

## Washington Federal Online Banking Service Agreement for Commercial Account Customers

Welcome to Online Banking at Washington Federal. This Online Banking Service Agreement for Commercial Account Customers (“Agreement”) sets out the terms and conditions for your use of Washington Federal’s Online Banking Service (“Online Banking Service”) provided to our customers with commercial accounts. Please read this Agreement carefully. A printer friendly version of this Agreement is available on our website. By using the Online Banking Service, you agree to the terms and conditions of the Agreement and any changes in such terms and conditions (after their effective date). If you do not agree with these terms and conditions, you may not use the Online Banking Service.

In this Agreement, the words “we”, “us”, “our”, and “Bank” means Washington Federal, N.A. and the words “you” and “your” mean an Online Banking Service customer. Your use of the Online Banking Service is also governed by our [Business Deposit Agreement and Disclosures](#), our [Schedule of Business Fees and Service Charges](#), the [Terms and Conditions](#) for use of our website, and any related Loan Account agreement (collectively, the “Account Agreements”).

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#### 1. Definitions

“Authorized Signer” means Authorized Signer and has the meaning given that term in the Business Account Agreement.

“Authorized User” means a user designated in the “Business Online Banking Services Authorization Form” as an authorized user for a service.

“Available Balance” and “Available Funds” means funds on deposit in an Eligible Account and available for withdrawal, less monetary holds, pursuant to Regulation CC and Bank’s applicable funds availability schedule and policies.

“Business Account Agreement” means the Business Deposit Agreement and Disclosures.

“Business Day” means Monday through Friday, excluding federal banking holidays.

“Business Online Banking Services Authorization Form” means the written document designating the individuals authorized to perform Online Banking Services and the schedules specifying limits and dollar thresholds with respect to

certain services available through the Online Banking Service, and includes previously executed agreements, including any applicable Business Online Banking Agreement, Business Origination Wire Services Agreement, Positive Pay Services Agreement, and Electronic Automated Clearing House (eACH) Agreement.

“Commercial” means, with respect to an account, an account established for purposes other than personal, family or household and designated by the Bank as commercial.

“Deposit Account” means a checking, savings, or money market account that you have established with us primarily for business purposes.

“Eligible” means an account is accessible through the Online Banking Service.

“Eligible Accounts” means Deposit Accounts and Loan Accounts that are accessible through the Online Banking Service.

“Fee Schedule” means the Schedule of Business Fees and Service Charges.

“Loan Account” means your Commercial loan accounts.

“Online Administrator” means the individual designated in your Business Online Banking Services Authorization form as your Online Administrator.

“Online Banking Service” means the banking services offered by Bank through our Website.

“Online Financial Services” means each of the products and services you may access through the Online Banking Service, including services offered by third parties.

“Owner” means each person or business organization designated in our records as an owner of an Eligible Account.

“Transaction Processing Day” means a Business Day or any other day that Bank processes transactions.

“Website” means Washington Federal’s Online Banking Service website and other websites and webpages maintained by us and accessible through [washingtonfederal.com](http://washingtonfederal.com).

## **2. Enrolling in Online Banking Services**

If you choose to enroll in the Online Banking Service, we will provide a unique user identification and online password to the Online Administrator. The Online Administrator may set user identification and passwords for Authorized Users. The user identification and passwords are referred to as the “Authorization Code.”

The first time the Online Administrator logs in, the Online Administrator will be required to change the password. We reserve the right to change any aspect of the user identification and password system (i.e., the security system) associated with the Online Banking Service at any time without prior notice.

## **3. Security and User Responsibility for Online Banking Service**

### **A. Security Measures and Procedures**

For security, the Online Banking Service will not allow access if anyone attempts to use a wrong password five (5) times or more consecutively. We use additional log-in security that incorporates multiple factors to authenticate you as a customer.

You agree that we may place session cookies and other identifiers on the computers and other devices you use to access the Online Banking Service. Session cookies help us confirm your identity and help us keep your transactions secure when you do online banking. We also use cookies for various purposes such as maintaining continuity during an online session, and optimizing the performance of our website.

### **B. Password**

Your password can be changed within the Online Banking Service. Your password must meet the standards we establish from time to time. These standards will be available for your reference whenever you create or change a password. We may require you to change or update your password at any time. In order to prevent unauthorized access to your Eligible Accounts and unauthorized use of the Online Banking Services, you agree to maintain the confidentiality and security of the Authorization Codes, and to instruct the Online Administrator and all Authorized Users also to maintain the confidentiality and security of the Authorization Codes.

### **C. User Responsibility for Online Banking Service**

You should never provide your user name or password information to a third party. If you do so, you are authorizing that party to conduct transactions on your Eligible Accounts. Therefore, you are responsible for any transactions, including transfers from or between your Eligible Accounts, resulting from you furnishing your user identification or password to a third party. The Bank will not be liable and will not reimburse you for any losses that may occur as a result of this authorized use of your user identification or password.

We will have no liability to you for any unauthorized payment or transfer made using your Authorization Codes that occurs before you have notified us of possible unauthorized use and we have had a reasonable opportunity to act on that notice. We may suspend or cancel your Authorization Codes even without receiving such notice from you if we suspect your Authorization Codes are being used in an unauthorized or fraudulent manner. You recognize that anyone possessing the Authorization Codes can access your Eligible Accounts and initiate transactions on those Accounts. You agree that you are responsible for maintaining the confidentiality and security of all Authorization Codes, and for implementing the necessary internal controls, balancing and reconciliation functions, and audit procedures to protect your Online Banking subscription and all your Eligible Accounts from theft or misuse.

The use of the Authorization Code is a security procedure established by Bank to authenticate the identity of the person attempting to gain access to the Online Banking Service. The security procedure is not designed for the detection of errors.

You agree that the use of the Authorization Codes and other security techniques that the Bank has established for the Online Banking Service constitutes a commercially reasonable security procedure for you. You agree to be bound by all payment requests, communications, or other instructions to the Bank that are initiated under your subscription to Online Banking and in compliance with this security procedure (including any transfer requests, electronic payment requests, stop wire transfer requests and, if applicable, wire transfer requests and requests for cancellation or amendment of orders for ACH entries and wire transfer requests), regardless of whether or not you or any Authorized User actually authorized the instruction. If any instruction initiated under your subscription to Online Banking and accepted by the Bank in compliance with this security procedure contains any error, to the full extent allowed by law you shall be liable for, and shall indemnify the Bank against any claims, losses and expenses the Bank may incur that arise from or relate to the erroneous instructions. The Bank's records demonstrating compliance with this security procedure will be deemed conclusive proof that any payment request received by the Bank was authorized and that you are bound by those instructions.

#### **D. Notification to Bank**

You agree to immediately notify us of the following:

- You believe that your Authorization Code may have been lost or stolen, or subject to unauthorized use; a device you use to access the Online Banking Service has been lost, stolen or compromised, or someone has viewed, downloaded, or deleted electronic records from your account or Online Banking Service without your permission.
- You suspect any fraudulent activity on your accounts.
- An individual with knowledge of the Security Procedures, password, codes, security devices, and/or related instructions is reassigned or leaves your employ, or is no longer authorized to act in regard to Online Banking Services.

You will notify us by:

- calling 1- 877-423-9742;
- writing to us at Washington Federal, Attn: Commercial Account Service Center, 425 Pike Street, Seattle, Washington 98101; or
- by visiting your local branch.

Please refer to the Business Account Agreement for additional information regarding your obligation to notify us and your liability for unauthorized transactions on your account.

#### **4. Access Requirements**

In order to use the Bank's Online Banking Service, you will need a personal computer (PC) or other Internet-enabled system ("Computer"), and any software and required equipment that can support the list of approved web browsers. The Website is best viewed using the most current version of Internet Explorer, Safari, Chrome, or Firefox. If you choose to use another browser to access the Website, we assume no responsibility for the resulting layout or content. You will also need a functioning email address. You are responsible for the installation, maintenance and operation of your Computer and all related costs. You are responsible for installing and maintaining appropriate virus protection on your Computer. We are not responsible for any errors or failures caused by any malfunction of your Computer, or your use of the Online Banking Service. We are not responsible for any viruses, spyware, malware, worms or related problems that may be associated with your Computer. We are also not responsible for any losses or delays in transmission of information that you provide to us or otherwise arising out of or incurred in connection with the use of any internet or other service provider providing your connection to the internet or any browser software. You are also responsible for all telephone, mobile remote access and other similar charges incurred in connecting to the Online Banking Service and for charges by any internet service providing connection to the internet.

