

Business Online and Treasury Management Services Agreement and Disclosures

This Business Online and Treasury Management Services Agreement and Disclosures (these “Terms and Disclosures” or “Agreement”) governs the use of Business Online Banking and Treasury Management Services and the relationship between FIRST NATIONAL BANK ALASKA, a national banking association (the “Bank”, “us”, “we”, or “our”) and the customer identified in any Online Banking and/or Treasury Management Service Forms, including any of its identified affiliates (the “Customer,” or “Business or Entity”, “you” or “your”). Bank and Customer are sometimes collectively referred to as the “Parties.” By executing any Online Banking and Treasury Management Service Forms (“Service Forms”) for, or by using, any Service (as defined in Section I.A.1), Customer agrees to be bound by the terms of these Terms and Disclosures, the respective Service Forms and any Separate Agreements (as defined in Section I.A.3), and any supplement or amendment to any of the same (collectively, this “Agreement”). Customer also agrees that the deposit accounts to which the Services apply are governed by the Deposit Terms and Conditions or other related deposit account agreements with Bank (the “Account Terms”). Except as otherwise provided herein, where any terms and conditions contained in any Service Forms or the Account Terms conflict with these Terms and Disclosures, the terms of these Terms and Disclosures control.

I. GENERAL TERMS AND CONDITIONS.

The general terms and conditions set forth in this Section I. apply to all Services provided by Bank to Customer. Terms applicable to a specific Service are as set forth in the respective Service Terms (as defined in Section I.A.2). For the avoidance of doubt, the rights and obligations of Customer and Bank under this Section I. shall be in addition to, and shall not limit, any other rights or obligations of either Bank or Customer under any of the Service Terms contained herein.

A. DEFINITIONS AND TERMS.

1. **Services:** Business Online Banking, one or more treasury management services available to Customer under the Service Forms and the terms and conditions set forth in these Terms and Disclosures (individually a “Service”). The Bank is under no obligation to permit Customer’s use of any Service. The decision to permit Customer’s use of any one or more Services is within the Bank’s sole discretion.
2. **Service Terms:** Terms and conditions contained in these Terms and Disclosures applicable to a specific Service as set forth in the Service Forms. The Service Terms for a specific Service only apply to Customer if Customer has requested the Service, and Bank has agreed to permit Customer’s use of the Service.
3. **Separate Agreements:** Additional or supplemental agreements or addenda to these Terms and Disclosures that are required by Bank, by applicable law, or third party service providers in connection with the provision of some of the Services. If Customer is permitted to use a Service that requires a Separate Agreement, Customer’s use of such Service will be conditioned on and subject to Customer’s execution of the applicable Separate Agreement(s). Customer hereby acknowledges and agrees that Customer has received, reviewed and agrees to the provisions of the Service Forms which are applicable to all Services provided via the Services, Online Banking, or other Service included herein.
4. **Business Day:** Unless otherwise provided in these Terms and Disclosures, or any Separate Agreement, “Business Day” means Mondays through Fridays, other than Bank holidays.
5. **Alaska Time or AKT** is the prevailing time used within the Service.
6. The Services to be provided by Bank to Customer under the Service Forms, any Separate Agreement, and these Terms and Disclosures shall be deemed in all respects to be a financial accommodation under 11 U.S.C. § 365(c)(2).
7. Any Business or entity that signs the Service Forms, or any Separate Agreement on behalf of the Customer also shall be deemed to be “Customer” or duly authorized and empowered to act on behalf of Customer, under the Service Forms, any Separate Agreement, and these Terms and Disclosures for all purposes. “Customer” for the purposes of this Agreement, the Service Forms and any Separate Agreement includes any business entity that is part of a “Control Group” (as defined in Section I.F.).

8. Any reference to “Security Procedure” or “Security Procedures” in this Agreement shall include the procedures referenced in Section I.H, as well as any procedures described under this Agreement for any particular Service or under any of the Service Terms.
9. “Account” or “Authorized Account” for purposes of these Terms and Disclosures shall mean any deposit or loan, Private Agreement Solutions (escrow) Account that is maintained by Customer at the Bank that is available through the Service in the manner required by Bank for use in connection with a Service and the related Service Terms which make reference to such Account.
10. “Business Administrator” or “System Administrator” is the individual or agent authorized by Customer on the Service Forms to designate “Authorized Users” (as defined below). For purposes of this Agreement the Business Administrator is also deemed to be an Authorized User. The Customer represents and warrants to the Bank that the designated Business Administrator has power to access the Accounts and the Services and to delegate authority to access Accounts and the Services in the manner contemplated by this Agreement, communicate directly with the Bank regarding the Services, and enroll in available Services for the accessible Accounts and authorize certain maintenance through Secure Forms. Customer may change the Business Administrator from time to time by giving written notice to the Bank. Such change will not be effective until it is acknowledged in writing by the Bank.
11. “Authorized User” or “Business User” is any individual or agent designated by the Business Administrator (or by the Bank on the written instructions of Customer) to access Customer Accounts or certain Services through the Bank’s online Services or otherwise as permitted in connection with the applicable Service. Among other actions, such individual(s) may be authorized by the Business Administrator to view account information, transfer funds among Customer Accounts at the Bank and, to the extent offered by the Bank, other financial institutions, and process, transmit, approve, edit, or submit Wire and ACH Entries (as defined herein), or otherwise deliver Wire or ACH file data to the Bank. The Customer agrees to be bound by the actions of any Authorized User. A Business Administrator can grant permissions to a Business User to change Business Users entitlements, (“Business Manager”) within the Service.
12. “Financial Management Software” or “FMS” means a computer program such as Web Connect®, Quicken®, QuickBooks® or other software that Bank may allow to link to its online Services or otherwise access the Services from time to time, and through which you may access your Accounts and certain Bank information related thereto via a direct interface with Bank systems. Upon request, the Bank will provide Customer directions for linking currently supported FMS programs and versions, if any, to the Bank’s online Services or otherwise to the Services.
13. A reference in this Agreement to a “cut-off time” for any Service refers to the Bank’s processing deadline for such Service on any Business Day. The effect of submitting transactions or other requests to the Bank after the established cut-off time is described in more detail in the terms for particular Services. The Bank’s established cut-off times for Services are available upon request. The Bank may change any cut-off time by giving notice of the change in any manner permitted by this Agreement and applicable law.

B. REPRESENTATIONS AND WARRANTIES OF CUSTOMER. Customer hereby represents and warrants to Bank as follows:

1. If Customer is a Business or Entity, Customer is duly organized, validly existing and in good standing under the laws of the state of its organization or incorporation and is duly qualified or licensed to do business in each jurisdiction in which the property related to it is owned, leased or operated by Customer or where the nature of its business makes such qualification necessary;
2. Customer has the power and authority to enter into the Service Forms, to be bound by these Terms and Disclosures, and to consummate or cause to be consummated the transactions contemplated hereby;
3. The consummation of the transactions contemplated hereby has been duly and validly authorized by Customer and no other corporate or other proceeding on the part of Customer is necessary to authorize the performance of these Terms and Disclosures;

4. The Services will be used for business or commercial purposes only, and will not be used for personal or household purposes. The Services will not be used for any unlawful purpose. From time to time Bank may, in its discretion, permit certain customers whose commercial Accounts are subject to this Agreement to access their consumer-purpose accounts using the same online banking platform that is used by Customer to access the Services. Customer acknowledges that the terms of this Agreement are not applicable to such consumer-purpose accounts. Terms and conditions applicable to any consumer-purpose account held with the Bank are contained in the account and online banking agreements and disclosures which are applicable to the Bank's consumer-purpose accounts. Such agreements and disclosures were provided to the accountholder at account opening, service enrollment, and/or are available from the Bank upon request.
 5. All data and funds transfer requests whether by wire, ACH or otherwise, comply with U.S. laws and do not include transmitting funds to, from, or on behalf of any person, business or country subject to U.S. sanctions or which would in any manner violate the laws, regulations and Presidential Orders of the U.S.;
 6. **Customer is the owner and/or authorized agent on all accounts subject to the Service Forms and these Terms and Disclosures.**
 7. Customer agrees to provide Bank with such documentation as Bank may reasonably request as evidence of the above representations and warranties.
- C. STATEMENTS.** Unless otherwise provided in these Terms and Disclosures, or in any Separate Agreement, Customer's activity for Services rendered hereunder will be reflected on its account statements.
- D. NO IMPLIED REPRESENTATION. NOTWITHSTANDING ANYTHING IN THESE TERMS AND DISCLOSURES TO THE CONTRARY, CUSTOMER ACKNOWLEDGES AND AGREES THAT BANK IS MAKING NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE, EITHER TO CUSTOMER OR TO ANY THIRD PARTY WITH RESPECT TO THE SERVICES OR ANY COMPUTER PROGRAMS, EQUIPMENT OR SOFTWARE USED BY CUSTOMER IN CONNECTION WITH THE SERVICES.**
- E. LIMITATION OF LIABILITY; INDEMNIFICATION.** EXCEPT AS OTHERWISE PROVIDED IN THESE TERMS AND DISCLOSURES, OR ANY APPLICABLE SEPARATE AGREEMENT, AND EXCEPT AS OTHERWISE REQUIRED BY APPLICABLE LAW, BANK'S LIABILITY TO CUSTOMER IS LIMITED TO DAMAGES ARISING DIRECTLY FROM BANK'S INTENTIONAL MISCONDUCT OR GROSS NEGLIGENCE IN THE PERFORMANCE OF THE SERVICES. IN ADDITION, THE TOTAL LIABILITY OF THE BANK UNDER THIS AGREEMENT SHALL IN NO EVENT EXCEED THE FEES PAID BY THE CUSTOMER FOR THE SERVICES PROVIDED BY THE BANK HEREUNDER DURING THE CALENDAR MONTH IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE CLAIM. CUSTOMER RELEASES AND AGREES TO HOLD HARMLESS, DEFEND, AND INDEMNIFY BANK, ITS DIRECTORS, OFFICERS, EMPLOYEES, CONTROLLING PERSONS, AGENTS, REPRESENTATIVES AND CUSTOMERS AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS FROM AND AGAINST ANY AND ALL LIABILITIES, DEMANDS, CLAIMS, ACTIONS OR CAUSES OF ACTION, ASSESSMENTS, LOSSES, DAMAGES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND EXPENSES) AND ALL FINES, PENALTIES AND INTEREST THEREON AS A RESULT OR ARISING DIRECTLY OR INDIRECTLY OUT OF: (I) BANK'S ACTS OR OMISSIONS IN CONNECTION WITH PROVIDING THE SERVICES, IF SUCH ACTS OR OMISSIONS ARE IN ACCORDANCE WITH CUSTOMER'S INSTRUCTIONS, THE TERMS OF THE SERVICE FORMS, OR THESE TERMS AND DISCLOSURES, (II) ANY BREACH OF CUSTOMER'S REPRESENTATIONS OR WARRANTIES, OR OTHER ACTS OR OMISSIONS OF CUSTOMER, INCLUDING, WITHOUT LIMITATION, CUSTOMER'S VIOLATION OF APPLICABLE LAWS OR REGULATIONS; (III) ANY ACTS OR OMISSIONS OF THIRD PARTIES (INCLUDING, WITHOUT LIMITATION, OTHER FINANCIAL INSTITUTIONS, ANY FEDERAL RESERVE BANK, AUTOMATED CLEARINGHOUSES, AND ANY OTHER THIRD PARTY WITH WHICH BANK MAY CONTRACT IN CONNECTION WITH THE SERVICES TO BE PROVIDED), IF SUCH ACTS OR OMISSIONS ARE IN ACCORDANCE WITH CUSTOMER'S INSTRUCTIONS, THE TERMS OF THE SERVICE FORMS, OR THESE TERMS AND DISCLOSURES; AND (IV) ANY ACT OR OMISSION BY CUSTOMER (OR ANY OF CUSTOMER'S DIRECTORS, OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES, AFFILIATES CONTROLLING PERSONS, AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS) IN CONNECTION WITH, OR ANY INTENTIONAL OR UNINTENTIONAL FAILURE BY CUSTOMER (OR ANY OF CUSTOMER'S DIRECTORS, OFFICERS, EMPLOYEES,

AFFILIATES, CONTROLLING PERSONS, AGENTS AND REPRESENTATIVES AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS) TO COMPLY WITH, UTILIZE OR FOLLOW, INFORMATION SECURITY PROCEDURES AND PROTECTIONS, INCLUDING, WITHOUT LIMITATION, ANY ACT, OMISSION OR FAILURE RELATED TO ACCESS DEVICES (AS HEREINAFTER DEFINED) ASSIGNED TO CUSTOMER. CUSTOMER AGREES THAT WHEN APPLICABLE LAW REQUIRES BANK TO EXERCISE ORDINARY CARE, SUBSTANTIAL COMPLIANCE WITH THE PROCEDURES ESTABLISHED BY BANK SHALL BE DEEMED TO CONSTITUTE THE EXERCISE OF ORDINARY CARE, AND CUSTOMER AGREES THAT OCCASIONAL, UNINTENTIONAL DEVIATIONS BY BANK FROM THE PROCEDURES SET FORTH HEREIN SHALL NOT BE DEEMED A FAILURE TO EXERCISE ORDINARY CARE AS TO THE TRANSACTIONS WITH RESPECT TO WHICH ANY SUCH DEVIATIONS OCCUR.

Except as otherwise provided by applicable law, in no event shall Bank be liable to Customer for any loss of profits, incidental, special, indirect, exemplary, consequential or punitive damages. In no event shall Customer be liable to Bank for any incidental, special, indirect, exemplary, or punitive damages; provided, however, that the foregoing limitation shall not apply to (i) Customer's indemnification obligations under this Agreement, (ii) Customer's liability arising from its breach of applicable law or the Nacha Operating Rules, or (iii) Customer's liability arising from fraud or unauthorized use of the Services.

Under no circumstances will either Party be responsible for any delay or failure to act in connection with the Service Forms and these Terms and Disclosures if the failure or delay is due to circumstances beyond its control including without limitation: strikes or lockouts; fire or other casualty; riot or civil commotion; pandemics or epidemics, acts of war or terrorism; fire, windstorms, earthquakes, floods or other acts of God; delay in transportation; government regulation or interference; interruption or delay in the Internet, telecommunication or third party services; failure of third party software or hardware, or inability to obtain raw materials, supplies, or power used in equipment needed for the provision of the Services.

Customer shall promptly examine all reports and account, treasury management service or analysis statements subject to the Service Forms and these Terms and Disclosures and shall notify Bank immediately in the event of an error or discrepancy. If Customer fails to notify Bank within thirty (30) days from the date of the statement in which the error or discrepancy is noted (or such shorter time as may be required by these Terms and Disclosures in connection with any particular Service), Bank shall not be liable to Customer for any losses arising from such error or discrepancy. The date of any statement or information regarding any transaction available through the Service shall be deemed to be the date at which such information was first made available to Customer, regardless of whether Customer actually accessed the information on such date. With respect to any other matter, Customer may not assert a claim against Bank arising in connection with the Service Forms and these Terms and Disclosures more than one (1) year after the occurrence of the event which gives rise to such claim.

- F. AFFILIATED GROUPS AND CORPORATE SOURCE OF STRENGTH.** If Customer is a commercial entity, Customer, Customer's ultimate parent entity and any other entity affiliated with Customer through common control (collectively, a "Control Group") shall be deemed a "Customer" for purposes of this Agreement, the Service Forms and/or any Separate Agreement. By requesting services on behalf of any member of its Control Group, the requesting Customer hereby agrees to the terms of this Agreement, as amended from time to time, on behalf of such member. The requesting Customer represents and warrants that it has all necessary right, power and authority to request services and to make the agreement contained in the preceding sentence on behalf of all members of its Control Group. Termination of this Agreement as to any customer shall not terminate this Agreement as to any other Customer.

Customer agrees that any liability which it may incur relating to its Service relationship with Bank under the Service Forms, these Terms and Disclosures, and/or any Separate Agreement, shall also be the legal responsibility of its parent and each member of the Control Group. Accordingly, Customer's parent company and every other member of Customer's Control Group shall be legally liable for any and all of the indebtedness to Bank of any other member of the Control Group arising from its Service relationship with Bank. Without limiting the Bank's other rights under this Agreement, the set-off and similar rights of the Bank pursuant to this Agreement will extend to any deposit account

which is held by the Bank in the name of any member of a Customer's Control Group. For purposes of this section, the term "parent company" is defined as any company that controls, either directly or indirectly, the Customer.

- G. FILE TRANSFER PROTOCOL REPORTS (FTP).** If Customer elects to receive the File Transfer Protocol Service reports electronically for the accounts specified in the applicable Service Forms, Bank may make such reports available. Customer acknowledges and agrees that reports will be made available via secure FTP transmission following each Business Day's activity. Bank will provide customer with user credentials and secure FTP connectivity details. Customer agrees to pay the fees for these services in accordance with then-current Commercial Fee Schedule, as amended from time to time.

Customer further acknowledges and agrees that access to the reports is authorized and available to users who enter valid credentials and use the applicable connectivity details.

Liability; Disclaimer; Limitation of Liability. In addition to and without limiting Customers' other indemnification obligations, Bank is not liable for any failure or delay in providing any report, regardless of cause or reason. Reports are provided "AS IS" and "AS AVAILABLE," and Bank disclaims all warranties, express or implied, including any warranties of accuracy, completeness, timeliness, noninfringement, merchantability, and fitness for a particular purpose. Customer is responsible for maintaining the confidentiality and security of all credentials and connectivity details. Bank has no liability for any access to, use of, or reliance on any report using Customer's credentials or connectivity details, whether by Customer or any unauthorized person, or for any interception, compromise, or other security incident affecting any transmission. To the maximum extent permitted by law, Bank will not be liable for any indirect, incidental, special, consequential, exemplary, or punitive damages, or for any loss of profits, revenues, business, goodwill, data, or use, arising out of or relating to the reports or FTP delivery, even if advised of the possibility of such damages. To the maximum extent permitted by law, Bank's aggregate liability arising out of or relating to the reports or FTP delivery will not exceed the fees paid by Customer for the FTP reporting service during the calendar month immediately preceding the event giving rise to the claim, and in no event shall Bank's liability exceed the limit set forth in Section I.E of these Terms and Disclosures.

- H. SECURITY.** Customer is advised that certain Services may be provided by way of the Internet using the Bank's online Services or other software provided by Bank or its third party service providers. To access the Bank's online Services and/ or access certain Services, Customer must utilize the Service Forms and the related schedules to this Agreement to designate persons who will be authorized to use Services provided through the Bank's online Services or otherwise as permitted by this Agreement.

Access to the Online Banking and certain Services requires that Customer receive and transmit data, information, orders and instructions (including, without limitation, instructions to transfer, transmit, pay or remit funds) via connection or remote computers over telephone lines. Customer acknowledges that data including e-mail, electronic communications and confidential financial data and information, may be accessed by unauthorized third parties when communicating to Bank using the Internet or other network or communications facilities, telephone or any other electronic means. By using the Internet in connection with the Services or to otherwise communicate with Bank, Customer is assuming the risk that viruses, Trojan horses, worms, or other harmful components may be transmitted to Customer. Customer agrees to install and utilize on its system commercially reasonable antivirus and/or similar software or use other appropriate protections. **BANK DOES NOT WARRANT THAT THE SERVICES, ANY REPORT GENERATED IN CONNECTION WITH THE SERVICES, OR THE SERVERS OR OTHER PROPERTY THAT ARE USED TO PROVIDE THE SERVICES AND ANY REPORTS WILL BE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.**

With respect to Internet access to the Bank's online Services and/or other permitted methods of accessing the Services, Customer agrees to use software produced by third parties, including, but not limited to "browser" software that supports a data security protocol compatible with the protocol used by Bank. Until notified otherwise by Bank, Customer agrees to use software that supports the secure socket layer (SSL) protocol or other protocols accepted by Bank and follow Bank's log-on procedures that support such protocols. Customer acknowledges that Bank is not responsible for: (i) notifying Customer of any upgrades, fixes or enhancements to any such software; or (ii) any compromise of data transmitted across computer networks or telecommunications facilities, including, but not

limited to, the Internet. Except for applications commonly known as web browser software, or other applications formally approved by Bank in writing, Customer agrees not to: (i) use any software, program, application or any other device to access or log on to Bank's computer systems, web site or proprietary software; or to automate the process of obtaining, downloading, transferring or transmitting any data or information to or from Bank's computer systems, web site or proprietary software. In the event of any system failure, Bank reserves the right to require additional documentation, including written authorization via facsimile from an Authorized User before accepting any order reinstating Customer's access to the Services or the Bank's Online Banking.

Customer assumes full responsibility for its selection of, access to, and use of Services obtained from Bank as indicated in the Service Forms. Customer shall be responsible for the confidentiality, maintenance, and use of its financial information, and of any access number(s), password(s), log-in ID(s), security tokens, security token serial numbers, personal identification number(s), passcode(s) and account number(s) (collectively referred to herein as "Access Devices") assigned to Customer. If Customer requires more than one authorized signer's signature or authorization to conduct certain transactions related to Customer's account(s) or the Services, this requirement will be deemed solely for Customer's own purposes. Bank will not be liable to Customer as long as at least one authorized signer's signature appears on Customer's checks, drafts, instructions, or orders, or if Bank's records indicate that a transaction, payment or other product use was made by or on behalf of one authorized signer. This includes situations in which Customer has provided its Access Devices to someone else to use.

