payments, and similar items - based on check number, from lowest to highest.

After the above transactions are complete, we process automated internal transfers to and from linked accounts, such as to provide overdraft protection or to sweep excess balances to loans or other deposit accounts.

If one or more checks, items, or transactions (other than a debit card or ATM transaction) are presented without a sufficient available balance in your account, we may: (a) pay the items (creating an overdraft) which may result in one or more overdraft fees, or (b) return the items for insufficient funds. Overdraft fees are disclosed in the Schedule of Fees. We will not charge a fee for paying an overdraft of an ATM or one-time (sometimes referred to as "everyday") debit card transaction on a consumer

account. Previously authorized debit card and ATM transactions will not be returned. We strongly encourage you to make careful records and practice good account management. This will help you to avoid creating items without sufficient funds and potentially incurring resulting fees.

**OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION** - These rules apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the account records. We reserve the right to refuse some forms of ownership and beneficiary designations on any or all of our accounts unless otherwise prohibited by law. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

**Single Account** - is owned by or in the name of one person.

**Joint Account - With Survivorship (And Not As Tenants In Common)** - is an account in the name of two or more persons. Each of you intend that when you die, the balance in the account (subject to any previous pledge to which we have agreed) will belong to the survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common.

**Joint Account - No Survivorship (As Tenants In Common)** - This is owned by two or more persons, but none of you intend (merely by opening this account) to create any right of survivorship in any other person. We encourage you to agree and tell us in writing of the percentage of the deposit contributed by each of you. This information will not, however, affect the number of signatures necessary for withdrawal.

**Pay-On-Death ("POD") Account** - If two or more of you create this type of account, you own the account jointly with survivorship. Beneficiaries cannot withdraw unless: (1) all persons creating the account die, and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death of all persons creating the account, beneficiaries will own this account in equal shares, without right of survivorship. The person(s) creating either of these account types may: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the account funds at any time.

**In California, Idaho & Washington, Community Property Account** - Such an account is issued to two married persons who intend that all of the property in the account, including earnings, be held as community property.

**AGENT** - The agent is merely designated to conduct transactions on behalf of the owner or owners. Owners do not give up any rights to act on the account, and the agent may not in any manner affect the rights of owners or beneficiaries, if any, other than by withdrawing funds from the account. Owners are responsible for any transactions of the agent. We undertake no obligation to monitor transactions to determine that they are on behalf of the owners.

We may continue to honor the transactions of the agent until: (a) we have received written notice or have actual knowledge of the termination of the agency, and (b) we have a reasonable opportunity to act on that notice or knowledge. We may refuse to accept the designation of an agent.

For accounts owned by a single individual, the owner may terminate the agency at any time, and the agency is automatically terminated by the death of the owner.

If our policy allows for the designation of an agent on an account with multiple owners (and without any multiple signatures requirement), then the following rules apply: Each owner individually authorizes the agent to act on his/her behalf. Any one owner may revoke or terminate the authority, and the agent's authority to access the account will continue only as long as no owner has revoked authorization. If no other event terminates the agency, the agency is terminated upon the death of the last surviving owner.

**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.

**STOP PAYMENTS** - 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 cut-off time. Because the most effective way for us to execute a stop-payment order is by using an automated process, 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 twenty-four (24) months. Your order will lapse after that time if you do not renew the order in writing before the end of the twenty-four (24)-month period. We are not obligated to notify you when a stop-payment order expires.

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.

Our stop-payment cut-off time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash).

**TELEPHONE TRANSFERS** - A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Limitations on the number of telephonic transfers from a savings account, if any, are described elsewhere.

**AMENDMENTS AND TERMINATION** - We have the right to add new terms, delete terms, and to reserve the right to waive any term of this agreement. In addition, we may suspend, modify, convert, or terminate a service, convert this account to another account type, or close this account for any reason. For any of these types of changes, we will give you reasonable notice in writing by any reasonable method including by mail, by any electronic communication method to which you have agreed, on or with a periodic statement, or through any other method permitted by law. If we close the account, we will tender the account balance to you or your agent personally, by mail, or by another agreed upon method.

Reasonable notice depends on the circumstances, and in some cases, such as when we cannot verify your identity or we suspect fraud, it might be reasonable for us to give you notice after the change becomes effective. For instance, if we suspect fraudulent activity with respect to your account, and if we deem it appropriate under the circumstances and necessary to prevent further fraud, we might immediately freeze or close your account and then give you notice.

Unless otherwise indicated in the notice of change, if we have notified you of a change to your account, and you continue to have your account after the effective date of the change, you have accepted and agreed to the new or modified terms. You should review any change in terms notice carefully as the notice will provide important information of which you may need to be aware.

We reserve the right to waive any term of this agreement. However, such waiver shall not affect our right to enforce the term at a later date.

If you request that we close your account, you are responsible for leaving enough money in the account to cover any outstanding items or transactions to be paid from the account. Once any outstanding items or transactions are paid, we will close the account and tender the account balance, if any, to you or your agent personally, by mail, or by another agreed upon method.

Any items and transactions presented for payment after the account is closed may be dishonored. Any deposits we receive after the account is closed may be returned. We will not be liable for any damages for not honoring any such debits or deposits received after the account is closed.

Note: Rules governing changes in interest rates are provided separately in the Truth-in-Savings disclosure or in another document. In addition, for changes governed by a specific law or regulation, we will follow the specific timing and format notice requirements of those laws or regulations.

**CORRECTION OF CLERICAL ERRORS** - Unless otherwise prohibited by law, you agree, if determined necessary in our reasonable discretion, to allow us to correct clerical errors, such as obtaining your missing signature, on any account documents or disclosures that are part of our agreement with you. For errors on your periodic statement, please refer to the STATEMENTS section.

**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 any notice in time to have a reasonable opportunity to act on it. If a 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. Notice we give you via the United States Mail is effective when it is deposited in the United States Mail with proper postage and addressed to your mailing address we currently have on file. Notice we give you through your email of record, or other electronic method to which you agreed, will be treated as delivered to you when sent. Notice to any of you is notice to all of you.