#### **5. Available Online Banking Services and Limitations**

##### **A. Available Online Banking Services**

Online Banking Services allow you to perform the following actions:

- Perform online administration of your Online Banking Services.
- Review a summary of your Eligible Deposit and Loan Accounts and account activity, including determining which checks have cleared and viewing images of cleared checks, wires and ACH transfers, for a period of 13 months.
- Advance funds from Eligible Loan Accounts to Eligible Deposit Accounts.
- Transfer funds between Eligible Accounts (including one-time, recurring and sweep).
- Submit payments to Eligible Loan Accounts.
- Change passwords.
- Order statements.
- Stop payment on checks that have not been paid.
- View 18 months of electronic statements if you have enrolled in E-statements.
- Send and receive secure electronic messaging to and from us.
- Initiate outgoing wire transfers (eWire).
- Initiate payment transactions through the Automated Clearing House network (eACH).
- Upload information about issued checks and review checks presented for payment (Positive Pay).
- Initiate invoicing transactions and receive direct electronic payments (eInvoicing through Popmoney®).

We may periodically make available new internet services or products. We will notify you of them and of any additional terms related to them (including fees). You agree that if you use or acquire any such services or products after they become available, you will be legally bound by all additional account terms concerning them, as well as by this Agreement.

##### **B. Conditions and Limitations of Online Banking Services**

###### **Savings and Money Market Accounts**

Your ability to transfer funds between and/or make payments from certain Deposit Accounts is limited by law. For any Statement Savings Account(s) (including Money Market Accounts), you may make as many in-person withdrawals at a teller window or any ATM 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 by check, draft, debit card, or similar order payable to third parties in any monthly period. We may impose a fee, as disclosed in the Schedule of Business Fees and Service Charges, for each such withdrawal in excess of six (6) that you make in any monthly period. These fees will be reflected in your monthly statement. In addition, repeated violations will result in the Deposit Account being closed or changed from a savings type account to a transaction account.

#### **Internal Transfers**

Funds can be transferred the same day or on a future date between your Eligible Accounts. Future-dated and recurring transfers are processed each calendar day between 9 PM and 11 PM Pacific Time. Same day transfers between Eligible Accounts are processed when received. If the transfer request is submitted prior to 11 PM Pacific Time it will be dated the same day. Transfer requests submitted after 11 PM Pacific Time will be dated the next Transaction Processing Day.

#### **Accessing More than One of Your Accounts**

The Online Banking system may not automatically allow you to view all of the accounts at our Bank of which you are the owner. To request additional Eligible Accounts, you must establish valid ownership and access of the account, and request through your local branch or the Commercial Account Service Center at 877-423-9742 or 206-626-8108, the addition of that account to your online profile.

### **6. Wire Transfer Services (eWire)**

You may initiate outgoing domestic wire transfers and international US Dollar wire transfers from certain types of Eligible Accounts (the "Wire Transfer Service"). Each Eligible Account from which we allow you to initiate wire transfers is referred to as a "Wire Transfer Account." From time to time, we may allow wire transfers to be initiated from additional types of Eligible Accounts, and any such additional types of Eligible Accounts will be automatically included in the Wire Transfer Accounts that you may access through the Wire Transfer Service.

You may request the Wire Transfer Service by completing and submitting a Business Online Banking Services Authorization Form. By completing and submitting an Online Banking Services Authorization Form or permitting anyone to initiate a wire transfer request for a wire transfer from a Wire Transfer Account, you agree to the terms and conditions of this Section.

This Section incorporates: (i) the designations and other information you provide in each Business Online Banking Services Authorization Form; and (ii) any instructions or additional information that may be provided to you regarding the Wire Transfer Service by us or through the Online Banking Service.

You may initiate requests for domestic wire transfers and international US dollar wire transfers through the Online Banking Service, subject to the following restrictions and conditions:

- A. Authorization for Wire Transfer Service.** You authorize and direct us to process each wire transfer request submitted through the Wire Transfer Service and in compliance with the Security Procedures described in this Section. We have no obligation at any time to process any wire transfer request that exceeds the Available Balance in the Wire Transfer Account and any related linked account, at the time that you initiate the wire transfer. We have the right, but not the obligation, to refuse to process any wire transfer request for the purpose of determining whether you authorized the wire transfer request, and shall incur no liability for any delay caused by exercising this right. Wire transfers are "funds transfers" under and for purposes of Article 4A of the Uniform Commercial Code, as adopted in the state in which we maintain your Wire Transfer Accounts.
- B. Security Procedures.** In addition to using the Authorization Codes, you and each Authorized User also must use the security techniques that the Bank has established specifically for the Wire Transfer Service, which may include out of

band authentication. These additional security techniques, together with the Authorization Codes, are referred to as the "Wire Transfer Security Procedures." The Bank may change the Wire Transfer Security Procedures, and will provide instructions to you about the requirements of the Wire Transfer Security Procedures in effect from time to time. You agree that you and each Authorized Wire User will take all actions required to comply with the Wire Transfer Security Procedures, including maintaining the confidentiality and security of your Authorization Codes and any security devices, changing your Authorization Codes from time to time, and immediately reporting any suspected loss or unauthorized use of Authorization Codes or a security device. You agree to assume the risk of loss with respect to any wire transfer initiated by any Authorized User who has failed to comply with the Wire Transfer Security Procedures, and you agree to hold the Bank harmless from and against any loss caused by this failure.

- C. Your Agreement to Security Procedures.** You agree that the Wire Transfer Security Procedures constitute a commercially reasonable security procedure for you. You agree to be bound by any wire transfer request (or any request for cancellation or amendment of a wire transfer request) for a wire transfer initiated through the Wire Transfer Service and accepted by the Bank in compliance with the Wire Transfer Security Procedures, regardless of whether or not you or any Authorized Wire User actually authorized the wire transfer. If a wire transfer request for any wire transfer is accepted by the Bank in compliance with the Wire Transfer Security Procedures, and the wire transfer request contains any error, to the full extent allowed by law you shall be liable for, and shall indemnify the Bank against, the amount of the wire transfer request and all claims and all of the Bank's losses and expenses, including attorneys' fees, relating to the erroneous wire transfer request. The Bank's records demonstrating compliance with the Wire Transfer Security Procedures with respect to any wire transfer request will be deemed conclusive proof that the wire transfer request received by the Bank was authorized and you are bound by that wire transfer request.

If the wire transfer request for a wire transfer (or any request for cancellation or amendment of a wire transfer request) received by the Bank was transmitted or authorized by you or any Authorized Wire User, you shall be obligated to pay the amount of the wire transfer request regardless of (i) whether or not the Bank complied with the Wire Transfer Security Procedures with respect to that wire transfer request, (ii) whether or not that wire transfer request was erroneous in any respect, and (iii) whether or not that error would have been detected if the Bank had complied with such Security Procedures.

You acknowledge and agree that in the event you, whether acting directly or through an Authorized Wire User, request the Bank to accept any wire transfer request for a wire transfer made by using any security procedures other than the Wire Transfer Security Procedures set forth in this Agreement (which the Bank may accept or refuse at its discretion), then you will be deemed to have chosen other security procedures after the Bank offered and you refused security procedures that were commercially reasonable for you, and you expressly agree to be bound by any wire transfer request, whether or not authorized, issued in your name in accordance with such other security procedures.

**D. Wire Transfer Requests.**

**Initiating Wire Transfers.** Wire transfers shall be from Wire Transfer Accounts, and may be to any other account with the Bank, an affiliate of the Bank, or another bank or financial institution. You agree that, except as otherwise provided for in this Agreement, all wire transfers originated through the Wire Transfer Service shall comply with the Wire Transfer Security Procedures, all other terms of this Agreement, and the terms and provisions of Article 4A of the Uniform Commercial Code, as adopted in the state in which the Bank maintains your accounts.