Customer agrees not to hold Bank liable for following Customer's written orders or instructions (including, without limitation, instructions to transfer, transmit, pay or remit funds) or for data and information transmitted to Bank by or for Customer, including, without limitation, orders, instructions, data and information transmitted to Bank using Bank designated transfer methods and protocols. Customer agrees not to hold Bank liable for any damages of any kind resulting from Customer's disclosures of its Access Devices to any person identified or not identified in the Service Forms. Customer will be responsible for all orders and instructions (including, without limitation, instructions to transfer, transmit, pay or remit funds) entered and data and information transmitted through and under Customer's Access Devices, and any orders or instructions (including, without limitation, instructions to transfer, transmit, pay or remit funds) so received by Bank will be deemed to have been received from Customer. All data, information, orders and instructions (including, without limitation, instructions to transfer, transmit, pay or remit funds) shall be deemed to be made at the time received by Bank and in the form received. Customer agrees to immediately notify Bank if Customer learns of:

1. any loss or theft of Customer's Access Devices;
2. any unauthorized use of any of Customer's Access Devices, or of the electronic Services or any information;
3. any receipt by Customer of confirmation of an order that Customer did not place, or any similarly inaccurate or conflicting report or information; or
4. any other breach of security.

CUSTOMER ACKNOWLEDGES AND AGREES THAT BANK'S SECURITY PROCEDURES USED IN CONNECTION WITH EACH OF THE SERVICES DESCRIBED HEREIN ARE COMMERCIALY REASONABLE. CUSTOMER ACKNOWLEDGES THAT CUSTOMER HAS RECEIVED AND REVIEWED BANK'S "BEST PRACTICES FOR ONLINE BANKING AND SECURITY," A COPY OF WHICH IS ATTACHED HERETO OR IS OTHERWISE MADE AVAILABLE TO CUSTOMER.

- I. THIRD PARTIES.** Bank may contract with third party service providers or other parties with respect to one or more of the Services or the provision of a Service or parts thereof. To the extent Third Party Services are applicable to Customer and made known to Customer, you agree to comply with the requirements of the contracts between Bank and such third parties relative to the Services. Bank may refer Customer to third parties for the provision of products or services not offered by Bank. Customer acknowledges and agrees that such third parties are not affiliated with or endorsed by Bank. Customer further agrees that Bank does not guarantee such products or services and is not liable for the actions or inactions of any such third party.

- J. THIRD PARTY NETWORKS.** Bank's ability to provide certain Services is dependent upon its ability to obtain or provide access to third party networks. In the event any third party network is unavailable, or Bank determines, in its discretion, that it cannot continue providing any third party network access, Bank may discontinue the related Service or may provide the Service through an alternate third party network. In such circumstances, Bank will have no liability for the unavailability of access. In no event will Bank be responsible for any services or equipment that Customer receives from third party vendors.
- K. USER AND TRAINING GUIDES.** Bank may from time to time provide or make accessible to Customer user guides, training materials, or other operating procedures, which may or may not be in electronic form (the "User Guides") in connection with certain Services. If such User Guides are provided or accessible, Customer agrees to: (1) comply with the User Guides; and (2) take reasonable steps to protect the confidentiality and security of the User Guides and any other proprietary property or information that Bank provides to Customer in connection with the Services.
- L. DISPUTE RESOLUTION.** In the event of any disagreement hereunder, or if conflicting demands or notices are made upon Bank relating to the Service Forms, any Separate Agreement or any account subject to these Terms and Disclosures, Bank may, at its option, refuse to comply with any claims or demands on it or refuse to take any other action hereunder with regard to the subject matter of the dispute, so long as such dispute continues; and in any such event, Bank shall not be, nor shall it become, liable to any person for its failure or refusal to act, and Bank shall be entitled to continue to so refrain from acting until: (i) the rights of all parties shall have been fully and finally adjudicated; or (ii) all differences shall have been adjusted and all doubt resolved by agreement among all of the interested persons. The rights of Bank under this paragraph are cumulative of all other rights which it may have at law or otherwise.
- M. EQUITABLE RELIEF; WAIVER OF JURY TRIAL; ARBITRATION.** Customer and the Bank shall have the right to apply to a court to enjoin any breach of this contract. For such purpose, Customer and Bank hereby consent to the jurisdiction of Alaska state courts and federal district courts located in Municipality of Anchorage, Alaska. Each of Bank and Customer hereby waives its right to trial by jury in respect of any dispute involving the other party hereto.

Excepting the right of Customer and Bank to seek equitable relief in court, all claims and matters in question arising out of or related to the Service Forms, these Terms and Disclosures, or the relationship between Customer and the Bank created by the Service Forms, whether sounding in contract, tort or otherwise, shall be resolved by binding, self-administered arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), and all such proceedings shall be subject to the Federal Arbitration Act. There shall be three arbitrators. Customer and the Bank shall each designate an arbitrator, who need not be neutral, within 30 days of the notification of either party's intent to proceed with arbitration. The two arbitrators so designated shall elect a third arbitrator. If either Customer or the Bank fails to designate an arbitrator within the time specified or the two parties' arbitrators fail to designate a third arbitrator within 30 days of their appointment, the remaining arbitrator(s) shall be appointed by the AAA. The arbitrators shall decide whether a particular dispute is or is not arbitrable. Customer and the Bank shall pay for the expenses incurred by its designated arbitrator and the costs of the third, neutral arbitrator shall be divided between Customer and the Bank. Only damages allowed pursuant to this contract may be awarded, and arbitrators shall have no authority to award punitive or exemplary damages. Customer and the Bank hereby waive their right, if any, to recover punitive or exemplary damages, either in arbitration or in litigation. The arbitration shall take place in Anchorage, Alaska. Any party that desires to enforce any arbitration award granted hereunder may seek enforcement of the arbitration award only in, and such award shall be enforceable only by, Alaska state courts or federal district courts located in Anchorage, Alaska.

- N. PAYMENT AND CHARGES.** Customer agrees to pay all fees and charges owed to Bank for the Services under these Terms and Disclosures, the Separate Agreements, if any, and the Account Terms as such amounts become due. The Bank's fees for Services are made available upon request and/or in documentation provided by Bank to Customer in connection with its deposit account agreements. Customer acknowledges and agrees that special or additional services performed by Bank at Customer's request may be subject to additional terms and fees as Customer and Bank may agree. Except as otherwise agreed, Bank will invoice Customer, or reflect on Customer's account statement, the fees and charges owed for the Services, and Customer shall remit payment of such amounts within the time required under the applicable account statement, invoice, or other notice provided by Bank (or, if no time is specified, within thirty (30) days after the date of such statement, invoice, or notice). Customer is not required to

maintain a minimum or collected balance to cover its payment obligations hereunder; however, Customer authorizes Bank, and Bank shall be entitled (but not obligated), to debit any account maintained by Customer at the Bank, and to exercise its right of set-off against any such account, for payment of any fees or charges owed hereunder, whether or not invoiced. If any fees or charges are not paid when due, Bank may, but is not obligated to, notify Customer and provide Customer a reasonable period of time within which to remit payment or deposit sufficient funds. If such amounts remain unpaid, Bank may debit the subject accounts, or any other of Customer's accounts or accounts of members of the Customer's Control Group which are maintained with Bank. Such debit and set-off authority is not limited to the amounts maintained in such accounts, but extends to debits that would cause such accounts to be in overdraft, and Bank may charge Customer an overdraft fee. To the extent accounts are debited into overdraft, Customer shall repay any amounts so debited, including any overdraft fee and other costs of collection, immediately upon demand. Any amounts debited by Bank which result in an overdraft to any account subject to the Service Forms, any Separate Agreement, and these Terms and Disclosures, shall bear interest in accordance with the Commercial Fee Schedule which may be amended from time to time or as permitted by applicable law, whichever rate is lower. Bank shall not be liable for any damages to Customer resulting from action taken by Bank under this provision. In addition to any other remedy in law or equity, Bank may suspend or terminate Services if Customer fails to pay any fees or charges when due, and Customer agrees to hold Bank harmless and indemnify and defend Bank from and against any claim, damage, loss, liability and cost arising from such suspension or termination of Services.

In addition to the Services fees, Customer agrees to pay for all taxes, tariffs and assessments levied or imposed by any government agency in connection with the Services, the Service Forms, any Separate Agreement, these Terms and Disclosures, and/or the software or equipment used by Customer (excluding any income tax payable by Bank). Customer is also responsible for the costs of any of its communication lines and/or data processing charges payable to third parties.

- O. EQUIPMENT.** Customer shall be responsible for providing, maintaining, and bearing all costs of all equipment located on Customer's premises that is necessary for using the Services, including without limitation, telephones, terminals, modems, printers, scanners, computers and computer software. Bank assumes no responsibility for defects or incompatibility of any computers, related equipment or software that Customer uses in connection with the Services.
- P. NO INTERNET GAMBLING.** The Unlawful Internet Gambling Enforcement Act of 2006 ("UIEGA") prohibits any person engaged in the business of betting or wagering from knowingly accepting payments in connection with the participation of another person in unlawful Internet gambling. Bank does not offer commercial account services to businesses that engage in Internet gambling activities or that process transactions related to Internet gambling activities. **BANK PROHIBITS CUSTOMER FROM USING ANY ACCOUNT AT THE BANK TO PROCESS ANY TRANSACTION RELATED TO INTERNET GAMBLING ACTIVITIES AND RESERVES THE RIGHT TO TERMINATE ALL ACCOUNTS OF CUSTOMER AT THE BANK, WITHOUT NOTICE, IF CUSTOMER VIOLATES THIS PROHIBITION.**
- Q. APPLICABLE LAW.** This treasury management relationship between Customer and Bank under the Service Forms, any Separate Agreement and these Terms and Disclosures shall be governed by and interpreted in accordance with the laws and regulations of the State of Alaska (without regard to conflicts of law principles) and applicable federal law, rules and regulations.
- R. CONFIDENTIAL INFORMATION.** The Services constitute Proprietary and Confidential Information (as such term is defined below) of Bank or Bank's licensors, vendors, or third party service providers. Customer will not acquire any rights in the Services by virtue of using such Services or otherwise. Customer shall not (1) make use of the Proprietary and Confidential Information, or that of Bank's licensors, vendors, or third party service providers, other than as may be necessary to use a Service and then such use shall be limited to that purpose for only so long as Customer uses the Service, or (2) disclose, divulge, distribute, publish, reproduce or transfer Bank's Proprietary and Confidential Information, or that of its licensors, vendors, or third party service providers except to persons who require access for Customer's use of the Services, or as required by law. Customer shall protect the confidentiality of Bank's Proprietary and Confidential Information (using in any case, not less than the efforts Customer uses to protect its own confidential information and no less than a reasonable degree of care), and prevent any access to or reproduction, disclosure or use of any of the Proprietary and Confidential Information. Customer shall not modify, disassemble, decompile or create any derivative works from the Proprietary and Confidential Information or create, design,

manufacture, offer or sell any products or services incorporating any Proprietary and Confidential Information.

For purposes of the Service Forms and these Terms and Disclosures, “Proprietary and Confidential Information” means any and all agreements, documents, data, records and other information with respect to the Services, including the terms of the Service Forms, any Separate Agreement, and these Terms and Disclosures, fees charged for the Services, User Guides, software and software licenses relating to the Services, user identification, Access Devices, policies and procedures, embedded algorithms, and other similar devices and information relating to the Services. Proprietary and Confidential Information does not include information relating to the Services which is generally available and known to the public and its availability was not the result of wrongful or improper disclosure by Customer.

Customer acknowledges that any unauthorized use or disclosure of any Proprietary and Confidential Information would be likely to cause immediate and irreparable damage to Bank that could not be fully remedied by monetary damages. Therefore, in addition to any other rights Bank may have at law or under the Service Forms, any Separate Agreement or these Terms and Disclosures, Customer agrees that Bank may specifically enforce the Service Forms, any Separate Agreement, and these Terms and Disclosures, and may seek such injunctive or other equitable relief as may be necessary or appropriate to prevent such unauthorized use or disclosure of Proprietary and Confidential Information, without the necessity of posting a bond or proving actual damage by reason of any such breach or threatened breach of the Service Forms or these Terms and Disclosures.

- S. DOCUMENTATION; OBLIGATION TO MAINTAIN RECORDS.** Customer agrees to execute, in a form and content satisfactory to Bank, any and all documentation required by Bank to obtain and continue to receive Services. Customer also agrees to provide Bank with any and all information and documentation reasonably requested by Bank to perform its obligations under the Service Forms, these Terms and Disclosures, and any Separate Agreements, and to comply with applicable provisions of law or regulation, including without limitation, the USA PATRIOT Act and its implementing regulations. Information and documentation requested by Bank may include, without limitation, information regarding Customer’s financial condition, business operations and the nature and capability of equipment owned and maintained by Customer for the purposes of accessing the Services.

Bank’s performance of each Service hereunder is conditioned on Bank’s receiving all data and information it requires, in substance, form and quality and within the time frame required by Bank or its third-party service providers. In the event that required data or information is not so provided, then (i) Bank will not be bound by any performance or delivery schedules set forth herein, (ii) Bank may charge additional fees as appropriate, (iii) Bank may return improper or incomplete information or data, and (iv) any services, reports, or information that are delivered by Bank will be considered to be complete.

Notwithstanding the Bank’s provision of Services hereunder, Customer remains obligated to maintain, in accordance with applicable law, clearinghouse rules and contracts and agreements, including these Terms and Disclosures, records, documents, data and information necessary for review and audit by and reporting to Bank and all other applicable parties.

- T. SEVERABILITY.** If any provision of any Separate Agreement or these Terms and Disclosures is held to be invalid, illegal or unenforceable, such provision shall be deleted and the remainder of the Separate Agreement and/or these Terms and Disclosures shall be enforced as if such invalid, illegal, or unenforceable provision had never been contained herein.
- U. TERMINATION.** Unless otherwise provided in any specific Service Terms or Separate Agreement, the Parties may terminate the Service Forms (which provide for Customer’s enrollment in the Bank’s Treasury Management Services), with or without cause, at any time with not less than 30 days’ prior written notice. The Service Forms may be terminated immediately by Bank without notice to the Customer: (i) if required by law, including without limitation, the USA PATRIOT Act; (ii) if Customer fails to comply with the terms of these Terms and Disclosures; (iii) if Customer fails to pay when due any of the fees for Services provided for in these Terms and Disclosures, or any other agreement with the Bank; (iv) if any Customer account subject to the Service Forms or these Terms and Disclosures is closed for any reason or is made the subject of a levy or garnishment, attachment or similar process; (v) if any arrangement

between Bank and any other entity required to provide the Services under the Service Forms, any Separate Agreement, or these Terms and Disclosures, including but not limited to, any Federal Reserve Bank, is terminated; (vi) a payable item or a credit posting item, as the case may be, has been returned due to incorrect or incomplete information given by Customer to Bank regarding the payable item or credit posting item; (vii) an otherwise unauthorized ACH debit item has been paid or an otherwise unauthorized ACH credit item has been accepted due to incorrect or incomplete information given by Customer to Bank regarding the item; (viii) there exist facts or circumstances that support the reasonable conclusion that Bank or Customer is or may be subject to losses for fraud, other illegal activity, mistake, negligence, or the communication of erroneous information arising from the actions of Customer or any third party, including Customer's employees or agents; may be unable in any respect to comply with these provisions; or (ix) the Customer fails to maintain adequate collected and available balances to cover all transactions, costs and expenses relating to one or more Service(s); (x) there is an occurrence of a material change in the Customer's credit and/or risk analysis criteria as determined by the Bank in its sole and absolute discretion; (xi) the Bank at any time determines that the Customer does not meet the Bank's risk or other qualification requirements; or (xii) the Customer has selected a particular Service, but Customer has not used such Service for a period of time deemed to constitute an inactive Service by Bank (in Bank's sole discretion). Termination of the Service Forms subject to these Terms and Disclosures will not affect any obligations or rights of the Parties which accrued prior to termination. The provisions of Sections I.D, I.E, I.L, I.N, I.Q, I.R and this Section I.U of these Terms and Disclosures shall survive said termination.

- V. MODIFICATION/AMENDMENT.** Bank shall notify Customer in writing of any modification or amendment made to any Separate Agreement or these Terms and Disclosures prior to the effective date of such modification or amendment. Notwithstanding anything herein to the contrary, except as required by law, Bank reserves the right to increase or decrease any fee(s) for Services at any time without notice to Customer. Bank may further modify any terms, conditions or operating procedures under any Separate Agreement or these Terms and Disclosures without prior notice to Customer, including any of the Service Terms incorporated herein, where an immediate change is necessary to maintain or restore the security of Customer's accounts or the funds transfer system. In the latter case, Bank shall provide Customer with a notice of change in terms as soon as possible thereafter either by way of tangible or electronic means. Customer's continued use or receipt of Services shall evidence Customer's acceptance of such amended terms.
- W. NON WAIVER.** Bank's waiver of any breach or failure to enforce any of the terms or conditions of any Separate Agreement or these Terms and Disclosures at any time shall not in any way affect, limit or waive Bank's right thereafter to enforce strict compliance with every term and condition hereof. Customer may be obligated to Bank under certain loan agreements and related instruments (the "Loan Documents"). Conflicts, if any, between the provisions of the Loan Documents and the provisions of any Separate Agreement or these Terms and Disclosures shall be resolved in favor of the Loan Documents.
- X. NOTICE; COMMUNICATIONS.** Except as otherwise noted in any Separate Agreement or these Terms and Disclosures, all notices required or permitted under said documents shall be in writing and shall be deemed to have been given when delivered by hand, via confirmed telecopy, or when mailed by United States mail, registered mail or certified mail, return receipt requested. Notices to Customer may be mailed or delivered to the Customer's statement, email, electronic or mailing address as reflected on the Bank's system of record, may be posted within the Services, or any combination of the foregoing notification methods. Notices to Bank must be mailed or delivered to Bank at:

**First National Bank Alaska
PO Box 100720
Anchorage, Alaska 99510-0722
Attn: Treasury Management**

Either party may change its address for notification purposes by giving the other party prior written notice of the new address and the date upon which the address will become effective.

At its option, for quality assurance, training, and confirmation purposes, Bank may monitor and record telephone conversations with its customers, including Customer. Customer agrees that Bank shall have no liability for monitoring or recording, or not monitoring or recording, telephone conversations with Customer.

- Y. ELECTRONIC RECORDS AND SIGNATURES.** Customer agrees that this Agreement, the Service Forms, any Separate Agreement, and all related records, disclosures, notices, authorizations, and communications (collectively, “Records”) may be created, provided, executed, delivered, retained, and accessed in electronic form. Customer agrees to conduct the transactions contemplated by this Agreement by electronic means. Customer further agrees that (a) an electronic signature (including one applied through Adobe Acrobat Sign, a secure file-transfer platform, click-through acceptance, or other method made available by Bank) has the same force and effect as a manual signature; (b) an electronic Record has the same force and effect as a paper Record and satisfies any requirement that such Record be in writing; and (c) a fully executed electronic Record delivered to Customer (including by email) constitutes valid and binding acknowledgment and acceptance. This Agreement is governed by the federal Electronic Signatures in Global and National Commerce Act (E-SIGN) and the Alaska Uniform Electronic Transactions Act. This Section applies to Customer as a business/commercial party and does not modify the terms, disclosures, or consents applicable to any consumer-purpose account, which remain governed by the Bank’s consumer agreements and disclosures.
- Z. ENTIRE AGREEMENT.** The Service Forms, these Terms and Disclosures, and any applicable Separate Agreement constitute the entire agreement between Bank and Customer as it relates to the rendition of Services and, except as otherwise stated herein and with the exception of any loan documents between Customer and Bank, supersede any and all other agreements either oral or written between the Parties with respect to the subject matter hereof. Customer acknowledges that it has not relied on any oral representations of any Bank officer, director or employee in entering into the Service Forms or any Separate Agreement. The Service Forms, any Separate Agreement and these Terms and Disclosures incorporate by reference all corporate resolutions, Separate Agreements and Account Terms with Bank, and any applicable User Guides or operating procedures for the Services regardless of whether such agreements or other documents have been executed by Customer.
- AA. ASSIGNMENT.** Customer may not assign its rights under the Service Forms, any Separate Agreement or these Terms and Disclosures without the prior written consent of Bank.

II. POSITIVE PAY SERVICE TERMS

- A. PROVISION OF POSITIVE PAY SERVICE.** If Customer elects to receive Positive Pay Services from Bank, Customer shall provide Bank with an electronic file in the Bank’s statement format, with information (or manually enter such information) regarding checks and other eligible items to be processed on Customer’s Account(s). Customer agrees to provide all information regarding each check item that is requested for verification using the Positive Pay Service from time to time. Bank will compare presented items against certain information that has been provided by Customer to determine whether the item is valid, and will provide an electronic list of exceptions to Customer the following Business Day. Customer shall promptly review the Positive Pay Exception Report and provide a pay/no pay or other available decision for all exceptions before Bank’s established cut-off time of 12:00 pm AKT. Cut-off times for the Positive Pay Service may be changed by the Bank from time to time. The Bank’s current cut-off times are made available by the Bank to Customer upon request.

In the event that Customer does not make a funding decision as to any exception item in the manner summarized above, Bank shall pay or reject such item depending upon the default selected by Customer in the Service Forms, provided, however, that the Bank may in its sole discretion elect to return any such item. Customer hereby agrees to indemnify Bank against any loss, liability or expense (including attorneys’ fees and expenses) resulting from or arising out of Bank returning any item as provided for in this Section II.A. This indemnification is in addition to any other indemnification rights that are provided for in these Terms and Disclosures, and/or any Separate Agreement.

- B. GENERAL.** Customer assumes all responsibility for the accuracy and completeness of information provided by Customer to Bank. Customer acknowledges that Bank’s ability to provide Positive Pay Services for checks is contingent upon Bank’s determination that Customer’s checks meet magnetic character ink recognition specifications. Failure to meet such specifications may result in a high number of exceptions and additional charges.

Customer will ensure that all issued checks will be of minimum American National Standards Institute with respect to character position and formation. Customer agrees to provide such checks and other documentation as may be reasonably required by Bank to make such determination.

Customer agrees that Bank is authorized to process each item according to these Terms and Disclosures regardless of whether: (i) It is unsigned or postdated; (ii) any manual or facsimile signatures on the item are genuine and authorized; (iii) the item was in fact authorized by Customer, (iv) it is in fact made payable to the intended payee; (v) the item was endorsed by the payee or endorsed properly, and (vi) in an amount that exceeds any limit specified by Customer in connection with any other agreement between Customer and Bank.

