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Business Deposit Account Agreement and Disclosures

Effective February 1, 2018

Welcome to Washington Federal. We are pleased to provide you with this Business Deposit Account Agreement and Disclosures (together with the *Schedule of Business Fees & Service Charges* and the *Schedule of Analyzed Fees and Service Charges*, this "Disclosure"). This Disclosure contains information you will want to know about your business Checking, Savings and Money Market Accounts, and Certificates of deposit. This Disclosure, the terms disclosed in any written account terms for the type of Account opened, the Rate Sheet, any disclosures or agreements we give you when you use additional products and services (for example, the *Treasury Management Terms and Conditions* and the *Online and Mobile Banking Service Agreement for Small Business Account Customers*), and addenda to this Disclosure, together form the agreement between you and Washington Federal regarding your Accounts (collectively, the "Account Agreement").

By signing the signature card, by using your Account, by requesting or later adding products or services connected to the Account, you agree to be bound by the Account Agreement, or in the case of additional Account related products or services, the applicable terms and conditions. If there is a conflict between the Account Agreement and any other document or agreement, the Account Agreement governs.

The purpose of this Disclosure is to provide you disclosures required by law and explain the terms and conditions of your Accounts. Some of the terms and conditions are governed by applicable law and others are governed by rules established by Washington Federal when the law permits variation or there are no applicable regulations. Please read this Disclosure carefully and keep it for future reference. This Disclosure is also available on our website: www.washingtonfederal.com.

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Definitions

In this Disclosure, unless otherwise indicated, the following words have the meanings given below:

“Account” means a Checking Account, Money Market Account, Certificate of Deposit (CD) Account and/or Statement Savings Account that you have established with us primarily for business purposes.

“Bank,” “we,” “us,” and “our” refer to Washington Federal, N.A.

“Business Day” means every day, except Saturdays, Sundays, and federal holidays.

“Business Fee Schedule” means the Schedule of Business Fees & Service Charges and the Schedule of Analyzed Fees and Services, as amended from time to time, available at Bank branches.

“Calendar Day” means every day, including Saturdays, Sundays, and federal holidays.

“Online Banking Service Agreement” means either the Treasury Management Terms and Conditions or the Online and Mobile Banking Service Agreement for Small Business Account Customers, applicable to your type of Account.

“Rate Sheet” means the Business Rates Sheet, as amended from time to time, available at Bank branches and on the Washington Federal [website](#).

“You” and “your” mean each sole proprietor, corporation, limited liability company, partnership, business-purpose unincorporated association, estate, trust or other business- purpose entity, governmental or other public entity or not-for-profit organization who opens an Account and in whose name an Account is maintained on our records, and any joint owner of each Account.

Part I: Business Deposit Account Terms and Conditions

From time to time, we may offer new types of accounts and may cease offering some types of accounts. This Disclosure governs all of these new types of Accounts, and continues to govern any Accounts you may have that we no longer offer. If and to the extent the provisions of this Disclosure vary from the provisions of the Uniform Commercial Code as adopted in the jurisdiction where your Account was opened, this Disclosure shall control.

This Disclosure includes your promise to pay the charges listed on the *Business Fee Schedule* and your permission for us to deduct these charges, as earned, directly from your Account. You also agree to pay any additional reasonable charges we may impose for services you request disclosed in our *Business Fee Schedule*, as amended from time to time. Each of you agrees to be jointly and severally liable for any Account deficit resulting from charges or overdrafts, whether caused by you or another authorized to withdraw from your Account, together with the costs we incur to collect the deficit, including, to the extent permitted by law, our reasonable attorneys’ fees.

You agree to use the Account only for lawful purposes and to comply with all applicable local, state, and federal laws, including for example, the USA Patriot Act and the Unlawful Internet Gambling Enforcement Act.

Mobile Phone Contact Policy

If you give a mobile phone number directly to us, you consent to and agree to accept calls related to the servicing of your Account to your mobile phone from us and our agents. For any service related telephone, mobile phone calls or text messages placed to you by us or our agents, you consent and agree that those calls may be automatically dialed and/or may consist of pre-recorded messages. You may incur fees from this contact by your mobile service provider.

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Important Account Opening Information (USA Patriot Act Notice)

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, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents. In addition, authorized account signers may be asked to provide identification to verify their identity.

Insurance Coverage for Business Checking Accounts

All of a business's deposit accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the Federal Deposit Insurance Corporation (FDIC) up to the standard maximum deposit insurance amount (\$250,000), for each deposit insurance ownership category. For more information visit: www.fdic.gov/deposit/.

Authorized Signers

You agree to give us certified copies of resolutions from your board of directors or other governing body, if any, or other certificate or evidence of authority satisfactory to us that specifically authorizes certain persons to take certain actions with respect to any of your Accounts, including, without limitation, signing, accepting, or endorsing checks, notes, bills, drafts, or other instruments drawn or deposited to your Accounts, or otherwise transferring funds to or from your Accounts ("Authorized Signers"). Such resolutions or other certificates of evidence of authority must set forth the name and title of each Authorized Signer, and must be in a form and substance satisfactory to us. Until properly notified in writing of any change in such authorization and we have had a reasonable period of time to act upon such notice, we may pay, apply, or otherwise honor and charge your Account, without inquiry, without limit as to amount, and without regard to the application of the proceeds thereof (even if drawn or endorsed to the order of any Authorized Signer or other person signing the same, and/or tendered by such person for cashing, in payment of the individual obligation of such person, and/or for deposit to such person's personal account), for all instruments or orders for payment or transfer of money for whatever purpose.

To the fullest extent permitted by applicable law, you hereby waive demand, presentment, protest, notice of protest or dishonor, and all other notices relating to any instrument made, drawn, or endorsed in your name, when such instrument is signed, accepted or endorsed by an Authorized Signer. You must notify us immediately and in writing of any change in the status of any Authorized Signers. We may ask you to give us additional documentation. No action taken by us before we receive proper notification in writing of any such change shall be affected by any such notice.

IOLTA, IOTA and IOLA Accounts

Interest earned on IOLTA, IOTA and IOLA Accounts (or similar lawyer trust accounts) is directed to the designated IOLTA, IOTA or IOLA Committee or bar foundation, as applicable. If you establish one of these types of Accounts, you agree to comply with all of the applicable laws for such Accounts.

Deposit Policy

We will usually give you provisional credit for items deposited into your Account. However, we may delay or refuse to give you provisional credit if we believe in our discretion that your item will not be paid. We will reverse any provisional credit we have given for an item deposited into your Account if we do not receive final credit for that item and charge you a fee (see the *Business Fee Schedule*). If the reversal of a provisional credit creates an overdraft in your Account, you will owe us the amount of the overdraft, plus any overdraft fees (see the *Business Fee Schedule*). We will determine when final credit is received for any item. Please read the Funds Availability Policy for a detailed discussion of how and when we make funds available to you.

We will accept certain items like foreign checks and bond coupons for collection only and may in our sole discretion not accept them for collection. You may also ask us to accept certain other items for collection only. You

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will not receive credit for (provisional or otherwise), and may not withdraw funds against, any of these items until we receive final credit from the person responsible for paying them. Items sent for collection will be credited to your Account in U.S. dollars, with the amount of U.S. dollars credited calculated using our applicable exchange rate in effect on the date when we credit the funds to your Account and not when the deposit is made. The Funds Availability Policy does not apply to items we have accepted for collection only. If we receive final credit for an item we have accepted for collection only, you agree that we may subtract our collection fee (see the *Business Fee Schedule*) from the amount finally credited to us, before we credit your Account for the remaining amount.

Endorsement

It is important that you place your endorsement carefully on the back of all checks you are depositing in the 1 ½ inch area that has been designated for your endorsement. The endorsement area is the first 1 ½ inches on the back of the check when viewed from the trailing edge (the trailing edge is the left edge of the check when viewed from the front). If you have a question about proper placement for your endorsement, please ask your Bank representative. If our endorsement is illegible because you have endorsed the check in the wrong location, you will be liable for any resulting loss.

If you make a deposit to an Account and you fail to endorse it at the time, we may add an endorsement on any item and you will be responsible for the item as if you endorsed it yourself.

Checks

All negotiable paper (called "checks") presented for payment must be in a form supplied by or previously approved by the Bank. We may refuse to accept any check that does not meet this requirement or which is incompletely or defectively drawn. Once an outstanding check is six (6) months old, we may elect not to pay it. But if there is no stop payment order on file when we receive the check for payment, we may elect to pay it in good faith without consulting you. You agree that you will use care in safeguarding your unsigned checks against loss or theft. You will tell us immediately if any checks are missing. You agree to assume all losses that could have been prevented if you had safeguarded unsigned (or otherwise incomplete) checks, or had told us they were missing.

Facsimile Signatures

If we allow you to use a facsimile signature, you understand and acknowledge that we will not be able to determine whether the facsimile signature on any item is authentic or has been authorized by you. If your items are signed using a facsimile signature, you acknowledge that it is solely for your benefit and convenience. You authorize us to accept the facsimile signature of any Authorized Signer which you designate in writing from time to time (by corporate resolution or otherwise) on any check, draft, or other order drawn on us, or any other document and we may debit any of your Accounts in the amount of each payment which we make in reliance upon any such facsimile signature and/ or reproduction thereof. We will not be liable, and you will assume all liability, for any losses, liabilities, penalties, claims, damages, costs, expenses, or other harm or injury which you may incur or that may be asserted against you or us in connection with the authorized or unauthorized use or reproduction by any person or entity, including, but not limited to, court costs and reasonable attorneys' fees, relating to or arising out of (i) any use, misuse and/ or reproduction, whether or not authorized, by any person of any actual or purported facsimile signature of any Authorized Signer on any check, draft or other such order drawn on us or any other document, and (ii) any payment which we make in reliance upon any such facsimile signature and/or reproduction thereof. You will indemnify us and hold us harmless from and against any and all losses, liabilities, penalties, claims, damages, costs, expenses or other harm or injury which we may incur or suffer or which may be asserted by any person with respect to any use or misuse of an actual or purported facsimile signature of any Authorized Signer on any check, draft or other order drawn on us or on any other document, or any payment which we make in reliance upon any such facsimile signature and/or reproduction thereof. You shall be solely responsible for maintaining security over any device used to affix or apply facsimile signatures. The foregoing indemnity will not apply if and to the extent expressly prohibited or restricted by the laws governing you or your Account.

Returned Checks

If you deposit a check or item in your Account that the drawee bank returns unpaid for any reason, we may put the

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check or item through for collection again.

If a check or item is dishonored (returned unpaid) for any reason, the amount of the dishonored check or item will be deducted from your Account. You agree to pay the Bank a fee for any such check or item that is dishonored (see the *Business Fee Schedule*). We may also collect any amounts due to us because of returned checks, through the right of offset, from any other of your Accounts with us, or collect the funds directly from you.

Check Cashing Policy

We only cash checks for existing customers with a sufficient available balance. If a check not drawn on your Account is returned by the paying bank for any reason, we will charge you a fee (see the *Business Fee Schedule*) and will debit the amount of the returned check from your Account. If the debit creates an overdraft in your Account, you will owe us the amount of the overdraft plus any overdraft fees (see the *Business Fee Schedule*).