**Honoring Wire Transfers.** We will accept a wire transfer request only if the Authorized User places the order in accordance with the terms and requirements stated in this Agreement and the onscreen terms. We have no obligation to honor, either in whole or in part, the wire transfer request (or the cancellation or amendment thereto) that: (i) exceeds the Available Balance in the Wire Transfer Account and any related linked account from which the transfer is requested; (ii) is not in accordance with each term and condition provided for in this Agreement and applicable law; (iii) is not, or we believe may not be, authorized or correct; or (iv) is impracticable or not feasible to

accept. In addition, we shall be excused from failure or delay in issuing or accepting a wire transfer request if such issuance or acceptance would result in the Bank's exceeding any limitation upon its intraday net funds position established pursuant to present or future guidelines or otherwise violating any provision of any present or future bank regulatory statute, rule, regulation or risk control program. If the applicable Wire Transfer Account does not contain sufficient funds for the requested wire transfer, we may, at our option, accept the wire transfer request and debit any such account into overdraft, and we shall not be liable for damages to you as a result thereof; provided, we have no obligation to debit any such account into overdraft. If we create an overdraft to complete a wire transfer, you agree to pay to us the amount of the overdraft upon demand, and, if applicable, interest accruing on the amount of the overdraft from the date of its creation at the maximum rate of interest permitted under applicable law. You hereby authorize us to charge any of your accounts held by us (even if not a Wire Transfer Account or an Eligible Account) at any time for such amount.

Except as otherwise provided in this Section, we agree to use reasonable efforts to execute each wire transfer request on the date received, provided that: (i) we receive your wire transfer request no later than 2:00 PM, Pacific Time; and (ii) such day is a Business Day for us, the Federal Reserve, and the beneficiary's bank. In executing the wire transfer request, we may utilize such means of transmission as we reasonably select. If you originate multiple wire transfer requests for execution on the same day, we may execute the wire transfer requests in any order convenient to us. If you direct us to use a specific intermediary bank or specific means of execution, you assume all risks of failure or of non-payment by the intermediary bank and all risks of loss by the means directed.

**Canceling and Amending Wire Transfer Requests.** If you wish to cancel or amend a wire transfer request previously transmitted to us, you must transmit notice of the requested cancellation or amendment in compliance with the Wire Transfer Security Procedures, and you must include the amount and recipient of the wire transfer request in the notice. We will make a reasonable effort to comply with any request you make to cancel or amend a wire transfer request that is made before our acceptance of the wire transfer request but only if our Wire Transfer Department has been given sufficient notice and a reasonable opportunity to act on it. We have no obligation or duty to cancel or amend a wire transfer request received from you after we accept the wire transfer request. If we consent to cancel or amend an accepted wire transfer request, you shall indemnify and hold us harmless for all loss and expense, including attorneys' fees, relating to the cancellation and amendment or attempted cancellation and amendment.

- E. Types of Wire Transfers.** The Wire Transfer Service permits you both to submit requests for one-time wire transfers and to develop templates for recurring and repetitive wire transfers. The Online Banking Service for the Wire Transfer Service provides instructions and procedures for submitting different kinds of wire transfers.
- F. Fees.** You agree to pay and reimburse us for all governmental and third party fees or taxes arising out of or related to our providing the Wire Transfer Service to you.
- G. Reliance on Your Instructions.** You understand and agree that, unless we, in our sole discretion, elect to confirm any wire transfer request, we will not verify the terms of any wire transfer request submitted under this Section.

You are solely responsible for the accuracy and completeness of all data, instructions or other information provided to us regarding any wire transfer initiated. You authorize us to process each wire transfer request submitted in accordance with the information that we receive from you in accordance with the Wire Transfer Security Procedures. We shall have no responsibility for any erroneous information you provide and no liability for any losses you may suffer that arise from or relate to any erroneous information you provide for any wire transfer request submitted hereunder.

- H. Representations and Warranties.** You represent and warrant that each electronic communication submitted to us through the Wire Transfer Service, including without limitation each wire transfer request, shall comply with this Agreement and all applicable law. You also represent and warrant that: (a) no Wire Transfer Account is a "consumer

account" as contemplated by the Electronic Fund Transfer Act, 15 U.S.C. 1693 et seq., and Regulation E, 12 CFR Part 205; and (b) you will submit a wire transfer request on a Wire Transfer Account only for commercial purposes, and never for personal, family or household purposes. You agree to provide any additional information and to execute any additional documents or agreements that we may request in connection with your use of the Wire Transfer Service.

- I. **Identifying Information.** You understand and agree that all wire transfers shall be executed on the basis of the following information provided in your wire transfer request (which is referred to collectively as "Identifying Numbers"): (i) account number or other Identifying Number for the beneficiary; and (ii) the Identifying Number for any bank to or through which the funds are to be sent (a "Receiving Bank"). The Bank and any other bank processing the wire transfer request (a "Processing Bank") may rely solely on the Identifying Numbers that you provide in your wire transfer request, regardless of whether the order also identifies the beneficiary or Receiving Bank by name, and no Processing Bank has any obligation to confirm that any Identifying Number applies to any named beneficiary or Receiving Bank or to identify any discrepancy between any Identifying Number and the name provided for any beneficiary or Receiving Bank.

We have no obligation to determine whether the recipient identified in any wire transfer request is the accountholder for the account to which funds are to be transferred. If your instructions for any wire transfer request contain any inconsistent information or other discrepancy regarding the name of the intended recipient and the account into which the funds are to be transferred, we shall make the transfer on the basis of the account number, even if that number identifies an account held by a person or entity other than the named recipient. If a wire transfer request issued by you identifies an intermediary bank or beneficiary's bank only by an Identifying Number or by both name and Identifying Number, the Receiving Bank may rely on the Identifying Number as the proper identification of the intermediary bank or beneficiary's bank, even if such number identifies a person or entity different from the bank identified by name; and the Receiving Bank need not determine whether the name and number refer to the same person or entity or whether the number refers to the bank.

The foregoing is intended to be consistent with and subject to the terms and provisions of Sections 4A-207 and 4A-208 of the Uniform Commercial Code as in effect in the state in which we maintain your accounts.

## 7. Electronic Automated Clearing House Transactions (eACH)

### A. Definitions

"ACH" means the Automated Clearinghouse House electronic payments system or, as the context implies, an individual Automated Clearing House association.

"Designated Account Holders" means persons or entities whose accounts you request to initiate funds transfers into or out of.

"Effective Entry Date" means the pre-set date you choose for the entry to post to the Designated Account Holder's account. The actual posting will take place on the Settlement Date (see below).

"Entry" means an electronic fund transfer transmitted via the ACH system under this Agreement.

"Entries" shall have the meaning provided in the NACHA Rules and shall also mean (i) the data received from you hereunder from which Bank prepares Entries, and (ii) for purposes of the Sections entitled "Cancellation and Amendment of Entries; Reversals," "Dual Control," and "Exceeding Exposure Limits," any request from you for reversal of an Entry.

"Maximum Net Settlement Limit" means the maximum dollar value of all unsettled (i.e. outstanding) debit and credit Entries under all company identification numbers that Bank will allow.



“NACHA” is an acronym for the National Automated Clearing House Association.

“ODFI” is an acronym for Originating Depository Financial Institution. For instance, Bank operates as an ODFI when it initiates (originates) entries on your behalf.

“On-Us Entry” means a debit or credit entry made between you and an account at Bank.

“Participating Depository Financial Institution” means a financial institution that (i) is authorized by applicable legal requirements to accept deposits, (ii) has been assigned a routing number by Accuity, and (iii) has agreed to be bound by the NACHA Rules.

“RDFI” is an acronym for Receiving Depository Financial Institution. For instance, Bank operates as an RDFI when it receives an entry from ACH and debits or credits your accounts as instructed by the entry.

“NACHA Rules” has the meaning given in the paragraph below entitled “NACHA Rules”.

“Security Procedures” means, collectively, all of those procedures contained within this Agreement and the NACHA Rules that are designed to stop the dissemination and transmission of unauthorized Entries.

“Settlement Date” means the date that an exchange of funds with respect to an Entry is reflected on the books of the Federal Reserve Bank(s). Funds will post to the Designated Account Holder’s account on Settlement Date.

**B. NACHA Rules**

By using the ACH service through the Online Banking Service, you agree to comply with the Operating Rules of the NACHA in existence as of the date of this Agreement and as amended or created from time to time, but at least annually (herein collectively referred to as the “NACHA Rules”). We reserve the right to audit your compliance with the NACHA Rules and this Agreement. At your request, we will make a copy of the NACHA Rules available for you.