- C. ACCOUNT STATEMENTS/CONFIRMATION.** A statement of accounts and confirmation of items paid may be obtained by Customer electronically, in writing, by telephone, or otherwise through Customer's use of the online service.

Within the Service, an online issued items "register" is updated with the status of checks and other items cleared or marked as exceptions. The register or online history can be used to verify items paid. Account statements, whether provided in writing or electronically, will also include confirmation of items paid.

Customer agrees to regularly and promptly review the online daily reconciliation report and verify each item presented for payment. If Customer suspects an error, discrepancy or unauthorized transaction, Customer shall instruct Bank by the Bank's designated cut-off time for the Positive Pay Service to either (a) return the item or (b) flag the item for further review by selecting an available reason code such as "altered fictitious" or "refer to maker".

- D. FAILURE TO UTILIZE POSITIVE PAY.** Customer acknowledges that the Bank's Positive Pay Service is a commercially reasonable security procedure, which is designed to prevent loss in connection with fraudulent, forged or altered checks on Customer's Account(s) by enabling Customer to transmit to the Bank pertinent information about every check and certain other items that are issued from Customer's Account(s). **Customer further acknowledges that its failure to accept the Positive Pay Service, or if it accepts the Positive Pay Service, its failure to consistently use it, may result in losses that could have been prevented if the Positive Pay Service had been used in the manner set forth herein.**

Customer understands and agrees that if it fails to elect the Positive Pay Service, or if the Service is elected, if it fails to use the Positive Pay Service to verify all transactions drawn on Customer's Account(s), Customer will be responsible for any losses resulting from fraudulent, forged or otherwise altered checks or similar items drawn on Customer's Account(s). Customer further agrees that failure to use the service resulting in items returned "Refer to Maker", or indicating an item, "Altered Fictitious" unless the item is in fact Altered Fictitious or use of the Services to return items marked Altered Fictitious or other reason to avoid payment of items for any reason is prohibited and may result in Termination of the Service. Customer further agrees to hold harmless, defend and indemnify the Bank, its management, employees and directors for any and all losses resulting from transactions that could have been prevented had Customer used the Bank's Positive Pay Service. To the maximum extent permissible under applicable law, this Section II.D alters and supersedes any liability that the Bank would otherwise have for such losses under Articles 3 and 4 of the Uniform Commercial Code as adopted in Alaska, or under any other applicable laws or regulations.

III. AUTOMATED CLEARING HOUSE ("ACH") ORIGATION SERVICE TERMS

If Customer has requested, and Bank has agreed to permit Customer to initiate, electronic credit and/or debit entries by means of the Automated Clearing House Network (the "ACH Services"), Customer agrees to comply with the following:

- A. DEFINITIONS.** Customer and Bank agree to the following terms and provisions and agree that capitalized terms not defined herein shall have the meaning ascribed to them in the Nacha Operating Rules ("Rules"). The following definitions also apply to the Bank's ACH Services.

1. **Account or Originator's Account.** Any Account maintained at Bank owned by the Originator, which may or may not be used as the Offset Account. Originator shall designate the respective "Account(s)" on the Service Forms, or another form, provided by Bank.
2. **ACH.** The ACH Network is a secure, private network that connects banks to one another by way of the Federal Reserve Board or other ACH operators. This network enables electronic payments, such as direct deposit to be received and processed.
3. **ACH Network.** The ACH Network is a nationwide batch-oriented electronic funds transfer system governed by the Rules which provide for the interbank clearing of electronic payments for participating depository financial institutions. The Federal Reserve and Electronic Payments Network act as ACH Operators, central clearing facilities through which financial institutions transmit or receive ACH Entries.
4. **ACH Operator.** An ACH Operator is the ACH participant that provides clearing, delivery, and settlement services for ACH Entries (e.g., the Federal Reserve). The primary function of the ACH Operator is to accept ACH files containing ACH Entries from the ODFI and to sort and distribute such ACH files to the RDFI. The Federal Reserve Bank acts as the ACH Operator although a private-sector entity can act as the ACH Operator when it executes an annual agreement with Nacha binding it to the Rules (except to the extent inconsistent with the policies or practices of the Federal Reserve Banks) and to other applicable laws.
5. **Batch.** Batch represents one or more ACH Entries that make up a single unit, "Batch." Each Entry within the Batch will have the same Effective Date and the same payment type (SEC Code). A Batch is not only characterized by each ACH Entry within the Batch, but also by the entity initiating the Batch. The Rules provide complete details with regard to fields that make up a Batch.
6. **Business Day.** A Business Day is any day that the Bank is open to the public for carrying on substantially all of its business (Saturday, Sunday and Federal or state banking holidays are non-business days). The Bank's holiday schedule is listed on the Bank's website.
7. **ACH BLOCK.** "Designated Account" means an Account designated by Customer for ACH Block. "ACH Block" means the Bank's prevention of any ACH Debit and/or ACH Credit, as applicable, from being charged to a Designated Account. The Bank is authorized and instructed to return (i) any such ACH Debit entry with the return reason, "Customer Advises Not Authorized" and (ii) any such ACH Credit entry with the return reason, "Credit Entry Refused by Receiver." For clarification purposes, ACH Block does not include the return or reversal of any reversing entry relating to a prior entry that was previously received and posted to (or paid from) the account.
8. **DDA.** A DDA or Demand Deposit Account is a checking or similar transaction account and represents a transaction account that is not limited by the number of transactions.
9. **Effective Date.** The Effective Date is the date the Originator and Receiver wish the ACH Entry or Entries to post to the Receiver's account(s). When an Entry or Entries contains an invalid Effective Date (falls on a non-Business Day or is released after the current Business Day's cut-off time), it will process on the next available processing day, with a Settlement Date of one to two Business Days from the processing date.
10. **Entry or Entries.** A debit and/or credit ACH Entry or Entries represent individual transactions that make up an ACH Batch. ACH Entry or Entries, for purposes of this Section, shall also represent any ACH data received from the Originator, including, but not limited to, Prenotifications.
11. **File or Files.** A File or Files represent one or more ACH Batches as a single unit. When the Originator utilizes the Service, the Bank receives the Batch or Batches from the Originator and creates a subsequent File. When the Originator uploads its Batch or Batches from its core system or via its Third-Party Service Provider, the Originator and/or Third-Party Service Provider uploads a complete File made up of one (1) or more Batches to the Bank for processing.
12. **File Reversals.** A File Reversal (and/or Batch) can only be initiated to correct the initiation of a File (or Batch) where each of the ACH Entries in the File was erroneous or it was a duplicate File (or Batch). A correcting File must be initiated within the time required under the Rules. A reversing ACH Entry is similar to a File Reversal

except the Originator is only reversing an ACH Entry and not an entire File. The Rules provide details on the requirements of the File Reversal process. Other than as permitted under the Rules, after an ACH Entry or Entries have been introduced into the ACH Network, it may not be reversed.

13. **Initiated.** An ACH Entry or Entries are Initiated when the Originator either with dual or single authentication submits the Entry or Entries.
14. **NOC.** A Notification of Change (“NOC”) is a non-dollar ACH Entry initiated by the Receiving Depository Financial Institution (“RDFI”) to the ACH Operator for distribution back to the Originator through the ODFI. The Rules provide details of the NOC process, including, but not limited to, time requirements. The Originator is required to investigate the incorrect data and make the correction to the ACH Entry, when applicable, within six (6) Business Days from receipt of the NOC from the Bank or prior to initiating the next ACH Entry to the Receiver, whichever is later.
15. **ODFI.** The Originating Depository Financial Institution (“ODFI”) is the ACH participant that has executed a written agreement with the Originator to transmit ACH Entries, Batches, and/or Files into the ACH Network on behalf of the Originator. For the purpose of this Section, First National Bank Alaska, Anchorage, Alaska, is the ODFI.
16. **OFAC.** The U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”) administers economic sanctions and embargo programs that require assets and transactions to be frozen which involve interests of target countries, target nationals, and other specifically identified companies and individuals. For purposes of OFAC compliance, these entities are referred to as “Specially Designated National and Blocked Persons.” OFAC maintains and regularly updates a master list (“SDN List”) identifying known “blocked parties.” The Rules (Operating Guidelines) provide details of OFAC requirements.
17. **Originator.** The Originator is the ACH participant that initiates ACH Entries, Batches, and/or Files into the ACH Network through a relationship with the ODFI. The Originator is responsible for funding upon submission of the ACH Entry, Batch, and/or File. For purposes of references in the Rules, the Originator is a corporate entity also known as “Company.” Originator is also the “Customer” for purposes of this Agreement.
18. **Prenotification.** A Prenotification is a non-dollar ACH Entry initiated by the Originator to the RDFI to convey the same information (with the exception of the dollar amount and transaction code) of the live ACH Entry that will follow. Prenotifications are optional, but the Bank recommends use for payroll and other important ACH Entries. The Rules provide details of the Prenotification process.
19. **RDFI.** The Receiving Depository Financial Institution (“RDFI”) is the ACH participant that receives the ACH File from the ODFI through the RDFI’s ACH Operator on behalf of the Receiver that holds an account with the RDFI.
20. **Receiver.** The Receiver is the ACH participant that is the final recipient of the ACH Entry or Entries. A Receiver can be an individual, corporation, or other entity that has authorized an Originator to initiate a credit and/or debit ACH Entry to an account held at the RDFI.
21. **Return.** A Return is any ACH Entry that has been Returned to the Bank on behalf of the Originator by the RDFI or ACH Operator as unpaid or rejected, respectively, because it cannot be processed. The course of action required by the Originator to handle the return is dependent upon the reason for the return, as indicated by the return code. The Rules provide a current list and definitions of Return Reason Codes.
22. **Same Day ACH:** ACH Entries which Customer has requested processing on the same Business Day as submission in the manner contemplated by this Agreement and as required by the Rules. The Bank may, but is not obligated to, offer Same Day ACH services to any Customer in the Bank’s sole discretion. Customer understands and agrees that the Rules limit Same Day ACH Entries to \$1,000,000. This limit may be increased as permitted by future amendments to the Rules. This limit may also be reduced in the Bank’s sole discretion with respect to transactions permitted for Customer’s Accounts.

23. **SEC Code or ACH Payment Type or ACH Type.** An SEC code is a three-character code that identifies the specific payment related information relevant to the application. Each ACH Batch will have one SEC code, which appears within the Company/Batch Header Record. SEC code stands for “Standard Entry Class” code. Customer will only be permitted to initiate Entries using SEC Codes that have been approved for its use by the Bank in the Bank’s sole and absolute discretion.
24. **Settlement Date.** The Settlement Date represents the date on which the actual transfer of value, or funds, between the ODFI (on behalf of the Originator) and the RDFI (on behalf of the Receiver) has exchanged ACH transactions. The Originator is required to provide funding on or before the Settlement Date.
25. **Third Party Service Provider.** An organization that performs any functions on behalf of an Originator, a Third Party Sender, the ODFI, or the RDFI (not including the Originator, ODFI, or RDFI acting in such capacity for such Entries) related to the processing of Entries, including the creation of ACH files or acting as a sending point or receiving point on behalf of a depository institution that participates in the ACH Network. An organization acting as Third Party Sender also is a Third Party Service Provider.
26. **Third Party Sender.** A type of Third Party Service Provider that acts as an intermediary in transmitting Entries between an Originator and an ODFI, and acts on behalf of the Originator or another Third Party Sender.

B. ACH GENERAL TERMS.

1. If, and to the extent, approved by the Bank for use of its ACH Service, the Originator may initiate electronic credit and/or debit ACH Entries by means of, and as a participant of, the ACH Network. The Bank agrees to act as the Originating Depository Financial Institution (“ODFI”) with respect to such ACH Entries as a participant in the ACH Network. The governing body regulating the ACH Network is Nacha. All participants of the ACH Network, including the Originator, are required to follow the guidelines set forth by the Rules. Originator hereby agrees to comply with all Nacha rules when using the Bank’s ACH Service.
2. The Bank is a member of the ACH Network through the regional ACH Association, which is a member of Nacha. The Federal Reserve Bank acts as the ACH Operator for Bank, which facilitates the exchange and settlement of electronic fund transfers in the ACH Network within the United States.
3. The Originator shall obtain, at the Originator’s own expense, a copy of the Rules, and may procure any updates and revisions to the Rules from Nacha or any regional ACH association. The “Rules” are reviewed for update on an annual basis. The Rules may be obtained online at www.nacha.org or www.epayresources.org.

- C. TRANSMITTAL OF ACH ENTRIES BY ORIGINATOR.** The Originator agrees to only initiate credit and/or debit ACH Entries for those “SEC codes” approved by the Bank in writing for the Originator’s use. This Agreement does not authorize the Originator to use any particular SEC Code. The Originator may initiate Entries using only those SEC Codes that the Bank has approved in writing for the Originator’s use, and the Bank may add to, limit, condition, suspend, or revise the SEC Codes approved for the Originator at any time in its sole and absolute discretion. The Bank may decline to permit the use of any SEC Code in its sole and absolute discretion. The Originator agrees to comply with the Rules, as defined herein and as amended by Nacha from time to time, and that the ACH Entries and format of such ACH Entries will comply with the Rules. The total amount of each ACH “Entry or Entries” and subsequent “Batch” and/or “File” initiated by the Originator shall not exceed established limits set by the Bank. The Originator will initiate an ACH Entry or Entries and the corresponding Batch and/or File to the Bank in accordance with the procedures and specifications set forth herein. The Bank, in its sole discretion and in addition to any File transmittal, may require the Originator to fax or e-mail an ACH Transmittal Letter or provide the transmittal data by other electronic means as specified by the Bank. If the Bank requests a change be made to an ACH Entry or Entries within a Batch and/or File including, but not limited to, adding the Originator’s phone number to the “Company Discretionary Data” field within the Company/Batch Header Record, the Originator agrees to make the change prior to the next initiation of the respective ACH Batch and/or File. Any ACH Entry, Batch, and/or File that is initiated after the current Business Day’s cut-off time may be processed on the next available processing day. Prior to the applicable cut-off time, the Originator must confirm that each ACH Entry, Batch, and/or File submitted to the Bank has been processed. The Originator shall deliver each ACH Entry, Batch, and/or File in accordance with the processing schedule, if the ODFI requests a processing schedule, and as specified in Section III.U.

- D. LIMITS.** Limits are assigned at the Customer and Account level and are not delineated by SEC code. Bank may change Limits indicated within Service Forms at Bank's discretion. Customer Entry or Entries that exceed established limits may require written or electronic authorization by Customer as determined by Bank and in a form acceptable to Bank. From time to time, Customer may request that Bank approve a temporary, one-time, or permanent increase to an established Limit (for example, to accommodate a payroll bonus or other larger-than-usual Entry). Bank may, in its sole and absolute discretion, approve or decline any such request, and Bank is under no obligation to grant any increase. Any increase approved by Bank must be requested and approved through a process and in a form (which may be written or electronic) acceptable to Bank, and, unless otherwise stated by Bank in writing, will apply only to the specific Entry, Entries, or time period identified in the approval. Bank's approval of any increase shall not constitute a waiver of the applicable standard Limit, shall not obligate Bank to approve any future increase, and shall not be construed as a modification of the Limits set forth in the Service Forms except to the limited extent expressly approved. All Entries processed under an increased Limit remain subject to the Security Procedures (including dual authentication) and all other terms of this Agreement. Limits are assigned to Authorized Users by the Business Administrator. Customer is liable for all Entry or Entries initiated through the Services regardless of the stated Limit or any increased Limit approved by Bank.
- E. INCONSISTENCY OF NAME AND ACCOUNT NUMBER.** The Originator acknowledges and agrees that, if an ACH Entry or Entries describes the "Receiver" inconsistently by name and account number, payment of the ACH Entry or Entries initiated by the Originator may be accepted by the RDFI (or by the Bank in the case of an On-Us Entry) solely based on the account number when the account number is a valid account with the RDFI. This provision is applicable even if the ACH Entry or Entries identifies a person different from the named Receiver, and that the Originator's obligation to pay the amount of the ACH Entry or Entries to the Bank is not excused in such circumstances.
- F. PAYMENT BY ORIGINATOR FOR ACH ENTRIES.** The Originator shall pay the Bank the amount of each ACH Entry initiated by the Bank pursuant to this Section at such time and on the "Settlement Date." See Section III.AA regarding payment requirements for pre-funded ACH transactions.
- G. ORIGINATOR REPRESENTATIONS AND AGREEMENTS; INDEMNITY; ACH DATA BREACHES; AUDIT RIGHTS.**
1. With respect to each and every ACH Entry initiated by the Originator, the Originator represents and warrants to the Bank and agrees that: (a) each person shown as the Receiver of an ACH Entry, which may or may not be received by the Bank from the Originator, has authorized the initiation of such ACH Entry in accordance with the Rules and the crediting and/or debiting of his, her or its account in the amount and on the "Effective Date" shown on each ACH Entry; (b) such authorization is operative at both the time of transmittal and posting by the Bank as provided herein; and (c) the information the Originator includes in each ACH Company/Batch Header Record is accurate and complete. The Originator shall also ensure all information included in each ACH Company/Batch Header Record is accurate and complete; in particular, that the information within the "Company Name", "Company Identification", and "Company Entry Description" fields pertain to the ACH Entry or Entries being initiated by the Originator.
 2. The Originator shall perform its obligations under this Section in accordance with all applicable United States federal and state laws and regulations and other applicable laws, regulations, rules and procedures applicable to ACH transactions, including, but not limited to, the Rules, the Uniform Commercial Code, Article 4A (UCC, Article 4A), and the sanctions of OFAC, and all ACH Entries initiated by the Originator must comply with the foregoing laws, regulations, rules and procedures. No ACH Entry initiated by the Originator may violate the applicable laws of any state or the United States. Originator shall be bound by and comply with the provisions of the Rules, making a payment of an ACH Entry or Entries by the RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such ACH Entry or Entries. Originator specifically acknowledges that it has received notice of the rule regarding provisional payment and of the fact that, if such settlement is not received, the RDFI shall be entitled to a refund from the Receiver for the amount credited and Originator shall not be deemed to have paid the Receiver the amount of the ACH Entry or Entries. The Originator expressly authorizes the Bank to disclose the Originator's contact information, including telephone number, to any RDFI for the purpose of giving the Originator's contact information to the relevant Receiver.

3. The Originator shall indemnify the Bank against any penalty, fine, loss, liability or expense (including attorneys' fees and expenses) resulting from or arising out of any breach of any of the foregoing representations or agreements. This indemnification is in addition to any other indemnification rights that are provided for in this Section or elsewhere in this Agreement.
4. If requested by the Bank, the Originator shall provide the Bank with copies of any requested documentation within five (5) Business Days from such request, except as specified in Section III.H. The Originator shall provide immediately available funds to offset any credit ACH Entries ("Offset Funds") originated. The Originator shall not originate any ACH Entries for, or on behalf of, any other party. Any attempt to originate ACH Entries for, or on behalf of, any other party shall render such ACH Entries null and void.
Notwithstanding any other provision in this Section, the Bank shall have the absolute right to place a hold on funds in the Originator's Account, as defined herein, as well as any other deposit account held by the Originator or by any member of the Originator's Control Group at the Bank, at any time, in any amount and for the length of time the Bank deems necessary, in the Bank's sole discretion.
5. Originator shall adopt and implement, and shall ensure that each of its Third-Party Service Providers adopts and implements, commercially reasonable policies, procedures and systems to receive, store, transmit and destroy consumer-level ACH Data (as defined in the Rules) in a secure manner, to protect against data breaches and to detect the occurrence of data breaches. In the event of any data breach, Originator and each of its Third-Party Service Providers shall provide prompt notice of the same to ODFI's Information Security Officer. If a data breach is known or suspected, Originator and/or its Third-Party Service Provider immediately shall commence and diligently pursue an investigation of the circumstances to determine (a) if a data breach has actually occurred, (b) the scope of the data breach, including the type and amount of data affected, (c) the risk that the affected data will be misused, and (d) what steps are necessary to prevent further unauthorized access to Consumer-Level ACH Data. Originator and/or its Third-Party Service Provider shall take all other actions required by applicable law or the Rules that such persons are required to take in the event of a breach of Consumer-Level ACH Data.
6. The Bank reserves the right to audit, inspect, and review ACH Entries originated by the Originator and Originator's files, records, systems and books with respect to its origination of ACH Entries under this Section, and Originator's compliance with this Section, the Rules and all other laws, rules and regulations applicable to Originator's origination of ACH Entries. Originator will provide, within the timeframe specified by the Bank, any and all documentation as the Bank may request, regarding Originator's compliance with this Section, the Rules and all other laws, rules and regulations applicable to Originator's origination of ACH Entries. The Bank also reserves the right to require that Originator implement changes to its internal controls and processes related to its origination of ACH Entries. Originator acknowledges that its failure to provide any requested documentation, to comply with the Bank's audit request or to implement reasonably requested changes to its internal controls and processes related to its origination of ACH Entries within the Bank's specified timeframe may result in the closure of the Originator's Account, as defined herein, as well as any other deposit account held by the Originator at the Bank.

H. AUTHORIZATIONS. The Originator shall obtain written authorizations and consents per the Rules and shall retain these authorizations and consents for two years after the Settlement Date of the last ACH Entry or Entries or as set forth by applicable state law, whichever is longer. It is the responsibility of the Originator to verify that the individual signing the ACH debit or credit Authorization is, in fact, entitled to use and access the specified account. The Originator's obligation to pay the amount of the ACH Entry or Entries to the Bank is not excused if the party is not entitled to use the specified account. Upon request from the Bank or RDFI, the Originator shall provide a copy of such authorization within two (2) Business Days to the Bank.