Withdrawal Policy and Transaction Limitations on Savings and Money Market Accounts

Statement Savings Account withdrawals may be made per written order of withdrawal in accordance with the information contained on the signature card and may also be made with an ATM or Visa® Debit Card, as applicable. We may refuse a request if any document or identification we require or that is required in connection with the withdrawal has not been presented.

Federal law requires that we reserve the right to require 7 Calendar Days advance written notice of any intended withdrawal or transfer of funds from all Savings or Money Market Accounts. While we reserve this right, we do not presently exercise it.

For any Statement Savings Account(s) (including Money Market Accounts), you may make as many in-person withdrawals at a teller window or any automated teller machine as you wish. However, federal regulations permit the depositor to make no more than a combined total of six (6) pre-authorized, automatic, electronic (including computer initiated), telephone withdrawals or transfers, or payments by check, draft, debit card, or similar order payable to third parties in any monthly period (based on your statement date). We may impose a fee, as disclosed on the *Business Fee Schedule*, for each such withdrawal in excess of six (6) that you make in any monthly period (based on your statement date). These fees will be reflected in your monthly statement. In addition, repeated violations will result in the Account being closed or changed from a savings type Account to a transaction Account.

Transaction Processing Order

We post Automated Clearing House ("ACH") credits (direct deposits) before ACH debits. Other types of transactions are posted in the order in which they are received or submitted through various payment channels to us. All transactions are posted in Pacific Time, regardless of the branch time zone.

Reasons Why We May Refuse to Pay an Item

We may refuse to pay an item that:

- a. is illegible;
- b. is drawn in an amount greater than the amount of funds then available for withdrawal in your Account (see the Funds Availability Policy) or which would, if paid, create an overdraft;
- c. bears a duplicate check number;
- d. we believe has been altered; or
- e. we believe is otherwise not properly payable; or we believe does not bear an authorized signature.

We are not required to honor any restrictive endorsement on checks you write unless we have agreed in writing to the restriction. Examples of restrictive endorsements are "Not Valid For More Than \$1,000" and "Void If Not Negotiated Within 30 Days of Issuance."

Postdated Items

You agree that when you write a check you will not date the check in the future. If you do and the check is

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presented for payment before the date of the check, we may either pay it or return it unpaid. You agree that if we pay the check, the check will be posted to your Account on the day we pay the check. You further agree that we are not responsible for any loss to you in doing so.

Pre-Authorized Drafts

If you voluntarily give information about your Account (such as our routing number and your Account number) to a party who is seeking to sell you goods or services, and you do not physically deliver a check to the party, any debit to your Account initiated by the party to whom you gave the information is deemed authorized by you.

Overdraft Policy

An overdraft is an advance of funds greater than the amount that has become available in accordance with our Funds Availability Policy. If, in our sole discretion, we choose to allow these withdrawals when there are not sufficient available funds in your Account, you agree to immediately repay us the amount of the funds advanced. We may also assess your Account a service charge (see the *Business Fee Schedule*). At no time will we be required to allow you to overdraw your Account even if we have allowed overdrafts on one or more prior occasions. We do not offer the option to authorize overdrafts using a debit card for everyday (one-time or non-recurring) merchant purchases.

You agree to pay us, when we ask you, all of our costs of collecting an overdraft, to the fullest extent permitted by applicable law. These costs include, but are not limited to, our legal fees and expenses. If more than one of you owns an Account, each of you will be responsible for paying us the entire amount of all overdrafts and obligations resulting from the overdrafts.

We do not have to allow you to make an overdraft. Intentionally withdrawing funds from an Account when there are not enough funds in the Account to cover the withdrawal or when the funds are not yet available for withdrawal may be a crime. In the event your Account is protected by our Overdraft Protection Service, this Overdraft Policy is subject to the rules detailed within the Overdraft Protection service.

Overdraft Protection (ODP) Service

Overdraft Protection (ODP) service is available on any checking or draft Account. ODP service will automatically transfer funds from a Qualified Protection Account to your checking Account. Qualified Protection Accounts include Savings, Money Market, Checking, or qualified Lines of Credit (LOCs). Non-transaction accounts such as Passbook or Certificates of Deposit do not qualify as Qualified Protection Accounts. If we transfer funds on your behalf, you agree to any service fee we may assess for this service, which are disclosed in the *Business Fee Schedule*. If you have an LOC as part of your ODP setup, you also agree to pay any interest accrued that may result from Washington Federal performing the advance on your behalf to the LOC. Transfers performed on Accounts are subject to the terms and conditions of the Account Agreement.

Transfers performed on LOCs are bound by the applicable loan agreement and disclosures. You must apply separately for an LOC, which is subject to our credit approval.

Sustained Fee for Overdrawn Accounts

We may charge you a fee, as disclosed on the *Business Fee Schedule*, for any Account that remains in overdrawn status for five (5) Business Days. We will notify you if your Checking or Money Market Account is in overdrawn status.

If the Account remains in overdrawn status for forty (40) Calendar Days, or such earlier time that we determine that the overdraft balance is uncollectible, we may close and place the Account in collection status.

Stop Payments

At your request and risk, the Bank will accept a stop payment request for a check on your Account for a fee (see the *Business Fee Schedule*). To be effective, a stop payment request must be received in such timely manner so as

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to give the Bank a reasonable opportunity to act on it, and must precisely identify the Account number, check number, date and amount of the item, and the payee. The Bank provides stop payment forms that must be used to initiate your request or, if made orally, submitted within 14 calendar days of the oral request. If the Bank receives the completed Bank stop payment form within 14 calendar days of the request, the stop payment will remain in effect for 6 months from the date it was given. It is your responsibility to ensure that all of the information supplied on the stop payment form is correct and to promptly inform the Bank of any inaccuracies.

To maintain the validity of the stop payment request for more than 6 months, you must complete a new Bank stop payment form with the required information before the expiration of the 6 month period. If a new stop payment form is not timely received, the check may be paid.

We are not liable for failing to stop payment if you have not followed these procedures or if your stop payment request comes too late for us to act on it. We are entitled to a reasonable period of time after we receive your stop payment request to notify our employees and take other action needed to stop payment. You agree that "reasonable time" depends on the circumstances but that we will have acted within a reasonable time if we make your stop payment request effective by the end of the next Business Day following the Business Day on which we receive your stop payment request. If we stop payment, you agree to defend and pay any claims raised against us as a result of our refusal to pay the check or other item on which you stopped payment.

If we recredit your Account after we have paid a check or other item over a valid and timely stop order, you agree to sign a statement describing the dispute you have with the person to whom the check or item was made payable. You also agree to transfer to us all of your rights against the payee and any other holder, endorser or prior transferee of the check or item and to cooperate with us in any legal action taken to collect against the other person(s).

If we are liable for inadvertently paying your check over a stop payment order, you must establish the amount of your loss caused by our payment of the check. We will pay you only the amount of the loss, up to the face amount of the check, together with any overdraft or returned item fees we may have imposed that resulted from paying your check over a stop payment order. You agree that we shall not be liable for any punitive, exemplary or consequential damages.

We have no duty to withhold payment on a cashier's check, teller's check or other similar item because items of this type are not drawn on your Account. However, we may, in our sole discretion, attempt to withhold payment on a cashier's check, teller's check or other similar item if you certify to our satisfaction that the item has been lost, stolen or destroyed. You must also furnish any other documents or information we may require, which may include your affidavit attesting to the facts and your indemnification of Washington Federal. Even if we agree to attempt to withhold payment on a cashier's check, teller's check or other similar item, if the item is presented for payment, we may pay it and you will be liable to us for that item, unless otherwise required by applicable law.

International ACH and Wire Transfers

If your Account receives incoming ACH transactions (either credits or debits) or wire transfers initiated from outside of the United States, both you and we are subject to the Operating Rules and Guidelines of the National Automated Clearing House Association ("NACHA") or the rules of any wire transfer system involved, and the laws enforced by the Office of Foreign Assets Control ("OFAC"). Under such rules and laws, we may temporarily suspend processing of a transaction for greater scrutiny or verification against the OFAC list of blocked parties, which may result in delayed settlement, posting and/or availability of funds. If we determine there is a violation, or if we cannot satisfactorily resolve a suspected or potential violation, the subject funds will be blocked as required by law. If you believe you have adequate grounds to seek the return of any blocked funds, it is your sole responsibility to pursue the matter with the appropriate governmental authorities. Please see the OFAC website for procedures and form required to seek a release of blocked funds.

We may impose a fee, as disclosed on the *Business Fee Schedule*, for any domestic or international incoming wire transactions.

Periodic Statements; Time Limit to Report Errors

Statements: A statement of activity will be provided for Accounts at regular intervals, no longer than once each calendar year. Checking and Money Market Accounts are provided with monthly activity statements. Savings Accounts receive a monthly statement if there are transactions during the month other than interest; otherwise a quarterly statement will be generated if interest is paid for that quarter. All statement accounts receive a year end statement of transactions not previously included on a quarterly statement. Unless you tell us of a change of address, we will continue to mail or deliver electronically statements or any other notices to your address as it appears on our records and you will be considered to have received those statements and any other notices sent to you at that address. We do not have to send you a statement or notice if we cannot deliver your statement or notice because of your failure to tell us that you have changed your address. If returned undelivered, the statement will be destroyed. Copies will be available for a fee as provided in the *Business Fee Schedule*. You may receive your statements or notices via electronic delivery. As provided under federal law, we may send notices to you for tax reporting purposes via US Mail regardless of any instructions otherwise which you may have provided to us.

You should review your statements and balance your Account promptly after you receive them or we make them available to you. If you don't receive an Account statement by the date when you usually receive it, call us at once. You must review your statements to make sure that there are no errors in the Account information. On Accounts with check-writing privileges, you must review your statement and imaged copies of paid checks, if any, we send you and report forgeries, alterations, missing signatures, amounts differing from your records, or other information that might lead you to conclude that the check was forged or that, when we paid the check, the proper amount was not paid to the proper person. You have this duty even if we do not return checks to you or we return only an image of the check. You should notify us as soon as possible if you think there is a problem.

You agree that statements and any images of paid checks accompanying the statement shall be deemed to be "available" to you as of the statement mailing date, or the date on which electronic statements are available for viewing. Unless prohibited by federal regulation, if you assert against us a claim that an item was not properly payable because, for example, the item was forged or an endorsement was forged, you must cooperate with us and assist us in seeking criminal and civil penalties against the person responsible. You must file reports and complaints with the appropriate law enforcement authorities. If we ask, you also must give us a statement, under oath, about the facts and circumstances relating to your claim. If you fail or refuse to do these things, we will consider that you have ratified the defect in the item and agree that we may charge the full amount of the item to your Account.

Time Limit to Report Errors: You must notify us as soon as possible if you believe there is an error, forgery or other problem with the information shown in your Account statement. You agree that 14 Calendar Days after your statement is made available to you is a reasonable time for you to review your Account statement and report any errors, forgeries, or other problems. You agree not to assert a claim against us concerning any error, forgery or other problem relating to a matter shown on an Account statement unless you notified us of the error, forgery or other problem within 30 Calendar Days after we made your statement available to you. This means, for example, that you cannot bring a lawsuit against us, even if we are at fault, for paying checks bearing a forgery of your signature unless you reported the forgery within 30 Calendar Days after we made the statement available to you listing the check we paid. If the same person has made two or more unauthorized transactions in your Account and you fail to notify us of the first unauthorized transaction within this 30 Calendar Day period, we will not be liable for any of the unauthorized transactions by the same wrongdoer. This section may not apply to those transactions subject to the Visa® Zero Liability policy.