- C. Compliance with Law.** You agree that you will not initiate any ACH entries in violation of federal, state, or local law. You are responsible for ensuring that any Entries initiated through the ACH are not subject to sanctions enforced by the Office of Foreign Assets Control (OFAC). You agree that if we identify a potential violation of OFAC sanctions that the Bank may act upon the Entry as required by law and in accordance with the NACHA Rules. You are restricted to only transmitting PPD (Prearranged Payment and Deposit) and CCD (Corporate Credit or Debit) entries and must obtain and maintain prior authorizations from Designated Account Holders that meet the requirements of the NACHA Rules regarding such entries.

**D. Delivery of Entries to Bank**

**Delivery Requirements.** All Entries shall be delivered by you to Bank in compliance with the formatting and other requirements set forth by Bank and this Agreement.

**Maximum Net Settlement Limit.** Bank may set a Maximum Net Settlement Limit for you and may from time to time increase or decrease this limit. Bank will also set batch limits commensurate with your ACH processing needs. The total dollar amount of Entries transmitted by you to Bank shall not exceed this Maximum Net Settlement Limit. Bank will reject batches that exceed the limits set forth and will notify you if such rejection occurs. To avoid processing delays or Bank rejection of batches, you agree not to send batches that exceed the limits set by Bank.

**Security Procedures.** You and Bank will comply with the Security Procedures with respect to Entries transmitted by you to Bank. Bank may reject any Entry that it believes or suspects does not comply with the Security Procedures.

**Designated Account Holder Authorizations and Record Retention.** Before the initiation by you of the first Entry to a Designated Account Holder's Account, you shall obtain from such Designated Account Holder an authorization to initiate one or more Entries to the Designated Account Holder's Account, which authorization shall comply with the NACHA Rules. You shall provide Designated Account Holder with a copy of such authorization. Each Entry thereafter shall be made pursuant to such authorization, and you will not initiate an Entry after such authorization has been revoked or the arrangement between you and such Designated Account Holder has terminated. You will retain Designated Account Holder authorizations for two years after they are terminated and other documents related to Entries for a period of two years. You shall immediately furnish such authorizations and documents to Bank upon Bank's request.

**Cancellation and Amendment of Entries; Reversals.** Through the Online Banking Service you may cancel an Entry if it has not yet been delivered to the Bank or submit a reversal of an Entry up to 5 Business Days after the Settlement Date. Bank may at its discretion use reasonable efforts to act on a request by you for reversal of an Entry file pursuant to the NACHA Rules; provided, however, that Bank shall not be liable for interest or losses if such reversal is not effected. Any request by you for reversal of an Entry must comply with the provisions of the sections entitled Delivery Requirements and Security Procedures. You shall reimburse Bank for any expenses, losses, or damages Bank may incur in effecting or attempting to complete your request for the reversal of an Entry. Bank shall be entitled to payment from you in the amount of any such reversal of a Debit Entry file prior to acting on any request therefore.

**Designated Account Holder's Right to Refund Debit Entry.** You acknowledge that a Designated Account Holder, under the NACHA Rules, has the right to obtain a refund of funds debited from a Designated Account Holder's Account by such Designated Account Holder's sending of a notice to the RDFI that a Debit Entry was, in whole or in part, not authorized, and the right of the RDFI to obtain payment of the amount of such Entry from an ODFI by transmitting an adjustment entry (as described in the NACHA Rules, and hereinafter "Adjustment Entry") in the amount of such refund. You agree to pay Bank the amount of (i) any such adjustment entry upon its receipt by Bank, and (ii) with respect to any On-Us Entry, any refund paid by Bank to a Client in connection with such Designated Account Holder's claim that an Entry was, in whole or in part, not authorized.

**Notice to Designated Account Holders.** If the amount of a Debit Entry to a Designated Account Holder's Account varies in amount from the previous Debit Entry relating to the same authorization or preauthorized amount, you shall, at least ten (10) calendar days before the Effective Entry Date of such Debit Entry, send the Designated Account Holder written notice of the amount of such Debit Entry and its Effective Entry Date, unless Designated Account Holder has previously been notified of Designated Account Holder's right to receive such notice and Designated Account Holder has elected to receive such notice only when the Debit Entry does not fall within a specified range of amounts or varies from the most recent Debit Entry by an agreed amount. If any change is made by you in the scheduled Effective Entry Date of one or more Debit Entries, you shall, at least seven (7) calendar days before the Effective Entry Date of the first such Debit Entry to be affected by such change, send the Designated Account Holder a written notice of the new Effective Entry Date(s) of such Entry or Entries.

#### **E. Processing, Transmittal and Settlement by Bank**

**Processing, Transmittal and Settlement.** Except as otherwise provided herein, Bank shall (i) process Entries received from you to conform with the requirements set forth in this Agreement, (ii) transmit such Entries as an ODFI to an Automated Clearing House processor ("ACH") selected by Bank in its sole discretion, and (iii) settle for such Entries as provided in the NACHA Rules.

**Timing.** Bank shall transmit such Entries to the ACH by the deadline of the ACH either one or two Business Days prior to the Effective Entry Date shown in such Entries, provided that (i) such Entries are received by Bank's related cut-off time. Files must be received by the Bank no later than 4 PM Pacific Time one Business Day prior to the Effective Entry date, on a Business Day, (ii) the Effective Entry Date is at least one Business Day after such Business Day, and (iii) the ACH is open for business on such Business Day. Entries shall be deemed received by Bank when the

electronic transmission (and compliance with any related Security Procedure) is completed as provided in the Delivery Requirements.

If any of the requirements of clauses (i) or (ii) of the preceding paragraph are not met, Bank shall use reasonable efforts to transmit such Entries to the ACH by the next deposit deadline of the ACH that is a Business Day.

Bank shall transmit Entries with an Effective Date that settles on a Federal Holiday the Business Day prior to the Holiday. Bank is not required to transmit any Entries earlier than a Federal Holiday to accommodate an Effective Entry date that would result in an Entry being submitted to the ACH in excess of three Business Days prior to the Effective Entry date. You are responsible for the timing of Entries to correspond to the Settlement Date of such Entries.

**F. On-Us Entries**

Except as provided in the Section entitled "Rejection of Entries," in the case of an On-Us Entry, we will credit/debit the Designated Account Holder's account in the amount of such Entry on the Effective Entry Date contained in such Entry, provided the requirements set forth in clauses (i) and (ii) of the Section entitled "Timing" are met. If either of those requirements are not met, Bank shall use reasonable efforts to credit/debit the Designated Account Holder's account in the amount of such Entry on the next Business Day following such Effective Entry Date.

**G. Rejection of Entries**

Bank may reject any Entry for any reason. Bank shall in good faith attempt to notify you of such rejection (either electronically, in writing, by telephone, or as otherwise agreed to by Bank and you) no later than the Effective Entry Date of the rejected Entry. Bank shall not be liable to you for the rejection of any Entry, for your non-receipt of a notice given to you, or for the failure to give notice of rejection at an earlier time than that provided for herein. Bank shall not be required to pay you interest on a rejected Entry for the period from rejection of the Entry to your receipt of the notice of rejection.

**H. Notice of Returned Entries**

Bank shall notify you either electronically, in writing, by telephone, or as otherwise agreed to by Bank and you of the receipt of an Entry returned by the ACH no later than one Business Day after Bank's receipt of the returned Entry. Bank shall have no obligation to re-execute a returned Entry.

**I. Provisional Payment**

You represent to Bank and agrees to be bound by the provision of the NACHA Rules making payment of an Entry by the RDFI to the Designated Account Holder provisional until receipt by the RDFI of final settlement for such Entry, and specifically acknowledge receipt of notice of that Rule and of the fact that, if such settlement is not received, the RDFI shall be entitled to a refund from the Designated Account Holder of the amount credited and you shall not be deemed to have paid the Designated Account Holder the amount of the Entry.

**J. Security Procedures; Unauthorized and Authorized Entries; Inconsistent Entries**

**Purpose of Security Procedures.** You agree that the purpose of the Security Procedures is to verify the authenticity of Entries transmitted to Bank in your name and not to detect an error in the transmission or content of any Entry, and that no security procedure for the detection of such errors has been agreed upon by you and us.

**Single Approval and Dual Approval.** Bank may require Dual Control on all Entries initiated through ACH. In effect, you will be required to have two different individuals initiate and approve any file submission to the Bank. You may establish a dollar limit threshold that will allow submission of files by a single individual if the threshold is not exceeded.