Originator hereby acknowledges and agrees that, unless authorized in writing by the Bank, authorizations obtained via telephone or the Internet (resulting in the use of "TEL" or "WEB" SEC codes, as described in the Rules), or any form of authorization other than those permitted under the Rules for the SEC Codes the Bank has approved in writing for the Originator's use, are not authorized by the Bank pursuant to the terms of this Agreement. In the event the Bank (in its sole and absolute discretion) permits other forms of authorizations, Originator agrees to implement such additional security measures and controls as the Bank may require, and Originator's compliance in that regard will be subject to audit by the Bank as provided herein.

I. PRENOTIFICATION ENTRIES. A prenotification is a non-monetary Entry transmitted through the ACH network by an Originator to an RDFI. A prenotification conveys the same information that will be carried on subsequent Entries, with the exception of the dollar amount, transaction code, and any addenda records. Prenotifications allow the RDFI to verify the accuracy of account numbers prior to receiving a live Entry.

A prenotification Entry may be originated at any time. If Originator chooses to transmit prenotification Entries, it may not initiate live dollar Entries until the third Business Day following the prenotification's Settlement Date, provided that no return or NOC related to the prenotification is received by the ODFI by the opening of business on the second Business Day following the settlement date of the prenotification. The prenotification must carry an appropriate Effective Entry Date to be processed through the ACH network; it is not the date of the first live Entry. Any prenotification Entry with an Effective Entry Date that falls outside of the processing window will be rejected by the ACH Operator just as it would if it were a live Entry.

Prenotification Entries shall be provided to the Bank in the format and on the medium provided in the Rules and as directed by the Bank from time to time. Should the Customer receive notice that any such prenotification has been rejected by an RDFI, or that an RDFI will not receive Entries without having first received a copy of the written authorization signed by its customer (the Receiver), the Customer will initiate no further Entries to the Receiver until such time as the Customer provides the RDFI with such authorization. At such time, the Customer may initiate Entries, within the time limits provided in the ACH Rules. If the Bank receives a NOC indicating that the RDFI requires the requested changes to be made prior to the initiation of such Entries, the Originator must not initiate such Entries unless the requested changes have been made. At such time, the Customer may initiate Entries, within the time limits provided in the ACH Rules.

J. RETURN AND NOTIFICATION OF CHANGE. The Bank shall notify the Originator of any ACH Return or NOC Entry or Entries received from the RDFI after receipt of such ACH Entry or Entries. This notification may be delivered to the Originator electronically via the Service, by other permitted file transfer protocol, by email, or at the Bank's discretion by regular mail. It is the responsibility of the Originator to review its Return and NOC information daily and act upon it in a timely manner and in accordance with the Rules. The Rules provide complete details of the NOC and Return process. Except for an ACH Entry or Entries retransmitted by the Originator in accordance with the requirements of this Section III, the Bank shall have no obligation to retransmit a Returned ACH Entry or Entries to the ACH Operator if the Bank complied with the terms of this Section with respect to the original ACH Entry.

1. Upon receipt of any ACH Return Entry, the Originator shall act on such ACH Return Entry as applicable, including, but not limited to, handling items returned as unauthorized and/or revoked in accordance with the Rules. The Originator shall bear full responsibility for initiating items that are unauthorized and/or revoked.
2. Upon receipt of an ACH Return Entry for Insufficient Funds or Uncollected Funds purposes, the Originator shall not re-initiate such ACH Entry or Entries more than one time from the initial ACH Entry. The Originator shall bear full responsibility for re-initiating Insufficient Funds or Uncollected Funds ACH Entries in accordance with the Rules, including without obligation, the responsibility for indemnifying the Bank for any fees or penalties it may incur as a result of Originator's ACH Return Entries.
3. Upon receipt of an NOC Entry, the Originator shall correct the account details of such ACH Entry, if applicable, within six (6) Business Days from receipt of the NOC Entry or prior to initiating the next ACH Entry to the Receiver's account, whichever is later.
4. The Originator acknowledges that it shall refer to the current Rules for a complete and current list of Return Reason Codes and other applicable ACH Codes.
5. The Originator shall provide immediately available funds in the account(s) of the Originator to offset any debit ACH Return Entries originated by the Originator.

K. REJECTED ACH BATCHES AND/OR FILES.

1. The Originator shall provide ACH Batches and/or Files in the medium set forth in Section III.U. ACH Batches and/or Files not received in the specified format and medium may be rejected by the Bank in its sole discretion. If an ACH Batch and/or File is rejected for any reason, it is the responsibility of the Originator to remake and resubmit a valid ACH Batch and/or File. Please refer to Section III.U.

2. If at any time prior to transmitting an ACH Batch and/or File to the ACH Operator, the Bank determines, in its sole discretion, that the transmission of such ACH Batch and/or File may expose the Bank to liability or risk of loss, the Bank shall have the absolute right to reject such ACH Batch and/or File without penalty. The Bank would be exposed to liability or risk of loss, for purposes of this Section, in circumstances including, but not limited to, the insolvency or bankruptcy of the Originator, suspicion of fraud or illegal activity, or the garnishment or placement of a judgment lien on any account held by the Originator at the Bank.
3. The Bank may reject any ACH Batch and/or File: that exceeds established limits set by the Bank; that contains an ACH Entry type that is not approved; where the Originator's name and identification number contained in the Company/Batch Header Record does not match the name and identification number of the Originator in the Service; that does not comply with the Bank's Security Procedures; that contains an invalid Effective Date or an Effective Date that is more than one Business Day following the time that such Entry is received by the Bank; or for any other reason in the Bank's sole and absolute discretion.

L. REVERSALS AND DELETIONS.

1. The Originator shall have no right to cancel or amend any ACH Entry after its receipt by the Bank, except as expressly permitted in this Section III. The Originator shall reimburse the Bank for any expenses, losses, or damages the Bank may incur in effecting or attempting to effect the Originator's request to reverse an ACH Batch and/or File. An ACH Batch and/or File may be reversed for two (2) reasons only: (a) the ACH Batch and/or File contains erroneous data, and/or (b) it is a duplicate ACH Batch and/or File. If the Originator discovers that any ACH Batch and/or File it has initiated contains erroneous data or is a duplicate ACH Batch and/or File, it must notify the Bank within 24 hours of discovery. Should the Bank be unable to stop the ACH Batch and/or File from processing, the Originator may initiate a reversing ACH Batch and/or File, as provided for and abiding by the Rules and the procedures set forth in this Section. An ACH Batch and/or File Reversal may be initiated by the Originator within five (5) Business Days from the Settlement Date of the erroneous or duplicate ACH Batch and/or File. The Originator shall supply the word "REVERSAL" in the "Company Entry Description" field of the Company/Batch Header Record.
2. If the Originator discovers that an ACH Entry or Entries it has initiated contains erroneous data or is a duplicate ACH Entry or Entries, the Originator may reverse the ACH Entry or Entries. The reversing ACH Entry or Entries may be initiated within five (5) Business Days from the Settlement Date of the erroneous or duplicate ACH Entry or Entries. The Originator shall notify the affected Receiver(s) of the reversing ACH Entry or Entries no later than the Settlement Date of the reversing ACH Entry or Entries.
3. When reversing a credit ACH Entry, Batch, and/or File it is possible that the funds may no longer be available when the reversing ACH Entry, Batch, and/or File attempts to post to the Receivers' account; therefore, the reversing ACH Entry, Batch, and/or File may be returned to the Bank, on behalf of the Originator. In this case, the Originator's Account will be charged for the amount of the ACH Entry, Batch, and/or File. Under such circumstances, the Originator acknowledges that it will need to pursue resolution of the reversing ACH Entry, Batch, and/or File outside of the ACH Network.

M. REJECTED ENTRIES. The Bank reserves the right to reject any ACH Entry or Entries with or without cause. In the event that the Bank rejects any ACH Entry or Entries for any reason, it shall be the responsibility of the Originator to reinitiate the ACH Entry or Entries and the ACH Batch and/or File that corresponds to such ACH Entry or Entries. Should the ACH Batch and/or File be rejected due to an error caused by the Bank, the Bank will be responsible to reinitiate the ACH Batch and/or File. In either case, the Originator must supply sufficient information to the Bank, upon request, to recreate the ACH Entry or Entries and the corresponding ACH Batch and/or File. The Bank will use commercially reasonable efforts to process any reinitiated ACH Entry or Entries and its corresponding ACH Batch and/or File in a timely manner. The Bank shall have no liability to the Originator by reason of the rejection of any such ACH Entry or Entries and/or its corresponding ACH Batch and/or File. The Originator is required to retain copies of its ACH Entries, Batches, and/or Files submitted for processing for a minimum of 90 days following the Settlement Date as provided herein, and shall provide such data to the Bank upon its request within two (2) Business Days.

N. THE ACCOUNT. In addition to and without limiting the Bank's rights under other Sections of this Agreement, the Bank may, at its sole discretion and without prior notice or demand, obtain payment of any amount due and payable to it

under this Section by debiting the Account, and shall credit the Account for any amount received by the Bank by reason of the Return of an ACH Entry transmitted by the Bank for which the Bank has previously received payment from the Originator. Such credit will be made as of the day of such receipt by the Bank, provided that accurate ACH Entry information is received. The Account shall be maintained by the Originator at the Bank. The Originator shall at all times maintain a balance of available funds in the Account sufficient to cover its payment obligations under this Section. Without limiting the foregoing, the Originator shall maintain collected and available funds in the Account sufficient to cover the full amount of each ACH Entry, Batch, and/or File at or before the time it is submitted to the Bank. The Originator authorizes the Bank, upon submission of any ACH Entry, Batch, and/or File, to place a hold on (and subsequently debit) available funds in the Account in the amount of such Entry, Batch, and/or File. If sufficient collected and available funds are not maintained in the Account at the time of submission, the Bank may, in its sole and absolute discretion, reject and decline to process the ACH Entry, Batch, and/or File, delay processing until sufficient funds are available, or require the Originator to deposit additional funds before processing, and the Bank shall have no liability for any resulting delay or non-processing. In the event there are not sufficient available funds in the Account to cover the Originator's obligations under this Section, the Originator agrees, on its own behalf and on behalf of members of its Control Group, that the Bank may debit any other account maintained by the Originator with the Bank or any member of the Originator's Control Group, or the Bank may exercise its right of set-off without any notice to the Originator against any amount it owes to the Originator or to any member of the Originator's Control Group, in order to obtain payment of the Originator's obligations under this Section. The Originator shall provide immediately available funds in the Offset Account maintained at the Bank to offset any credit ACH Entries originated. Similarly, the Originator shall promptly provide immediately available funds in the Account to indemnify the Bank in the event any ACH Entry or Entries is rejected after the Bank has permitted the Originator to withdraw immediately available funds, should funds not be available in the Originator's accounts to cover the amount of the rejected ACH Entry or Entries.

O. ACCOUNT RECONCILIATION. ACH Entries transmitted by the Bank or credited to a Receiver's account maintained with the Bank will be reflected on the Originator's account statement (which may also be referred to as an "Analysis Statement" in the statement itself or in other bank documentation) or within the Service, made available by the Bank to the Originator with respect to the Account pursuant to this Section. In addition to and without limiting Customer's other obligations to review account statements under the terms of this Agreement, Originator agrees to notify the Bank promptly of any discrepancy between the Originator's records and the information shown on any account statement. If the Originator fails to notify the Bank of any discrepancy within the time specified by the Rules, the Originator agrees that the Bank shall not be liable for any other losses resulting from the Originator's failure to give such notice or any loss of interest or any interest equivalent with respect to an ACH Entry shown on such account statement. If the Originator fails to notify the Bank of any such discrepancy within the time specified by the Rules for disputing and correcting such discrepancy, the Originator shall be precluded from asserting such discrepancy against the Bank. This Section shall not be construed to limit in any way the Originator's duties and obligations contained in this Section and under applicable law.

P. PROCESSING, TRANSMITTAL AND SETTLEMENT BY THE BANK.

1. The Bank shall use commercially reasonable efforts to: (a) process any ACH Entry, Batch, and/or File initiated by the Originator or the Originator's Third-Party Service Provider that conforms with the procedures and specifications set forth in the Rules and Section III.S, Section III.T and Section III.U, (b) transmit such ACH Entry, Batch, and/or File as an ODFI to the ACH Operator or to a Third Party Service Provider, and (c) handle such ACH Entry, Batch, and/or File as provided in the Rules.
2. The Bank shall transmit any ACH Entry, Batch, and/or File to the ACH Operator initiated by the Originator on (if a Same Day ACH) or prior to the Effective Date of each ACH Entry, Batch, and/or File provided: (a) such ACH Entries, Batches, and/or Files are received by the Bank's related cut-off time on a Business Day; (b) the release and/or upload date of such ACH Entries, Batches, and/or Files is a Business Day; (c) the ACH Operator is open for business on such Business Day; and (d) the Bank receives such ACH Entries, Batches, and/or Files in the appropriate time-frame, as described in Section III.U.

3. If any of the requirements of Section III.P.2 are not satisfied, the Bank shall use reasonable efforts to transmit such ACH Entries, Batches, and/or Files to the ACH Operator by the next processing day that is also a day on which the ACH Operator is open for business.
4. In addition to and without limiting the Bank's other rights to indemnification hereunder, Originator shall indemnify the Bank, its employees, officers and directors for any loss or liability incurred by the Bank due to the breach or failure of Originator to comply with its obligations under this Agreement or, with respect to any ACH Entries, Batches, and/or Files initiated by the Originator, of any of the warranties of an ODFI contained in the Rules, except for those due solely to the gross negligence or willful misconduct of the Bank. This includes reimbursement by the Originator to the Bank of any fines imposed on the Bank due to breaches of the Rules by the Originator or any Third Party acting on behalf of the Originator.
5. The Originator will receive immediately available funds for any debit ACH Entries initiated by it not later than the Settlement Date of such ACH Entries. Notwithstanding the foregoing, the Bank may place a hold on any account held by the Originator at the Bank in the Bank's sole discretion, and may impose other conditions on the Originator's withdrawal of funds in the Bank's sole discretion. For the avoidance of doubt, the Bank does not make funds available to Customer on a provisional basis, and any credit for an ACH Entry is provisional and subject to the Bank's receipt of final settlement in accordance with the Rules and applicable law.

Q. ACH SECURITY. The Originator and the Bank shall comply with the Security Procedure described in this Section III and elsewhere in this Agreement. The Originator acknowledges and agrees that dual authentication (also referred to as "dual control") is a commercially reasonable Security Procedure for any ACH transactions initiated by it through the Bank's Online Banking or otherwise using the Services. Effective as of the date established by the Bank, and unless the Originator has expressly opted out in writing on a form approved by and acceptable to the Bank, dual authentication will be automatically enabled for the Originator's ACH transactions, and the Originator agrees to use dual authentication for all such transactions. The Originator may opt out of dual authentication only by completing and delivering the Bank's approved opt-out form; the opt-out will not be effective until such form has been received and accepted by the Bank. The Originator acknowledges that the purpose of the Security Procedure is for verification of data authenticity and not to detect errors within the transmitted ACH Entries, Batches, and/or Files. The Originator agrees that dual authentication is a commercially reasonable Security Procedure whether or not the Originator elects to use it, and that the Originator's failure to select, its election to opt out of, or its failure to consistently use dual authentication does not render the Security Procedure commercially unreasonable. In addition to and without limiting its other liability pursuant to this Agreement, the Originator expressly assumes all risk of, and liability for, any losses that may have been prevented had the Originator selected and used the Bank's dual authentication Security Procedure, including any losses arising from the Originator's failure to select, its election to opt out of, or its failure to consistently use dual authentication. Notwithstanding the foregoing, the parties acknowledge that no security procedure for detection of errors has been agreed upon between the Originator and the Bank. The Originator is strictly responsible for establishing and maintaining the procedures to safeguard against unauthorized or inaccurate transmissions. The Originator warrants that no individual will be allowed to initiate ACH transactions in the absence of proper supervision and safeguards, and agrees to take reasonable steps to maintain the confidentiality of the Security Procedures and any Access Devices and related instructions provided by the Bank in connection with the Security Procedures described in Section III.S. If the Originator believes or suspects that any such information or instructions have become known to or accessed by unauthorized persons, the Originator agrees to notify the Bank immediately by telephone, followed by written confirmation to be promptly mailed to Bank following verbal notification. The occurrence of unauthorized access will not affect any transfers made in good faith by the Bank prior to receipt of such notification and within a reasonable time period to prevent unauthorized transfers. The Originator shall, upon request by the Bank, provide the Bank the Originator's processing schedule.

R. COMPLIANCE WITH ACH SECURITY PROCEDURES. If an ACH Entry, Batch, and/or File (or a request for cancellation or amendment of an ACH Entry, Batch, and/or File) received by the Bank purports to have been initiated or authorized by the Originator, it will be deemed effective as the Originator's ACH Entry, Batch, and/or File (or request) and the Originator shall be obligated to pay the Bank the amount of such ACH Entry, Batch, and/or File even though the ACH Entry, Batch, and/or File (or request) was not authorized by the Originator, provided the Bank accepted the ACH Entry, Batch, and/or File in good faith and acted in compliance with the Security Procedure established by the Bank and the Originator in this Section III or elsewhere in this Agreement with respect to such ACH Entry, Batch, and/or File. If an

ACH Entry, Batch, and/or File (or request for cancellation or amendment of an ACH Entry, Batch, and/or File) received by the Bank was initiated or authorized by the Originator, the Originator shall pay the Bank the amount of the ACH Entry, Batch, and/or File whether or not the Bank complied with the Security Procedure referred to in Section III.S or elsewhere in this Agreement with respect to that ACH Entry, Batch, and/or File and whether or not that ACH Entry, Batch, and/or File was erroneous in any respect or that error would have been detected if the Bank had complied with such procedure. Transmittals with authorized signature(s) may be required as an additional method used to verify authenticity of the communicated data.

- S. COMMUNICATION SECURITY.** In addition to the Security Procedures set forth in this Section, the Originator must comply with the Security Procedures set forth in Section I.H of these Terms and Disclosures, as amended by the Bank. The Originator's failure to comply with the Security Procedures shall result in Originator being responsible for any liability, loss or damage resulting from the failure to comply with such Security Procedures.

Customer is strictly responsible for establishing and maintaining commercially reasonable security measures to safeguard against unauthorized transmissions. Customer warrants that such measures will include but not be limited to security technology (e.g. Internet browsers and secure web-servers) that provide a minimum level of security equivalent to 256-bit encryption technology for the Entry and transmission of ACH items over the Internet. Additionally, Customer warrants that no individual will be allowed to initiate transfers in the absence of proper supervision and safeguards, and agrees to take reasonable steps to maintain the confidentiality of the security procedures and any Access Devices and related instructions provided by the Bank in connection with the Security Procedures described herein.

Originators agree that files must be transferred through the Bank's Services or other file transfer protocol permitted by the Bank and designated processors.

The Bank will not create and/or submit any payment information for the Originator. In the event the Originator is unable to transmit any ACH Batch and/or File due to a complication and/or malfunction of the Originator's equipment and/or software, including, but not limited to, any complication and/or malfunction of a Third-Party Service Provider, the Originator must have a contingency plan for transmitting its ACH Entries, Batches, and/or Files. It is the Originator's sole responsibility to decide which option (if any) it chooses to use and the Bank shall be held harmless from any loss the Originator suffers as a result of such decision. If the Originator does choose an alternate method to transmit its ACH Entries, Batches, and/or Files, it shall notify the Bank's Treasury Management client support department prior to transmission.

- T. THIRD-PARTY SERVICE PROVIDER.** If expressly approved in writing by the Bank, a Third-Party Service Provider may act on behalf of an Originator. When such an approved Third-Party Service Provider acts on behalf of the Originator with respect to initiating any ACH Entry, Batch, and/or File to the Bank or Bank's agent, the Originator acknowledges and agrees in this Section that it has executed a written agreement with its Third-Party Service Provider binding both the Originator and Third-Party Service Provider to comply with the Rules and these Terms and Disclosures. The Originator indemnifies the Bank of any fines imposed on the Bank due to breaches of the Rules by the Originator or any Third Party Service Provider acting on behalf of the Originator. This indemnification is in addition to any other indemnification rights that are provided for in this Section.

U. LOGISTICAL INFORMATION.

1. Cut-Off and Release Times for Entries which are Not Same Day ACH Entries. The Bank's current established cut-off time for receiving ACH Batches and/or Files from the Originator is 3:00 p.m. AKT. Cut off times may be changed at Bank's discretion. A schedule of the Bank's cut-off times for ACH processing is available from the Bank upon request. Any ACH Entry, Batch, and/or File received after the current Business Day's cut-off time shall be processed the next available processing day, with a Settlement Date of one to two (1 to 2) Business Days from the process date.

- a. ACH Entries shall be released to the ACH Operator pursuant to the following timeframes:

Credit = one (1) Business Day prior to Effective Date of the ACH Entry.

Debit = one (1) Business Day prior to Effective Date of the ACH Entry.

- b. For the Bank to initiate any ACH Entry, Batch, and/or File on behalf of the Originator to the ACH Operator in accordance with the timeframes set forth above, the Bank must receive: (1) any debit ACH Entry no less than one (1) Business Days prior to the Effective Date of the ACH Entry; and (2) any credit ACH Entry no less than one (1) Business Day prior to the Effective Date of the ACH Entry.
 - c. Any ACH Entry, Batch, and/or File received by the Bank with an Effective Date that is not a valid Business Day shall be processed on the next available processing day, with a Settlement Date of one to two (1 to 2) Business Days from the process date.
 - d. Any ACH Entry, Batch, and/or File Initiated by the Originator after the cut off time 1 business day prior to the Effective Date and prior to the 10:00 a.m. AKT on the Effective Date will be a Same Day ACH Entry or Entries and subject to Section III.U.2.
2. Limits, Cut-Off and Release Times for Same Day ACH Entries. The Bank may, in its discretion, offer Same Day ACH transactions for its customers. Customer recognizes that only ACH credits and debits will be eligible to be processed by the Bank as a Same Day ACH, and pursuant to the ACH Rules, such Entries cannot exceed \$1,000,000. This limit may be increased as permitted by future amendments to the Rules. This limit may also be reduced in the Bank's sole discretion with respect to transactions permitted for Customer's account(s). Customer further understands that Same Day ACH transactions will be identified by the Originator using the current day's date in the Effective Entry Date field of the Company/Batch Header Record. Customer also acknowledges that transactions intended for same-day processing carrying a current day Effective Entry Date will also need to meet the Bank's submission deadline for same-day processing as described below. Transactions with an Effective Entry Date which has already passed may be processed by the Bank as a Same Day ACH.