Safekeeping: We may destroy original checks not less than 60 Calendar Days after the date your statement was made available. We will store, at no charge, paid checks drawn against the Account, either in their original form or in electronic media, for a period of 7 years. During this period, we will provide a copy of any stored item on request, subject to the current *Business Fee Schedule*. If we have not retained originals, you agree not to make any claim against us arising out of the authorized destruction of your original checks or the clarity or legibility of any

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copy we provide.

Joint Accounts

A joint Account is issued in the name of two or more owners. If more than one of you opens an Account and signs a signature card as a co-owner of an Account (other than persons signing as Authorized Singers for the same principal), the Account is a joint Account.

The following rules apply to all joint Accounts:

- a. **Deposits:** All deposits are the property of all of the owners of the Account. Each owner of a joint Account agrees that we may credit to the joint Account any check or other item which is payable to the order of any one or more of you, even if the check or other item is endorsed by less than all or none of you. We may supply endorsements as allowed by law on checks or other items that you deposit to the Account. For certain checks, such as those payable by the government, we may require all payees to endorse the check for deposit.
- b. **Orders:** We may release all or any part of the balance of the Account to honor checks, withdrawals, orders, or requests signed by any owner of the Account. Any one of you may close the Account. We may be required by service of legal process to hold or remit funds held in a joint Account to satisfy an attachment or judgment entered against, or other valid debt incurred by, any owner of the Account. None of you may instruct us to take away any of the rights of another. If there is a dispute among you, you must resolve it yourselves and we do not have to recognize that dispute in the absence of any valid court order. Unless we receive written notice signed by any owner not to pay any joint deposit, we shall not be liable to any owner for continuing to honor checks or other orders drawn by, or withdrawal requests from, any owner; after receipt of any such written notice, we shall not be liable to any owner for refusing to pay any checks or honor any orders and we may require the written authorization of any or all owners for any further payments.
- c. **Liability:** Co-owners of a joint Account are jointly and severally liable for activity on this Account. In the event of any overdrafts on a joint Account, the joint owners agree that each owner shall be jointly and severally liable for the overdrafts in the joint Account, whether or not any particular owner: (a) created the overdraft, (b) had knowledge of the overdraft, (c) was involved in or participated in activity in the Account, or (d) derived any benefit from the overdraft.

All joint Accounts with natural persons are presumed to be joint accounts with the right of survivorship, unless the applicable state law does not permit this presumption or we have agreed with you in writing that the account is owned in another capacity. If the Account is a joint Account with right of survivorship, each of you intends that, upon your death, the balance in the Account (subject to any previous pledge to which we have consented), will belong to the survivor(s), and we may continue to honor checks or orders drawn by, or withdrawal requests from, the survivor(s) after the death of any owner(s). If two or more of you survive, you will own the balance in the Account as joint tenants with right of survivorship. If the joint Account does not have a right of survivorship, you agree that upon the death of one co-owner, the balance in the account at the time immediately before the death of the co-owner will be deemed to be owned in equal shares between all co-owners. After death and our receipt of notice of such death, the decedent's share will be set aside for the estate of the decedent and the survivors' shares in the account balance will be at the disposal of the surviving co-owners.

Collateralized Accounts

We offer certain "collateralized" deposit Accounts secured by collateral in the form of securities that we maintain at the Federal Home Loan Bank of Des Moines. These Collateralized Accounts offer protection above any applicable FDIC insurance limits. If your Account is Collateralized Account, we will provide you with a Collateralized Account Security Agreement, granting you a security interest in the collateral.

Trust Accounts and Fiduciary Accounts

If you have opened the Account as trustee of a written trust or as trustee pursuant to court order, only the trustee

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will be allowed to withdraw funds or otherwise transact business on the Account as designated by the trust instrument or court order. We can request a certified copy of any trust instrument or court order, but whether or not a copy is filed with us, we will not be held responsible or liable to any of the written trust's beneficiaries for the trustee's actions. Beneficiaries acquire the right to withdraw only as provided in the trust instrument or court order.

Some jurisdictions have specific laws governing other specific types of fiduciary Accounts. If you establish one of these types of Accounts, you agree to comply with all of the laws applicable to such types of Accounts.

The person(s) creating a trust or other fiduciary Account may make changes to the Account, including changes to the beneficiaries or the Account type, and may withdraw funds on deposit in the Account, only as permitted by the trust instrument or court order.

With all fiduciary and custody Accounts, regardless of whether a written trust instrument has been provided to us, the owners and beneficiaries of the Account agree that we will not be liable if the trustee or custodian commits a breach of trust or breach of fiduciary duty, or fails to comply with the terms of a written trust agreement or comply with applicable law. We are not responsible for enforcing the terms of any written trust agreement or applicable law against the trustee or custodian, and can rely on the genuineness of any document delivered to us, and the truthfulness of any statement made to us, by a trustee or custodian.

Time Deposits (Certificates of Deposit)

When you open a time deposit (more commonly known as a Certificate of Deposit or CD), you agree to keep your deposit with us for a specified period of time or agree to give advance notice prior to withdrawal, and we agree to pay you interest at an agreed upon rate, or an agreed formula for a rate, for that period of time. We are not required to permit an early withdrawal from a time deposit and if we do, it will be on the condition that you pay an early withdrawal fee and penalty. The amount of that penalty will be disclosed to you when you open such an account. Please review **Part II: Additional Rules for Interest Bearing Accounts**, for additional information regarding the terms of certificates of deposit, including grace periods, penalties, and compounding.

Contact us at Customer Care Center 1-800-324-9375 (for Small Business Accounts) or the Commercial Account Service Center at 1-877-423-9742 or 206-626-8108 (for Commercial Accounts), visit your nearest Washington Federal Branch, or go to our website to find out what CD products and terms we offer.

Night Depository

If you arrange for night depository services, the following rules apply, together with the rules in any separate night depository agreement or authorization. In this section, the following meanings apply: "Drop Bag" means the pouch or bag used to make deposits at the Night Depository; "Exception Handling Instructions" means any exception handling instructions specified by you in writing in any authorization; and "Night Depository" means a facility located at a Bank branch for the purpose of accepting deposits outside of the branch's normal business hours.

The Night Depository may only be used to make deposits to your Accounts in sealed pouches or bags or securely locked zipper bags of currency, coin, and negotiable instruments. You are required to include a deposit slip for each deposit transaction in a Drop Bag, which designates the Account number, and any items of currency, coin, or negotiable instrument to be deposited into the designated Account. You must take all precautions necessary or appropriate to ensure the Drop Bag falls down the chute and lock the Night Depository after the deposit.

We remove all Drop Bags deposited in the Night Depository at the beginning of each Business Day. Drop Bags deposited after 9 a.m. local time are not be processed until the following Business Day. By using the Night Depository, you authorize us to open each Drop Bag deposited. We verify each deposit and credit the face value of the currency, coins, and negotiable instruments we find in each Drop Bag to the Accounts designated on your deposit slips. We use ordinary care and adhere to the reasonable commercial standards of the banking business in

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connection with the receipt and processing of the contents of the Drop Bags. The contents of each Drop Bag is subject to verification by us and your deposit slips are not conclusive regarding the Drop Bag contents. Subject to the Exception Handling Instructions, our determination and records regarding the contents of each Drop Bag are conclusive and binding on you. Deposits are subject to our Funds Availability Policy.

We include a copy of the deposit receipt in locking zipper Drop Bags and individuals you have designated in writing in an authorization are authorized to pick up Drop Bags at the Bank branch. We dispose of sealed Drop Bags and deliver the deposit receipts to you according to your instructions. If we find evidence that a bag has been tampered with, or that a deposit amount varies from the amount listed on your deposit slip, we follow the Exception Handling Instructions.

By using the Night Depository you assume any and all risks arising out of or incidental to its use and acknowledge that we have provided instructions on proper use and operation. We are not liable for any loss or damage resulting from: a mechanical defect in or malfunction of the Night Depository, your inability to operate the Night Depository, an act of nature, vandalism, or malicious mischief, or the unlawful or dangerous use of the Night Depository by any person or otherwise. We are not responsible for the loss, destruction, or misplacement of all or any part of, or shortage of the deposits or contents in any Drop Bags deposited in the Night Depository unless such loss, destruction or misplacement directly results from our gross negligence or intentional misconduct.

We may withdraw the Night Depository from use at any time without notice and may revoke your privilege to use the Night Depository at any time. You agree to return any Night Depository keys and Drop Bags we have loaned you within five Business Days of receipt of notice of revocation. Until we remove the Drop Bags from the Night Depository, our relationship is that of licensor and license. After we remove the Drop Bags from the Night Depository and prior to our opening them and verifying the contents, our relationship is that of bailee and bailor. We do not insure the contents of any Drop Bag or other item placed in the Night Depository.

Funds Transfers

The terms and conditions of this section apply to funds transfers, as defined in Article 4A of the Uniform Commercial Code ("Article 4A") as adopted in the state of Washington and Subpart (B) of Regulation J of the Board of Governors of the Federal Reserve System, and include automated clearing house ("ACH") and wire transfers made from business or non-consumer accounts ("Funds Transfer(s)"). These terms and conditions do not apply to any funds transfers covered by the federal Electronic Fund Transfer Act and implementing regulations issued by the Consumer Financial Protection Bureau. These terms and conditions do not apply to wire transfer requests using the eWire service or ACH transfers using the eACH service, which are described in the Online Banking Service Agreement. Terms defined by Article 4A are used in this Disclosure as defined in Article 4A. If you have a separate agreement with us for Funds Transfer services, the provisions of this section supplement that agreement to the extent these provisions are not inconsistent with the specific agreement.

Execution of Transfer: We may execute the Funds Transfer by any means we deem suitable for the transmission of funds. Regardless of the method of transfer we choose, we will be acting only as your agent and, in executing the Funds Transfer, may make use of any correspondents, agents or sub-agents and any routes for the forwarding of funds to the beneficiary at the address you provide. We may, in our sole discretion, decline to process any Funds Transfer without cause and without prior notice. If we decline to process a Funds Transfer, we may notify you by any means, including orally, by email or in writing. You must designate which of your Accounts will be used to pay the Funds Transfer. We will not process Funds Transfers with incomplete required information fields.

Describing the Beneficiary's Bank and the Intermediary Bank: You agree that your Funds Transfer may be executed in accordance with Article 4A. If you ask us to make a Funds Transfer from your Account to the beneficiary's account, you must identify the beneficiary, the beneficiary's bank, and the intermediary bank, if any, to which you want the Funds Transfer to be sent, by name and by an identification number. If you fail to provide us with an intermediary bank, you hereby direct us on your behalf, to select an intermediary bank. You acknowledge that under Article 4A, we are entitled to rely upon each identification number which you provide to us, as the proper

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identification of each person and bank, as applicable, even if it identifies a person or bank different from the named person or bank. We will not be responsible for the amount of a Funds Transfer paid by means of a designated identification number or account number even if it goes to the wrong beneficiary. In addition, the beneficiary's bank may make payment to the beneficiary based on the identification number, even if it identifies a person different from the named beneficiary. If we are named as a beneficiary's bank, we will pay a Funds Transfer to the person identified by an identification number, even if it identifies a person different from the named beneficiary.