**STATEMENTS** - Statements are a valuable tool to, among other things, help prevent fraudulent or mistaken transfers. Your statement will show the transactions that occurred in connection with your account during the statement period. This is true whether you receive paper statements in the mail or are given access to e-Statements through our online banking service.

**In California, REPORTING FRAUD, ERRORS, ETC** - You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures (including forgeries and counterfeit checks) 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 will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care and, if not, whether we contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer. The time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you. You further agree that if you fail to report any unauthorized transactions, signatures or alterations your account within 60 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 60-day limitation is without regard to whether we used ordinary care.

You also have a duty to examine your statement with reasonable promptness for any other error or problem - such as an encoding error or an unexpected deposit amount. If you receive or we make available either your items or images of your items, you must examine them for any unauthorized or missing indorsements or any other problems.

**In Idaho, Oregon and Washington, REPORTING FRAUD, ERRORS, ETC** - 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 (including forgeries and counterfeit checks) 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.

The time you have to examine your statement and report to us will depend on the circumstances, but you will not, in any circumstance, have more than 30 days from when we first send or make the statement available to you.

Further, if you fail to report any unauthorized transactions, signatures or alterations in your account within 60 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 60-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.

In addition to duties under the Uniform Commercial Code and other state law, you have a common law duty to promptly review your statement for errors. Promptly reviewing your statement is valuable to both you and us because it can help identify, correct and prevent future mistakes.

You also have a duty to examine your statement with reasonable promptness for any other error or problem, - such as an encoding error or an unexpected deposit amount. If you receive or we make available either your items or images of your items, you must examine them for any unauthorized or missing indorsements or any other problems.

**Errors relating to electronic fund transfers or substitute checks** - For information on errors relating to electronic fund transfers (e.g., online, mobile, debit card or ATM transactions) refer to your Electronic Fund Transfers disclosure and the sections on consumer liability and error resolution. For information on errors relating to a substitute check you received, refer to your disclosure entitled Substitute Checks and Your Rights.

**Duty to notify if statement not received** - You must immediately notify us if you do not receive your statement by the date you normally expect to receive it. Not receiving your statement in a timely manner is a sign that there may be an issue with your account, such as possible fraud or identity theft. Absent a lack of ordinary care by us, a failure to receive your statement in a timely manner does not extend the time you have to conduct your review under this agreement.

**ACCOUNT TRANSFER** - This account may not be transferred or assigned without our prior written consent.

**REIMBURSEMENT OF FEDERAL BENEFIT PAYMENTS** - If we are required for any reason to reimburse the federal government for all or any portion of a benefit payment that was directly deposited into your account, you authorize us to deduct the amount of our liability to the federal government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other available legal remedy to recover the amount of our liability.

**SETOFF** - We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt any of you owe us now or in the future. The amount of the setoff may be further limited by applicable law. 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.

**RESTRICTIVE LEGENDS OR INDORSEMENTS** - The automated processing of the large volume of checks we receive prevents us from inspecting or looking for restrictive legends, restrictive indorsements or other special instructions on every check. For this reason, we are not required to honor any restrictive legend or indorsement or other special instruction placed on checks you write unless we have agreed in writing to the restriction or instruction. Unless we have agreed in writing, we are not responsible for any losses, claims, damages, or expenses that result from your placement of these restrictions or

instructions on your checks. Examples of restrictive legends placed on checks are "must be presented within 90 days", "two signatures required", 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 indorsement.

**FACSIMILE SIGNATURES** - At times, you may wish to use a facsimile or other form of mechanically reproduced signature (e.g., a desktop publishing, digitized, or computer software generated signature, etc.) to sign checks or other orders relating to your account(s). If you plan to use a facsimile or mechanically reproduced signature device, you agree to notify us, provide us with a sample, and complete any relevant bank forms before you use the device. If you fail to notify us or to provide a sample, this section will still apply to use of the device.

You are solely responsible for maintaining the security of any facsimile or mechanically reproduced signature (and the device used to affix such signature) and you will bear the entire risk for any unauthorized use, regardless of whether or not you have been negligent. Further, we will have no obligation to honor a facsimile or mechanically reproduced signature on your items. If we choose to honor such a signature, you authorize us to charge you for any item that is drawn on us or you, so long as the signature reasonably resembles the sample you have provided us or the facsimile or mechanically reproduced signature actually used by you. You agree that no facsimile or mechanically reproduced signature (or reasonable resemblance of such signature) we are authorized to honor will be considered a forgery or an unauthorized signature, and that each such facsimile or mechanically reproduced signature (or reasonable resemblance of such signature) will be effective as your signature or endorsement, regardless of whether or not you have been negligent.

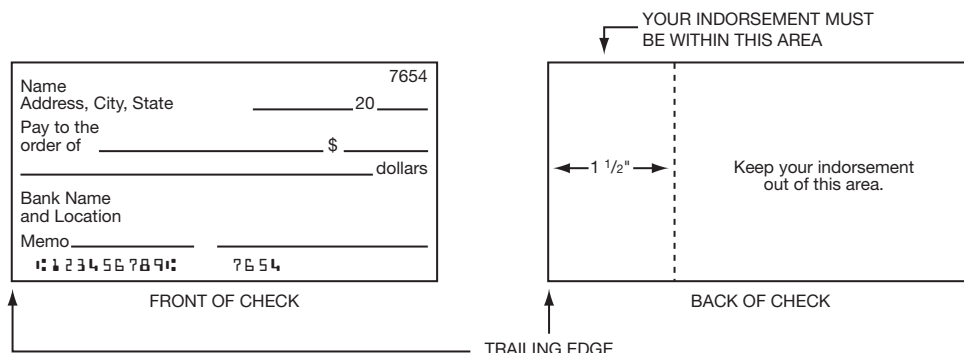
You agree to indemnify and hold us harmless from and against any and all losses, costs, damages, liability, and exposure (including a reasonable attorneys' fee) we or you may suffer or incur as a result of any unauthorized use (or misuse by any person) of any facsimile or mechanically reproduced signature or device. You must immediately notify us if you suspect that your facsimile or mechanically reproduced signature is being (or has been) misused.