For the Bank to initiate a Same Day ACH for same-day processing, the Bank must receive the related ACH Entry, Batch and/or File before its current established cut-off time of 10:00 a.m. AKT for Same Day ACH transactions. Cut off times may be changed at Bank's discretion. A schedule of the Bank's cut-off times for ACH processing is available from the Bank upon request.

If Same Day ACH Entries are submitted to the Bank after the established cut-off time, the ACH Entry will be cancelled and the Originator will need to initiate ACH Entries.

Additional fees may apply for Same Day ACH processing.

3. Bank Hours. Information regarding the Bank's hours of operation and any closures may be found through the Bank's website: (<https://www.fnbalaska.com>).
4. Medium and Format. ACH Batches and/or Files received by the Bank must be in a Nacha formatted file that is in compliance with the Rules.
5. Provision of Financial Statements. Customer will, upon request, provide the Bank with financial statements reflecting the two most recent fiscal years and ongoing annual statements within ninety (90) days following each fiscal year end.

V. BANK RESPONSIBILITIES; LIABILITY; LIMITATIONS ON LIABILITY; INDEMNITY.

1. In the performance of the services required by this Section, the Bank shall be entitled to rely solely on the information, representations, and warranties provided by the Originator pursuant to this Section, and shall not be responsible for the accuracy or completeness thereof. The Bank shall be responsible only for performing the services expressly provided for in this Section, and shall be liable only for its gross negligence or willful misconduct in performing those services. The Bank shall not be responsible for the Originator's acts or omissions (including without limitation the amount, accuracy, timeliness of transmittal or authorization of any ACH Entry received from the Originator) or those of any other person, including without limitation any

Federal Reserve Bank, Third Party Service Provider, ACH or transmission or communications facility, any Receiver or RDFI (including without limitation the Return of an ACH Entry by such Receiver or RDFI), and no such person shall be deemed the Bank's agent.

2. **ORIGINATOR INDEMNIFICATION. IN ADDITION TO AND WITHOUT LIMITING CUSTOMER'S OTHER INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT, ORIGINATOR WILL INDEMNIFY, DEFEND AND HOLD HARMLESS THE BANK, ITS SHAREHOLDERS, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, SHAREHOLDERS, MEMBERS, LENDERS, PARTNERS, ATTORNEYS, AGENTS, SUCCESSORS, ASSIGNS AND CORRESPONDENTS (COLLECTIVELY, THE "BANK INDEMNIFIED PARTIES") HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, DEMANDS, JUDGMENTS, LIABILITIES, LOSSES AND EXPENSES (INCLUDING ATTORNEY'S FEES) RESULTING DIRECTLY OR INDIRECTLY FROM: (a) ANY WILLFUL MISCONDUCT, NEGLIGENCE, ACTION OR OMISSION ON THE PART OF ANY INDIVIDUAL WHO HAS BEEN LISTED, IN ANY DOCUMENT OR AGREEMENT PROVIDED BY ORIGINATOR TO BANK, AS PERSONS AUTHORIZED TO ACT ON ORIGINATOR'S BEHALF WITH RESPECT TO ACH ENTRIES; (b) ACTS OR OMISSIONS BY THE BANK IN CARRYING OUT ITS OBLIGATIONS HEREUNDER, EXCEPT FOR THE BANK'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT; (c) ORIGINATOR'S ACTS OR OMISSIONS (INCLUDING WITHOUT LIMITATION THE AMOUNT, ACCURACY, TIMELINESS OF TRANSMITTAL OR AUTHORIZATION OF ANY ACH ENTRY RECEIVED FROM THE ORIGINATOR); (d) ORIGINATOR'S FAILURE TO OBSERVE ANY PROVISION OF THE AGREEMENT, INCLUDING, WITHOUT LIMITATION, ITS BREACH OF ANY REPRESENTATION, WARRANTY OR COVENANT HEREUNDER; (e) ANY CLAIM OF ANY PERSON THAT THE BANK IS RESPONSIBLE FOR ANY ACT OR OMISSION OF THE ORIGINATOR, ANY THIRD-PARTY SERVICE PROVIDER ACTING ON BEHALF OF THE ORIGINATOR OR ANY OTHER PERSON DESCRIBED IN THIS SECTION III; AND (f) CLAIMS OF ANY PERSON, INCLUDING WITHOUT LIMITATION ANY FEDERAL RESERVE BANK, THIRD-PARTY SERVICE PROVIDER, ACH OR TRANSMISSION OR COMMUNICATIONS FACILITY, ANY RECEIVER OR RDFI (INCLUDING WITHOUT LIMITATION THE RETURN OF AN ACH ENTRY BY SUCH RECEIVER OR RDFI), RELATED TO OR ARISING OUT OF ACH ENTRIES OR OTHER TRANSACTIONS MADE UNDER THIS SECTION. ORIGINATOR'S INDEMNIFICATION OBLIGATIONS HEREUNDER SHALL INCLUDE THE PAYMENT OF ALL COSTS OF DEFENSE, IF ANY, INCLUDING WITHOUT LIMITATION, ALL REASONABLE AND NECESSARY ATTORNEY'S FEES, COURT COSTS, ACCOUNTING FEES, CLASS ACTION COSTS AND EXPERT FEES. NOTWITHSTANDING THE FOREGOING, ORIGINATOR'S OBLIGATIONS TO DEFEND THE BANK HEREUNDER SHALL EXTEND WITHOUT LIMITATION TO ALLEGATIONS OF OMISSIONS, NEGLIGENCE, GROSS NEGLIGENCE, AND INTENTIONAL ACTS OF THE BANK OR THE OTHER BANK INDEMNIFIED PARTIES, INCLUDING THE CONCURRENT NEGLIGENCE OF ANY BANK INDEMNIFIED PARTY, BUT EXCLUDING THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY BANK INDEMNIFIED PARTY. IT IS CONTEMPLATED THAT ORIGINATOR'S DEFENSE OBLIGATIONS UNDER THIS PROVISION MAY BE, BUT SHALL NOT NECESSARILY BE, BROADER THAN ITS INDEMNIFICATION OBLIGATIONS HEREUNDER.**
3. The Bank shall be liable only for the Originator's actual damages; in no event shall the Bank be liable for any consequential, special, incidental, punitive or indirect loss, damage or lost profits which the Originator may incur or suffer in connection with this Section, whether or not the likelihood of such damages was known or contemplated by the Bank and regardless of the legal or equitable theory of liability which the Originator may assert, including, without limitation, loss or damage from subsequent wrongful dishonor resulting from the Bank's acts or omissions pursuant to this Section.
4. Without limiting the generality of the foregoing provisions, the Bank shall be excused from failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communication facilities, equipment failure, war, terrorist acts, pandemic, epidemic, emergency conditions or other circumstances beyond the Bank's control. In addition, the Bank shall be excused from failing to transmit or delay in transmitting an ACH Entry if such transmittal would result in the Bank's having exceeded any limitation upon its intra-day net funds position established pursuant to present or future Federal Reserve Board guidelines or in the Bank's reasonable judgment otherwise violating any provision of any present or

future risk control program of the Federal Reserve Board or any rule or regulation of any other U.S. governmental regulatory authority.

5. Subject to the foregoing limitations, the Bank's liability for loss of interest resulting from its error or delay shall be calculated by using a rate equal to the average Federal Funds rate at the Federal Reserve Bank of New York for the period involved. At the Bank's option, payment of such interest may be made by crediting the Account.

- W. LIABILITY TO ORIGINATOR.** In the event the Originator incurs any actual loss due to mishandling of a particular ACH Entry or Entries by the Bank, the Bank's liability to the Originator shall be limited to: (a) liability for the Bank's gross negligence or willful misconduct; (b) the amount recoverable by the Bank from the ACH Operator, or any Third Party pursuant to the Rules; or (c) amounts recoverable under any indemnity agreement but, in no event shall the Bank be liable for any consequential, special, incidental, punitive or indirect loss or damage incurred or suffered by the Originator. Compensation shall be calculated using the compensation rules provided in the Rules.
- X. COOPERATION IN LOSS RECOVERY EFFORTS.** In the event of any damages for which the Bank or the Originator may be liable to each other or to a Third Party pursuant to the services provided under this Section, the Bank and the Originator will undertake reasonable efforts to cooperate with each other, as permitted by applicable law, in performing loss recovery efforts and in connection with any actions that the relevant party may be obligated to defend or elects to pursue against a Third Party.
- Y. TERMINATION OF ACH SERVICE.** These ACH ODFI Services are terminable upon written notice by either party, provided that applicable portions of this Section III shall remain in effect with respect to any ACH Entries initiated by the Originator, and received by the Bank, prior to such termination. In addition, any requirement for the Originator to obtain and/or retain any document, including, but not limited to, any authorization as described in Section III.H, shall survive the termination of this Section or this Agreement. Further, without limiting the Bank's other termination rights under this Agreement, the Bank shall have the absolute right to immediately suspend indefinitely and/or terminate this Agreement, without notice to the Originator, if the Bank determines, in its sole discretion, that any one or more of the following events has occurred:
1. Any material adverse change in the business, properties, assets, operations or condition, financial or otherwise, of the Originator, including, but not limited to, insolvency, bankruptcy, federal or state tax deficiency, or inability to maintain Originator's existing credit rating;
 2. Any violation by the Originator of any state or federal law;
 3. Any violation by the Originator of the Rules;
 4. The Originator originates an ACH Entry whereby a reserve account or an account with a hold placed upon it is set up as a condition to process such ACH Entry, and the Originator subsequently withdraws funds from the reserve account or the account with the hold; or
 5. The Originator breaches the terms of this Section.

The Bank shall have the absolute right to delete any ACH Entry, Batch, and/or File that the Bank receives, or has already received and has yet to transmit to an ACH Operator, after the termination of this Section. In the event the Bank does delete an ACH Entry, Batch, and/or File pursuant to the right granted to the Bank hereunder, it will inform the Originator by either telephone, e-mail or otherwise through the Service of such deletion. Additionally, the Bank shall have the absolute right to immediately and unilaterally place Customer in the Bank's Prefunded ACH Origination Services program in accordance with Section III.AA of these Terms and Disclosures.

- Z. ACH ORIGATION SYSTEM.** The Originator acknowledges that the ACH origination system it uses to initiate ACH Entries, Batches, and/or Files was developed by persons other than the Bank and that the Bank is not responsible for the performance, design, operation, completeness, security, correctness or accuracy of the ACH origination system. THE ACH ORIGATION SYSTEM IS PROVIDED TO THE ORIGINATOR ON A NON-EXCLUSIVE AND ON AN "AS IS" BASIS AND WITHOUT ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WHATSOEVER, ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED BY THE BANK. The Originator represents and warrants to the Bank that the Originator will, before using the ACH origination system, perform a test of the system (including, without limitation, all

updates) to determine and confirm its functionality, capability, usefulness and suitability for the Originator's applications. The Originator agrees to bear all risk, expense and burden arising from the Originator's use of the ACH origination system.

AA. PREFUNDED ACH SERVICES DISCLOSURE AND TERMS. If Bank has agreed to provide ACH ODFI Services to Customer utilizing the Bank's prefunded ACH Services, Customer agrees to the additional terms and conditions in this Section AA.

Prefunded ACH Credit File services are described as processing an ACH credit file for payments contingent upon the availability of collected funds in a designated DDA. The service has the following conditions and restrictions:

1. Bank may place a hold or debit Customer's account on or up to five Business Days prior to the effective date of Customer's ACH Batch Files, depending upon when Customer's file is submitted for processing (intra-day hold occurs prior to debit). Bank will verify availability of (collected) funds in the designated DDA account on or up to five Business Days prior to the Settlement Date of Customer's ACH file (regardless of the date of receipt).
2. Customer acknowledges that holds on deposited checks will limit funds availability and that checks written on the designated DDA will impact account balances.
3. If Customer's file is not processed due to insufficient funds in the designated account, Customer may be required to re-initiate the file. In the event there are not sufficient available funds in the Settlement Account to cover Customer's obligations under this Agreement, Customer agrees that Bank may, in its discretion and in addition to its other rights under this Agreement, refuse to process Entries, or require Customer to deposit additional funds before the Entries are processed.

PREFUNDED ACH DEBIT FILES. Prefunded ACH Debit File services are described as processing an ACH debit file for receipt of funds from other parties' bank accounts for which Customer is authorized to deduct payments. The service is contingent upon holding a portion of the funds received to cover potential returns over a specified number of days. The service has the following conditions and restrictions:

4. At its discretion, Bank will determine the percentage of the funds received in the debit file that will be held as well as the number of days over which the funds will be held to cover potential returns.
 - a. During the period of time the funds are held, they will not be available for Customer's use and will be released at the end of the predetermined timeframe.
 - b. ACH debit files must be received by the applicable cut-off time one Business Day prior to the Settlement Date.

Customer's ACH Credit and Debit Files will not be processed until the above conditions are satisfied. In the event that the stated conditions are not satisfied, and the ACH File is not processed or is delayed, Customer acknowledges and agrees that Bank will not bear any liability for the fact that the File was not processed or was delayed. Additionally, Bank will not bear any liability for the fact that funds were held and unavailable for Customer's use during the predetermined hold period. This applies to both prefunded ACH Credit Files and prefunded ACH Debit Files.

Failure to comply with the conditions noted above may result in termination of ACH ODFI Origination Services or require additional credit approval in order to continue using ACH Services.

BB. ACH BLOCK & FILTER

1. **ACH BLOCK.** If Customer elects the ACH Block Service for one or more Designated Accounts, the Bank will provide ACH Block for such Designated Account(s) as that term is defined in Section III.A.7 of these Terms and Disclosures. As set forth in that definition, the Bank is authorized and instructed to return (i) any such ACH Debit entry with the return reason, "Customer Advises Not Authorized," and (ii) any such ACH Credit entry with the return reason, "Credit Entry Refused by Receiver." For clarification purposes, ACH Block does

not include the return or reversal of any reversing entry relating to a prior entry that was previously received and posted to (or paid from) the Designated Account.

2. **PAYMENT OF FEES.** Bank's fees for the ACH Block All Service will be assessed at Bank's then-current rates for such services as set forth in the Bank's Commercial Fee Schedule, unless otherwise agreed in writing between Bank and Customer. Bank may amend the fee schedule for such services from time to time upon thirty (30) days' prior written notice to Customer.
3. **TERMINATION.** Either party may terminate the ACH Block All Service at any time for any reason. Termination by Bank will be effective upon Bank's notice to Customer by any means. The Bank will provide Customer written confirmation of the termination no later than (1) one Business Day after the effective date of such termination. Termination by Customer will be effective within (3) Business Days following the Bank's receipt of Customer's written notice of termination at the notice address set forth herein. Termination will not affect any of Customer's obligations arising from any transaction occurring prior to the effective date of termination.
4. **LIMITATION OF LIABILITY/INDEMNIFICATION.** Customer agrees and expressly authorizes the Bank to rely solely on the procedures set forth herein, and that Bank will not be liable for any errors, claims or disputes arising from Bank's blocking of any ACH debit entry or ACH credit entry. In addition to and without limiting Customer's other indemnification obligations provided elsewhere in the Terms and Disclosures, Customer agrees to indemnify and hold Bank harmless from any losses, claims, damages, liabilities, costs, and expenses (including reasonable attorney's fees) arising out of or relating to the Bank's failure to honor any ACH transfer to or the rejection or return of an ACH entry, ACH batch, or ACH file submitted to any account subject to the ACH Block All Service.

CC. EDI PAYMENT MANAGER SERVICE- ACH ADDENDUM RECORDS

If Customer elects to receive ACH Addendum Records for ACH entries associated with Customer's account(s), Bank may make such records available. Bank will transmit information contained in the Addendum Records to Customer by e-mail as designated by Customer on the applicable Service Form.

Bank will send an email notice through Bank's secure email system (the "System") to each email address listed on the applicable Service Form, when Bank receives an ACH entry with the addendum records for an account number authorized on the applicable Service Form. Each User must establish a password and recovery question and answer upon receipt of the first encrypted email through the System. A valid password is required to access each subsequent encrypted email. A User will be locked out after three (3) invalid log-in attempts. If an email is rejected or undeliverable, Bank may remove the invalid e-mail address from future transmissions.

Bank may transmit addendum records to Customer by 5:00 p.m. AKT on the Business Day Bank receives an ACH entry accompanied by addendum records.

Customer agrees to pay fees for this service as set forth in the Commercial Fee Schedule (available upon request), as amended from time to time upon thirty (30) days' prior written notice to Customer. Fees incurred in connection with this Service will be charged to the Customer's account identified on the applicable Service Form.

Addenda Records and any Payment Related Information originate from third parties and are transmitted by Bank on a pass-through basis; Bank does not verify or edit such information and provides this Service "AS IS," without warranties of any kind, express or implied, including accuracy, completeness, timeliness, merchantability, and fitness for a particular purpose. Such information is for Customer's reconciliation convenience only and is not an official record; the applicable account statement remains the official record. Bank is not liable for any failure or delay in delivering Addenda Records, or for any interception or compromise of a transmission after it leaves Bank's secure email system, and in no event will Bank be liable for indirect, incidental, special, consequential, exemplary, or punitive damages. Bank's aggregate liability for this Service will not exceed the limit set forth in Section I.E of these Terms and Disclosures. Customer is responsible for safeguarding all credentials and any Payment Related Information after delivery in accordance with applicable law and the Rules.

DD. ACH FRAUD PREVENTION SERVICES

1. **Fraud Prevention Services.** If Customer elects to enroll in ACH Fraud Prevention Services, Customer may access a separate online portal (“ACH Fraud Prevention Portal”) through the Service to:
 - a. provide information about each company Customer has authorized to debit and/or credit Customer’s Account(s) through the Service (each, an “Authorized Company”);
 - b. authorize payment of ACH debit entries from companies that are not Authorized Companies approved by Customer to the Bank through the ACH Fraud Prevention Portal;
 - c. authorize payment (deposit) of ACH credit entries that are not from an Authorized Company approved by Customer to the Bank through the ACH Fraud Prevention Portal; and
 - d. notify the Bank of any unauthorized ACH debit entry received from an Authorized Company that Customer has been approved to Bank through the ACH Fraud Prevention Portal.
2. **Information Provided.** Based on the information provided through the ACH Fraud Prevention Portal, the Bank will determine whether to pay or return ACH debit and/or credit entries, as applicable, and will post entries to Customer’s Account, in accordance with this Agreement. The Bank Account(s) designated by Customer for the ACH Fraud Prevention Services are identified in the Service Form. Whether the Services apply to ACH debits, ACH credits, or both for those Account(s) is specified in the most current Service Form.
3. **Authorized Users.** Customer authorizes any person who accesses the ACH System using a valid User ID and password to access ACH Fraud Prevention and any services and reports available through ACH Fraud Prevention via the System. Access to ACH Fraud Prevention is enabled through single sign-on from the Service for those Users who have been granted ACH Fraud Prevention access permissions with the valid User ID and password of Customer’s System Administrator. Each person authorized by Customer to access ACH Fraud Prevention (an “ACH Fraud Prevention User”) must be a User in the ACH System but need not be a System Administrator. Bank may provide information and respond to inquiries regarding ACH Fraud Prevention and the related deposit Account services to any person who represents that they are an ACH Fraud Prevention User and whom Bank reasonably believes in good faith to be an ACH Fraud Prevention User.
4. **Preliminary Determination to Pay or Return.** ACH Fraud Prevention will automatically generate a preliminary decision to (a) pay each Authorized Entry and (b) return each Exception ACH item. An ACH Fraud Prevention User with the required permissions may override the preliminary decision at any time before the Cut-off Time.
5. **Authorized Entry.** Any ACH debit or credit entry received with an SEC Code that is not an Eligible SEC Code will not be treated as an Authorized Entry or an Exception ACH item and will be processed by Bank in the ordinary course of business.
6. **Alerts.** When ACH Fraud Prevention is first implemented for Customer, alerts will be sent by default to the email address of the first-named System Administrator identified on the Service Form. By default, an alert will be sent no later than 8:00 a.m. AKT on the next Business Day after an ACH debit and/or credit entry (as applicable) post to a Designated Account.

An ACH Fraud Prevention User with the required permissions may change the default alert recipient by entering one or more email addresses and/or mobile telephone numbers in ACH Fraud Prevention for delivery of email and/or text alerts. Once Customer designates alternate email addresses and/or mobile telephone numbers in ACH Fraud Prevention, alerts will be sent only to those designated recipients and will no longer be sent to the default email address.

An ACH Fraud Prevention User with the required permissions may also modify the default alert settings, including the criteria that determine when an alert is generated.

Customer acknowledges and agrees that use of the ACH Fraud Prevention, including receipt of email and

text alerts, may result in third-party charges (including telecommunications or messaging fees). Customer is solely responsible for all such third-party charges, and Bank has no responsibility for such third-party charges.