No Special Notice of Receipt of Funds: If you are the beneficiary of a Funds Transfer, you agree that we are not obligated to give you a separate notice that we have received the Funds Transfer. However, if you normally receive or have electronic (e.g., online banking) access to a periodic statement for the Account to which we credited the Funds Transfer, you acknowledge and agree that the Funds Transfer will be reflected on the periodic statement that includes the date on which we credited the Funds Transfer to your Account. While we generally do not provide separate notices, we may do on occasion. If you request us to provide a separate notice and we agree to do so, we reserve the right to impose a fee, as disclosed on the *Business Fee Schedule*.

Security Procedures: Funds Transfers will be made according to our approved transmission methods and associated security procedure ("Security Procedure"). The Security Procedure is intended to verify that an order is authorized, but it is not intended to detect errors. The Security Procedure we will use may include but is not limited to: 1) your completion of a form(s) or other documentation of the request; 2) positive ID and verification of account information and signature with Bank records if the request is made in person; and 3) verification of account information and callback to a secure telephone number you have previously provided to us if the request is made by phone, email or facsimile, and we agree, in our sole discretion, to process that request. The Security Procedure will also apply to any amendment or cancellation of a Funds Transfer. You agree that the Security Procedure is commercially reasonable and that a Funds Transfer or payment order, verified by the Security Procedure, is effective as your order, whether or not the order is in fact authorized by you.

Funds Transfers Made Without a Security Procedure: If we agree to make a Funds Transfer for you without a security procedure at your request, you will be bound by such Funds Transfer to the fullest extent allowed by applicable law.

Cut-Off Time(s): All Funds Transfer requests are subject to processing cut-off times we establish from time to time. Cut-off times may vary depending your location and the type of Funds Transfer involved. We may treat Funds Transfer requests received after a cut-off time as if received the next Business Day based on our operational hours. We will tell you our cut-off times upon request.

No Warranty: We do not warrant that the funds will reach the beneficiary, or that the funds will reach the beneficiary at or by any particular time. We cannot warrant or guarantee in any way, nor do we assume any liability as to the length of time necessary to complete, your Funds Transfers to locations outside the U.S., and you assume all risks associated with such a Funds Transfer. We are excused from delays or failure to exercise the Funds Transfer to the extent that the delay or failure results from a cause beyond our reasonable control.

Foreign Transfer Payment: If a Funds Transfer is made to a beneficiary in a foreign country, you acknowledge that the beneficiary's bank may elect to pay the beneficiary in currency other than what was sent at any exchange rate determined by the beneficiary's bank. You agree to bear all risk of loss due to fluctuation in exchange rates. You are advised that our prevailing exchange rates may be less favorable to you than market exchange rates. A Funds Transfer-beneficiary who arranges with our paying correspondent, agent or sub-agent to obtain payment in some other currency shall pay the charges. We are not responsible for any handling fees that foreign and/or domestic banks may charge. If your Funds Transfer is returned for any reason, you agree to accept the return in U.S. dollars in the amount of foreign money credit, based on the then-current buying rate of the bank converting the currency to U.S. dollars on the date of the refund, less any charges or expenses we incur and any fees charged by any intermediary institutions handling the Funds Transfer.

Refund: If the beneficiary's bank does not pay the beneficiary specified in the Funds Transfer order, a refund will

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be made only after we have received confirmation of the effective cancellation of the Funds Transfer order and we are in free possession of the funds debited or earmarked in connection with the Funds Transfer order. Any refund will be made for either (i) the face amount of the Funds Transfer (less our fees and expenses, and expenses of our correspondents, agents or sub-agents) or (ii) the amount actually received by us in settlement of the liability to us of our correspondent, agents or sub-agents, or foreign postal services, whichever is lower. As a condition of making refund, however, we shall have the option, for a Funds Transfer composed or partially composed of foreign currency, to make refund (i) in that foreign currency, or (ii) in U.S. Dollars at our buying rate on the date of refund to you. When the funds for payment of the Funds Transfer have been remitted abroad and have not been returned or otherwise made available to us, we shall not be obligated to make any refund on account of the Funds Transfer. We shall not be liable for a sum greater than the amount paid for the Funds Transfer, exclusive of commission, cable-charges, and other expenses.

Foreign Government Regulations: The Funds Transfer is subject to any and all applicable regulations and restrictions of foreign governments relating to foreign exchange transactions. We have no obligation to accept any Funds Transfer directed to or through persons, entities or countries restricted by government regulation or prior Bank experience with particular countries.

You Must Tell Us About Errors: You must use ordinary care to determine whether each Funds Transfer has been authorized properly by you, and to discover any errors relating to Funds Transfers executed by us. You must tell us about an unauthorized Funds Transfer or any errors relating to a Funds Transfer no later than ten (10) Business Days after the earlier of the date we tell you that your Funds Transfer has been executed or the date we tell you that your Account has been debited to pay for such Funds Transfer. If you fail to notify us within such time period, and we are required by law to refund to you all or part of the payment which you made, we will not pay interest to you on the amount refunded unless we are required to do so by applicable law.

Limited Liability: Any liability we may have under this Funds Transfers section for damages or losses you incur in connection with the Funds Transfer shall be limited to a refund to you of (i) the funds transferred (less any portion of the funds transferred which are received by you or applied for your benefit) and (ii) our charges relating to the Funds Transfer. Any rate of interest we may be obligated to pay as a penalty under Regulation J or Article 4A shall be equal to the rate paid on the Account from which the Funds Transfer should have occurred or to which the proceeds of the Funds Transfer were or should have been deposited, whichever is lower. Our liability is limited to the payment of this interest. Provided we have complied with this Funds Transfers section, including without limitation the Security Procedure, you shall be liable for payment of the transferred amount plus transfer fees, even if the transfer request was not actually transmitted or authorized by you, and you agree to indemnify and hold us harmless against any and all claims, causes of action, damages, expenses (including reasonable attorney's fees and other legal expenses), liabilities and other losses arising from or in connection with the funds transfer services provided by us under this Funds Transfers section. You agree that under no circumstances will we be liable for any indirect, incidental, consequential, remote or special losses or damages, including attorney's fees and costs. The foregoing limited liability and indemnity will not apply if and to the extent expressly prohibited or restricted by the laws governing you or your Account.

ACH Transactions: From time to time, originators that you authorize may send ACH credits or debits to your Account. For each ACH transaction, you agree it is subject to the NACHA Rules or other funds transfer system rules as applicable, and that the following additional terms shall apply:

- Our payment of a Funds Transfer to your Account will be provisional until we receive final settlement or payment, and you agree that we may reverse our provisional credit and/or obtain reimbursement from you if we do not receive final settlement or payment.
- A payment by the beneficiary's bank of a Funds Transfer from your Account to the beneficiary will be provisional until final settlement has been made or until payment is considered received under applicable law, and you agree that the beneficiary's bank may reverse its provisional credit and obtain a refund from the beneficiary and you, as the originator of the payment, will not be considered to have paid the

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beneficiary.

- You hereby authorize any Originating Depository Financial Institution (ODFI) to initiate, pursuant to ACH operating rules, ACH debit entries to your Account for electronic presentment or re- presentment of items written or authorized by you.
- You may place a stop payment order on a preauthorized ACH debit in accordance with the terms of **Part IV: Electronic Funds Transfers** of this Disclosure.

Power of Attorney

We may, in our sole discretion (unless we are required by law to recognize a statutory form of power of attorney), recognize the authority of a person to whom you have given a power of attorney to enter into transactions relating to your Account, until and unless we receive written notice or we have actual notice of the revocation of such power of attorney. However, you must show us an original copy or certified copy of the power of attorney, properly notarized, and any other documentation we may ask for from time to time. The power of attorney and all other documents must be in a form satisfactory to Washington Federal. We will not be liable for damages or penalty by reason of any payment made to, or at the direction of, a person holding a power of attorney.

Certified Taxpayer Identification Number

Federal law requires you to provide to us a valid and certified Taxpayer Identification Number ("TIN"). We may be required by federal or state law to withhold a portion of the interest credited to your Account in the following circumstances:

1. You do not give us a correct TIN;
2. The IRS tells us that you gave us an incorrect TIN;
3. The IRS tells you that you are subject to backup withholding because you have under-reported your interest or other income;
4. You fail to certify to us that you are not subject to backup withholding;
5. You do not certify your TIN to us; or
6. There may be other reasons why we may be required to do so under applicable law.

If we do this, the amount we withhold will be reported to you and the IRS and applied by the IRS to the payment of any Federal income tax you may owe for that year.

Credit Verification and Obtaining Financial Information

You agree that we may verify credit information about you, as well as credit and employment history about any individual who is personally liable for your obligations under this Account Agreement (such as your principals, owners or guarantors), through third parties, including but not limited to consumer reporting agencies, or verify any previous banking relationships of yours for any Accounts you have with the Bank now or in the future. By signing the signature card for your Account, or other written authorization, each such individual (i.e., principal, owner or guarantor who is personally liable for your obligations under this Account Agreement) authorizes the Bank to obtain such credit and employment information about him or her.

If an Account is declined based on adverse information, you may request from the consumer reporting agency a copy of the information supplied to us. Additionally, if your Account is closed for insufficient funds activity or other negative reason, a report may be made by us to one or more consumer reporting agencies or other third parties if permitted by applicable law. Please notify us if you have a dispute or if you have questions regarding the information we provide by writing to us at: Washington Federal, 1001 W. Idaho St., Boise, ID 83702. Please provide your name, Account number, and why you believe there is an inaccuracy or describe the item you are not sure about. We will complete any investigation in compliance with applicable law and notify you of our findings and, if necessary, corrections. Please note that calling us will not preserve your rights.

Adverse Claims and Legal Process

We need not honor any claim against or involving an Account unless we are required to do so by order of a court

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or government agency that has jurisdiction over us, or pursuant to applicable law. This rule applies to any person asserting any rights or interest regarding an Account, including you and other persons who are authorized to make withdrawals or write checks or who present a power of attorney signed by you.

If we receive notice of any claim or dispute or of any legal proceeding we reasonably believe involves you or any of your Accounts, in our discretion we may suspend transactions on any Account which we believe to be affected until final determination of the claim or proceeding. We may place a hold on any funds in the Account and suspend transactions whether the affected Account is in your name alone or is a joint Account. An Account may be suspended even though the suspension may have been due to inadvertence, error because of similarity of the names of depositors, or other mistake. You agree that we may comply with any state or federal legal process, including, without limitation, any writ of attachment, adverse claim, execution, garnishment, tax levy, restraining order, subpoena or warrant relating to you or your Account which we believe to be valid, without any liability from us to you. You agree that if we are served with legal process at any of our branches or offices, we may comply with it, even if it is served at a location other than where your Account was opened. Further, you agree that we may comply with such process as we deem appropriate under the circumstances even if the legal process or document appears to affect the interest of only one owner of a joint Account. In such case, we may refuse to permit withdrawals or transfers from your Account until such legal process is satisfied or dismissed even if such action results in insufficient funds to pay a check you have written or otherwise satisfy an obligation you may have incurred.