**CHECK PROCESSING** - We process items mechanically by relying almost exclusively 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 unless you notify us in writing that the check requires multiple indorsements. We must receive the notice in time for us to have a reasonable opportunity to act on it, and you must tell us the precise date of the check, amount, check number and payee. 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 owners.

**INDORSEMENTS** - We may accept for deposit any item payable to you or your order, even if they are not indorsed by you. We may give cash back to any one of you. We may supply any missing indorsement(s) for any item we accept for deposit or collection, and you warrant that all indorsements are genuine.

To ensure that your check or share draft is processed without delay, you must indorse it (sign it on the back) in a specific area. Your entire indorsement (whether a signature or a stamp) along with any other indorsement information (e.g. additional indorsements, ID information, driver's license number, etc.) must fall within 1 1/2" of the "trailing edge" of a check. Indorsements must be made in blue or black ink, so that they are readable by automated check processing equipment.

As you look at the front of a check, the "trailing edge" is the left edge. When you flip the check over, be sure to keep all indorsement information within 1 1/2" of that edge.



It is important that you confine the indorsement information to this area since the remaining blank space will be used by others in the processing of the check to place additional needed indorsements and information. You agree that you will indemnify, defend, and hold us harmless for any loss, liability, damage or expense that occurs because your indorsement, another indorsement or information you have printed on the back of the check obscures our indorsement.

These indorsement guidelines apply to both personal and business checks.

**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.

**CREDIT VERIFICATION** - By requesting to open an account with us, or by agreeing to be a signer on an account or obtaining any other service from us, you (and, if acting in a representative capacity, individually and for such entity) agree that we may verify credit and employment history by any necessary means, including obtaining a consumer or credit report from a consumer reporting agency. We may do so at the time you open the account, at any time while your account is open, or after your account is closed if you owe us any amounts related to your account.

If you do not handle your account in a satisfactory manner and it is necessary to charge off your account as a loss, we will report such negative information to consumer reporting agencies.

**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 as required by applicable law. However, nothing in this agreement shall be construed as a waiver of any rights you may have under applicable law with regards to such legal action. Subject to applicable law, we may, in our sole discretion, choose to freeze the assets in the account or take other action as may be appropriate under the circumstances. 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 and applicable law. 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, unless otherwise prohibited by applicable law. The Schedule of Fees applicable to your account(s) - provided elsewhere - may specify additional fees that we may charge for responding to certain legal actions.

#### **ACCOUNT SECURITY -**

**Your duty to protect account information and methods of access** - Our policy may require methods of verifying your identity before providing you with a service or allowing you access to your account. We can decide what identification is reasonable under the circumstances. For example, process and identification requirements may vary depending on whether they are online or in person. Identification may be documentary or physical and may include collecting a fingerprint, voiceprint, or other biometric information.

It is your responsibility to protect the account numbers and electronic access devices (e.g., debit card) we provide you for your accounts. You should also safeguard your username, password, and other access and identifying information when accessing your account through a computer or other electronic, audio, or mobile device or technology. If you give anyone authority to access the account on your behalf, you should exercise caution and ensure the trustworthiness of that agent. Do not discuss, compare, or share information about your account numbers with anyone unless you are willing to give them full use of your money. An account number can be used by thieves to issue an electronic debit or to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your access device or information and grant actual authority to make transfers to another person (a family member or coworker, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized. Your account number can also be used to electronically remove money from your account, and payment can be made from your account even though you did not contact us directly and order the payment.

You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your 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 (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss).

**Positive pay and other fraud prevention services** - 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, and you reject those services, you will be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services we offered. You will not be responsible for such transactions if we acted in bad faith or to the extent our negligence contributed to the loss. Such services include positive pay or commercially reasonable security procedures. If we offered you a commercially reasonable security procedure which you reject, you agree that you are responsible for any payment order, whether authorized or not, that we accept in compliance with an alternative security procedure that you have selected. Should you experience fraudulent activity on your account we may require you to close that account and reopen a new account. You also agree to file a police report concerning any fraudulent activity. The positive pay service can help detect and prevent check fraud and is appropriate for account holders that issue a high volume of checks, a lot of checks to the general public, or checks for large dollar amounts.

**INSTRUCTIONS FROM YOU** - 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, email, voicemail, or phone call to a facsimile number, email address, or phone number not designated by us for a particular purpose or for a purpose that is unrelated to the request or instruction.

**MONITORING AND RECORDING TELEPHONE CALLS AND ACCOUNT COMMUNICATIONS** - Subject to federal and state law, we may monitor or record phone calls for security reasons, to maintain a record, and to ensure that you receive courteous and efficient service. You consent in advance to any such recording.

To provide you with the best possible service in our ongoing business relationship for your account, we may need to contact you about your account from time to time by telephone, text messaging, or email. In contacting you about your account, we may use any telephone numbers or email addresses that you have previously provided to us by virtue of an existing business relationship or that you may subsequently provide to us.

You acknowledge that the number we use to contact you may be assigned to a landline, a paging service, a cellular wireless service, a specialized mobile radio service, other radio common carrier service, or any other service for which you may be charged for the call. You acknowledge that we may contact you by voice, voicemail, or text messaging. You further acknowledge that we may use pre-recorded voice messages, artificial voice messages, or automatic telephone dialing systems.

If necessary, you may change or remove any of the telephone numbers, email addresses, or other methods of contacting you at any time using any reasonable means to notify us.

**CLAIM OF LOSS** - The following rules do not apply to a transaction or claim related to a consumer electronic fund transfer governed by Regulation E (e.g., an every day/one-time consumer debit card or ATM transaction). The error resolution procedures for consumer electronic fund transfers can be found in our initial Regulation E disclosure generally titled, "Electronic Fund Transfers." For other transactions or claims, 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.