**Exceeding Exposure Limits.** Bank will reject any file that exceeds the exposure limits designated by Bank ("Exposure Limits"). Requests to exceed the Exposure Limits must be approved prior to any transmission of files that would exceed the Exposure Limit.

**Authorized Entries.** If an Entry received by Bank was transmitted or authorized by you, it shall be effective as your Entry as provided herein, whether or not Bank complied with the Security Procedures with respect to that Entry and whether or not that Entry was erroneous in any respect or that error would have been detected if Bank had complied with such procedure.

**Unauthorized Entries.** An Entry delivered to Bank that purports to have been transmitted or authorized by you shall be effective as your Entry as provided herein even if the Entry was not in fact authorized by you, provided Bank has accepted the Entry in compliance with the Security Procedures with respect to such Entry. In the event you are aware of the possibility of error or lack of authority in the transmission of an Entry or any request or communication relating thereto, regardless of source of information regarding such error or lack of authority, you shall immediately notify Bank by telephone, followed by confirmation in writing. **YOU ARE LIABLE FOR ANY UNAUTHORIZED ENTRIES THAT COMPLY WITH THE SECURITY PROCEDURES.**

**Inconsistent Entries.** You acknowledge and agree that (i) if an Entry describes the Designated Account Holder inconsistently by name and account number, payment of the Entry transmitted by Bank to an RDFI might be made by the RDFI (or by Bank in the case of an On-Us Entry) on the basis of the account number even if it identifies a person different from the named Designated Account Holder, and that your obligations to pay the amount of the Entry to Bank is not excused in such circumstances, and (ii) if an Entry describes a RDFI inconsistently by name and identifying number, payment of the Entry might be made on the basis of the identifying number even if it identifies an RDFI different from the named RDFI, and that your obligation to pay the amount of the entry to Bank is not excused in such circumstances.

**K. Your Account**

You shall at all times maintain sufficient Available Funds in your Account to pay the amount of all Credit Entries, returned or reversed Debit Entries, Adjustment Entries, fees and other amounts which you are obligated to pay Bank under this Agreement. Bank may, without prior notice or demand, obtain payment of any amount due and payable to it under this Agreement by debiting your Account, and may credit your Account for any amount to which you are entitled under this Agreement. If there are insufficient Available Funds in the your Account to pay amounts you owe Bank under this Agreement, you will pay any amounts due immediately upon demand, and you agree that Bank may debit any account maintained by you with Bank or that Bank may set off against any amount it owes you, in order to obtain payment of your obligations to us.

**L. Credit Entries**

Bank in its sole discretion may require you to have sufficient Available Funds in your Account to cover the amount of a Credit Entry prior to Bank's transmittal of such Entry to an ACH or Bank's crediting of a Designated Account Holder's account in the amount of an On-Us Entry. In the absence of such a requirement, you will be obligated to have such available funds in your Account at such time on the Settlement Date with respect to such Entry or, in the case of an On-Us Entry, the date of crediting the Designated Account Holder's account, as Bank, in its discretion, may determine.

**M. Debit Entries**

Bank in its sole discretion may defer any credit to your Account with respect to a Debit Entry until it has received final settlement for such Entry. Any credit provided prior to that time shall be provisional and Bank shall have the right to immediate payment by you upon Bank's receipt of notice that final settlement has not occurred. In addition, Bank shall have the right to payment by you of the amount of any returned or rejected Entry for which you have previously received credit upon its receipt by Bank.

**N. Your Representations and Warranties**

You represent and warrant that for each Entry you deliver to Bank:

- (i.) The Entry complies with the terms of this Agreement and the NACHA Rules
- (ii.) You have complied with the NACHA Rules with respect to the Entry
- (iii.) There has not been and shall not later be any breach of any warranty by you as an Originator or of Bank as an ODFI under the NACHA Rules
- (iv.) You have not breached any warranty contained in this Agreement
- (v.) The Entry complies with all local, State, and Federal regulations, including but not limited to the Electronic Fund Transfer Act and Regulation E.

**O. Notices and Statements**

Bank is not required to and may not provide you or Designated Account Holders with notice of receipt, Bank's transmittal, or crediting/debiting of Entries. Entries and other debits and credits to your Account will be reflected on the periodic statement for your Account. You will notify Bank of any unauthorized or erroneous Entries or any other discrepancy or error on the periodic statement within twenty-one (21) calendar days of receipt of the statement, after which the statement will be conclusively presumed to be correct. Bank shall not be liable for any interest or losses resulting from your failure to give such notice.

**P. Confidentiality**

You acknowledge that it will have access to certain confidential information regarding Bank's execution of Entries, the Security Procedures, and the services contemplated by this Agreement. You will not disclose any confidential information of Bank and shall use such confidential information only in connection with the transactions contemplated by this Agreement.

**Q. Delivery Media and Records**

All delivery media, Entries, Security Procedures, and records used by Bank for transactions contemplated by this Agreement shall be and remain Bank's property. Bank may, in its sole discretion, make available such information upon your request. Any expenses incurred by Bank in making any such information available to you shall be paid by you.

**R. Instructions and Notices.**

We will be entitled to rely on any oral or written notice, response, or other communication believed by it to be genuine and to have been provided by the Online Administrator or Authorized User, and any such communication shall be deemed to have been provided by such person on your behalf. Any Entry or other data or information received by Bank from or transmitted by Bank to a third party data processor selected by you shall be deemed to have been received from or transmitted to you, and such vendor shall be deemed your agent. You must provide us with notice of use of such vendors and notice of change of vendors. Such notice shall be effective on a date agreed to by both parties.

**S. Maximum Net Limit.**

You shall not exceed maximum net limit without prior approval from Bank. You must complete exposure limit change request form. Approval in one or more instances shall not be deemed approval for any future instance. These amounts may be updated from time to time by Bank and such updated amounts shall be effective upon notice to you.

**8. Positive Pay**

**A. Definitions**

"Authorized Account" means your accounts maintained at Bank, to which the Positive Pay Services rendered by Bank will apply, as indicated in Schedule A.

“Check Issue Report” means a record describing checks drawn by you on an Authorized Account you provide to us under the Section entitled “Check Issue Report.”

“Exception Check” means a Presented Check that does not match a check included in a Check Issue Report.

“Exception Check List” means a record describing Exception Checks we make available to you through the Online Banking Service.

“Pay/Return Request” means your instructions to us ordering us to pay or return an Exception Check.

“Presented Check” means a check drawn on an Authorized Account and presented to Bank for payment through the check collection system.

## **B. Positive Pay Services**

**Check Issue Report.** You will submit a Check Issue Report to Bank each day you issue checks on an Authorized Account through the Online Banking Service. The Check Issue Report shall accurately state the check number and the exact dollar amount of each check drawn on each Authorized Account since the last Check Issue Report was submitted.

**Payment of Presented Checks and Reporting of Exception Checks.** The Bank will compare each Presented Check by check number and amount against each Check Issue Report received by Bank. On each Business Day, Bank: (a) may pay and charge to the Authorized Account each Presented Check that matches by check number and amount a check shown in any Check Issue Report; and (b) shall make available through the Online Banking Service by 8:00 AM Pacific Time an Exception Check List that indicates whether Bank has received any Exception Checks and, if so, specifies the complete check number and amount of any such Exception Check.

**Payment of Exception Checks; Return Requests.** Bank will pay or return Exception Checks pursuant to your Pay/Return Request or pursuant to ONLY ONE of the following default selections:

Return Default: If the Return Default Option is selected, Bank shall return to the depository bank any Exception Check drawn on the Account(s), unless Customer issues a timely Pay/Return Request to Bank.

Pay Default. If the Pay Default option is selected, Bank shall pay and charge to the Account(s), any Exception Check drawn on the Account(s) unless the Customer issues a timely Pay/Return Request to Bank.

A Pay/Return Request shall identify each Exception Check that you desire us to pay or return by the complete check number and amount specified in the Exception Check List and shall instruct Bank to pay or return the Exception Check. You must submit the Pay/Return Request to us via the Online Banking Service by 11:00 AM Pacific Time of the day the Bank makes the Exception Check List available. Bank shall then charge to the Authorized Account or return to the depository bank any Exception Check that you instruct us to pay or return. We will not be obligated to comply with any Pay/Return Request received in a format or medium, after a deadline, or in a manner not permitted under this Agreement but may instead treat such a Pay/Return Request as though it had not been received.