7. **Cut-off Time for Pay/Return Overrides.** An ACH Fraud Prevention User with the required permissions may override, within ACH Fraud Prevention, the preliminary decision to pay or return an Exception ACH Item or an Authorized Entry. Any override must be submitted no later than 12:00 noon AKT on the next Business Day after the applicable ACH debit and/or credit entry (as applicable) posts to a Designated Account, whether or not an alert was generated or received by Customer. After the cut-off time, no changes to the pay/return decision may be made.
8. **Authorization to Pay or Return.** Bank will determine whether to pay or return each ACH debit and/or credit entry (as applicable) based solely on the pay/return status reflected in ACH Fraud Prevention as of the Cut-off Time. The Customer authorizes and directs Bank to honor, pay, and charge to the Designated Account each ACH debit entry in “pay” status at the Cut-off Time, without manual review for any purpose, whether or not the originator was in fact authorized to initiate the entry. Customer agrees that Bank’s automated processing and payment of entries constitutes ordinary care and that any ACH debit entry in “pay” status at the Cut-off Time is properly payable from the Designated Account.

Customer further authorizes and instructs Bank to return any ACH debit or credit entry in “return” status at the Cut-off Time. Bank may return (i) any ACH debit entry with the return reason “Corporate Customer Advises Not Authorized” and (ii) any ACH credit entry with the return reason “Credit Entry Refused by Receiver.”

Customer will not use ACH Fraud Prevention to return an ACH debit entry for any reason other than that the entry is unauthorized. Without limiting the foregoing, Customer will not use ACH Fraud Prevention to return an ACH debit entry due to insufficient funds or to return any otherwise authorized entry.

9. **Insufficient Funds.** Bank may, in its sole discretion, pay any ACH debit entry that is otherwise properly payable and charge Customer’s Account under this Agreement even if doing so creates an overdraft, but Bank has no obligation to do so. Any overdraft amount, together with any penalty, fee, charge, or expense incurred by Bank arising from or relating to the overdraft is due and payable by Customer to Bank on demand.
10. **Accuracy of Information.** Customer is solely responsible for ensuring that all information provided to Bank is complete, accurate, and current. Bank has no obligation to detect or correct errors in any data entered into the ACH Fraud Prevention system and may rely on all such information as correct, complete and current as of the date provided.
11. **Changes to Company Information or Filter Criteria.** Customer may add or remove an Authorized Company or modify the Filter criteria (including Max Amount, Frequency, Start Date, and End Date) for an Authorized Company in ACH Fraud Prevention. Any such addition, removal, or modification will not be effective or binding on Bank with respect to any ACH debit and/or credit entry that Bank paid or returned before the change became effective, and Bank has no obligation to revoke or attempt to revoke settlement for any such entry.
12. **Liability; Limitations on Liability; Indemnity (ACH Fraud Prevention Only)**
 - a. **Authorization; Reliance on ACH Fraud Prevention Procedures.** Customer acknowledges and agrees that, by enrolling in ACH Fraud Prevention (the “Service”), Customer expressly authorizes Bank to rely solely on the procedures, settings, and parameters established within the Service (including any Filter Criteria and Authorized Company designations) to determine whether to pay or return ACH debit and/or credit entries presented to the Designated Account(s). Customer further agrees that Bank will not be liable for any error, failure, or issue arising from or relating to Bank’s payment or return of any entry in accordance with the Service procedures and the information, settings, and instructions provided or approved by Customer through the Service.

- b. **No Warranty; No Duty Beyond the Service.** Customer understands that the Service is a fraud-prevention tool and is not guaranteed to detect, prevent, or eliminate unauthorized, erroneous, duplicate, or fraudulent entries. Bank makes no warranties, express or implied, regarding the Service, including any warranty of uninterrupted availability, accuracy, or fitness for a particular purpose. Bank has no duty to monitor entries outside the Service procedures or to employ any additional review, verification, or security procedures beyond those expressly described in this Agreement for the Service.
- c. **Service Interruptions; Maintenance; Suspension.** Customer acknowledges that the Service may be unavailable, interrupted, delayed, or degraded from time to time due to scheduled or unscheduled maintenance, updates, testing, system or communications failures, capacity constraints, or other circumstances affecting the Service. Bank will have no liability for any loss, damage, or claim arising from or relating to any such unavailability, interruption, delay, degradation, or error in the operation of the Service, including any resulting payment or return decisions made when the Service is not fully available or functioning as intended. Bank may suspend, limit, or modify the Service, in whole or in part, at any time for maintenance, security, risk management, or legal/compliance reasons. Bank will use commercially reasonable efforts to restore access as promptly as practicable.
- d. **Force Majeure (Service Only).** Without limiting the foregoing, Bank will be excused from any failure or delay in performing its obligations under the Service to the extent caused by legal constraint, interruption of transmission or communication facilities, equipment or system failure, acts or omissions of third parties, war, emergency conditions, or other circumstances beyond Bank's reasonable control.
- e. **Indemnity.** In addition to and without limiting Customer's other indemnification obligations, Customer shall indemnify, defend, and hold harmless Bank and its directors, officers, employees, agents, and service providers from and against any and all claims, demands, actions, losses, damages, liabilities, penalties, fines, costs, and expenses (including reasonable attorneys' fees) arising out of or relating to: (i) Customer's enrollment in or use of the Service; (ii) any information, settings, Filter Criteria, Authorized Company designations, or instructions provided, entered, or approved by Customer through the Service; and/or (iii) Bank's payment or return of any ACH debit and/or credit entry in reliance on the Service procedures or Customer-provided Service information.
- f. **Supersession (Service Only).** To the extent this section is inconsistent with any other agreement between Customer and Bank with respect to a Designated Account, this section will control solely with respect to the Service and the matters addressed in this section.

EE. PROHIBITION ON ACTING AS A THIRD PARTY SENDER OR THIRD PARTY SERVICE PROVIDER. The Originator represents, warrants, and agrees that it is originating ACH Entries solely on its own behalf and as an Originator, and not as a Third Party Sender (including a Nested Third Party Sender) or a Third Party Service Provider, in each case as such terms are defined in the Rules. The Originator shall not act, and shall not hold itself out or attempt to act, as a Third Party Sender (including a Nested Third Party Sender) or a Third Party Service Provider under the Rules, and shall not initiate, transmit, or process any ACH Entry, Batch, and/or File for, or on behalf of, any other party, unless: (i) the Bank has expressly permitted such activity in writing; and (ii) the Originator has entered into a separate written agreement with the Bank that complies with the Rules and that governs the Originator's actions as a Third Party Sender (including a Nested Third Party Sender) or a Third Party Service Provider, as applicable. Any ACH Entry, Batch, and/or File initiated in violation of this Section shall be deemed unauthorized, shall render such ACH Entry, Batch, and/or File null and void, and shall constitute a breach of this Agreement. In addition to and without limiting the Bank's other rights and remedies under this Agreement, the Originator shall indemnify, defend, and hold the Bank harmless from and against any and all claims, damages, demands, judgments, liabilities, losses, and expenses (including reasonable attorneys' fees) resulting directly or indirectly from any breach of this Section, and the Bank may suspend or terminate the ACH Services and/or this Agreement in accordance with its terms.

IV. GENERAL FUNDS TRANSFER SERVICE TERMS

- A. PAYMENT ORDER.** Customer has requested that Bank provide funds transfer services to Customer to allow Customer to initiate transactions on Authorized Accounts, as defined hereafter, through Customer's Authorized Users, as defined hereafter. Any request by an Authorized User for a transfer of funds, or any amendment or modification to, or cancellation of, that request, is referred to in these Service Terms as a "Payment Order." Upon receipt of documentation deemed satisfactory to Bank in its sole discretion, Customer may permit third parties to initiate a reverse with the effect of debiting Customer's Account at Bank and crediting the third party's account in accordance with the authorized Payment Order.
- B. ACCOUNTS.** Customer has designated any and all Accounts, with Bank from which Payment Orders may be initiated. The Taxpayer ID numbers are designated on the applicable Service Forms.
- C. AUTHORIZED USERS.** Authorized User for purposes of Bank's Funds Transfer Services (which shall include, without limitation, the Bank's Wire Transfer Services described in Section V) is a person designated by Business Administrator as authorized to initiate Payment Orders from Customer's Authorized Accounts. Customer's designations of Authorized Users shall control, govern and be binding on Customer and Bank.
- D. FUNDS TRANSFER OPTIONS.** Customer may initiate Payment Orders on a random, as needed basis ("Standard Transfer") and/or may establish a predetermined, preauthorized schedule of Payment Orders ("Repetitive Transfer"). In the event Customer elects to utilize the Repetitive Transfer option, Customer may vary the date and amount of the Payment Order; however, accounts designated to be debited and credited may not vary.
- E. SECURITY PROCEDURES.** Customer has been advised of and agrees to comply with Bank's authorization and other requirements in Section V hereof for the Wire Transfer Service, and, for online transfers, the Security Procedures set forth in Section I.H of these Terms and Disclosures. Customer's failure to comply with the Bank's applicable Security Procedures shall result in Customer being responsible for any liability, loss or damage resulting from the failure to comply with the Bank's Security Procedures.
- F. FUNDS TRANSFER PROCEDURES.** Bank's current established cut-off times for the receipt and processing of Payment Order requests involving wire transfers are 1:00 p.m. AKT for domestic and foreign wires. Cut-off times can be changed at Bank's discretion. The Bank's cut-off times for wire transfers are available upon request from the Bank. Foreign wire transfer requests may be required to be initiated in person, and not through the Service. Outgoing wire transfer requests received after the established cut-off times may be processed the next Business Day. Incoming wire transfers received after the Bank's established cut-off time may be posted the next Business Day.

Bank will use reasonable efforts to execute all Payment Orders received in accordance with these Service Terms and the terms of Section V for Wire Transfers, and by the date designated by Customer, provided that such Payment Orders are received on the days and during the hours of Bank's operations as set forth above. Bank will not be deemed to have accepted a Payment Order until such Payment Order is actually executed. For purposes of these Service Terms, a Payment Order is deemed executed once Bank issues an order intended to initiate the Customer's Payment Order through a funds transfer system. Bank may use any means and routes that Bank, in its sole discretion, may consider suitable for the transfer of funds, including but not limited to the Fedwire funds transfer system for the transfer of domestic funds.

If Customer requests, Bank will use reasonable efforts to notify Customer of incoming funds transfers, but shall have no liability to Customer of any kind for failure to do so.

Bank may reject a Payment Order in the event: (i) Customer fails to submit the Payment Order in sufficient time to meet the Customer's requested execution date; (ii) there are insufficient collected funds in the Authorized Account(s) to cover the amount of the Payment Order; (iii) the Payment Order contains incomplete instructions; (iv) Bank is unable to verify to its satisfaction that the Payment Order has been submitted in accordance with all applicable Security Procedures; or (v) Customer has failed to meet its obligation for payment of fees and charges owed to Bank under these Terms and Disclosures or any Separate Agreement. In the event a Payment Order is rejected, Bank will make reasonable efforts to notify Customer by telephone, and if unable to do so, will notify Customer in writing or through the Bank's Business Online Banking. If Bank does not receive Customer's corrected Payment Order within

five (5) business days from the date the original Payment Order was initiated, Bank will deem the Payment Order canceled by Customer. Bank shall not be liable to Customer if any Payment Order is rejected by Bank in good faith for any of the foregoing reasons. Bank's liability for failure to execute a Payment Order, if any, shall be limited as set forth in these Terms and Disclosures. Funds from incoming transfers will not be deemed collected or credited to the Authorized Accounts or other accounts of Customer maintained at Bank until Bank receives final settlement through the Federal Reserve Bank funds transfer system, or otherwise receives payment as provided in the Alaska enactment of Article 4A of the Uniform Commercial Code (AS 45.14) or other applicable law.

- G. ACCOUNT-TO-ACCOUNT TRANSFERS.** Customer's account-to-account transfers between Customer's Accounts maintained at the Bank (i.e., book transfers) also constitute Payment Orders. Account-to-account transfers to or from accounts maintained at other financial institutions are available only to the extent offered by the Bank in its sole discretion, and if and when offered, shall be subject to such additional terms, conditions, and Security Procedures as the Bank may require. All Payment Orders initiated by Customer must be initiated in compliance with Bank's Security Procedures set forth in Section I.H of these Terms and Disclosures.

V. WIRE TRANSFER SERVICE TERMS.

The following Service Terms apply to all Payment Orders initiated under Bank's Wire Transfer Service (or "Wires"). To the extent not inconsistent with these Service Terms for the Wire Transfer Service, the terms and conditions of Section IV shall also be applicable to the Bank's Wire Transfer Service.

- A. AUTHORIZATION.** Bank is hereby authorized and directed, whenever Bank receives from Customer or an Authorized User of Customer a Payment Order which, on its face is in compliance with the Security Procedures established by this Agreement, to transfer funds from any and all of Customer's accounts at the Bank, to any account maintained by Customer or any third party designated in the instruction, whether the receiving account is at Bank or at any other institution. As used in this Section V, the terms "transfer" or "Payment Order" shall be deemed to include a transfer of funds by means of the Federal Reserve FEDWIRE, through a Correspondent Bank, the Society for Worldwide Interbank Financial Telecommunications ("SWIFT"), TELEX, computer terminal, or other means. The terms as used in this Section V shall be deemed not to include transfers made through the Automated Clearing House ("ACH") system within the United States, as defined by the Nacha Rules as those may be amended from time to time.
- B. CUSTOMER REPRESENTATIONS.** Customer represents and warrants to Bank that, in addition to Customer, the persons designated by the Business Administrator as Authorized Users are authorized by Customer and on Customer's behalf to give instructions to Bank for Payment Orders and matters related to transfers of funds with respect to Customer's accounts at the Bank. The Business Administrator may change the designated Authorized Users from time to time within the Bank's Business Online Banking or otherwise as permitted by the Bank. Customer agrees that the terms and conditions set forth herein, including terms and conditions relating to the Security Procedures, constitute a commercially reasonable method of facilitating wire transfers by Customer.
- C. WIRE AUTHORIZATION.** Subject to Bank's normal banking hours and other deadlines, whether legal, regulatory, or contractual, Bank is hereby authorized and directed to make transfers and to act upon other Payment Orders relating to transfers upon receipt of instructions, whether written, via facsimile transmission, or via electronic or via telephone, or other means, which on their face are in compliance with the Security Procedures established by this Agreement. To facilitate security, Customer agrees that Payment Orders should be in writing, bearing the signature of an authorized signer on Customer's account, on a form to be provided by Bank. Payment Orders initiated through the Bank's Business Online Banking or otherwise as permitted using the Services shall be subject to the Security Procedures set forth in this Agreement. Bank may, but is not obligated to, make available via the Business Online Banking, or by mail, email or fax to Customer, at such address and number(s) as Customer may designate from time to time, a confirmation setting forth the date, amount and other information on an individual transfer made pursuant to this Agreement; Customer acknowledges and agrees that Bank does not provide, and is under no obligation to provide, a separate confirmation for each Payment Order. Regardless of whether any such individual confirmation is provided, the Bank will reflect each transfer on the periodic account statement made available to Customer with respect to the applicable account, and each such transfer will be reasonably identified thereon. Customer agrees that the account statement (or, if earlier, any individual confirmation provided by the Bank or the availability of transfer information through the Bank's Business Online Banking) constitutes notification reasonably identifying the

Payment Order for all purposes, including the reporting obligations set forth below and the notice and preclusion provisions of Article 4A of the Uniform Commercial Code as adopted in Alaska. Customer further agrees that information made available through the Bank's Service is deemed received by Customer on the date it is first made available, whether or not Customer actually accesses it, and the sending of an electronic message via the Bank's Business Online Banking will be deemed adequate notice for the purpose of this Agreement. Customer agrees to examine each such electronic notice, confirmation or statement upon receipt (or upon its being made available) and to notify Bank IMMEDIATELY of any perceived error or other problem regarding any such transfer, followed by prompt notice in writing. If Customer fails to notify Bank of any discrepancy or other problem within one (1) Business Day of Customer's receipt of (or the Bank's making available of) the electronic message, confirmation or statement, Bank shall be relieved of any and all liability in connection with the transfer or transfers reflected on the electronic message, confirmation or statement. If, upon Customer questioning a transaction within the one (1) Business Day period, it is determined the Bank complied with this Agreement or that Customer did not comply with this Agreement, Bank shall be relieved of all liability in connection with the transfer. Bank shall be under no obligation to make any transfer of an amount in excess of the collected balance in the Customer's account(s) with Bank, as such balance may be determined in good faith by Bank.

- D. WIRE SECURITY.** The Customer and the Bank shall comply with the Security Procedure described in Section V.D. and elsewhere in this Agreement. The Customer acknowledges and agrees that dual authentication (also referred to as "dual control") is a commercially reasonable Security Procedure for any transfers initiated by it using the Services. Effective as of the date established by the Bank, and unless the Customer has expressly opted out in writing on a form approved by and acceptable to the Bank, dual authentication will be automatically enabled for the Customer's transfers, and the Customer agrees to use dual authentication for all such transfers. The Customer may opt out of dual authentication only by completing and delivering the Bank's approved opt-out form; the opt-out will not be effective until such form has been received and accepted by the Bank. The Customer acknowledges that the purpose of the Security Procedure is for verification of data authenticity and not to detect errors within the transmitted Payment Order. The Customer agrees that dual authentication is a commercially reasonable Security Procedure whether or not the Customer elects to use it, and that the Customer's failure to select, its election to opt out of, or its failure to consistently use dual authentication does not render the Security Procedure commercially unreasonable. In addition to and without limiting its other liability pursuant to this Agreement, the Customer expressly assumes all risk of, and liability for, any losses that may have been prevented had the Customer selected and used the Bank's dual authentication Security Procedure, including any losses arising from the Customer's failure to select, its election to opt out of, or its failure to consistently use dual authentication. Notwithstanding the foregoing, the parties acknowledge that no security procedure for detection of errors has been agreed upon between the Customer and the Bank. The Customer is strictly responsible for establishing and maintaining the procedures to safeguard against unauthorized or inaccurate transmissions. The Customer warrants that no individual will be allowed to initiate Wire transactions in the absence of proper supervision and safeguards, and agrees to take reasonable steps to maintain the confidentiality of the Security Procedures and any Access Devices and related instructions provided by the Bank in connection with the Security Procedures described in Section V.F. If the Customer believes or suspects that any such information or instructions have become known to or accessed by unauthorized persons, the Customer agrees to notify the Bank immediately by telephone, followed by written confirmation to be promptly mailed to Bank following verbal notification. The occurrence of unauthorized access will not affect any transfers made in good faith by the Bank prior to receipt of such notification and within a reasonable time period to prevent unauthorized transfers. The Customer shall, upon request by the Bank, provide the Bank the Customer's processing schedule.
- E. COMPLIANCE WITH WIRE SECURITY PROCEDURES.** If a Payment Order (or a request for cancellation or amendment of a Payment Order) received by the Bank purports to have been initiated or authorized by the Customer, it will be deemed effective as the Payment Order and the Customer shall be obligated to pay the Bank the amount of such Payment Order even though the Payment Order (or request) was not authorized by the Customer, provided the Bank accepted the Payment Order and acted in compliance with the Security Procedure established by the Bank and the Customer in Section V or elsewhere in this Agreement with respect to such Payment Order. If a Payment Order (or request for cancellation or amendment of a Payment Order) received by the Bank was initiated or authorized by the Customer, the Customer shall pay the Bank the amount of the Payment Order whether or not the Bank complied with the Security Procedure referred to in Section V.F or elsewhere in this Agreement with respect to that Payment Order and whether or not that Payment Order was erroneous in any respect or that error would have been detected if the

Bank had complied with such procedure. Transmittals with authorized signature(s) may be required as an additional method used to verify authenticity of the communicated data.

- F. COMMUNICATION SECURITY.** In addition to the Security Procedures set forth in this Section, the Customer must comply with the Security Procedures set forth in Section I.H of these Terms and Disclosures, as amended by the Bank. The Customer's failure to comply with the Security Procedures shall result in Customer being responsible for any liability, loss or damage resulting from the failure to comply with such Security Procedures.

Customer is strictly responsible for establishing and maintaining commercially reasonable security measures to safeguard against unauthorized transmissions. Customer warrants that such measures will include but not be limited to security technology (e.g. Internet browsers and secure web-servers) that provide a minimum level of security equivalent to 256-bit encryption technology for the submitting Payment Orders over the Internet. Additionally, Customer warrants that no individual will be allowed to Initiate transfers in the absence of proper supervision and safeguards, and agrees to take reasonable steps to maintain the confidentiality of the security procedures and any Access Devices and related instructions provided by the Bank in connection with the Security Procedures described herein.

- G. VERIFICATION.** In its sole and unfettered discretion, Bank may seek verification or further authorization of any wire transfer Payment Order or any related instruction. Bank may contact customer by any reasonable means in order to obtain assurance of the authenticity or other correctness of a Payment Order. Bank shall be under no obligation to do so in any case, however; if, upon attempting to obtain such verification, Bank is unable to do so, Bank may in its sole and unfettered discretion, either make the transfer or decline to make the transfer or follow the Payment Order or decline to follow the Payment Order. In such event, Bank shall not be liable to Customer for any actual loss of any kind or for any consequential, or exemplary damages in any amount, provided Bank has acted in good faith.

To submit a Payment Order using the Services, Authorized Users will be required to use an Access Device or a similar Security Procedure. Such Security Procedures may also be used to identify an Authorized User if callback is performed to verify wire information.