**EARLY WITHDRAWAL PENALTIES (and involuntary withdrawals)** - We may impose early withdrawal penalties on a withdrawal from a time account 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 separately provided notice of penalty for early withdrawal for additional information.

**CHANGES IN NAME AND CONTACT INFORMATION** - You are responsible for notifying us of any change in your name, address, or other information we use to communicate with you. Unless we agree otherwise, notice of such a change must be made in writing by at least one of the account owners. 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 information you have provided to us. If provided elsewhere, we may impose a service fee if we attempt to locate you.

**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.

**WAIVER OF NOTICES** - To the extent permitted by law, you waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your account. For example, if you deposit an item and it is returned unpaid or we receive a notice of nonpayment, we do not have to notify you unless required by federal Regulation CC or other law.

**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.

**INTERNATIONAL ACH TRANSACTIONS** - Financial institutions are required by law to scrutinize or verify any international ACH transaction (IAT) that they receive against the Specially Designated Nationals (SDN) list of the Office of Foreign Assets Control (OFAC). This action may, from time to time, cause us to temporarily suspend processing of an IAT and potentially affect the settlement and/or availability of such payments.

**POWER OF ATTORNEY** - You may wish to appoint an agent to conduct transactions on your behalf. (We, however, have no duty or agreement whatsoever to monitor or insure that the acts of the agent are for your benefit.) This may be done by allowing your agent to sign in that capacity on the signature card or by separate form, such as a power of attorney. A power of attorney continues until your death or the death of the person given the power. If the power of attorney is not "durable," it is revoked when you become incompetent. We may continue to honor the transactions of the agent until: (a) we have received written notice or have actual knowledge of the termination of the authority or the death of an owner, and (b) we have had a reasonable opportunity to act on that notice or knowledge. You agree not to hold us responsible for any loss or damage you may incur as a result of our following instructions given by an agent acting under a valid power of attorney.

**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.

**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 the United States. The amount of insurance coverage you have depends on the number of accounts you have with us that are of different "ownership." An individual account is one unique form of "ownership"; a joint account, a pay-on-death account, and a self directed qualified retirement account (e.g., an IRA) are examples of some of the others. Deposit insurance for a person's self directed qualified retirement account is up to \$250,000. (An IRA is a self directed qualified retirement account as is any account where the owner decides where and how to invest the balance.) Funds are insured to \$250,000 per depositor for the total of funds combined in all of your other insured accounts with us. If you want a more detailed explanation or additional information, you may ask us or contact the FDIC. You can also visit the FDIC website at [www.fdic.gov](http://www.fdic.gov) and click on the Deposit Insurance link. The link includes detailed contact information as well as a deposit insurance estimator.

**UNCLAIMED PROPERTY** - State and federal law and our policy govern when accounts and other types of property are considered dormant or abandoned. The applicable state law is generally the state listed in your last known address with the bank. Accounts are usually considered dormant if the account owner has not performed at least one of the following qualified activities for a period of 12 months:

- Made a deposit or withdrawal (automatic transactions do not typically count as qualified activity), or
- Corresponded in writing or by other means with the Bank concerning the Account

If your account becomes dormant, you may be charged a fee as specified in the bank's Schedule of Fees, to the extent such fees are permitted by applicable state law.

If an account remains dormant for a period of time, specified in the applicable state's unclaimed property law, your dormant account balance may be escheated (that is, surrendered to the state) as abandoned property. Ask us if you want further information about the period of time or type of activity that will prevent your account from being unclaimed. If your funds are surrendered to the state, you may be able to reclaim them, but your claim must be presented to the state. Once your funds are surrendered, we no longer have any liability or responsibility with respect to the funds.

**UTMA/UGMA ACCOUNTS** - Under the Uniform Transfers (or Gifts) to Minors Act, the funds in the account are owned by the child who has unconditional use of the account when he or she reaches the age of majority as defined by the UTMA statute (usually 21). Before that time, the account may be accessed only by the custodian (or successor custodian), and the funds must be used for the benefit of the child. We, however, have no duty or agreement whatsoever to monitor or ensure that the acts of the custodian (or successor custodian) are for the child's benefit. We are not responsible to monitor age or eligibility for an UTMA/UGMA account, even though our records may include the minor's date of birth. It is the custodian's responsibility to properly distribute the funds in the account upon the minor's death or attainment of the age of majority. For this type of account, the child's SSN/TIN is used for the Backup Withholding Certification.

**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 (the taxpayer identification number is your social security number if you are an individual). 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. 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.

(There are special rules if you do not have a TIN but have applied for one, if you are a foreign person, or if you are exempt from the reporting requirements.) 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.

**REMOTELY CREATED 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.

**HEALTH SAVINGS ACCOUNTS (HSA)** - For your convenience, we permit you to take distributions from your HSA by debit card. This feature can raise a variety of tax concerns – for example getting additional cash back on an HSA checking transaction. As a result, if you have more than one account with us, it is a good practice to make sure you are using the appropriate debit card for the transaction. Also, it is your responsibility to ensure your distributions and other actions related to the HSA comply with the law, including federal tax law. As always, we recommend consulting a legal or tax professional if you have any questions about managing your HSA. The terms of this agreement are intended to work in conjunction with the HSA Agreement provided to you earlier. In the event of a conflict, the terms of the HSA Agreement control. You understand that your HSA is intended to be used for payment of qualified medical expenses. It is your responsibility to satisfy any tax liability resulting from use of your HSA for any purpose other than payment or reimbursement of qualified medical expenses. We do not monitor the purpose of any transaction to or from your HSA. Nor are we responsible for ensuring your eligibility for making contributions or ensuring withdrawals are used for payment or reimbursement of qualified medical expenses. Refer to your HSA Agreement for more information relating to the use of your HSA.