You agree that we are entitled to a processing fee, for which you are liable to us, upon receipt of any legal process. We may deduct such fee, as well as any expenses, including without limitation attorneys' fees, in connection with any such document or legal process, from your Account or any other Account you may have with us without prior notice to you, or we may bill you directly for such expenses and fees. Any garnishment, attachment or other levy against your Account shall be subject to our right of offset and security interest.

You agree that we will not pay and you shall not be entitled to receive interest on any funds we hold or set aside in connection with or in response to legal process. Finally, you agree that we may accept and comply with legal process, irrespective of how and/or where it was received even if the law requires any particular method of service.

You agree to indemnify us against all losses, costs, attorneys' fees, and any other liabilities that we incur by reason of responding to or initiating any legal action, including any interpleader action we commence involving you or your Account. As part of that indemnity, in the event we incur liability to a creditor of yours as a result of our response or failure to respond to a legal action, you agree to pay us on demand the amount of our liability to your creditor and to reimburse us for any expense, attorneys' fees, or other costs we may incur in collecting the amount from you.

We may, in our sole discretion and without any liability to you, initiate an action in interpleader to determine the rights of the persons making adverse claims to your Account. We may exercise the right regardless of whether the persons making the adverse claims have complied with all statutory requirements pertaining to adverse claims, such as posting a bond or giving other surety. Upon initiation of an interpleader action, we will be relieved and discharged of all further duties and obligations.

If You Owe Us Money

If you withdraw funds from your Account that you do not have a right to withdraw, including the amount of a check or other item which we later charge back to your Account or any amounts that may be credited to your Account in error, you will have to pay us back. If you do not, we can bring a lawsuit against you to get the money back. We can also do this if you owe us any fees or charges in connection with your Account and you do not pay us. If we bring a lawsuit against you, you agree to pay our court costs and reasonable attorneys' fees as awarded by the court and as permitted by law.

Right of Offset

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Unless we are prohibited by applicable law, we may take any funds in any of your Account(s) to pay any debt you owe us that is in default. This is called the right of offset and applies to all funds of yours in our possession now or in the future but does not apply to funds held in an IRA or other tax deferred accounts. We can use this right of offset without giving you any notice (unless notice is required by applicable law) and without going through any legal processes or court proceedings. If this is a joint Account, the right of offset applies to deposits of each co-owner to pay the debts owed to us by any or all of you. Likewise, we could withdraw money from an Account owned by only one person and apply it to reduce the joint debt of that person and another person. This right of offset does not apply to your Account if the debtor's right of withdrawal arises only in a representative capacity or if the debt arises from a consumer credit card.

We also have a right to place a hold on funds in your Account(s) if we have a claim against you or pending exercise of our right of offset. If we place a hold on your Account, you may not withdraw funds from the Account and we can refuse to pay checks or other items drawn on the Account. In addition to any right of offset, you hereby grant to Washington Federal a security interest in your Accounts to secure all loans or other extensions of credit, now or in the future.

Abandoned Accounts and Unclaimed Property

State and federal law and our policy govern when accounts are considered abandoned. The applicable state law is generally the state listed in the address for your Account statement. Your Account is usually considered abandoned if you have not performed at least one of the following activities for the period of time specified in the applicable state's unclaimed property law: made a deposit or withdrawal, written to us about the Account, or otherwise shown an interest in the Account, such as asking us to keep the Account active. Washington Federal charges and interest payments, and automatic deposits and withdrawals, are usually not considered activity.

We are required by the unclaimed property laws to turn over Accounts considered abandoned to the applicable state. Before we turn over an abandoned Account, we may send a notice as required by applicable law to the address we currently show for the Account statement. Unless prohibited by the applicable state law, we may charge to the Account our costs and expenses of any notice, advertisement, payment and delivery of the Account to the applicable state agency. After we turn the funds over to the state, we have no further liability to you for the funds and you must apply to the appropriate state agency to reclaim your funds.

Inactive Accounts

We will consider your Checking Account inactive if there is no activity in your Account for a period of 90 consecutive days. We will consider your Savings and Money Market Account inactive if there is no activity in your Account for a period of one year. If we consider your Account inactive, then (unless prohibited by federal law or the law of the state where we maintain your account) we may:

- a. charge inactive Account fees on the Account in addition to regular monthly maintenance and other fees (see the *Business Fee Schedule*),
- b. stop sending statements, if the Account received interest, stop paying interest on the Account; and
- c. refuse to pay items drawn on or payable out of the Account.

If you re-establish contact with us, we do not have to reimburse you for these fees and we are not liable to you for any interest that would otherwise have accrued on your Account.

Limited Liability

If we make a mistake and for example, charged you more than we should have, we will correct the error, so long as you give us sufficient and timely notice under the Account Agreement and applicable law, and an opportunity to fix it. You agree that, to the extent not prohibited or restricted by applicable law or the Account Agreement, Washington Federal will not be liable to you for performing or failing to perform our services under or in connection with the Account Agreement unless we have acted in bad faith. If a court establishes our liability to you under the Account Agreement, unless prohibited or restricted by applicable law or the Account Agreement,

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you agree that you may recover only your actual damages from Washington Federal and Washington Federal will not be liable for any indirect, incidental, special, consequential or punitive damages. This Account Agreement and the deposit relationship do not create a fiduciary, quasi-fiduciary, or special relationship between you and us. Our deposit relationship with you is that of debtor and creditor. Our internal policies and procedures are solely for our own purposes and do not impose on us a higher standard of care than otherwise would apply by law without such policies or procedures.

Default

Your Account may be in default if: (a) you have repeatedly overdrawn your Account; (b) you do not repay immediately any overdraft; (c) you do not comply fully with any term or condition of this Account Agreement or of any other agreement you may have with us; or (d) you give us false or misleading information about yourself or any of your deposit or credit relationships with us or with others. If you are in default, we may close any or all of your Accounts, with or without notice (unless notice is required under applicable law), or we may exercise all available rights and remedies provided elsewhere in this Account Agreement or other agreements and all rights and remedies available at law or equity.

Indemnity

You agree to indemnify, and hold Washington Federal harmless from and against any and all losses, liabilities, penalties, damages, costs, expenses (including, but not limited to, attorneys' fees and court costs) or other harm or injury that we may incur as a result of any claim asserted against us by any third party arising out of any action at any time taken or omitted to be taken by (i) you under or in connection with this Account Agreement, including, but not limited to, your failure to observe and perform properly each and every obligation in accordance with this Account Agreement and any other agreement which you enter into with us; or (ii) us in reliance upon any resolution, certification, evidence of authority, or other document or notice given or purporting to have been given by you to us, or any information or order which you provide to us. This indemnification does not apply to claims that you may assert against us, or to any amounts we are obligated to pay you under the terms of this Disclosure or applicable law.

If you give us instructions we believe may expose us to potential liability, we may refuse to follow your instructions. If we decide to follow your instructions, you agree to indemnify us against all losses, costs, attorneys' fees and any other liabilities we incur. In addition, we may ask you for certain protections, such as a surety bond or your indemnity in a form satisfactory to us.

Jury Trial Waiver

YOU AND WE EACH AGREE THAT NEITHER YOU NOR WE SHALL (A) SEEK A JURY TRIAL IN ANY LAWSUIT, PROCEEDING, COUNTERCLAIM, OR ANY OTHER ACTION BASED UPON, OR ARISING OUT OF, THE ACCOUNT AGREEMENT OR ANY ACCOUNT OR THE DEALINGS OF THE RELATIONSHIP BETWEEN YOU OR US, OR (B) SEEK TO CONSOLIDATE ANY SUCH ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THE PROVISIONS OF THIS SECTION SHALL BE SUBJECT TO NO EXCEPTIONS. NEITHER YOU NOR WE HAVE AGREED WITH OR REPRESENTED TO THE OTHER THAT THE PROVISIONS OF THIS SECTION WILL NOT BE FULLY ENFORCED IN ALL INSTANCES. YOU AND WE EACH ACKNOWLEDGE THAT THIS WAIVER HAS BEEN KNOWINGLY AND VOLUNTARILY MADE.

Demand Deposit Accounts and Sub-Accounts

For regulatory accounting purposes, all Checking Accounts consist of two separate sub-accounts: a transaction sub-account, and a non-transaction sub-account. Washington Federal may periodically transfer funds between these two sub-accounts without notice to you, as often as once a day. On a sixth transfer during a calendar month, any funds in the savings sub-account will be transferred back to the checking sub-account. This process will not affect your available balance, the interest you may earn, FDIC insurance protection, or your monthly statement.

These sub-Accounts are treated as a single Checking Account for purposes of deposits and withdrawals, access and information, statement reporting, and any fees or charges. There are no separate or additional balance requirements, fees, or charges associated with the creation of these sub-Accounts. If your Checking Account is a

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non-interest bearing Account, neither the transaction sub-Account nor the non-transaction sub-Account receives any interest. If your Checking Account is an interest-bearing Checking Account, both the transaction sub-Account and the non-transaction sub-Account receive the same interest rate at all times, and your periodic statement will reflect a single blended Annual Percentage Yield ("APY") and APY Earned.

Protection Against Unauthorized Items

You acknowledge that there is a growing risk of losses resulting from unauthorized items. We offer services that provide effective means for controlling the risk from unauthorized items, including Positive Pay. In addition, we may recommend you use certain fraud prevention practices to reduce your exposure to fraud. Each of these practices is an industry "best practice." An example of a best practice is dual custody, which requires a payment or user modification initiated by one user to be approved by a second user on a different computer or mobile device before it takes effect. Additional best practices appear below in the section entitled *Preventing Misuse of Your Account*.

If we have expressly recommended that you use one or more of these services or best practices (or any other service related to fraud prevention that we offer after the date of this Agreement) and you (a) either decide not to use the recommended service or best practice or (b) fail to use the service or best practice in accordance with the applicable service description or our other documentation applicable to the service or best practice, you will be treated as having assumed the risk of any losses that could have been prevented if you had used the recommended service or best practice in accordance with the applicable service description or applicable documentation.

Preventing Misuse of Your Account

You agree to take reasonable steps to ensure that you have adequate internal procedures to secure your Accounts and items drawn on your Accounts or deposited to them. To help prevent embezzlement and protect your business assets in particular, we recommend that you:

- Assign responsibilities for your Account(s) to multiple individuals – e.g., those who reconcile statements for your Account(s) should be different from those who issue items drawn on your Account(s);
- Reconcile statements for your Account(s) when received and notify us immediately of any problem;
- Contact us immediately if you do not receive the statement for your Account(s) when you would normally expect to;
- Watch for paper checks / items that are cashed out of sequence or made out to cash, which can be red flags for embezzlement;
- Secure your supply of paper checks / items at all times, as stolen paper items are a common method of embezzlement;
- Periodically reassign accounting duties such as reconciling your Account(s) or making a deposit;
- Review transaction activity on your Account(s) for unexpected fluctuations – for example, compare the percentage of cash deposits to total deposit size, as most businesses will maintain a constant average, and a large fluctuation may indicate embezzlement;
- Destroy any paper checks / items that you do not intend to use;
- Use tamper-resistant paper checks / items at all times;
- Notify us immediately when an Authorized Signer's authority ends so that his/her name can be removed from all signature cards and any online access, and any cards that we have issued to him/her can be cancelled;
- Do not sign blank paper checks / items; and
- Obtain business insurance for these risks.