**Report and Return Request Transmittal.** The Positive Pay Service is entirely web-based, meaning that all Check Issue Reports, Exception Check Lists, and Pay/Return Requests will be and must be transmitted electronically through the use of the Online Banking Service.

In the event of a Bank system failure that results in a Check Issue Report, Exception Check List, or Pay/Return Request that cannot be received, made available or processed by the Bank, the Bank will attempt to contact you. If we cannot reach you, we will act pursuant to your default selection. In the event of your system failure, we request that you contact the Commercial Account Service Center at 1-877-423-9742 or 206-626-8108 to provide us with instructions. If you do not contact us, we will act pursuant to your default selection.

**Errors.** We are not responsible for detecting any error contained in any Check Issue Report or Pay/Return Request you send us. On occasion, a Presented Check may inadvertently appear on an Exception Check List when such Presented Check had been provided to the Bank in a previous Check Issue Report. You, and not Bank, are responsible for reconciling such reporting and provide Bank with appropriate instructions per this Agreement.

**Not Covered.** This Agreement does not apply to a check that Bank has already cashed, negotiated or paid or which the Bank is already committed to honor or pay under applicable laws, regulations or rules governing such items.

**C. Wrongful/Right Honor.**

**Wrongful Honor.** It shall constitute wrongful honor by Bank to pay an Exception Check that was listed in a timely Exception Check List and which you rejected in a timely Pay/Return Request. In the event that there is wrongful honor: (i) Bank shall be liable to you for the lesser of the amount of the wrongfully paid Exception Check or your actual damages resulting from Bank's payment of the Exception Check; (ii) Bank retains the right to assert your failure to exercise reasonable care; and (iii.) Bank retains the right to assert the defense that you have sustained no actual damages because Bank's honor of the Exception Check discharged for value your indebtedness.

**Wrongful Dishonor.** Except as provided in this section, it shall constitute wrongful dishonor by Bank to dishonor an Exception Check you approved in a timely Pay/Return Request. We will have no liability to you for wrongful dishonor when we, acting in good faith, return an Exception Check: (i) we reasonably believed was not properly payable; (ii) because there are insufficient Available Funds on deposit in the Authorized Account; or (iii) because we are required to do so by the service of legal process on us or the instructions of regulatory or government authorities or courts.

**Rightful Payment and Dishonor.** Except as provided in the Faulty Information section of this Agreement: (i) If we dishonor an Exception Check because you rejected the Exception Check in a Pay/Return Request, the dishonor shall be rightful, and you waive any right it may have to assert that the dishonor was wrongful; and (ii) you agree that we exercise ordinary care whenever we rightfully pay or return an Exception Check consistent with the provisions of the Agreement.

**Faulty Information.** The Bank shall be liable for direct losses caused by its honor of a check that was not properly payable, or its dishonor of a check that was properly payable, if the honor or dishonor occurred because Bank, in accordance with this Agreement, (a) should have shown the check on an Exception Check Report but failed to do so; or (b) showed the check on an Exception Check Report but referenced the wrong check number, unless Bank provided you with timely information that disclosed the error.

**Sufficient Funds.** You will maintain sufficient Available Funds in the Authorized Account to cover the aggregate debits made to the Authorized Account. If sufficient funds are not available Bank may, in its sole discretion, either (a) reject any checks or other debit items drawn on the Authorized Account or (b) accept any checks or other debit items drawn on any Authorized Account, even if such acceptance would bring the Authorized Account negative. Bank may decide in its sole discretion which checks or other debit items to accept or reject and the order in which to accept or reject any such debit items. If Bank must reverse a provisional credit and such reversal causes the Authorized Account to have a negative balance, you agree that Bank may reverse the transfer of any funds and then reject any items not finally paid.

**9. Electronic Invoicing through Popmoney®**

We offer electronic invoicing through FiServ Solutions Inc. ("FiServ") Popmoney® service. These services are governed by the Terms and Conditions for Popmoney® Transfer Service for Small Business ("Popmoney® Terms and Conditions"). Fees may apply; please review the current Fee Schedule available on our Website and upon request from your local branch. FiServ, the service provider, may also charge fees that are specified in the Popmoney® Terms and Conditions. Between you and us, this Agreement controls.

## **10. Fees**

You agree to pay all account fees and charges for the Online Banking Services under this Agreement in accordance with the [Fee Schedule](#) available on our Website and upon request from your local branch. We reserve the right to change fees for any service provided through the Online Banking Service. You agree that any fees may be deducted automatically from your account (or any other account you have with us if there are insufficient funds in that account).

## **11. Placing Stop Payment Orders**

You can place stop payment orders using our Online Stop Payment service. To place a stop payment on a check or a series of checks, sign on to the Online Banking Service and select the "Accounts" menu, then select "Stop Payment". All information requested must be provided before we can process a stop payment. If you use our Online Stop Payment service, you agree that all of our normal rules for placing stop payments shall apply. This means that online stop payment orders are valid for 6 months. If you send us an online stop payment order, we will send you a stop payment confirmation. If you wish to cancel the stop payment or change any information, follow the directions on the confirmation. There will be a fee for placing a stop payment, see the [Fee Schedule](#) for the current fee.

## **12. Electronic Statements and Notices**

If you enroll to receive eStatements or disclosures, documentation, and other communications concerning your Eligible Accounts ("Notices") electronically, statements or Notices, as applicable, for your Eligible Accounts will be available only through Online Banking Services. Your consent to receive eStatements covers the account statement for the Eligible Accounts you designate within Online Banking. Your consent to receive Notices electronically covers any disclosures, agreements, documentation, and other communications from the Bank for the Eligible Accounts you designate within Online Banking. If you enroll in eStatements, the Bank may discontinue mailing such account statements and may discontinue mailing Notices to your address of record. You agree to be bound by any and all laws, rules, regulations and official issuances applicable to eStatements now existing or which may hereafter be enacted, issued or enforced.

We will send you notice via e-mail when a new document is available for review. Notice will be sent shortly after the end of your statement period and will provide instructions on how to access your eStatement or Notice. This is the only notice you receive of the availability of your eStatement or Notice online. We will archive electronic statements and Notices for your Eligible Accounts for a rolling 18 months, regardless of when you enroll.

Your receipt of e-Statements or Notices does not in any way alter your obligation to promptly review your transaction history. You must promptly access/review your e-Statement or Notices and any accompanying items and notify us immediately of any error, unauthorized transaction, or any other irregularity. The Business Account Agreement details all timelines for reporting errors on your account statement.

At any time, you may request a paper copy of your account statement. Paper copies may be acquired by contacting us by phone at 1-877-423-9742 or 206-626-8108, by email to [casc@wafd.com](mailto:casc@wafd.com), or by US mail at Washington Federal, Attn: Commercial Account Service Center, 425 Pike Street, Seattle, Washington 98101, by requesting through Online Banking, or by visiting your local branch. Fees may apply.

## **13. Using email to send information and inquiries to us**

Normal internet e-mail transmissions may not be secure. The Online Banking Service provides secure messaging ("Secure Message") for you to ask questions about your Accounts or give comments on the Online Banking Service. Secure Message provides the ability to securely communicate sensitive or confidential information. Secure Message is accessible after you sign on with your password to a secure session of the Online Banking Service. To ensure the security of your account information, we recommend that you use only Secure Message when asking specific questions about your accounts or when sharing sensitive or confidential account information about your Washington Federal accounts. You cannot use email to initiate transactions on your accounts. For transactions, please use the appropriate functions within the Online Banking Service or call Washington Federal Commercial Account Service Center at 1-877-423-9742 or 206-626-8108 or by visiting your local branch.



#### 14. Third Party Services

Through our Website we offer access to the following services provided by third parties. These services are conducted on the website of these third parties and we are not responsible for the services offered on these sites. These other sites may have their own terms and conditions and their own privacy policies and may send their own cookies to users, collect data, and solicit personal information. These services include:

- scanDeposit
- eLockBox
- FED EDI
- Federal Taxes
- Harland Clarke

#### 15. Privacy

We are committed to protecting your privacy. All information gathered from you in connection with using the Online Banking Service will be governed by the provisions of the Washington Federal Privacy Policy as set out in our [Privacy Notice](#) and our [Online Privacy Policy](#).