---

## ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

**Electronic Fund Transfers Initiated By Third Parties.** You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check to an electronic fund transfer or to electronically pay a returned check charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and bank information. This information can be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your bank and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. Examples of these transfers include, but are not limited to:

- **Preauthorized credits.** You may make arrangements for certain direct deposits to be accepted into your checking or savings account(s).
- **Preauthorized payments.** You may make arrangements to pay certain recurring bills from your checking or savings account(s).
- **Electronic check conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills.
- **Electronic returned check charge.** You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check is returned for insufficient funds.

**Telephone Transfers - types of transfers** - You may access your account by telephone at 1-800-527-6435 using your personal identification number, a touch tone phone, and account numbers, to:

- Transfer funds from checking or savings to checking or savings
- Transfer funds from a line of credit with us to checking or savings with us
- Make payments from checking or savings to loan accounts with us
- Get checking or savings account information

**ATM Transfers - types of transfers and dollar limitations** - You may access your account(s) by ATM using your Banner Bank Debit Card and personal identification number, to:

- Make deposits to checking or savings accounts
- Get cash withdrawals from checking or savings accounts (limit \$750.00 per day)
- Transfer funds from checking or savings to checking or savings
- Get checking or savings account information

Some of these services may not be available at all terminals.

**Types of Banner Bank Debit Card 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.

**Point-of-Sale Transactions - dollar limitations** - Using your card:

- you may not exceed \$5,000.00 in transactions per day

**Currency Conversion and Cross-Border Transaction Fees.** If you initiate a transaction with your Mastercard®-branded Debit Card in a currency other than US Dollars, Mastercard will convert the charge into a US Dollar amount. The Mastercard currency conversion procedure is based on rates observed in the wholesale market or, where applicable, on government-mandated rates. The currency conversion rate Mastercard generally uses is the rate for the applicable currency that is in effect on the day the transaction occurred. However, in limited situations, particularly where Mastercard transaction processing is being delayed, Mastercard may instead use the rate for the applicable currency in effect on the day the transaction is processed.

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 that occurs at a card acceptance location in a different country from the country in which the card was issued. This means a cross-border transaction can occur even though the transaction is made when you are not in a foreign country.



For example, a transaction made online with a foreign merchant is a cross-border transaction even though made while you are physically in the United States.

**Advisory Against Illegal Use.** You agree not to use your card(s) 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.

**Mastercard Automatic Billing Updater Notice of Right to Opt Out.** Automatic Billing Updater is included with your card. This automated solution helps ensure payments you have set up continue with less interruption. If your card is reissued, participating merchants will receive your updated card information. Common examples include cable providers, music subscriptions and gym memberships. Since not all merchants participate, please confirm with each biller that your information has been updated to avoid late payments. You are entitled to opt out of this service. You may opt out at any time.

If you want to opt out, phone us at 1-800-272-9933 or send us a Secure Message within Online or Mobile Banking. You must include your name, address, account number, card number, passcode, and last 4 digits of your taxpayer identification number (SSN or EIN). If you opt out, you may opt back in if you decide you want the Mastercard Automatic Billing Updater service in the future. You may opt in the same way(s) that you can opt out.

**Online Banking Transfers - types of transfers** - You may access your account(s) by computer at [www.bannerbank.com](http://www.bannerbank.com) and using your electronic credentials, to:

- Transfer funds from checking or savings to checking or savings
- Transfer funds from a line of credit with us to checking or savings with us
- Make payments from checking or savings to loan accounts with us
- Make payments from checking accounts to pay bills in amount and on day requested
- Make Bank to Bank Transfers - you have the option to separately enroll to transfer funds between your linked personal deposit accounts at Banner Bank and certain deposit or investment accounts (checking, savings, or money market accounts) at other U.S. financial institutions
- Make payments from checking to companies or individuals using Bill Pay
- Get checking or savings account information

**Mobile Banking Transfers - types of transfers** - You may access your account(s) via: the application from a mobile device; via mobile text banking, or by accessing the online banking site using a mobile web browser at [www.bannerbank.com](http://www.bannerbank.com) and using your electronic credentials, to:

- Transfer funds from checking or savings to checking or savings
- Transfer funds from a line of credit with us to checking or savings with us
- Make payments from checking or savings to loan accounts with us
- Make payments from checking accounts to pay bills in amount and on day requested
- Make Bank to Bank Transfers - you have the option to separately enroll to transfer funds between your linked personal deposit accounts at Banner Bank and certain deposit or investment accounts (checking, savings, or money market accounts) at other U.S. financial institutions
- Make payments from checking to companies or individuals using Bill Pay
- Make deposits using Snapshot Deposit - upon enrollment, you may deposit U.S. checks from your mobile device.
- Get checking or savings account information

All forms of Mobile Banking (Web, App & Text) require Online Banking Enrollment. Smartphone App available in the Apple® and Android™ app stores.

You may be charged access fees by your cell phone provider based on your individual plan. Web access is needed to use this service. Check with your cell phone provider for details on specific fees and charges.

### FEES

- We do not charge for direct deposits to any type of account.
- We do not charge for preauthorized payments from any type of account.

Except as indicated elsewhere, we do not charge for these electronic fund transfers.

**ATM Operator/Network Fees.** When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

### 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.
- **Preauthorized credits.** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at 1-800-272-9933 to find out whether or not the deposit has been made.

- **Periodic statements.**

You will get a monthly account statement from us for your checking accounts.

You will get a monthly account statement from us for your savings accounts, unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly.

### **PREAUTHORIZED PAYMENTS**

- **Right to stop payment and procedure for doing so.** If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:

Call or write us at the telephone number or address listed in this disclosure in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

Stop payment fees are disclosed in the Schedule of Fees section of this disclosure.

- **Notice of varying amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)
- **Liability for failure to stop payment of preauthorized transfer.** If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

### **FINANCIAL INSTITUTION'S LIABILITY**

**Liability for failure to make transfers.** If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- (1) If, through no fault of ours, you do not have enough money in your account to make the transfer.
- (2) If you have an overdraft line and the transfer would go over the credit limit.
- (3) If the automated teller machine where you are making the transfer does not have enough cash.
- (4) If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- (5) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (6) There may be other exceptions stated in our agreement with you.