Changes to Our Agreement with You

We may amend this Disclosure from time to time, including by adding, deleting or amending existing terms, or adding or discontinuing services or accounts, by providing you with notice by mail to the address we currently have for your statement, or if you have agreed to this method, by providing it to you electronically. Any change is effective immediately unless required otherwise by law. If a notice of a change to this Disclosure is returned to us

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as being undeliverable or if we stop sending notices to you because notices or statements we previously sent you were returned as being undeliverable, you understand that the notices are available to you at our branches and you agree to that method of delivery. Unless otherwise required by law, we may also amend this Disclosure without prior notice by posting the information in our branches, on our website, or otherwise making it available to you. If we notify you that the terms of your Account have changed or make the changes available as described above and you continue to have your Account after the effective date of the change, you have agreed to the new terms. You can obtain a copy of our current Disclosure in our branches or on our website: www.washingtonfederal.com.

Closing Your Account

You or we may close your Account at any time. If we close the Account, we will advise you in writing that we have done so and mail you a check for the final balance. If you close the Account, you will still be responsible for any outstanding checks written, or service charges or overdrafts incurred before, during or after the time you closed the Account. If your Account is closed within 90 days of opening, we may assess a closed account fee (see the *Business Fee Schedule*). We are not required to close the Account at your request until all known authorized or outstanding items (including checks, ATM, point-of-sale, ACH and other electronic transactions) have been paid from your Account and any outstanding disputes (including but not limited to disputes regarding electronic transfers, ACH transactions or other unresolved internal research requests/disputes concerning the Account) have been resolved. We will not reopen a closed Account except as necessary to resolve any outstanding disputes. Any items presented for payment after an Account has been closed will be returned to the payee and you will be liable for any associated charges. Any additional deposits or electronic credits (including Social Security, pension payments and automatic payroll deposits) will be returned to the originator.

Banking Practices

In the absence of a specific provision in the Account Agreement, your Account will be subject to our usual banking practices and, to the extent not inconsistent with the Account Agreement, general commercial banking practices and applicable law.

Governing Law

This Account Agreement is governed by the laws and regulations of the state of Washington. This Account Agreement is also at all times governed by federal law.

Severability and Change of Law by Agreement

A determination that any part of this Account Agreement is invalid or unenforceable will not affect the remainder of this Account Agreement. If any part of this Account Agreement is inconsistent with any applicable law, then to the extent the law can be amended or waived by contract, you and we agree that this Account Agreement governs and the law is amended or waived by this Account Agreement.

Venue and Limitation on Bringing Actions

In the event of any legal action of claim regarding the Account Agreement, venue shall be in the same city as the District Court that is closest to the principal residence or office of the party against whom the claim is filed. Subject to applicable law, you agree that any action in relation to an alleged breach of this Disclosure shall be commenced within 1 year of the breach, without regard to the date the breach is discovered.

Attorneys' Fees

In any legal action of claim regarding the Account Agreement, the prevailing party will be entitled to recover costs and reasonable attorneys' fees.

Our Right to Delay Enforcement

We may choose to not enforce or delay in enforcing any provisions of the Account Agreement without losing the right to enforce them in the future.

Items in the Mail

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We are not responsible for any items you mail to us that are lost in transit. We recommend that you do not place currency or coupons in the mail.

Assignment

You will not transfer, assign or pledge your Account(s) to any third party, and we will not recognize any such attempted assignment or pledge, without our prior written consent to be given or refused at our sole discretion.

Representations and Warranties

By establishing and maintaining an Account with us, you represent and warrant to us as follows for the duration of your Account relationship: The Account Agreement represents your valid and binding obligation and is enforceable in accordance with its terms. The Account Agreement represents the entire agreement between you and us regarding your Account(s) and supersedes any and all prior discussions or agreements between you and us regarding your Account(s). Your performance of the Account Agreement does not violate your corporate or other governing documents, or any agreement or instrument to which you are a party, or any law or regulation applicable to you.

Online and Mobile Banking

We offer certain banking services using a personal computer or other internet enabled system (“Online Banking”) and using a mobile device, including a mobile phone or other mobile device that is web-enabled or capable of sending and receiving text messages (“Mobile Banking”). Use of Online Banking and Mobile Banking is also governed by the Online Banking Service Agreement applicable to your Account, which is available on our website. In order to use Online Banking or Mobile Banking, you must agree to the terms and conditions of the Online Banking Service Agreement applicable to your type of Account.

Contacting Us

You may contact us by phone at either the Customer Care Center 1-800-324-9375 (for Small Business Accounts) or the Commercial Account Service Center at 1-877-423-9742 or 206-626-8108 (for Commercial Accounts). You may contact us by mail at Washington Federal, Attn: Customer Care Center, 425 Pike Street, Seattle, Washington 98101 (for Small Business Accounts) or Washington Federal, Attn: Commercial Account Service Center, 425 Pike Street, Seattle, Washington 98101 (for Commercial Accounts). You may also visit your local branch.

Part II: Additional Rules for Interest-Bearing Accounts

This Part II covers interest-bearing Accounts we offer. Not all products described in this Part are available to all customers, and these rules and information may not apply to you.

Minimum Balance Requirements (All Accounts)

To Open an Account: To open a Checking, Savings or Money Market Account, you must deposit the amount specified for your type of Account shown on our *Business Fee Schedule*, which is posted on our website at www.washingtonfederal.com and is made available to you when you open a new Account.

Minimum Balance to Earn Interest: No interest is accrued for any day(s) the current balance in your Account is below the minimum balance to earn interest for your type of Account shown in the accompanying *Business Fee Schedule*.

Minimum Balance Fees: To avoid monthly maintenance fees, you must maintain the minimum required daily balance specified for your type of Account in the *Business Fee Schedule*.

Interest Information

The current interest rate on your Account and the Annual Percentage Yield (APY) are shown on our Rate Sheet, which is posted on our website at www.washingtonfederal.com and is made available to you when you open a new Account. You may also call 800-324-9375 for current rate and yield information. The interest rate and APY may change daily and are adjusted periodically by Washington Federal. To obtain the Annual Percentage (APY)

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disclosed, you must maintain the minimum tier balance in the Account each day for that particular tier. Interest is credited at account cycle.

Computation Method

The daily balance method is used to calculate interest. This method applies a daily periodic rate to the principal in your account each day. Interest begins to accrue no later than the Business Day we receive credit for the deposit of non-cash items. Interest begins to accrue on the same Business Day cash deposits are received. Interest begins to accrue on the same Business Day wire transfers are received if the wire is received by 2:00 PM Pacific Time; otherwise, interest begins to accrue on the next Business Day.

Time Deposits (Certificates of Deposit)

Time deposits or certificates of deposit are referred to herein as “Certificates” or “Certificates of Deposit.”

Interest:

Basis: 365/365 (366/366 leap year) compounded daily. Interest begins to accrue no later than the Business Day Washington Federal receives credit for the deposit of non-cash items. Interest begins to accrue on the same Business Day cash deposits are received. Interest begins to accrue on the same Business Day wire transfers are received if the wire is received by 2:00 PM, Pacific Time; otherwise, interest begins to accrue on the next Business Day. The daily balance method is used to calculate interest. This method applies a daily periodic rate to the principal in your account each day.

Rate: The current offering rates are shown on our Rate Sheet, which is posted on our website at www.washingtonfederal.com and is made available to you when you open a new deposit. You may also contact us for current rate and yield information. The rate is set according to the term and deposit amount at the time of opening and is fixed for the term. The rate will not change due to additions, if allowed, or withdrawals. Interest credited must be left in the account to earn the disclosed Annual Percentage Yield (APY). Any withdrawals of interest or principal will reduce earnings. The interest rate on deposits of more than \$1,000,000 is negotiable and must be approved in advance.

Credited: Interest is credited on or before the last Business Day of the quarter and at maturity. If the term is one year or less, interest may be deferred by being paid at maturity only. If term is greater than one year, interest must be paid at least annually (December 31) and at maturity. Interest credited and available may be withdrawn anytime without penalty within the current term.

Minimum Balance: \$1,000 (\$500 for minor accounts) is required to open and maintain the account. If the account balance falls below the minimum, it may be closed and be subject to an early withdrawal penalty.

Initial Deposit or Additions: Deposits to establish the account or additions to the account during the grace period are credited subject to final collection. Washington Federal does not accept Credit Card checks. No additions are allowed during the term unless the account is an IRA, SEP-IRA, ESA, or Keogh Plan.

Renewal: The Certificate will automatically renew at the current Fixed Rate Fixed Term Certificate rate offered for the renewal term specified on the maturing Certificate. Any accumulated interest becomes principal upon renewal and will be subject to penalty if withdrawn during the new term. We will give you 30 days’ notice if the account will not be renewed, in which event, at maturity, the account will begin earning at the then current passbook savings rate and computation method.

Early Withdrawal Penalty for Certificates of Deposit

A penalty will be imposed for withdrawal of funds prior to maturity. The penalty is calculated using the same rate and computation as disclosed on the Certificate of Deposit. The amount of the penalty depends on the term of this account at its issue date or the most recent renewal, as follows:

Term

Interest Penalty

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1 year or less	90 days Interest
Exceeds 1 year, up to 4 years	180 days Interest
4 years or more	365 days interest

The full penalty will be charged regardless of the amount of time the funds actually have been on deposit. We will not impose a penalty to close or transfer the entire balance of the Certificate in the event of death or declaration of incompetency of any account holder.

Grace Period: During the grace period of 10 Calendar Days following the maturity date you may make additions or you may withdraw funds without interest penalty. Interest paid on any amounts withdrawn will be calculated at the then current passbook savings rate and computation method. All instructions for changes to be made during the grace period must be given at the same time. Once a change is made, the Certificate renews, the grace period expires and no additional changes are allowed.

Additional Rules for IRA, SEP-IRA, ESA and Keogh Plans

Minimum Balance: \$100 if the term is 23 months or less. If the term of the Certificate exceeds 23 months, the minimum balance is \$1,000.

Additions: If the term is 23 months or less, regular annual contributions are allowed during the term. Transfers within the plan, trustee transfers, and rollover contributions are allowed only during the grace period.

Waiver of Early Withdrawal Penalty: Upon reaching age 59½, Washington Federal will waive the early Certificate withdrawal penalty on participant distributions from an IRA or KEOGH Plan up to an accumulative 20% of the opening (or last renewed) Certificate balance in a calendar year.

Additional Rules for Boost Rate Certificates

Boost Rate Feature: If this Certificate includes a Boost Rate feature you have the option of changing the interest rate one time, at any time during the initial term, to the interest rate Washington Federal is currently offering on Certificates that match the period remaining from the initial term. Once you use this Boost Rate feature the then current rate will be the rate on your Certificate until maturity. Your Annual Percentage Yield will change accordingly if you exercise this option. Any renewal will not include the Boost Rate feature.

Additions: Additionally at the time the Boost Rate feature is exercised you may make a onetime addition to the principal of the Certificate. The addition may be up to \$100,000 or the amount of the original deposit, whichever is less.

Fees

See the *Business Fee Schedule* for other possible charges connected with your Account.