#### 16. Liability Provisions

##### A. Your Liability

You agree that we are entitled to rely on and deem the use of your Authorization Codes to gain access to Online Banking as your authorization for every transaction involving any Eligible Account until you have notified the Bank of any possible unauthorized use or transactions. Neither we nor our service providers or affiliates will have any liability to you for any unauthorized payment or transfer made using your Authorization Codes that occurs before you have notified us of possible unauthorized use and we have had a reasonable opportunity to act on that notice. Authorization of transfer requests and payment requests through Online Banking by means of your Authorization Codes shall be considered the same as your signed authorization and instruction for the Bank to perform any and all actions relating to the requested transaction. You agree to be bound by any transaction on any of your Eligible Accounts using Online Banking that is initiated by means of your Authorization Codes and accepted by the Bank in accordance with the security procedure outlined in this Agreement or disclosed to you online, regardless of whether or not you actually authorized the transaction. You agree not to attempt to use the Online Banking Service to make a transfer if you have reason to believe the Online Banking Service is not functioning properly.

##### B. System Unavailability and Force Majeure

The Online Banking Service may be unavailable when systems require maintenance or upgrades or major unforeseen events occur, such as earthquakes, fires, floods, computer failures, interruptions in telephone service, electrical outages, civil unrest or riots, war or acts or threatened acts of terrorism or other circumstances beyond Bank's control. In the event you or we fail to perform our obligations under this Agreement as a consequence of such an event, such failure shall not be considered a breach of this Agreement and the disabled party will use its best efforts to meet its obligations under this Agreement.

##### C. Limitations on Our Liability

Notwithstanding any other provision in this Agreement, and to the fullest extent permitted by applicable law, neither the Bank, its service providers nor any of their affiliates shall be liable, and you release and waive any and all claims against all of them, for any and all losses, damages or costs incurred by you or by any other person, arising from or relating to any acts or omissions of the Bank, its service providers or their affiliates, whether under this Agreement or otherwise, in connection with Online Banking or any Eligible Account (including, but not limited to, improper calculation or processing; transfer of funds or failure to transfer; dishonor or failure to dishonor; payment, stop payment, or failure to pay or stop payment; processing of electronic transfer entries; or loss or delay of electronic transfer entries, items, instruments, input data and materials during transfer to or from the Bank) unless you prove that such losses, damages or costs resulted solely from the Bank's bad faith or gross negligence or from

breach of this Agreement; provided, however, to the fullest extent permitted by applicable law, neither the Bank, its service providers nor any of their affiliates shall be liable to you or any other person for any of the following:

- For any error in transferring funds from or into an Eligible Account if you fail to notify us of the erroneous transfer within thirty (30) days after we deliver or otherwise make available an account statement showing the erroneous transfer;
- For any consequential, indirect, incidental, special, exemplary, punitive or similar damages, including attorneys' fees or lost profits, even if advised of the possibility of such loss in advance;
- For any failure to make a transfer or payment when your Eligible Account is frozen or funds are otherwise unavailable under the terms of your Business Account Agreement;
- For any losses, damages or costs, relating to or in any way arising out of the use of the Online Banking Service or the installation, use, or maintenance of your Internet Computer or Software;
- For any losses, damages or costs arising from or relating to your failure to maintain the confidentiality and security of your Authorization Codes, any or all components of your Authorization Codes or any other information that enables any other person to gain access to your Eligible Accounts or your subscription to Online Banking; and
- For any losses, damages or costs arising from or relating to your failure to receive notices and other communications (including Authorization Codes) that the Bank has sent to your current address and/or email address shown on the Bank's records, regardless of whether the address on that communication included any designation for delivery to the attention of any particular individual.

Your sole remedy under this Agreement for any errors by the Bank in completing any transfer or bill payment you have properly requested through Online Banking in accordance with this Agreement, the applicable Account Agreements, and applicable law shall be limited as follows:

If the payment or transfer is not made or is delayed, or if a payment or transfer is made in an erroneous amount that is less than the amount authorized by your instructions, unless otherwise required by law, the liability of the Bank, its service providers and their affiliates shall be limited to correcting the transfer or payment. If the payment or transfer is made in an erroneous amount that exceeds the amount provided in your instructions, or the Bank permits an unauthorized payment or transfer after you have provided notice and the Bank has had a reasonable time to act on your notice, unless otherwise required by law, the liability of the Bank, its service providers and their affiliates shall be limited to a refund of the amount erroneously paid or transferred.

The limitations on the liability of the Bank, its service providers and their affiliates provided in this Agreement are in addition to, and shall not diminish, any limitations on this liability contained in any applicable Account Agreement or any other agreement between you and the Bank.

We agree to make reasonable efforts to ensure the full performance of the Online Banking Service. We will be responsible for acting only on those instructions that are actually received and cannot assume responsibility for malfunctions in communications facilities not under our control that may affect the accuracy or timeliness of messages you send. We are not responsible for any losses or delays in transmission of instructions arising out of the use of any Internet service provider, your connection to the Internet, your Computer, or caused by any browser software.

We are not responsible for any indirect, special, incidental or consequential damages arising in any way out of your use of the Online Banking Service. In states that do not allow the exclusion or limitation of liability for indirect, special, incidental or consequential damages, our liability is limited to the maximum extent permitted by applicable law.

WE MAKE NO EXPRESS OR IMPLIED WARRANTIES CONCERNING THE ONLINE BANKING SERVICE, INCLUDING BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR, FITNESS FOR A PARTICULAR PURPOSE, NON-

INFRINGEMENT OF A THIRD PARTY'S PROPRIETARY RIGHTS, OR COMPLIANCE WITH REGULATION E OR ANY OTHER APPLICABLE RULES OR REGULATIONS, UNLESS DISCLAIMING SUCH WARRANTIES IS PROHIBITED BY APPLICABLE LAW.

## **17. Indemnification**

Except to the extent that we are liable under the terms of this Agreement or another agreement governing the applicable Eligible Account or Online Financial Service, you agree to indemnify, defend, and hold us, our affiliates, officers, directors, employees, consultants, agents, service providers, and licensors harmless from any and all third-party claims, liability, damages, and/or costs (including but not limited to reasonable attorney's fees) arising from:

- a third-party claim, action, or allegation of infringement, misuse, or misappropriation based on information, data, files, or other materials submitted by you to us;
- any fraud, manipulation, or other breach of this Agreement or the Online Banking Service;
- your violation of any law or rights of a third party; or
- the provision of the Online Banking Service or use of the Online Banking Service by you or any third party.

We reserve the right, at our own expense, to assume the exclusive defense and control of any matter otherwise subject to indemnification by you, in which event you will cooperate with us in asserting any available defenses. You will not settle any action or claims on our behalf without our prior written consent. This indemnification is provided without regard to whether our claim for indemnification is due to the use of the Service by you or your authorized representative or delegate.

## **18. Notices and Communication**

### **A. Generally**

Except as expressly provided otherwise in this Agreement, we will provide you notices and other information regarding your Eligible Accounts, Online Financial Service, or the Online Banking Service (collectively "Account-Related Information") through mail, electronically, or by other means available. This information will be sent to the postal or electronic address ("E-Address") of the Owner of the applicable Eligible Account or Online Financial Service as reflected in our records, unless a different postal or electronic address has been specified in accordance with procedures we may establish from time to time. The E-Address may be an e-mail address, other Internet address, text messaging number, or other electronic access address provided to us in accordance with this Agreement. Account-Related Information that is held for pick-up or posted on our Website will be deemed to be delivered to, and received by, you at the time that we make it available for pick-up, display it to you, or send notice in accordance with this Agreement that it is posted on our Website, as applicable. The person receiving the notice is responsible for providing copies of all Account-Related Information to all joint Owners. We reserve the right at all times to communicate all Account-Related Information to you through the U.S. Postal Service or overnight courier, at our sole option.

### **B. Electronic delivery and communication**

Unless otherwise required by applicable law, if we are required to provide you with information in writing, we may, at our option, send it electronically either:

- to your E-Address;
- by posting the information on our Website or to your online banking secure mailbox, and sending you a notice to your postal address or E-Address (either separately or as part of an account statement) telling you that the information has been posted and providing instructions on how to view it; or
- to the extent permitted by law, by posting the information to our Website.

You agree that we may satisfy our obligation to provide you with an annual copy of our Privacy Notice by keeping it available for review on our Website.

At any time, you may request a paper copy of any communication which has been delivered electronically. Paper copies may be acquired by contacting us by phone at 1-877-423-9742 or 206-626-8108, by email to [casc@wafd.com](mailto:casc@wafd.com), or by mail at Washington Federal, Attn: Commercial Account Service Center, 425 Pike Street, Seattle, Washington 98101, or by visiting your local branch. Fees may apply.