### **CONFIDENTIALITY**

We will disclose information to third parties about your account or the transfers you make:

- (1) where it is necessary for completing transfers; or
- (2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- (3) in order to comply with government agency or court orders; or
- (4) if you give us your written permission; or
- (5) as explained in the Privacy Disclosure contained elsewhere in this document.

### **UNAUTHORIZED TRANSFERS**

#### **(a) Consumer liability.**

• **Generally.** Tell us AT ONCE if you believe your card and/or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your card and/or code, you can lose no more than \$50 if someone used your card and/or code without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your card and/or code, and we can prove we could have stopped someone from using your card and/or code without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

• **Additional Limits on Liability for Mastercard®-branded Debit Card.** You will not be liable for any unauthorized transactions using your Mastercard®-branded Debit Card if: (i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft, and (ii) upon becoming aware of a loss or theft, you promptly report the loss or theft to us. Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

**(b) Contact in event of unauthorized transfer.** If you believe your card and/or code has been lost or stolen, call or write us at the telephone number or address listed in this disclosure. You should also call the number or write to the address listed in this disclosure if you believe a transfer has been made using the information from your check without your permission.

### **UNAUTHORIZED TRANSFERS**

**(In California)**

#### **(a) Consumer liability.**

• *Generally.* Tell us AT ONCE if you believe your card and/or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). You can lose no more than \$50 if someone used your card and/or code without your permission, and, either:

(i) your card can be used to initiate a transaction without a PIN or other personal identification number, or

(ii) you tell us within 2 business days after you learn of the loss or theft of your card and/or code. If you do NOT tell us within 2 business days after you learn of the loss or theft of your card and/or code, and we can prove we could have stopped someone from using your card and/or code without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

### **UNAUTHORIZED TRANSFERS**

**(In Idaho, Oregon and Washington)**

#### **(a) Consumer liability.**

• *Generally.* Tell us AT ONCE if you believe your card and/or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your card and/or code, you can lose no more than \$50 if someone used your card and/or code without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your card and/or code, and we can prove we could have stopped someone from using your card and/or code without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

### **ERROR RESOLUTION NOTICE**

In Case of Errors or Questions About Your Electronic Transfers, Call or Write us at the telephone number or address listed in this disclosure, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

(1) Tell us your name and account number (if any).

(2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.

(3) Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

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

BANNER BANK  
10 S FIRST AVE, P.O. BOX 907  
WALLA WALLA, WA 99362  
Business Days: Monday through Friday  
Excluding Federal Holidays  
Phone: 1-800-272-9933

MORE DETAILED INFORMATION IS AVAILABLE ON REQUEST

---

## **NOTICE OF ATM/NIGHT DEPOSIT FACILITY USER PRECAUTIONS**

As with all financial transactions, please exercise discretion when using an automated teller machine (ATM) or night deposit facility. For your own safety, be careful. The following suggestions may be helpful.

1. Prepare for your transactions at home (for instance, by filling out a deposit slip) to minimize your time at the ATM or night deposit facility.
2. Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always save your ATM receipts. Don't leave them at the ATM or night deposit facility because they may contain important account information.
3. Compare your records with the account statements or account histories that you receive.
4. Don't lend your ATM card to anyone.
5. Remember, do not leave your card at the ATM. Do not leave any documents at a night deposit facility.
6. Protect the secrecy of your Personal Identification Number (PIN). Protect your ATM card as though it were cash. Don't tell anyone your PIN. Don't give anyone information regarding your ATM card or PIN over the telephone. Never enter your PIN in any ATM that does not look genuine, has been modified, has a suspicious device attached, or is operating in a suspicious manner. Don't write your PIN where it can be discovered. For example, don't keep a note of your PIN in your wallet or purse.
7. Prevent others from seeing you enter your PIN by using your body to shield their view.
8. If you lose your ATM card or if it is stolen, promptly notify us. You should consult the other disclosures you have received about electronic fund transfers for additional information about what to do if your card is lost or stolen.
9. When you make a transaction, be aware of your surroundings. Look out for suspicious activity near the ATM or night deposit facility, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lighted. Consider having someone accompany you when you use the facility, especially after sunset. If you observe any problem, go to another ATM or night deposit facility.
10. Don't accept assistance from anyone you don't know when using an ATM or night deposit facility.
11. If you notice anything suspicious or if any other problem arises after you have begun an ATM transaction, you may want to cancel the transaction, pocket your card and leave. You might consider using another ATM or coming back later.
12. Don't display your cash; pocket it as soon as the ATM transaction is completed and count the cash later when you are in the safety of your own car, home, or other secure surrounding.
13. At a drive-up facility, make sure all the car doors are locked and all of the windows are rolled up, except the driver's window. Keep the engine running and remain alert to your surroundings.
14. We want the ATM and night deposit facility to be safe and convenient for you. Therefore, please tell us if you know of any problem with a facility. For instance, let us know if a light is not working or there is any damage to a facility. Please report any suspicious activity or crimes to both the operator of the facility and the local law enforcement officials immediately.

## YOUR ABILITY TO WITHDRAW FUNDS

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 cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits 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 second business day after the day of your deposit. The first \$225 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:

- 1) We believe a check you deposit will not be paid.
- 2) You deposit checks totaling more than \$5,525 on any one day.
- 3) You redeposit a check that has been returned unpaid.
- 4) You have overdrawn your account repeatedly in the last six months.
- 5) 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 seventh 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 to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 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. The excess over \$5,525 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 \$5,525 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 ninth business day after the day of your deposit.

---

## SUBSTITUTE CHECKS AND YOUR RIGHTS

As our customer we think it's important for you to know about substitute checks. The following Substitute Check Disclosure provides information about substitute checks and your rights.