Part III: Your Ability to Withdraw Funds (Funds Availability Policy)

Funds “availability” means your ability to withdraw funds from your Account, whether those withdrawals are made in cash, by check, automatic payment, or any other method we offer you for access to your Account. If deposited funds are not available to you on a given day, you may not withdraw funds in cash and we may not use the funds to pay items that you have written or honor other withdrawals you request. If we pay items that you have written or honor other withdrawals before funds are available to you, this may result in an overdraft and we may charge a fee for this. Please see the *Business Fee Schedule* for overdraft fees.

Your Ability to Withdraw Funds

Our policy is to make available certain funds deposited in your Account on the first Business Day after the day we receive your deposit. In some cases, we may delay your ability to withdraw funds beyond the first Business Day.

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Determining the Availability of a Deposit

The day funds become available and the length of the delay is determined by counting Business Days from the day of your deposit. Every day is a Business Day except Saturdays, Sundays, and federal holidays. If you make a deposit in person on a Business Day we are open, we will consider that day to be the day of your deposit for purposes of calculating when your funds will become available. If you make a deposit on a day that is not a Business Day, or on a day we are not open, we will consider that the deposit was made on the next Business Day we are open.

The length of the delay varies depending on the type of deposit and is explained below. We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will disclose to you when the funds will be available. This disclosure will be given at the time of deposit. If a hold is placed after the transaction has occurred or on a mail/night drop check deposit, written notice will be mailed no later than the next Business Day.

Same Day Availability

Funds from electronic direct deposits to your Account will be available on the day they are received into your Account.

Next-Business Day Availability

Funds from the following deposits are available on the first Business Day after the day of your deposit:

- Wire Transfers.

If you make the deposit in person to one of our employees, funds from the following deposits are also available on the first Business Day after the day of your deposit:

- Cash
- US Treasury checks payable to you.
- State and local government checks payable to you. Cashier's, certified, and teller's checks that are payable to you.
- Federal Reserve Bank checks, Federal Home Loan Bank checks, postal money orders, and travelers checks, if these items are payable to you.

Other Check Deposits

If you make a deposit in person to one of our employees, the first \$200 from the deposit of other domestic checks will be available on the first Business Day after the date of your deposit. If the amount of the deposit is not already collected, these checks are subject to a case-by-case delay, but the remaining funds will generally be available on the second Business Day after the deposit.

Case-by-Case Delays

In some cases, we will not make available to you funds deposited by check by the first Business Day after deposit. Depending on the type of check you deposit, funds will be made available to you no later than the second Business Day after deposit. The first \$200 of your deposit, however, will be made available by the first Business Day after your deposit. If you have specific need for funds, you should ask when those funds will be made available.

Holds on Other Funds (Other Accounts)

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. If you have a Line of Credit with Washington Federal, we may alternately reduce your available funds on the Line of Credit to cover the deposit. You may be subject to additional fees as provided in the *Business Fee Schedule*. If you need to be sure when a particular deposit will be available for withdrawal, please ask.

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Special Rules for New Accounts

If you are a new client, the following rules will apply during the first 30 Calendar Days of your account.

- Funds from electronic direct deposits will be available on the day they are received into the account.
- Funds from cash deposits, wire transfers and the first \$5,000 of a day's total deposits of US Treasury checks, state and local government checks, cashier's, certified, and teller's checks, Federal Reserve Bank checks, Federal Home Loan Bank checks, postal money orders, and travelers checks, if these items are payable to you, will be made available on the first Business Day after the day of deposit. The excess over \$5,000 will be made available by the second Business Day after the day of deposit.
- Funds deposited from other domestic checks will be made available no later than the seventh Business Day after the day of deposit.

Longer Delays May Apply

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

- We believe a check will not be paid (for example, there are alterations or changes to the face of the check, or missing information on the check, or the endorsement is missing or appears invalid, or we receive information from the paying bank that the check will not be honored, or state or federal law prohibits the paying of a check).
- You deposit other domestic checks totaling more than \$5,000 on any one day.
- There have been multiple returned deposited items deposited to the Account or related accounts owned by the Account holder(s). Your Account(s) has been repeatedly overdrawn in the past 6 months.
- You redeposit a check that has been returned unpaid.
- There is an emergency, such as failure of computer or communications equipment, or other situation beyond our control that interrupts the normal course of business.

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. If the emergency situation is resolved sooner, or Washington Federal is able to collect the deposit prior to the seventh Business Day, funds will be made available at that time. If an emergency situation arises after you deposit funds that requires us to extend the hold, we will send you notification of the hold unless the emergency is resolved and funds made available by the first Business Day after deposit.

If Washington Federal extends the time that funds will be available for withdrawal by invoking this exception, and does not furnish the depositor with written notice at the time of deposit, we will not assess any fees for any subsequent overdrafts or return of checks or other debits to the account which were caused by extending the funds availability on the deposited checks, if (i) the overdraft or return of the check would not have occurred except for the fact that the deposited funds were delayed; and (ii) the deposited check was paid by the paying bank.

Deposits Not Made in Person

All deposits not made in person are subject to delays in availability. In addition, we reserve the right not to accept, reject, or reverse a deposit not made in person if we deem the deposit does not follow our deposit guidelines, is affected by state or federal check acceptance guidelines, or is in violation of law. Deposits are considered received when the transaction has successfully completed. A confirmation message or receipt will be provided notifying you if the transaction was approved.

ATM Deposits

When you deposit a check at an ATM, regardless of the type of check, we will make the first \$200 available no later than the first Business Day after the day of deposit. All remaining funds deposited will be made available by the second Business Day after deposit, unless we deem a longer delay is necessary.

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When possible, cash deposited at the ATM will be made available no later than the first Business Day after the day of deposit. In some instances, we may only make the first \$200 available. The ATM will notify you if funds are placed on hold at the time of deposit.

Mobile Deposits

When you deposit a check via our Mobile Deposit service, regardless of the type of check, we will make the first \$200 available no later than the first Business Day after the day of deposit. All remaining funds will be made available by the second Business Day after deposit.

Deposit Limits Via Mobile Deposit Apply

In general, you may deposit up to 5 checks via your mobile device per day, not to exceed \$10,000 in combined deposits per day, or \$50,000 per 30 Calendar Days.

Part IV: Electronic Fund Transfers

We offer many electronic banking services, including telephone banking service, automated teller machines), an ATM or Visa debit card, and online and mobile banking services (collectively "Electronic Banking Services"). Electronic Banking Services are subject to the terms and conditions outlined below. Online and mobile banking services are also subject to the applicable Online Banking Service Agreement for your Account.

Washington Federal Debit or ATM Card

If you request and qualify, we will issue a Washington Federal Debit or ATM Card ("Card") with a personal identification number ("PIN") to each Authorized Signer. Each Card will identify the name of your business as well as the name of the individual cardholder ("Cardholder"). The PIN is issued for your security purposes. The numbers are confidential and should not be disclosed to third parties or recorded on the card. The Card must be linked to your Checking Account. The Card(s) remain the property of Washington Federal, and will be surrendered immediately to us upon request. You will abide by the rules and regulations of Washington Federal regarding the maintenance of your Accounts and the terms and conditions governing the issuance and use of any card(s) as set out in the Account Agreement. We may cancel your Card(s) or electronic transfer services at any time, without notice.

Security Procedures and Liability for Unauthorized Transactions for Washington Federal Debit or ATM Cards You are responsible for providing the Card and a copy of this Disclosure to each Cardholder. You agree that you and each Cardholders will comply with the following security procedures (the "Security Procedures"):

- Sign the Card: Each Cardholder must sign the Card bearing his/her name before it may be used.
- ATM Transactions: Cardholders must use the Card and PIN together to make withdrawals or balance inquiries at ATMs. In addition to withdrawals or balance inquiries, Cardholders may also use the Card and PIN to make deposits to your Accounts at one of our ATMs.
- Point-of-Sale ("POS") Transactions: Cardholders must use the Card together with a PIN to purchase goods or services (and to receive cash back from participating merchants) from a third party merchant that accepts Visa Debit Cards at a POS terminal.
- Signature Transactions. Cardholders must use the Card together with the Cardholder's signature or the security code found on the reverse of the Card (for purchases made over the telephone or Internet) to purchase goods or services from a third party merchant that accepts Visa Debit Cards.

You acknowledge and agree that the use of the Card along with the PIN, the security code that appears on the reverse of the Card (if the Card is used for a Visa signature transaction over the internet or telephone), and/ or a Cardholder's signature provide you with a commercially reasonable degree of protection against the unauthorized use of the Card, in light of your particular needs and circumstances. You further agree to require each Cardholder to use the Security Procedures to transact all activity with the Card. You agree that any election you or a Cardholder may make to waive or change the Security Procedures are at your own risk and that any loss resulting

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in whole or in part from such change or waiver will be allocated to you. You further acknowledge and agree that the Security Procedures are not intended, and that it is commercially reasonable that the Security Procedures are not intended, to detect any errors relating to or arising out of a Card transaction. You also represent that each Card number, PIN and security code on the reverse of the Card shall be afforded the highest level of security by you and shall be known only to those persons who are on a "need to know" basis. We assume no duty to discover any breach of security, unauthorized disclosure of Card numbers and/or PINs, or unauthorized use of Cards and/or PINs.

In addition to the Security Procedures discussed above, you also agree to adhere to the following rules to ensure that the Card is used in a safe and sound manner:

- **Written Instructions:** You agree to provide written instructions to all Cardholders about the importance of protecting the Card, PIN and security code.
- **Review of Terminal Receipts and Account Statements:** You and/or Cardholders will examine ATM and/ or POS transaction receipts and Deposit Account periodic statements in a timely manner. If you have any questions or concerns with a receipt or statement, you should contact us to report unauthorized transactions.
- **No Transfer:** Once a Card has been issued, it cannot be transferred to another person. You agree to immediately (a) notify us when you terminate a Cardholder's rights to use the Card and (b) return the terminated Cardholder's Card to us.

Unless the Visa® Zero Liability policy applies (as discussed below), you are liable for ALL CARD transactions, including those you did not authorize, so long as we processed the transaction in accordance with the Security Procedures discussed above.

Tell us AT ONCE if you believe your Card and/or PIN has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your Account(s) (plus your available overdraft line of credit). If your Card and/or PIN is lost, stolen, or used without your permission, you agree to notify us immediately, and to promptly confirm such notice in writing.

Protections for Certain POS Transactions: Under Visa U.S.A., Inc.'s Zero Liability policy you may not be liable for the unauthorized use of your Card that results in a fraudulent POS transaction made over the Visa network. To take advantage of the Zero Liability policy you must notify us within sixty (60) days of the first statement containing the allegedly unauthorized POS transactions.

Disclaimer

Except as otherwise provided above, we disclaim all liability for losses and/or damages incurred by you for failure to complete a transfer on the correct date or in the right amount under any circumstances; provided, however, that upon notice of such failure we will take reasonable steps to correct the transaction.

Using your Washington Federal Debit or ATM Card

You may make ATM cash withdrawals using any ATM network that Washington Federal participates in. The owner or operator of the ATM may assess a fee. These fees may be included in the total transaction amount that is withdrawn from your checking account and shown on your account statement.

You may make POS purchases of goods and services at merchants displaying the Visa® logo. Participating merchants may also provide the option of obtaining cash back over and above the amount of the purchase. The amount of each authorized transaction is deducted from your checking account.

