

Debit Card Agreement Terms and Conditions

Introduction

This Debit Card Agreement (“*Agreement*”) contains contract terms and other important information relating to your Debit Card (“*Card*”) service with:

Washington Trust Bank
PO Box 2127
Spokane, WA 99210-2127
(800) 788-4578

These terms govern the operation of this account unless varied or supplemented in writing. This Agreement also incorporates any other terms and conditions provided separately with your account agreement as well as the terms of any disclosures you may have received. You should read this Agreement carefully and keep a copy for your records.

Applicable Law. This Agreement will be governed by the laws of the state in which your account is located as well as federal laws and regulations. Normal banking customs and practices also apply.

Definitions. Unless inconsistent, words and phrases used in this document shall be construed so that the singular includes the plural and the plural includes the singular. The words “*we*”, “*our*”, and “*us*” refer to the financial institution which issues the Card. The words “*you*” and “*your*” refer to the owner of the specific account for which Card transactions are permitted. The word “*Cardholder*” refers to any person authorized by you to use the Card.

Business Card Purpose. You and any Cardholder agree that this Card is for use by business owners and employees. The Card can be used for business purpose point-of-sale and Automated Teller Machine (“ATM”) transactions only. The Card may **not** be used for personal purposes. You acknowledge and understand that the Card shall not be treated as a consumer card under the provisions of state and federal law. You agree to provide written instructions to all Cardholders that the Card shall not be used for consumer purposes. We assume all transactions are for business purposes. We do not monitor transactions to determine their purpose.

Account Requirement, Payment Responsibility, Transferability, Enforceability. The services described in this Agreement will be available to you only as long as you maintain your business checking, savings, or money market account(s) with us.

You are liable for the payment of Card transactions authorized by you or your agent or any Cardholder or their agent. This account may not be transferred or assigned without our written consent.

If any terms of this Agreement cannot be legally enforced, it will be considered changed to the extent necessary to comply with applicable laws. If any part of this Agreement becomes unenforceable, it will not make any other part unenforceable.

How To Use the Business Card, Security Procedures. The Card allows Cardholders to directly access the business checking, savings, or money market account(s) specified separately.

We will issue Cards and codes to you at your request. Each Card will identify your business as well as the Cardholder.

You agree to the following security procedures. Each Cardholder must sign their Card before it may be used.

You agree to require both a Card and a code to be used together to perform transactions at designated ATMs. However, you may use your Card to purchase goods or pay for services without a code. Once a Card has been issued it cannot be transferred to another person. You agree to immediately notify us when you terminate a Cardholder's rights and to promptly return the Card to us. You agree to provide written instructions to all Cardholders about the importance of protecting the Card and code. You agree to examine your receipts and periodic statements in a timely manner. You agree that the dollar/frequency limits assigned to each Cardholder will also act as a security procedure.

Termination and Amendments

We may terminate this Agreement by written notice to you.

You may terminate this Agreement by written notice to us.

We may make amendments to this Agreement in the same method as provided in the *Terms and Conditions* provided in your account agreement. Use of your Card after receipt of notice of an amendment constitutes your acceptance of the change.

Notices. Any notices mailed to you under this Agreement will be mailed to the address we have for you in our records. You will keep us notified of your current mailing address.

Order of Payment

Our policy is to process debit card and ATM transactions first, by date and time sequence (date and time sequence refer to the date and time of purchase authorization at the merchant) on the day they are processed.

Overdraft Protection

If your account has an overdraft protection feature, unless otherwise agreed in writing, Card transactions that would otherwise overdraw your account will be covered by the overdraft protection feature. Your overdraft protection feature will be documented on a separate agreement. You should become familiar with that document as some of the terms, such as your liability for unauthorized transactions initiated with your Card, may vary from the terms of this Agreement.

Types of Transactions

Below are the types of transactions your Card will accommodate.

ATM Transactions. You may access your account by ATM using your Debit Card and code to:

- deposit funds to your business checking, savings, or money market account(s)
- withdraw cash from your business checking, savings, or money market account(s)
- transfer funds from your business checking, savings, or money market account(s) to your business checking, savings, or money market account(s)
- get balance information about your business checking, savings, or money market account(s)

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

Point-of-Sale Transactions. You may access your checking or money market account(s) by debit card to do transactions that participating merchants will accept, including:

- purchase goods in person, by phone or online (via the internet)
- pay for services in person, by phone or online (via the internet)
- get cash from a participating merchant or financial institution

Some services may not be available at all locations.

Advisory Against Illegal Use

You agree not to use your Card for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the Cardholder may be located.

Currency Conversion and International Transactions

When you use your Visa® card at a merchant that settles in currency other than US dollars, the charge will be converted into the US dollar amount. The currency conversion rate used to determine the transaction amount in US dollars is either a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date. The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date.

Visa USA charges us a 1% International Service Assessment on all international transactions, regardless of whether there is a currency conversion. The fee we charge you for international transactions/currency conversions is disclosed separately. An international transaction is a transaction where the issuer of the card used is not located in the transaction country. This means an international transaction can occur even though the transaction is made when you are not in a foreign country. For example, a transaction made online with a foreign merchant is an international transaction even though made while you are physically in the United States.

Non-Visa® Debit Transaction Processing

We have enabled non-Visa debit transaction processing. This means you may use your Visa-branded card/device on a non-Visa network without using a PIN.

The provisions of your agreement with us relating only to Visa transactions are not applicable to non-Visa transactions. For example, the additional limits on liability (sometimes referred to as Visa's zero-liability program) and the streamlined error resolution procedures offered on Visa debit card transactions are not applicable to transactions processed on a non-Visa network without using a PIN.