### What is a substitute check?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

### What are my rights regarding substitute checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500.00 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

### How do I make a claim for a refund?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at:

Banner Bank  
P.O. Box 907  
Walla Walla, WA 99362  
1-800-272-9933

You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include —

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
  - An estimate of the amount of your loss;
  - An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
  - A copy of the substitute check or the following information to help us identify the substitute check: identifying information, for example the check number, the name of the person to whom you wrote the check, and the amount of the check.
-

## TRUTH-IN-SAVINGS DISCLOSURE

### BANNER'S DIGITAL ACCOUNT

**Minimum balance to open the account** - You must deposit \$25.00 to open this account.

**Service Charges** -

A service charge of \$3.00 will be charged each statement cycle.

**Zero balance** - Accounts at a zero balance may be subject to closure.

### CONNECTED CHECKING ACCOUNT

**Minimum balance to open the account** - You must deposit \$50.00 to open this account.

**Minimum balance to avoid imposition of service charge** - A service charge of \$4.00 will be imposed every statement cycle if the minimum daily balance in the account falls below \$500.00 any day of the statement cycle; this service charge is waived for the statement cycle if any account owner is 24 or younger or if you have \$500.00 in direct deposits (one or multiple) per monthly statement cycle.

**Zero balance** - Accounts at a zero balance may be subject to closure.

### REWARDS CHECKING ACCOUNT

**Minimum balance to open the account** - You must deposit \$50.00 to open this account.

**Service Charges** -

A service charge of \$6.00 will be charged each statement cycle.

**Zero balance** - Accounts at a zero balance may be subject to closure.

### BANNER'S BEST CHECKING ACCOUNT

**Rate Information** - Tiered rates apply to this account. Your interest rate and annual percentage yield may change on any day at our discretion. Refer to the insert provided with this disclosure at the time of account opening for the interest rate and annual percentage yield on this account.

**Compounding and crediting frequency** - Interest will be compounded daily. Interest will be credited to your account every month.

**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 \$50.00 to open this account.

**Minimum balance to avoid imposition of service charge** - A service charge of \$12.00 will be imposed every statement cycle if the minimum daily balance in the account falls below \$5,000.00 any day of the cycle; this service charge is waived for the statement cycle if the average daily balance for the statement cycle is \$10,000.00 or more, or if the primary account owner's combined checking and savings account average daily balances for the statement cycle total \$25,000.00 or more. 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).

Accounts at a zero balance may be subject to closure.

### CONNECTED SAVINGS ACCOUNT

**Rate Information** - Your interest rate and annual percentage yield may change on any day at our discretion. Refer to the insert provided with this disclosure at the time of account opening for the interest rate and annual percentage yield on this account.

**Compounding and crediting frequency** - Interest will be compounded daily. Interest will be credited to your account every quarter.

**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 \$25.00 to open this account.

**Minimum balance to avoid imposition of service charge** - A service charge of \$3.00 will be imposed every month if the minimum daily balance in the account falls below \$100.00 any day of the month.

The service charge is waived if any account owner is 24 or younger, or by maintaining a monthly auto transfer of \$25.00 or greater from your Banner Bank Checking 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).

**Zero balance** - Accounts at a zero balance may be subject to closure.

## MONEY MARKET SAVINGS ACCOUNT

**Rate Information** - Tiered rates apply to this account. Your interest rate and annual percentage yield may change on any day at our discretion. Refer to the insert provided with this disclosure at the time of account opening for the interest rate and annual percentage yield on this account.

**Compounding and crediting frequency** - Interest will be compounded daily. Interest will be credited to your account every month.

**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 service charge** - A service charge of \$10.00 will be imposed every statement cycle if the minimum daily balance in the account falls below \$1,000.00 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).

**Zero balance** - Accounts at a zero balance may be subject to closure.

## BANNER'S BEST SAVINGS ACCOUNT

**Rate Information** - Tiered rates apply to this account. Your interest rate and annual percentage yield may change on any day at our discretion. Refer to the insert provided with this disclosure at the time of account opening for the interest rate and annual percentage yield on this account.

**Compounding and crediting frequency** - Interest will be compounded daily. Interest will be credited to your account every quarter.

**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 service charge** - A service charge of \$10.00 will be imposed every month if the minimum daily balance in the account falls below \$5,000.00 any day of the month.

**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).

You must open and/or maintain a Banner Bank personal checking account to open and maintain a Banner's Best Savings account. These accounts must be combined on one statement. If you no longer maintain a Banner Bank checking account, you no longer qualify and Banner Bank may convert this account to a Connected Savings account.

**Zero balance** - Accounts at a zero balance may be subject to closure.

## CERTIFICATE OF DEPOSIT

Refer to the insert provided with this disclosure at the time of account opening for the interest rate, annual percentage yield, and maturity date for your account, and any other terms that may apply for special CD terms that may differ from those shown below.

**Rate Information (fixed rate account)** - The interest rate on your account is found on the insert that is with this disclosure. You will be paid this rate until first maturity.

**Option Plan and Rate Information (variable rate account) - only applies to Bump Certificates:** 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 during the first term of this account to exchange this interest rate for a new interest rate. The new interest rate will be to the rate then being offered on a time deposit of equal term as the original term of this certificate. 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 exchange option once during the first term, but not during any renewal term.

**Compounding frequency** - Interest will be compounded every day.

**Crediting frequency** - Interest will be credited to your account at maturity for 3-11 months term and every 3 months from date of opening for all other terms.

**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** - Refer to insert for minimum balance to open the account.

**Minimum balance to obtain the annual percentage yield disclosed** - Refer to insert for minimum balance to obtain the annual percentage yield disclosed.

**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:**

You may not make any deposits into your account before maturity.

You may make withdrawals of principal from your account without penalty during your 10 calendar day grace period. Interest credited to the certificate may be withdrawn any time during the term after it is credited to your account or during your 10 calendar day grace period.