- H. ACCOUNT NUMBERS AND COMPLIANCE WITH LAWS.** Customer understands that the numbers assigned to banks and to the accounts of recipients of transfers are critical to the wire transfer function. If Customer describes the intended recipient of a transfer, the intended recipient's bank, or any intermediary bank in a Payment Order by name and number and makes an error in giving the number, the error may cause that payment to be made through the bank or to the account specified by the number, rather than through the named bank or to the named intended recipient. Customer agrees that Customer will be responsible for all errors in assigned account numbers and names provided to Bank by Customer to the full extent of the amount of the transfer, and any related fees, in any such case. Customer agrees to provide an address of the beneficiary of each Payment Order. The Customer represents and warrants to Bank that each Payment Order initiated by the Customer is in compliance with the laws of the United States of America, including, without limitation, economic sanctions administered by the United States Treasury Department's Office of Foreign Assets Control (OFAC) and any other applicable laws.
- I. AMENDMENT OR CANCELLATION.** Customer may ask Bank to amend or cancel any Payment Order or related instruction, and Bank will use its commercially reasonable efforts to comply with such request if the request is made at a time and in a manner which gives Bank a reasonable opportunity to act on the request before it makes the transfer or carries out the Payment Order as Customer originally requested. If Customer asks that Bank attempt to recover funds which Bank has already transferred, Bank may require Customer to complete and deliver to Bank a letter of indemnification, in form and substance acceptable to Bank. Upon such receipt of form, or the supplying of such other assurance, Bank will take such action as it deems reasonable under the circumstances, including, for example, sending a request to reverse the transfer to any financial institution which received such funds. In no event, however, shall Bank be deemed to have guaranteed or otherwise assured the recovery of any portion of the amount transferred, nor to have accepted responsibility for any amount transferred before Bank received and had time to act upon the request to amend or cancel the Payment Order.
- J. EXCHANGE RATE.** Customer agrees that if Customer requests a transfer of funds in a currency other than United States dollars, Bank will convert the currency at the Bank's current exchange rate for the specified foreign currency. If

any funds are returned to Customer in a currency other than United States dollars, Bank will convert the returned foreign currency into United States dollars at its current exchange rate for such currency at the time of the return. If Bank does not have current exchange rates for the particular foreign currency involved, Bank will use its commercially reasonable efforts to convert the currency promptly through reasonable commercial and/or banking channels, and Customer shall pay Bank a reasonable fee for such services. In no event shall Bank be liable to Customer for any losses arising from currency conversions effected by Bank in good faith within a reasonable time after receiving funds for conversion. Each foreign currency transfer may be executed through a selected Correspondent of the Bank. The transfer will be assigned a value date, or date of final credit to beneficiary in accordance with the spot date generally used by the foreign exchange market or such other value date specified by the Correspondent.

- K. PAYMENT OF FEES AND CHARGES.** Customer shall pay all charges which Bank may impose from time to time for following customer's Payment Orders. Customer shall reimburse Bank for any out-of-pocket costs incurred by Bank in carrying out the instructions given by Customer and its Authorized Users pursuant to this Agreement. Customer's payment obligations under this Section are in addition to, and do not limit, its other payment or indemnification obligations under this Agreement.
- L. INDEMNIFICATION; LIMITATION OF LIABILITY. IN ADDITION TO AND WITHOUT LIMITING CUSTOMER'S OTHER INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT, CUSTOMER AGREES TO INDEMNIFY BANK AGAINST, AND HOLD BANK HARMLESS FROM ANY AND ALL LOSSES, COSTS, DAMAGES, AND EXPENSES (INCLUDING REASONABLE ATTORNEY'S FEES AND COSTS OF INVESTIGATION, AT TRIAL AND ON APPEAL) ARISING DIRECTLY OR INDIRECTLY FROM, OR RELATING IN ANY MANNER TO, ANY ACTIONS (OR FAILURE TO ACT) TAKEN BY BANK WHICH WERE REASONABLY BELIEVED BY BANK TO BE TAKEN PURSUANT TO THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ACTIONS TAKEN BY BANK IN ACCORDANCE WITH AN AUTHORIZED USER'S PAYMENT ORDERS OR RELATED INSTRUCTIONS, ACTIONS TAKEN BY BANK TO AMEND OR CANCEL ANY FUNDS TRANSFER INSTRUCTIONS OR ANY DECISION BY BANK TO EFFECT OR NOT TO EFFECT A TRANSFER AS PROVIDED IN THIS AGREEMENT, OR ANY OTHER ACTION TAKEN BY BANK IN GOOD FAITH PURSUANT TO ITS RESPONSIBILITIES UNDER THIS AGREEMENT.**

VI. BILL PAYMENT TERMS AND CONDITIONS.

If Customer has requested, and Bank has agreed to permit Customer to use the Bill Payment Service, Customer understands and agrees that Customer must comply with the following terms and conditions as well as the Terms and Conditions of the Business Bill Payment Service accepted at time of enrollment and amended from time to time.

- A. BILL PAYMENT SERVICE GENERALLY.** The Bill Payment Service is made available to Customer through the Bank's Business Online Banking. The Bill Payment Service permits Customer to initiate payments to designated payees from Customer's designated Account(s) at the Bank. The Bill Payment Service constitutes a Payment Order for purposes of Section IV of this Agreement, and the terms and conditions of Section IV (General Funds Transfer Service Terms) shall apply to the Bill Payment Service to the extent not inconsistent with the terms of this Section VI. ACH Origination Services are governed separately by Section III of this Agreement and not by this Section VI.
- B. ACCOUNTS.** Customer must designate the Account(s) from which Bill Payments are to be made. By using the Bill Payment Service, Customer agrees that, based upon instructions received under Customer's Access Devices, Bank is authorized to charge Customer's designated Account by debiting and remitting funds on Customer's behalf. Customer agrees to have available and collected funds on deposit in the designated Account in amounts sufficient to pay all Bill Payments requested. Bank reserves the right, without liability, to reject or reverse a Bill Payment if Customer fails to comply with the foregoing requirement or any other terms of this Agreement. Customer further agrees that Bank, at its option, may charge any of Customer's Accounts with Bank to cover such Bill Payment obligations.
- C. PAYEES.** Customer must designate the complete name of the payee ("Payee"), the Payee account number, and the Payee's remittance address, all exactly as shown on the applicable billing statement or invoice. Bank reserves the right to refuse to pay any Payee designated by Customer. If Bank refuses to pay a Payee, it will notify Customer promptly. Customer hereby agrees and authorizes Bank to utilize the most effective means to process Bill Payment transactions, including, without limitation, electronic, paper, or other draft means. Customer may pay any Payee located within the United States, including U.S. territories and Army Post Offices (APOs). Bill Payments to Payees

located outside the United States are not permitted through the Bill Payment Service. International transfers must be initiated through the Bank's Wire Transfer Service in accordance with Section V (Wire Transfer Service Terms) of this Agreement.

- D. **RECURRING BILL PAYMENTS.** A recurring Bill Payment is one that is automatically rescheduled by the Bill Payment Service based upon Customer's selected frequency settings. A process date is calculated for the next occurrence of the Bill Payment. If the calculated process date is not a Business Day, the Bill Payment will be processed on the previous Business Day.
- E. **FEES.** Customer agrees to pay all fees and charges for its use of the Bill Payment Service as set forth in the Bank's current Fee Schedule or as otherwise agreed between Customer and Bank. Customer agrees that all such fees and charges may be deducted from the Account designated for the Bill Payment Service. Fees for additional Bill Payment services, including but not limited to overnight delivery, second-day delivery, are disclosed through the Service. Bank reserves the right to charge Customer for research time involving Bill Payments no longer available in the System's screen history, in accordance with the then-current Fee Schedule.
- F. **PROCESSING AND CUT-OFF TIMES; DELIVERY. BANK MAY ESTABLISH CUT-OFF TIMES FOR THE RECEIPT AND PROCESSING OF BILL PAYMENT REQUESTS. THE BANK'S ESTABLISHED CUT-OFF TIMES FOR THE BILL PAYMENT SERVICE ARE AVAILABLE UPON REQUEST FROM THE BANK AND MAY BE CHANGED BY THE BANK FROM TIME TO TIME. ANY BILL PAYMENT REQUEST RECEIVED AFTER THE APPLICABLE CUT-OFF TIME ON A BUSINESS DAY, OR ON A DAY THAT IS NOT A BUSINESS DAY, WILL BE CONSIDERED RECEIVED ON THE NEXT BUSINESS DAY. BILL PAYMENTS MAY NOT BE SCHEDULED FOR A DATE THAT IS NOT A BUSINESS DAY. CUSTOMER AUTHORIZES BANK TO PROCESS EACH BILL PAYMENT USING THE MOST EFFECTIVE MEANS AVAILABLE TO BANK, WHETHER BY ELECTRONIC TRANSFER OR BY PAPER CHECK. IF A PAYEE IS PAID BY PAPER CHECK, CUSTOMER UNDERSTANDS AND AGREES THAT THE CHECK IS MAILED TO THE PAYEE AND THE PAYEE MAY NOT RECEIVE AND POST THE BILL PAYMENT UNTIL FIVE (5) TO EIGHT (8) BUSINESS DAYS AFTER THE DATE THE BILL PAYMENT IS SENT. THE BILL PAYMENT SERVICE MAY CALCULATE OR DISPLAY AN ESTIMATED ARRIVAL OR DELIVERY DATE, BUT ANY SUCH DATE IS ONLY AN ESTIMATE, AND CUSTOMER IS SOLELY RESPONSIBLE FOR SCHEDULING EACH BILL PAYMENT WITH SUFFICIENT LEAD TIME FOR THE PAYEE TO RECEIVE AND POST THE PAYMENT ON OR BEFORE ITS DUE DATE. BANK IS NOT RESPONSIBLE FOR THE TIMELY DELIVERY OF MAIL, FOR ANY ACT OR OMISSION OF THE PAYEE (INCLUDING, WITHOUT LIMITATION, THE PAYEE'S FAILURE TO PROPERLY CREDIT OR POST A BILL PAYMENT TO CUSTOMER'S ACCOUNT), OR FOR ANY OTHER DELAY IN OR IMPROPER HANDLING OF A BILL PAYMENT BY ANY THIRD PARTY.**

VII. REMOTE DEPOSIT CAPTURE AND MOBILE DEPOSIT SERVICE TERMS

If Customer has requested, and Bank has agreed to permit Customer to initiate deposits by means of either the Remote Deposit Capture Service or the Mobile Remote Deposit Capture Service, Customer understands and agrees that Customer must comply with the following:

- A. **REMOTE DEPOSIT CAPTURE SERVICE.** If Customer has requested and been approved to use the First National Bank Alaska Remote Deposit Service ("RDC Service") and/or the First National Bank Alaska Mobile Remote Deposit Service ("Mobile RDC Service"), then subject to the terms of this Agreement, Customer will have the ability to capture images of checks, create deposits, and electronically transfer those deposits for credit to one or more of Customer's accounts maintained at Bank and designated in writing by Customer (the "RDC Account"). Notwithstanding the foregoing, Bank may impose limitations on Customer's use of the RDC Service and/or the Mobile RDC Service in its sole discretion from time to time. Images of checks captured by Customer will be transmitted through a secure user interface. Customer understands and agrees that the RDC Service and/or the Mobile RDC Service may be provided directly to Customer by Bank or by Bank's designated third party vendor. The features, functions, specifications, and performance of the RDC Service and the Mobile RDC Service are within Bank's sole and absolute discretion.
- B. **THE RDC ACCOUNT.** Customer must designate and maintain at least one DDA as the RDC Account to utilize the RDC Service and/or the Mobile RDC Service. Customer may designate more than one DDA as an RDC Account for the RDC Service and/or the Mobile RDC Service; provided, however, that Customer must contact Bank to add or delete RDC Accounts. Customer understands and agrees that deposits made via the RDC Service and/or the Mobile RDC Service may only be made to a designated RDC Account.

- C. SCANNERS AND OTHER EQUIPMENT AND SOFTWARE FOR RDC SERVICE.** If Customer does not have equipment that is compatible with the Bank's RDC Service and approved by Bank, Bank may provide Customer with equipment options which allow for the capture and transmission of check images and Magnetic Ink Character Recognition ("MICR") information, provided that the Bank may pass the expense of such equipment to Customer. Customer will obtain the imager and related equipment (e.g., a USB Cable) directly from Bank or its service providers. Any scanning equipment provided by Bank to Customer will be returned undamaged. If scanning equipment is not returned upon cancellation of the RDC service or is damaged, Bank may charge Customer a reasonable fee for the equipment. All equipment used by Customer shall conform and comply with the guidelines and requirements of Check 21 including, without limitation, Subpart D of 12 CFR Part 229 ("Reg CC").

The scanning will take place on a standard personal computer with high speed Internet access to be provided by Customer. The computer must also have at least one available USB port.

In the event of any hardware or system failure, Customer will be required to present its deposits at the nearest First National Bank Alaska branch or mail their deposit to First National Bank Alaska, PO Box 100720, Anchorage, Alaska 99510-0720. You will find a complete listing of all First National Bank Alaska branches and their addresses on our website at (<https://www.fnbalaska.com>).

The software application used for scanning checks will be installed by Bank or its service provider prior to live use. The login information used for this software will also be assigned by Bank or its service provider. Upon successful login, Customer will connect securely over SSL connectivity via the Internet to a server at Bank.

- D. EQUIPMENT AND SOFTWARE FOR MOBILE DEPOSIT.** To use the Mobile RDC Service, Customer must obtain and maintain, at its own expense, one or more mobile devices (such as a smartphone or tablet) that are approved by the Bank and compatible with the Mobile RDC Service, together with a reliable internet or wireless data connection and the Bank's (or its service provider's) designated mobile application and any other software specified by the Bank from time to time. Customer is responsible for downloading, installing, and maintaining the current version of the designated mobile application and for installing all updates, upgrades, and patches made available for the application, the device operating system, and any related security software. Customer must comply with the applicable app store, device, operating system, carrier, and third-party terms of use, and is solely responsible for all carrier, data, messaging, and internet access charges incurred in connection with its use of the Mobile RDC Service. Hardware, software, connectivity, and operating system requirements may change from time to time, and the features, functionality, and availability of the Mobile RDC Service may vary by device or operating system; please contact the Bank for current specifications. The Bank does not warrant that the Mobile RDC Service will be compatible with, or operate without interruption or error on, any particular device, operating system, or network, and the Bank is not responsible for any third-party device, application, software, service, or network that Customer needs to access or use the Mobile RDC Service and that is not incorporated into or provided as part of the Mobile RDC Service.
- E. SECURITY.** In connection with Customer's use of the RDC Service and/or the Mobile RDC Service, Customer's Business Administrator will be responsible for system administration and all access approval rights within Customer's organization. Bank may establish transaction limits on the daily deposits and number of items transmitted to the Bank pursuant to this Agreement. Bank may rely on the instructions of the Business Administrator designated by Customer. Bank may rely on the instructions of any Authorized User designated by the Business Administrator. Customer acknowledges and agrees that Customer is solely responsible for determining the authority and limits for its employees with access to the RDC Service and the Mobile RDC Service. It is Customer's responsibility to use any security features available through the RDC Service and/or Mobile RDC Service software and to protect the confidentiality of Access Devices. Customer agrees to IMMEDIATELY contact Bank via telephone if Customer learns of any breach in security, including without limitation, the loss or theft of any Access Device, or any unauthorized use of any of Customer's Access Devices. Customer agrees that such telephone notification will be promptly followed by a written notice including more detailed information about the suspected breach. If Customer fails to immediately notify Bank of any breach in security, Customer agrees that Bank shall not be liable for any losses resulting from Customer's failure to give such notice.

In addition to the foregoing, Customer acknowledges that the RDC Service and the Mobile RDC Service are subject to

the terms and conditions set forth in this Agreement, including, without limitation, the Security Procedures set forth in Section I.H, and Customer agrees to comply with such Security Procedures. Bank may recommend certain types of other Security Procedures. It is Customer's responsibility to promptly and completely implement any such Security Procedures. Customer agrees that its failure to comply with the Security Procedures shall result in Customer being responsible for any liability, loss or damage resulting from the failure to comply with such Security Procedures.

F. PROCESSING PROCEDURES. Customer agrees to comply with all processing and operating procedures set forth in any User Guide. Without limiting the foregoing, Customer agrees to adhere to the following minimum procedures:

1. Customer agrees that it will only capture images of, and deposit, "checks" as that term is defined in Reg. CC. Customer agrees that the image of the check that is transmitted to the Bank shall be deemed an "item" within the meaning of Articles 3 and 4 of the UCC. Checks deposited into an RDC Account must be payable to Customer. Customer shall properly endorse all checks prior to imaging.

Customer agrees that all items deposited using the RDC Service must be endorsed as follows:

**"For Remote Deposit Only at First National Bank Alaska
[DATE],
[ACCOUNT NUMBER]"**

or as otherwise instructed by the Bank.

Customer agrees that all items deposited using the Mobile RDC Service must be endorsed as follows:

**"For Mobile Deposit Only at First National Bank Alaska
[DATE],
[ACCOUNT NUMBER]"**

or as otherwise instructed by the Bank.

Customer agrees to follow any and all other procedures and instructions for use of the RDC Services and/or the Mobile RDC Service as the Bank may establish from time to time. Without limiting your other indemnifications under this Agreement, Customer will be fully responsible for, and will indemnify and reimburse Bank for, any losses or expenses incurred by the Bank as a result of Customer's failure to include the above-described restrictive endorsements.

Endorsements shall be placed in black or dark ink on the back of each check, within the area designated by the Federal Reserve Board's Reg CC. Customer agrees to restrictively endorse any check transmitted to Bank by use of Remote Deposit Capture as "For Remote Deposit Only", or "For Mobile Deposit Only" based on the method used for deposit, with the proper endorsement of all payees.

Customer acknowledges and agrees that any virtual electronic endorsement on any check or other item deposited with Bank shall have the same binding effect as a stamped, hand written or other manual endorsement.

2. Customer must properly scan or capture the image and transmit all information from the front and back of the original check. Customer agrees to configure equipment and software according to the requirements of Bank and compliant with Check Clearing for the 21st Century Act and implemented through Reg. CC ("Check 21"), as well as provide telecommunications services to connect to Bank's accounting system.
3. Images captured will be transmitted to Bank, processed by Bank and then sent to the Federal Reserve or a correspondent check clearing network enabling Customer to clear their daily check deposits electronically

as images instead of physically transporting the checks to a local depository. When necessary, Bank will prepare substitute checks or image replacement documents (“IRD”) (as that term is defined in the Check 21) to facilitate the deposit and collection of Customer’s items. Bank has the capability to receive image files and initiate IRD’s. Bank agrees to remain the reconverting bank as provided under Check 21.

4. Customer is responsible for having adequate equipment, telecommunications and a contingency plan. Customer is likewise responsible to ensure that checks scanned or imaged using a mobile device meet the image quality requirements established from time to time by the American National Standards Institute (“ANSI”), the Federal Reserve, including the requirements under Reg. CC, or any other applicable governmental authority, clearing house or association.
5. The RDC Service and the Mobile Deposit may reject any items received from Customer that cannot be processed by Bank or otherwise do not meet the specifications of this Agreement or any User Guide. The Bank’s receipt of an image does not guarantee that it can process the image. Customer agrees to be available to rescan, reimage or otherwise present original checks for those items that cannot be processed due to image, MICR or other quality concerns.
Notwithstanding anything in this Agreement to the contrary, the Bank reserves the right in its sole discretion to accept or reject any item for remote or mobile deposit through the RDC Service and/or the Mobile RDC Service. In the event the Bank rejects an item for remote or mobile deposit, Customer understands and agrees that it must deposit the original item. Customer understands and agrees that, even if the Bank does not initially reject an item it deposits using the RDC Service or the Mobile RDC Service, the Bank may ask Customer to provide the original item because, among other reasons, the paying bank deems the electronic image illegible. The Bank’s failure to reject such an item does not limit Customer’s liability to the Bank.
6. Customer may create, approve and submit deposits through the RDC Service or the Mobile RDC Service up to the Bank’s established cut-off time for such Service on a Business Day. The Bank’s cut-off times for submitting deposits are available upon request from the Bank. Customer understands and agrees that any deposit not submitted by Customer prior to the established cut-off time will be considered received by Bank on the next Business Day.
7. Failure to submit a batch will result in a suspended batch. Customer will receive notice in a manner determined by Bank of a suspended batch. If customer does not submit a suspended batch within 14 days, the suspended batch will be removed. Customer may contact the bank for information or copy of items that may have been included in a suspended batch. The Bank cannot guarantee items will be available to customer, nor does the Bank have any liability for suspended batches.
8. Customer agrees that it will not use the RDC Service or the Mobile RDC Service to capture and deposit any of the following types of checks or other items, which are considered “non-conforming items”:
 - Any third party check (i.e., any item that is made payable to another party and then endorsed to you by such party). Any item payable to any person or entity other than the person or entity that owns the RDC Account, or is a joint owner on the RDC Account the item is being deposited into;
 - Any item drawn on Customer’s own account at the Bank;
 - Items payable jointly, unless deposited into an RDC Account in the name of all payees;
 - Any item that contains evidence of alteration to the information on the item, or which Customer knows or suspects, or should know, are fraudulent or otherwise not authorized by the owner of the account on which the item is drawn;
 - Any check previously converted to a substitute check;
 - Any item issued to Customer by a financial institution in a foreign country;
 - Items drawn on a financial institution outside the United States;
 - Item(s) not payable in United States currency;
 - A “remotely created check”;

- Any item that is “stale dated,” expired, or “post-dated”;
- Items dated more than six (6) months prior to the date of deposit;
- Items payable on “sight” or “payable through” drafts, as defined by Reg. CC;
- Items with endorsements on the back other than those specified in this Agreement;
- Any item that is “non-negotiable” (whether stamped in print or as a watermark);
- Items drawn or otherwise issued by the United States Treasury Department;
- Any item that has been re-deposited or returned such as “non-sufficient funds” or “refer to maker”; or
- Has previously been submitted through the RDC Service, the Mobile RDC Service or through an electronic deposit delivery service offered at any financial institution and or Bank (e.g., mobile, branch, consumer, merchant, and automated clearing house (“ACH”) check conversions);
- Returned for any other reason;
- Any item that is incomplete; or
- Cash, savings bonds, money orders, or travelers cheques.

Customer agrees that its submission of any of the above-described types of non-conforming items is grounds for the immediate termination of the RDC and Mobile RDC Services and an immediate reversal of the transaction or credit to Customer’s account, although the Bank may, in its discretion, accept any such deposit. A reversal or chargeback means the amount of the item(s) deposited will be removed from Customer’s account and will reduce the related account balance. The reversal may also result in a negative balance or overdraft on Customer’s account. If an item is dishonored, Customer will receive an image of the original item or a substitute check as the chargeback item.