You agree that we may from time to time make telephone calls and send text messages to you in order for us to:

- service your accounts;
- collect any amount you may owe; or
- discuss our relationship, products and services with you.

The ways we may call you include using prerecorded/artificial voice messages and/or through the use of an automatic telephone dialing system. The ways we may send text messages to you include through the use of an automatic telephone dialing system. We may call you and send text messages to your telephone number, including mobile/cellular telephone numbers that could result in charges to you.

**C. Returned, unclaimed account-related information**

Unless otherwise prohibited by the laws governing your Eligible Account or Online Financial Service, this section applies if two or more separate Account-Related Information documents are returned or, in the case of electronic notifications, one or more notices are returned as undeliverable. This means we may discontinue sending Account-Related Information or electronic notifications to you until you provide a valid postal or E-Address to us.

Additionally, we may, at our sole option:

- destroy Account-Related Information that is sent to you and returned to us as undeliverable;
- hold the Account-Related Information for your Account for you to pick-up; or
- discontinue sending the Account-Related Information through the delivery channel generating returns and utilize an alternative delivery channel.

For example, if we are sending your Account-Related Information to you via the U.S. Postal Service, and the information is returned to us as undeliverable on two or more occasions, we may attempt to deliver the information to your E-Address, instead.

If we hold Account-Related Information for you to pick-up and it remains unclaimed for 60 days, we may send the Account-Related Information to the address reflected in our records for your Eligible Account or destroy it.

**D. Address changes**

You agree that you will notify us immediately in the event of a change to your address or E-Address. Address changes may be initiated at your request. You may instruct us to change the address or E-Address to which we send notices or Account-Related Information concerning your Account at any time.

You may update your e-mail address information by logging in to your Online Banking Service and clicking on "Update Profile" in the My Information drop down. Physical address changes must be made through your branch or by contacting us by U.S. Mail or the Commercial Account Service Center.

We may act on any instruction purportedly made on your behalf within a reasonable time after we receive such instruction. Unless you instruct us otherwise, we may in our sole discretion change the postal or E-Address only for the account(s) you specify or for all or some of your other account(s) with us.

**E. Implementation of notices**

Any notice you send us will not be effective until we actually receive it and have a reasonable opportunity to act on it. If there is more than one Owner on your Eligible Account, we may send Account-Related Information to any one

of them. You assume the risk of loss in the mail or otherwise in transit. Any notice or Account-Related Information we send you will be effective when mailed, sent electronically or otherwise made available to you.

## **19. Availability of Services; Business Days**

You may access our Site 24 hours a day, every day except during Website maintenance, modification, or account update periods, when unexpected problems arise such as problems with internet connections, capacity, or the like, and when we, in our sole discretion, make all or part of it unavailable. Also, some services are only available on Business Days the Bank is open. Accordingly, even though you can request at any time that we perform a service, we cannot necessarily process it immediately, and sometimes we will wait until the appropriate Business Day to act upon some of your requests. All requests that, for any reason, are not completed on that Business Day will be completed on the next Business Day, unless some other date has been designated by a prior arrangement with you.

## **20. General Provisions**

### **A. Amendments to this Agreement**

Except as otherwise required by law, we may in our sole discretion change the terms of this Agreement from time to time and at any time. This may include adding new or different terms to, or removing terms from, this Agreement. The Bank reserves the right to change the terms and conditions of this Agreement at any time. We shall update this Agreement on the Website and we may notify you of such changes by mail or electronic message to your most recent addresses listed on our records. The notice will be posted or sent at least thirty (30) days in advance of the effective date of any additional fees, any stricter limits on the type, amount or frequency of transactions or any increase in your responsibility for unauthorized transactions, unless an immediate change is necessary to maintain the security of the system. By using the Online Banking Service when such changes become effective, you agree to be bound by the revised terms and conditions contained in this Agreement. You can decline the changes by discontinuing use of the Online Banking Service and notifying us of your election by phone at 1-877-423-9742 or 206-626-8108, by email at [casc@wafd.com](mailto:casc@wafd.com), or by US mail at Washington Federal, Attn: Commercial Account Service Center, 425 Pike Street, Seattle, Washington 98101, or by visiting your local branch. Changes to fees or terms applicable to Eligible Accounts are governed by the agreement otherwise governing the applicable account. Except as otherwise required by law, any change to this Agreement applies only to transactions that occur, or claims that arise, after the amendment becomes effective.

### **B. Termination of this Agreement**

This Agreement will be in effect from the earlier of the date of your enrollment in the Online Banking Service (1) at a branch, or (2) our acceptance of your enrollment submission and will be in effect at all time while you are using the Online Banking Service or any Online Financial Service. Unless otherwise required by applicable law, either you or we may terminate this Agreement and/or your access to any Eligible Account or Online Financial Service through the Online Banking Service, in whole or in part, at any time without notice. The termination of this Agreement will not terminate your obligations or our rights arising under this Agreement before such termination.

Access to an Eligible Account or Online Financial Service through the Online Banking Service, in whole or in part, may be suspended and/or reinstated by us, at our discretion, at any time. If reinstated, the then current terms of this Agreement will control. You may request reinstatement of an Eligible Account or Online Financial Service by calling Washington Federal Commercial Account Service Center at 1-877-423-9742 or 206-626-8108 or by visiting your local branch.

If you do not access your Eligible Accounts through the Online Banking Service for a period of 180 consecutive days, we may terminate your Online Banking Service, including Online Financial Services accessed through the Website, without prior notice to you.

If you wish to cancel any of your Online Financial Services, contact Washington Federal Customer Service at 1-877-423-9742 or 206-626-8108, by email at [casc@wafd.com](mailto:casc@wafd.com) or by mail at Washington Federal, Attn: Commercial Account Service Center, 425 Pike Street, Seattle, Washington 98101, or by visiting your local branch

All applicable provisions of this Agreement will survive termination by either you or us, including, without limitation, provisions related to intellectual property, warranty disclaimers, limitations of liability, indemnification, and the miscellaneous provisions.

**C. Governing Law and Attorney Fees**

Each of your Eligible Accounts and Online Financial Services will be governed by the laws described in the agreements you have with us regarding those Eligible Accounts or Online Financial Services (for example, your Business Account Agreement). This Online Banking Service Agreement is governed by federal law and the laws of the state where your account is located, without regard to conflict-of-law rules. In any legal action or claim regarding this Agreement, the prevailing party will be entitled to recover costs and reasonable attorney fees. Subject to applicable law, you agree that any action in relation to an alleged breach of this Agreement shall be commenced within 1 year of the date of the breach, without regard to the date the breach is discovered.

**D. Proprietary rights**

Other than your personal account information, all content included or available on the Website, such as advertisements, text graphics, logos, button icons, images, audio clips, and software, is the property of Washington Federal, and/or third parties and is protected by copyrights, trademarks, or other intellectual and proprietary rights. The compilation (meaning the collection, arrangement, and assembly) of all content on the Website is the exclusive property of Washington Federal and/or its licensors and is protected by copyright or other intellectual property rights.

The trademarks, logos, and service marks displayed on the Website (collectively the "Trademarks") are the registered and unregistered trademarks of Washington Federal, or third parties. Under no circumstances may you use copy, alter, modify, or change these Trademarks. Nothing contained on the Website should be construed as granting by implication or otherwise any license or right to use any Trademark without our express written permission, or the express written permission of the third party that has rights to such Trademarks, as appropriate.

**E. Entire agreement**

In combination with other Account Agreements, this Agreement represents the agreement between you and us regarding the Online Banking Service and merges and supersedes all previous and contemporaneous written or oral agreements and understandings regarding the Online Banking Service. Each of the rules, terms, and conditions set forth in this Agreement stand alone. Any term or condition contained in this Agreement which is inconsistent with the laws governing the Online Banking Service will be deemed to have been modified by us and applied in a manner consistent with such laws. Except as otherwise expressly provided in this Agreement, if any provision of this Agreement is held to be invalid or otherwise unenforceable, the remainder of the provisions will remain in full force and effect and will in no way be invalidated or otherwise affected.

**F. Bank Waivers**

Our failure to act with respect to a breach by you or others does not waive our right to act with respect to subsequent or similar breaches.

**G. 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, THIS 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.