**Early withdrawal penalties** (a penalty may be imposed for withdrawals before maturity) -

- If your account has an original maturity of 3 to 11 months:  
The fee we may impose will equal 90 days interest on the amount withdrawn subject to penalty.
- If your account has an original maturity of 12-23 months:  
The fee we may impose will equal 180 days interest on the amount withdrawn subject to penalty.
- If your account has an original maturity of 24-119 months:  
The fee we may impose will equal 365 days interest on the amount withdrawn subject to penalty.

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.

**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). We can prevent renewal if we mail notice to you at least 30 days before maturity. If either you or we prevent renewal, interest will not accrue after final maturity. Information about your renewal will be mailed in advance of the maturity date.

You will have ten calendar days after maturity to withdraw the funds without a penalty.

IRAs - Banner bank offers IRA products which include an IRA Savings Account and CDs with various terms.

### IRA CERTIFICATE OF DEPOSIT

Refer to the insert provided with this disclosure at the time of account opening for the interest rate, annual percentage yield, and maturity date for your account, and any other terms that may apply for special CD terms that may differ from those shown below.

**Rate Information (fixed rate account)** - The interest rate on your account is found on the insert that is with this disclosure. You will be paid this rate until first maturity.

**Option Plan and Rate Information (variable rate account) - only applies to Bump Certificates:** 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 during the first term of this account to exchange this interest rate for a new interest rate. The new interest rate will be to the rate then being offered on a time deposit of equal term as the original term of this certificate. 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 exchange option once during the first term, but not during any renewal term.

**Compounding frequency** - Interest will be compounded every day.

**Crediting frequency** - Interest will be credited to your account at maturity for 3-11 months term and every 3 months from date of opening for all other terms.

**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 \$250.00 to open this account.

**Minimum balance to obtain the annual percentage yield disclosed** - You must maintain a minimum balance of \$250.00 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:**

For terms of 3-35 Months, and the 36 Month Bump IRA: The minimum amount you can deposit is \$50.00.

There are no limitations on the frequency or timing of additional deposits, except that no additions can be made in the last seven days before maturity.

For terms of 36-119 Months you may not make any deposits into your account until maturity.

You may make withdrawals of principal from your account without penalty during your 10 calendar day grace period. Interest credited to the certificate may be withdrawn any time during the term after it is credited to your account or during your 10 calendar day grace period.

**Early withdrawal penalties** (a penalty may be imposed for withdrawals before maturity) -

- If your account has an original maturity of 3 to 11 months:  
The fee we may impose will equal 90 days interest on the amount withdrawn subject to penalty.
- If your account has an original maturity of 12-23 months:  
The fee we may impose will equal 180 days interest on the amount withdrawn subject to penalty.
- If your account has an original maturity of 24-119 months:  
The fee we may impose will equal 365 days interest on the amount withdrawn subject to penalty.

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.

**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). We can prevent renewal if we mail notice to you at least 30 days before maturity. If either you or we prevent renewal, interest will not accrue after final maturity. Information about your renewal will be mailed in advance of the maturity date.

You will have ten calendar days after maturity to withdraw the funds without a penalty.

### **IRA SAVINGS ACCOUNT**

Refer to the insert provided with this disclosure at the time of account opening for account specific details.

**Rate Information (variable rate account)** - Your interest rate and annual percentage yield may change on any day at our discretion.

**Compounding frequency** - Interest will be compounded daily.

**Crediting frequency** - Interest will be credited to your account every quarter.

**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 \$50.00 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).

**Zero balance** - Accounts at a zero balance may be subject to closure.

---

## SCHEDULE OF FEES - Personal Accounts

Account Reconciliation (Per hour) - \$10.00 minimum .....	\$25.00
Cashier's Check .....	\$6.00
Re-issue (If lost, additional documentation required) .....	\$10.00
Check Cashing (Non-client).....	3%/Minimum \$5.00
Check Collection (Incoming and outgoing)	
Domestic .....	\$40.00
International .....	\$50.00
Debit/ATM Card Replacement (After 1) .....	\$5.00
Debit/ATM Card Replacement (Rush).....	\$25.00
Debit Card - Custom Design .....	\$12.00
Debit Card - International Transactions .....	1.10%***
Dormant Account Fee	
(Per month, after 12 months of no client account activity) .....	\$5.00
Foreign Currency Exchange (Clients only)	
Canadian .....	No Charge
Non-Canadian.....	\$25.00
Foreign Draft	
Canadian.....	\$20.00
Non-Canadian.....	\$35.00
Legal Process Fee .....	\$125.00
Money Order .....	\$3.00
Online Bank to Bank Transfer - Incoming.....	No Charge
Online Bank to Bank Transfer - Outgoing .....	\$2.00
Overdraft Item (based on available** balance) .....	\$30.00
• Paid transactions resulting in an end-of-day overdrawn available balance of \$5.00 or less, will not be charged a fee.	
• We will not charge you more than 4 overdraft item fees in one business day on your account.	
Paper Statement Fee (Monthly) .....	\$2.00
Paper Statement with Check Images Fee (Monthly).....	\$4.00
Personalized Checks .....	Prices Vary
Temporary Checks .....	\$2.00 per sheet of 4
Safe Deposit Box	
Rental.....	Annual rental fee varies by box size and payment method
Late Fee (Charged 14 days after due date) .....	\$5.00
Key Replacement .....	\$25.00
Drill Fee .....	Cost Plus \$50.00
Stop Payment (24 month life) .....	\$35.00
Wire Transfer	
Incoming Wire (Domestic or International) .....	\$15.00
Outgoing Domestic Wire .....	\$30.00
Outgoing International Wire .....	\$50.00
Returned Wire Fee .....	\$25.00

**\*\*Please refer to the Understanding Overdrafts and Non-Sufficient Funds (NSF Returned Item), And How To Avoid Overdraft Fees section of the Terms and Conditions of your Consumer Deposit Account Agreement contained herein, for explanation of available balance. This is provided at the time of new account & upon request.**

**\*\*\*When using your debit card outside of the U.S. there is a 1.10% Currency Conversion fee, which is based on the U.S. dollar transaction amount.**