9. Checks transmitted to the Bank using the RDC Service are processed by Bank and Customer can verify credit through the Services. If Customer does not receive a credit, Customer must contact the Bank immediately so an investigation can begin into the matter to ensure timely processing of the submitted items.
10. In addition to and without limiting its other rights of set-off set forth in this Agreement, if Bank receives a returned item or ACH return for a check deposited by Customer after Customer has terminated this Agreement, then Customer agrees that Bank may debit Customer’s account(s) at the Bank, or if such account has been closed by Customer, Bank will send a request for payment to the Customer and Customer agrees to pay Bank for the return within ten days after the date of the request for payment. A returned item will generally be received by the Bank within five business days from the date of deposit.

G. DEADLINES AND DISRUPTIONS. Bank will process deposits that are received by Bank prior to the cut-off time established by Bank for accepting items deposited through the RDC Service and/or the Mobile RDC Service, as applicable, and provide credit to Customer’s RDC Account for the amount of such deposits. Deposits received on a day that is not a Business Day or after the cut-off time for such deposits will be considered received on the next Business Day. Availability of funds deposited through the RDC Service and the Mobile RDC Service will be determined by Bank’s current funds availability schedule. Bank reserves the absolute right to change the cut-off time for RDC deposits with prior notice to Customer, which may include notice provided through Bank’s Business Online Banking.

Internet services are not guaranteed up-time services and can be subject to service disruption of unspecified duration and severity. Such disruptions are beyond the control of Bank. Bank assumes no responsibility for any losses suffered by Customer for the disruption of internet services (whether disruption is in Customer’s or Bank’s service), equipment or electronic failures, or any other condition beyond the control of Bank.

H. RECORD RETENTION. For any image which is transmitted using the RDC Service and/or the Mobile RDC Service, Customer shall be responsible for preventing the transmission of another image of the item or presentment of the

item by any other means. Customer agrees to retain copies of original checks in a secure location for an appropriate length of time to permit research if items are questioned by parties involved in the processing and clearing of a transaction or become the subject of any other legal inquiry. Notwithstanding anything in any other document provided to Customer in connection with the RDC Service and/or the Mobile RDC Service, Bank makes no representation or warranty as to the appropriate length of time that original checks should be retained or the appropriate method(s) of destruction after such period of time has elapsed. Customer should consult its own legal counsel regarding the appropriate length of time original checks should be retained based on its business needs and as to the appropriate method for destruction. Customer understands and agrees that Customer is responsible for any loss caused by its failure to secure or retain the original checks for the requisite period.

Customer agrees never to re-present an item for deposit. Customer will promptly provide any retained check, or a sufficient copy of the front and back of the check, to the Bank as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any check, or for Bank's audit purposes. IF CUSTOMER IS UNABLE TO PROVIDE A SUFFICIENT COPY OF THE FRONT AND BACK OF ANY CHECK, CUSTOMER WILL BE LIABLE FOR ANY RELATED UNRESOLVED CLAIMS BY THIRD PARTIES.

- I. AUDITING AND INTERNAL CONTROLS; FURTHER ASSURANCES.** Customer agrees to have controls in place to ensure that all checks processed through image capture equipment are kept in a locked environment and then destroyed consistent with the retention requirements under this Agreement. The destruction of checks should be performed in a secure manner. Customer will keep login information in a locked environment and will otherwise comply with the general security obligations under this Agreement. No check transmitted to Bank shall be deposited into any bank causing funds to be debited twice from the account of the check writer. Customer shall be responsible and shall indemnify, defend and hold Bank harmless from any and all claims, demands, losses, damages, costs and expenses including, without limitation, attorneys' fees arising or resulting from lack of proper controls over processed checks or other items.

Bank reserves the right to audit, inspect, and review Customer's files, records, systems and books with respect to its use of the RDC Service and/or the Mobile RDC Service and its compliance with this Agreement and all laws, rules and regulations applicable to Customer's use of the RDC Service and/or the Mobile RDC Service. Customer will provide, within the timeframe specified by the Bank, any and all documentation as Bank may request, regarding Customer's compliance with this Agreement and all laws, rules and regulations applicable to Customer's use of the RDC Service and/or the Mobile RDC Service. Bank also reserves the right to require that Customer implement changes to its internal controls and processes related to its use of the RDC Service and/or Mobile RDC Service. Customer's failure to provide any requested documentation, to comply with Bank's audit request or to implement reasonably requested changes to its internal controls and processes related to its use of the RDC Service and/or the Mobile RDC Service within the Bank's specified timeframe may result in closure of the RDC Account and Customer's other accounts with the Bank. For avoidance of doubt, Bank has the right, but not the obligation, to audit Customer's use of the RDC service and/or the Mobile RDC Service as provided in this Section. Bank shall not be liable for any act or omission of Customer that is discovered, or which is not discovered, by Bank in the course of such audits.

J. CUSTOMER WARRANTIES AND INDEMNIFICATIONS.

1. Customer is responsible for all the warranties and indemnifications of a Reconverting Bank as defined in the Check Clearing for the 21st Century Act ("Check 21") and its implementing Regulation CC ("Reg CC"), as the same may be amended. Customer warrants that the images it transmits to Bank or its third party vendor are faithful recreations of the original paper item. Customer also represents and warrants that duplicate images of the same item will not be presented for payment to Bank or any other financial institution or entity, and that the original item, an image of which has been transmitted to Bank or its third party vendor through the RDC Service and/or the Mobile RDC Service, will not be presented for payment to Bank or any other financial institution or entity.
2. Customer further represents and warrants that (a) checks processed using the RDC Service and/or the Mobile RDC Service are properly payable to Customer and are not third party checks; (b) deposit totals accurately match the total of all items deposited; (c) all signatures on the check are authentic and authorized; (d) each original check or check image has not been altered; (e) the sum of all items presented does not exceed the deposit limits set by the Bank; (f) all items scanned or imaged through the RDC Service

and/or Mobile RDC Service are drawn on financial institutions within the United States; (g) all items deposited through the RDC Service and/or the Mobile RDC Service comply with all applicable requirements of Check 21, Reg CC and other applicable laws and regulations; and (h) following any retention period required by applicable law and/or this Agreement, original items will be destroyed in a manner that will render the items unreadable and incapable of subsequent recreation or processing.

3. Customer further warrants to Bank that it, its representatives, agents, and assigns and the clients with whom it does business are reputable and are not using Bank as a conduit for money laundering or other illicit purposes; None of its transactions to be processed by Bank are prohibited by any applicable law, regulation, rule, order or judgment; To the Customer's knowledge, none of Customer's employees are a national of a designated blocked country or "Specially Designated National," "Blocked Entity," "Specially Designated Terrorist," "Specially Designated Narcotics Trafficker" or "Foreign Terrorist Organization" as defined by the United States Office of Foreign Assets Control; and Customer is not a Money Servicing Business that regularly cashes third party checks, sells money orders, handles wire transfers for third parties, or other financial services for third parties.
4. In addition to and without limiting the Bank's other rights to indemnification under this Agreement, in the absence of gross negligence or willful misconduct on the part of Bank, Customer agrees to indemnify and hold Bank and its third-party service providers harmless for (and agrees to immediately reimburse Bank and/or any affected service provider for) all damages of any nature, including the cost of reasonable legal fees incurred by Bank and such service provider, sought by any person or entity against Bank or such service provider under applicable law or asserted under any legal theory or as a result of breaches asserted against Bank or such service provider in connection with Bank's and/or such service provider's provision of the RDC Service and/or the Mobile RDC Service, including damages from the presentment or negotiation of the original item by any person or resulting from the submission of duplicate images by any person or resulting from claims that the image or substitute item created from an image is not an accurate and unaltered recreation of the item originally drawn by the drawee.

K. OWNERSHIP AND LICENSES. Customer agrees that the Bank, licensors retain all ownership and proprietary rights in the RDC Service and the Mobile RDC Service, and all content, technology and materials therein or related thereto. Customer's use of these Services is subject to and conditioned upon your compliance with this Agreement. Customer may use the RDC and Mobile RDC Services only for its internal use in accordance with this Agreement and any other agreement between you and the Bank (to the extent applicable). Customer may not copy, reproduce, distribute or create derivative works from the content and agree not to reverse engineer or reverse compile any of the technology used to provide the RDC Service and/or the Mobile RDC Service.

VIII. INFORMATION REPORTING AND THIRD PARTY FMS SERVICE TERMS.

- A. SERVICES.** If requested by Customer, Bank may provide the Information Reporting Services described in this Section VIII. Pursuant to the Information Reporting Service, Bank may provide multiple channels for sending or receiving data, files and reports regarding Customers' account(s) with the Bank, and Customer's account activity. The account information selected by Customer for the Information Reporting Service is referred to in these Service Terms as "Information." Depending upon the information Customer selects for the Services, Bank may use its Business Online Banking or a separate file transfer protocol ("FTP") method to send and receive Information.
- B. TECHNICAL OR SERVICE REQUIREMENTS.** The Information provided pursuant to the Information Reporting Service must be in a format approved by Bank and shall contain such Information as required by Bank. Customer agrees to provide Bank with sample data, file format requests, and other information reasonably required by Bank in order for Bank to perform the Information Reporting Services. If requested by Bank, Customer will participate in testing of the Information Reporting Services before the services are activated. Customer acknowledges that Bank's timely provision of the Information Reporting Services files is dependent upon receipt of information from Customer and third parties, on the availability of the Internet and third-party telecommunication services, and on other Third-Party Service Providers.
- C. TRANSMISSION MEANS.** The approved transmission methods, set-up, and procedures for the Information Reporting Service will be provided by Bank. Customer and Bank may share or transmit data using FTP. FTP is a standard network

protocol and is used to transfer files over a network. FTP uses controls and data connections between the Customer and the server that are separate from those used for transfer of Information through the Bank's Business Online Banking. Customer agrees to abide by the Security Procedures required by the Bank in connection with files transmitted using FTP.

- D. ORDINARY CARE.** In performing the Information Reporting Services, Bank shall exercise ordinary care, subject to the limitations set forth in this paragraph or elsewhere in this Agreement. Customer agrees that Bank shall be deemed to have exercised ordinary care in the performance of the duties required of Bank in connection with the Information Reporting Service if Bank substantially follows the communication and other requirements set forth in this Agreement. Customer understands that internet communications utilizing public access facilities may not be accurate, secure, or available and that such communications may be subject to interception, loss, distortion, disruption, or unavailability. Bank shall not be responsible or liable for any function or malfunction of equipment, software, or services, including, but not limited to, any damages or losses relating to the transmission or non-transmission of Information.
- E. CHANGES IN INFORMATION REPORTING SERVICES.** Bank may withdraw or modify the Information Reporting Services as provided in General Terms of this Agreement. Customer may request changes to or additional Services by completing a new Service Forms or completing such other procedure as may be required by the Bank, and subject to the Bank's prior approval.
- F. COMMERCIAL PURPOSE USE.** Customer agrees that Information Reporting Services will be used only for valid commercial purposes in the ordinary course of Customer's business and not for personal, family, or household purposes or for any person or entity other than Customer.
- G. FINANCIAL MANAGEMENT SOFTWARE.** To the extent supported by the Bank, the Customer may, at its option and in its discretion, access certain accounts and Bank Information related thereto via FMS which Customer has purchased from a third-party software manufacturer, or a third-party retailer of Customer's choice. Customer's use of FMS is at Customer's risk and is governed by the software license agreements between Customer and the third party from whom it was acquired. Customer agrees to use the FMS according to the license agreement and any instructions or guidance from such third party. Customer is responsible for the correct set-up and installation of the FMS and use of the FMS according to any and all instructions or guidance provided. Customer may download Information into the FMS from certain account(s). Some but not all account Information may be downloaded into the FMS. The accounts for which these options are available will be identified by Bank to the extent they are supported by the Bank's Treasury Management Services. The Bank may also add to, modify, or delete, or limit any feature of Customer's ability to access account and related Bank Information via an interface through FMS, in its sole discretion from time to time without notice to Customer. The following additional terms and conditions apply to any use of third-party FMS to access Customer's accounts:
1. Account statements that the Bank generates are the official record of account information, including transactions and balances, and the information Customer downloads into any FMS is for Customer's informational purposes only and is not considered an official record of Customer's account.
 2. Account Information accessed through any FMS won't necessarily reflect banking, financial, or investment activities and transactions that have not yet been completed or settled, and will only reflect the Information that is included in Customer's account records at the exact point in time that Customer downloads the Information.
 3. Account Information may reflect transactions as of a prior time period and may not be current when Customer accesses the Information using FMS.
 4. The Bank will not automatically update account Information that Customer downloads to its FMS. Customer will have to update applicable account Information by downloading more current information from its accounts.
 5. Customer's use of any FMS is subject to provisions of this Agreement regarding information security, indemnification and limitations of liability. In addition to and without limiting the Bank's rights under those provisions, Customer agrees that Bank makes no warranties and assumes no responsibility or liability for (i)

the FMS's fitness for a particular purpose and non-infringement of any third party rights; (ii) any loss, damages or expenses of any kind as a result of your inability to download information into the FMS or Customer's reliance upon the account Information in its FMS; (iii) unauthorized access of (x) FMS or any account Information Customer downloads and stores in its FMS or (y) to any Account using the FMS; (iv) the loss, corruption, interception, or mis-delivery of any account Information as a consequence of Customer's use of an FMS; and (v) Customer's failure to properly follow the instructions for using the FMS.

IX. ZELLE® BUSINESS

- A. **DESCRIPTION OF SERVICE.** Bank has partnered with the Zelle® Network ("Zelle®") to enable a convenient way to send and receive money between you and others who are enrolled directly with Zelle® through Bank or with another financial institution that partners with Zelle® (each a "User") using aliases, such as email addresses, U.S. mobile phone numbers, or other unique identifiers as described in this Section XI. Bank will refer to financial institutions that have partnered with Zelle® as "Network Financial Institutions".

Zelle® provides no deposit account or other financial services. Zelle® neither transfers nor moves money. You may not establish a financial account with Zelle® of any kind. All money will be transferred by a Network Financial Institution.

Transfers will be governed by the Rules including but not limited to the National Automated Clearing House Association ("Nacha") or real time payment services ("RTP").

THE SERVICE IS INTENDED TO SEND MONEY TO PERSONS AND ENTITIES WITH WHOM YOU HAVE AN ESTABLISHED BUSINESS OR PERSONAL RELATIONSHIP AND WHOM YOU TRUST. YOU SHOULD NOT USE THE SERVICE TO SEND MONEY TO RECIPIENTS WITH WHOM YOU ARE NOT FAMILIAR OR DO NOT TRUST. THE SERVICE IS NOT INTENDED FOR USE IN CONNECTION WITH TRANSACTIONS FOR GOODS OR SERVICES WHERE YOU DO NOT KNOW OR TRUST THE RECIPIENT.

B. **ELIGIBILITY AND USER PROFILE**

When you enroll to use the Service, you agree to the Terms and Disclosures and the Business Zelle® Agreement as amended from time to time. You represent that you have the authority to authorize debits and credits to the enrolled bank account. You agree that you will not use the Service to send money to anyone to whom you are obligated for tax payments, payments made pursuant to court orders (including court-ordered amounts for alimony or child support), fines, gambling debts or payments otherwise prohibited by law, and you agree that you will not use the Service to request money from anyone for any such payments.

You agree that you will not authorize a third party to use the Service or share your credentials with a third party to use the Service on your behalf except in legally authorized situations such as a legal guardianship or pursuant to a power of attorney. The Service allows you to send or receive money using a small business deposit account. Bank reserves the right to suspend, limit your access, or terminate your use of the Service at any time and without prior notice if Bank believes, in our sole discretion, that you are using the Service for illegal or other purposes that expose the Bank or Zelle® to risk or liability, or Bank believes, in our sole discretion, that you have otherwise violated the terms and conditions of using this Service.

Bank reserves the right to determine other eligibility criteria in its sole discretion.

Best Practices for Online Banking Security

Online Banking Protection: While it is your responsibility to safeguard your own data, including information that can be used to access or transact against your accounts at First National Bank Alaska, we recommend that you consider implementing the following data security-related rules or controls for your company:

- Use long, strong passwords or passphrases. Current guidance emphasizes length over complexity, so consider:
 - using a passphrase of at least 15 characters, made up of several unrelated words.
 - avoiding common words, breached passwords, keyboard patterns (e.g., "qwerty"), and information others can guess about you or your business.

- using a unique password for every website and account, and using a reputable password manager to generate and store them.
- enabling multi-factor authentication (MFA) wherever it is offered, and preferring phishing-resistant methods (such as a security key or passkey or an authenticator app) over text-message (SMS) or voice codes where available.
- Change your password promptly if you suspect it has been compromised; routine scheduled password changes are no longer recommended if you use long, unique passwords and MFA.
- Never reveal your confidential login ID, password, PIN or answers to security questions to anyone.
- Never reveal your confidential login ID, password, PIN or answers to security questions by e-mail.
- Never share your security token, MFA device, or one-time codes, and never approve a multi-factor authentication prompt you did not initiate.
- Report lost or stolen tokens immediately.
- Never bank online using computers at kiosks, cafes, unsecured computers or unsecured wireless networks.
- Prohibit the use of shared user names and passwords for your online banking accounts.

Tips to Avoid Phishing, Spyware and Malware:

- Do not open e-mail from unknown sources.
- Never respond to a suspicious email or click on any hyperlink embedded in a suspicious email.
 - Call the purported source if you are unsure who sent an email.
 - If an email claims to be from your bank, call a client services representative.
- Educate your staff about current scams and loss-prevention steps.
- Make sure all computers your staff members use for work-related business — at the office and at home — have the latest versions and patches of both anti-virus and anti-spyware software.
- Maintain updated and patched systems and software.
- Install a firewall between your computers and the Internet.
- Restrict administrative rights to install programs to IT staff.
- Check your settings and select at least a medium level of security for your browsers.
- Clear the browser cache before starting an online banking session to eliminate copies of web pages that have been stored on the hard drive.

TIPS TO PROTECT ONLINE PAYMENT AND ACCOUNT DATA

- Dedicate and restrict one computer to online banking transactions; allow no Internet browsing or email exchange and ensure this computer is equipped with the latest versions and patches of both anti-virus and anti-spyware software.
- Segregate responsibilities among different employees for maintenance, entry, and approval.
- Delete online user IDs as part of the exit procedure when employees leave your company.
- Assign dual system administrators for online cash management services.
- Periodically evaluate employee job functions and remove unnecessary online services or access rights.
- Establish transaction limits for employees who initiate and approve online payments.

- Set up alerts to notify a manager of payments initiated above a threshold amount that warrant management's attention.
- Use dual controls; require multiple users to release an online payment because it is less likely a fraudster would control the workstation of both initiating employees.
- Reconcile by carefully monitoring account activity and reviewing all transactions initiated by your company daily.
- Use separate accounts for electronic and paper transactions to simplify monitoring and tracking any discrepancies.

There is no substitute for the advice of experts with intimate knowledge of your operations. First National Bank Alaska recommends that you obtain data security and anti-fraud advice from such experts. While First National Bank Alaska may provide you with some recommendations regarding controls or best practices from time to time, these recommendations cannot replace the services of dedicated data security and anti-fraud experts with a true understanding of your business.

Additional Online Resources:

From the National Cyber Security Alliance: StaySafeOnline.org

From the Federal Trade Commission (FTC): OnGuardOnline.gov:

****WHILE THE SECURITY PROCEDURES DESCRIBED IN THIS DOCUMENT ARE "RECOMMENDED" AS "BEST PRACTICES," YOU SHOULD BE AWARE THAT YOU MAY HAVE AFFIRMATIVELY AGREED TO IMPLEMENT CERTAIN OF THESE PROCEDURES IN CONNECTION WITH VARIOUS SERVICES PROVIDED BY FIRST NATIONAL BANK ALASKA. FIRST NATIONAL BANK ALASKA'S USE OF THE TERMS "RECOMMENDATION" OR "BEST PRACTICES" IN THIS DISCLOSURE DOES NOT LIMIT OR RELEASE YOU FROM ANY OBLIGATION THAT YOU MAY OTHERWISE HAVE TO IMPLEMENT CERTAIN SECURITY PROCEDURES UNDER SEPARATE AGREEMENTS WITH FIRST NATIONAL BANK ALASKA.**

DO NOT SHARE ONLINE CREDENTIALS. Bank will never contact Customer or Control Group by email or telephone in order to request for or to verify Account numbers, Security Procedures or credentials, or any sensitive or Confidential Information. Do not share such information or otherwise provide access to Accounts. In the event Customer or Control Group receives an email, telephone call or other electronic communication that Customer or Control Group believes or has reason to believe, is fraudulent. Customer or Control Group should not respond, provide any information to the sender/caller, click on any links in the email or otherwise comply with any instructions.

IF CUSTOMER, ITS BUSINESS ADMINISTRATOR, SYSTEM ADMINISTRATOR AUTHORIZED USER, BUSINESS USER, OR CONTROL GROUP DISCLOSES USER IDENTIFICATION CODES AND/OR PASSWORDS TO ANYONE, AND/OR IF CUSTOMER, ITS BUSINESS ADMINISTRATOR, SYSTEM ADMINISTRATOR, AUTHORIZED USER, BUSINESS USER, OR CONTROL GROUP, ALLOWS SOMEONE TO ISSUE SUCH IDS AND PASSWORDS TO GAIN ACCESS TO ACCOUNTS, CUSTOMER/CONTROL GROUP/BUSINESS ADMINISTRATOR/SYSTEM ADMINISTRATOR/AUTHORIZED USER/BUSINESS USER HAS AUTHORIZED THEM TO ACT ON ITS BEHALF AND WILL BE RESPONSIBLE FOR ANY USER OF THE SERVICE BY THEM, INCLUDING EXTERNAL TRANSFERS TO THE EXTENT OFFERED BY THE BANK.