Deposits made at an ATM are credited to your account effective the day you process the transaction. We may delay your ability to withdraw funds deposited in this manner. Please refer to the **Part III: Your Ability to Withdraw Funds (Funds Availability Policy)**. Balances are subject to final collection, and Washington Federal may

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charge back the deposit to your Account for items we are unable to collect. Washington Federal does not accept ATM deposits of credit card checks, foreign checks or checks not in U.S. dollars. All check deposits are subject to standard payee endorsement requirements.

You are required to notify Washington Federal, at least 48 hours in advance, to authorize transactions originating from outside the United States. Without prior notification and authorization, international transactions may be denied. Notification can be accomplished by contacting us.

ATM transactions and POS purchases outside the U.S. which are converted to U.S. dollars by the network that handles the transaction will convert the local currency amount of the transaction to U.S. dollars. Rates are selected by the network from the range of rates available in wholesale currency markets for the applicable central processing date, which may vary from the rate the network itself receives or the government-mandated rate in effect for the applicable central processing date. If the merchant that handles the POS purchase converts the currency, the merchant will determine the currency conversion rate. For each purchase transaction in a foreign currency, Washington Federal will pass through a foreign currency conversion fee, which is based on the amount provided to Washington Federal by the network in U.S. dollars.

There is no limit on the number of times you may use your Washington Federal Debit or ATM Card each day so long as you do not withdraw more than the daily dollar limit or your available balance, whichever is less. The standard daily dollar limit for ATM withdrawals is \$500. The standard daily dollar limit for purchases is \$5,000. If you request and qualify, Washington Federal will increase your daily dollar limit for purchases.

Telephone Banking

The Telephone Banking Service allows you to access your Account by calling the Telephone Banking Service phone number and entering your Telephone Banking Service personal identification number (PIN). This service is limited to use by sole proprietors and single member LLP/LLCs. Fees may apply (see the *Business Fee Schedule*).

Pre-Authorized Transfers from Your Account

You may preauthorize an electronic fund transfer from one of your Accounts to a designated recipient account. Authorization for this service is requested through the originating financial institution or company.

Notice of Varying Amounts: If these regular payments vary in an amount, the person you are going to pay should tell you at least 10 days before each payment when it will be made and how much it will be.

Stop Payment Procedures: If you have told us in advance to make regular payments, you may place a stop payment on any preauthorized transfer by notifying us orally or in writing at the branch office where your account resides. You must notify the preauthorized originator and us at least 3 Business Days before the scheduled date of the transfer you wish to stop and provide your Account number, date, amount of payment, and payee. All oral requests must be confirmed within 14 calendar days of the request using the Bank's stop payment form to be binding. 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 the amount of your actual loss and damage only. Stop payment orders on ACH transactions using the Bank's stop payment order form are effective until removed by you. There is a charge for stop payment orders. Please refer to the current *Business Fee Schedule*.

Pre-Authorized Transfers to Your Account

Washington Federal provides preauthorized credit services, which is referred to as Direct Deposit of Recurring Payments. This service allows you to ask that Recurring Payments, which you designate, be deposited directly to your Account. If you have made arrangements to have Direct Deposits made to your Account from the same person or company at least once every 60 days, you may call your branch to learn if the scheduled transfer did occur.

Pre-authorized transfers to your Account are subject to Article 4A of the Uniform Commercial Code which, among other things, provides that all deposits received to your Account, whether originated by Washington Federal or

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originated by another party 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 your Account in the amount credited and the party originating such payment will not be considered to have paid the amount so credited.

Documentation of Transactions

You will get a receipt at the time you make any ATM withdrawal, POS or Merchant purchase.

Cost of Electronic Funds Transfers

You may be charged a service charge for electronic funds transfers. Please refer to the current *Business Fee Schedule*. We reserve the right to make changes at a future date with proper notice.

Unauthorized Transactions

Tell us at once if you believe your Washington Federal Debit or ATM Card has been lost or stolen, if your personal identification number (PIN) or Online Banking Service password has been discovered by someone else, or if you believe someone has withdrawn or may withdraw money from your Account without authorization. Telephoning is the best way of keeping your possible losses down. TO REPORT A LOST OR STOLEN CARD AFTER BUSINESS HOURS, CALL 800-472-3272.

Liability for our 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 the Account Agreement, we will be liable for damages directly caused by our failure. However, there are exceptions for which we will not be liable, for instance:

- If through no fault of ours, your Account does not have enough money to complete the transaction.
- If the monies in your Account are subject to legal restrictions or other encumbrances.
- If the ATM does not have enough cash.
- If the ATM was not working properly and you knew about the breakdown when you started the transaction.
- If circumstances beyond our control (such as fire or flood) prevent the transaction, despite reasonable precautions that we have taken.

These are some of the exceptions. There may be other exceptions.

In Case of Error or Questions About Your Electronic Transfers

Contact your branch or call 800-324-9375 (for Small Business Accounts) or 877-423-9742 or 206-626-8108 (for Commercial Accounts). If you notify us orally, we may require that you send us your complaint or question in writing within 10 Business Days.

Write us at the address listed on the front of your statement.

- Provide us with your name and Account number.
- Describe the error or the transaction you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
- Provide us with the dollar amount of the suspected error.

We will investigate and resolve each problem as quickly as possible. If we discover that there was no error, we will send you a written explanation within 3 Business Days after we finish our investigation. You may ask for copies of the document that we used in our investigation.

Part V: Substitute Check Policy Disclosure (Check 21)

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).

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:

Washington Federal Attn: Boise Operations PO Box 1460
Boise, ID 83701

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: Account number, check number, the name of the person to whom you wrote the check, the amount of the check, and the date the check was paid or posted to your Account.

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 are also 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 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.

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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.

Part VI: Rules and Regulations Regarding Safe Deposit Boxes

USA Patriot ACT Notice.

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 rents a Safe Deposit Box. What does this mean for you? When you rent a Safe Deposit Box, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We also ask to see your driver's license or other identifying documents.

Safe Deposit Box Rules and Regulations

These Rules and Regulations shall govern the use and rentals of all Safe Deposit Boxes (the "Box" or "Boxes") held in contract between Washington Federal and the Box holder, also referred herein as "the renter."

Possession

The rental contract creates the relationship of landlord and tenant. Washington Federal will not, under any circumstances, be in a position of possession or custody of any property placed in the Box. The renter possesses the Box for their personal use and retains possession and control of all property placed in the Box.

Access

We do not have a key to your Box. The renter has sole responsibility for custody of the key to the Box. In some branches, we maintain the renter's identification equipment, such as a hand scanner ("Equipment"), at the entrance to the Box area (the "Area"). In those locations, only those persons who meet the requirements of the Equipment will be allowed access to the Area. You agree not to allow anyone else access to the Area.

The liability of Washington Federal is limited to the exercise of ordinary care and caution to prevent the opening of the Box by any person other than the renter or their appointed representative, and it is agreed by the renter that an unauthorized opening shall not be presumed from the loss or disappearance of any contents of the Box. Washington Federal shall not be liable if property in the Box is misappropriated as a result of any act or omission other than the willful wrongdoing of Bank. You indemnify and hold Washington Federal harmless from any claim, expense, damage, or loss that arises or is alleged to arise from (1) permitting any person other than you to access the Area through the Equipment or (2) such person's presence in the Area.

Access to a box is allowed during normal business hours. We may be closed for national, state or local holidays, or under any other circumstances in our sole discretion. Washington Federal is not liable for any delay caused by failure of vault doors or Box locks to operate.

Boxes should be opened in the areas provided. Washington Federal is not liable for items left in such areas.

Any joint renter has the right to appoint a deputy, or to access the Box and to remove the contents and surrender the Box and keys. Any act or statement made by one joint renter may be accepted and acted upon by Washington Federal as if made by all renters.

The Rules and Regulations are binding upon the heirs, agents, representatives, and successors of the renter or any co-renter.

No person other than the renter or approved deputy named in the records of the Bank, or legal representative (named in power of attorney or guardianship papers), shall have access to the Box, except as noted below.

Should Washington Federal be served with any court order, writ, or other legal process commanding it to open the Box, Washington Federal is hereby released from any liability in doing so, provided it retains an inventory of any items that were removed from the Box and delivered to a court representative.

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We reserve the right to refuse access to any Box if there is reason to believe that Washington Federal may incur any liability if access is permitted.

Term

The renter may terminate the rental and possession of a Box by notifying Washington Federal in writing and surrendering both keys, without rights to a refund of prepaid rent, except as noted on back of the Rules and Regulations governing Boxes.

We reserve the right to terminate the rental and possession of a Box at any time by giving thirty-five (35) days notice in writing, by certified mail, sent to the address of the renter, or deputy, as it appears on our records. If the renter fails to surrender the Box and keys, Washington Federal may forcibly open the Box at the expense of the renter, and remove and store the contents without liability for safekeeping. If the contents are removed promptly in accordance with the notice of termination, a pro rata amount of the prepaid rent will be refunded.

We reserve the right to make changes or additions to the Rules and Regulations governing Boxes from time to time in our sole discretion. Notice of such change will be mailed to the renter at the address shown on the Box records. Unless the renter surrenders the Box and keys within sixty (60) days of the mailing of such notice, the change shall be deemed to be accepted by the renter and will become part of the contract.

All notices shall be deemed given when mailed to the last mailing address shown on the Box records for the renter.

Rent and Fees

All rents are payable annually in advance. We may refuse access to the Box as long as any part of the rent remains delinquent. Washington Federal is authorized to charge past due rent against funds of the renter held by Washington Federal. If the rent remains unpaid for a period of one year, we may proceed as provided by the laws of the state where the Box is located, with respect to opening a Box. Rent and other Box related fees are set out in the Safe Deposit Box Fee Schedule, available on our website.

Keys

Washington Federal does not retain keys to any rented Box, and the contents of the Boxes will remain unknown to Washington Federal. The renter agrees to notify us immediately if any key to their Box is lost.

Upon surrender of any Box the keys must be returned immediately to us. In the event of a lost key or keys by the renter, all expenses incurred in opening and repairing the Box and replacing lock and keys.

Renter's Responsibilities

The renter may not sell or assign their interest in the Box.

Each renter agrees to notify us of the death of any person having the right of access to the assigned Box.

The death or disability of any joint renter will not affect the right of any other renter to have access to the Box and to remove any or all property kept within the Box. A deputy appointment will cease upon the death of the grantor.

In the case of the death of the renter, we are not chargeable with notice of death until the Washington Federal branch office where the Box is located has received such notice. We are authorized to continue allowing access to the Box by any agent of the renter, until actual notice of death is received.

The renter agrees not to store any dangerous items in the Box, such as explosives.

Renter agrees to hold Washington Federal harmless from all damages, claims, costs and expenses of any kind, including attorney's fees sustained, paid out, or incurred by it in any action or suit relating to the contents of the Box. The Box will be closed to all persons until the act, writ, decree or court process is annulled.

Safe Deposit Boxes and their contents are not insured by the FDIC or by Washington Federal.

We recommend you keep an accurate inventory of the contents of your Safe Deposit Box. If you would like insurance coverage for what you store in your Safe Deposit Box, please contact your insurance agent to arrange coverage.