Fees and Limitations

Additional information specifying fees and transaction limitations that may apply is provided separately.

For security reasons, there are additional undisclosed limits on the number of ATM and point-of-sale transactions you can make.

Documentation

Terminal Transactions. You can get a receipt at the time you make any transfer to or from your account using one of our ATM or point-of-sale terminals.

Retain Copies for Your Records. You should retain copies of all records including receipts, credit slips (for returned merchandise), and cancellation numbers (for cancelled reservations). You should also mark each transaction in your account record (but not while at a terminal). You should review your periodic statement for accuracy and compare your account record against your periodic statement to reconcile balances.

Periodic Statements

You will get a monthly account statement from us for your business checking, savings, or money market account that will also include a record of transactions made using your Card.

Additional Terms

Insufficient Funds

If the account accessed does not have sufficient available funds, we may, at our discretion, reject or accept the transaction you have selected. If we honor such a transaction, you agree to pay, on demand, the required amount to cover the insufficiency.

Card Status Information

Inactive Cards: If you do not activate your card within 60 days of receiving it your card could be automatically closed. If you have not used your card in more than 180 days your card will be placed in an inactive status and could be closed due to inactivity.

Visa Account Updater Notice of Right to Opt Out

Visa® Account Updater (VAU) is a free service that helps participating merchants who receive recurring payments from your Debit Card have access to current card account information on file. For instance, participating merchants will have access to information about card expiration, or if you report that your card has been lost or stolen. You are entitled to opt out of this service. You may opt out at any time.

If you want to opt out, you may notify us as follows:

- Phone us at (800) 788-4578

Your opt-out notice must include your:

- Name
- Card Number(s)

If you opt out, you may opt back in if you decide you want the Visa Account Updater (VAU) service in the future. You may opt in the same way(s) that you can opt out.

Limitations On Our Liability

We will not be liable if:

- you do not have enough money in your account to make the transfer.
- you have an overdraft line and the transfer would cause you to exceed your credit limit.
- an ATM does not have sufficient cash.
- a terminal or system is not working properly.
- circumstances beyond our control (such as fire or flood) prevent the transfer.
- a merchant refuses to accept your Card.
- an ATM rejects your Card.

There may be other limitations on our liability.

Unauthorized Transactions

Additional Risk Associated with Use of Business Purpose Cards.

You will not have the benefit of any consumer law limiting liability with respect to the unauthorized use of your Card. This means your liability for the unauthorized use of your Card could be greater than the liability in a consumer debit card transaction. You accept and agree to undertake the additional risk and greater measure of liability associated with the use of business purpose cards as described in this Agreement.

Your Liability for Unauthorized Transactions. You are liable for Card transactions you do not authorize if we can prove that we processed the transaction in good faith and in compliance with a commercially reasonable security procedure to which we both agreed, unless otherwise required by law. Tell us AT ONCE if you believe your Card and/or code has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If your Card and/or code is lost, stolen, or used without your permission, you agree to notify us immediately and to promptly confirm such notice in writing. Your liability for transactions with your Card and/or code will continue until 2 business days after the day we receive such written notice. If you do not notify us within 60 days from when the periodic statement containing an unauthorized transaction was first mailed or made available to you, we will be entitled to treat the information in the periodic statement as correct, and you will be precluded from asserting otherwise.

Additional Limits on Liability

Unless you have been negligent or have engaged in fraud, you will not be liable for any transactions using your lost or stolen Card if you report the unauthorized transfer within 60 days of the mailing date of the first statement showing the unauthorized transfer. Unauthorized transfers do not include:

- 1) any transaction by a business co-owner, a cardholder or person authorized by a cardholder, or other person with an interest in or authority to transact business on the account; or
 - 2) any transaction by a cardholder that exceeds the authority given by the Visa® Business check card account owner.
- This additional limit on liability does not apply to ATM transactions outside of the U.S., to ATM transactions not sent over Visa or Plus networks, or to transactions using your Personal Identification Number which are not processed by Visa. (Visa is a registered trademark of Visa International Service Association.).

Contact in Event of Unauthorized Transaction.

If you believe your Card and/or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write us at the telephone number or address listed in this brochure.

Consequential Damages.

We will not be liable for any consequential or incidental damages resulting from the unauthorized use of your Card.

Point-of-Sale Transactions

Payment for goods or services made in this manner shall not affect any of the rights, protections, or liabilities in existing law concerning a cash or credit sale made by means other than through the use of a terminal.

You cannot reverse a point-of-sale transaction.

Error Resolution

You agree to examine your receipts and periodic statements using ordinary care and to report any errors or problems to us within a reasonable time. You agree that the time to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of one year from when the statement containing the error or problem was first mailed or made available to you.

If you do not report within one year, we will be entitled to treat such information as correct and you will be precluded from asserting otherwise.

You further agree that if you fail to report to us within 14 days from when the statement was first mailed or made available to you that we will not be required to pay dividends or interest on any refund to which you may be entitled. We will only recredit your account for errors or problems as required by law.

Call or write us immediately with errors or questions about your electronic transfers at the telephone number or address listed in this brochure. If you tell us orally, we may require your complaint or question in writing within 14 business days.

For transactions processed by Visa, we will determine whether an error occurred within 5 business days after we hear from you and will correct any error promptly. If we need more time, however, we will credit your account within 5 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. For transactions not processed by Visa, we will investigate the matter and notify you of the results within a reasonable amount of time. The exact time will depend on the specific circumstances of the error or problem.

You may ask for copies of the documents that we used in our investigation. See the section titled *Unauthorized Transactions* for your liability concerning such errors.

Washington Trust Bank
Priority Service Center
PO Box 2127
Spokane, WA 99210-2127

PHONE:

(800) 788-4578

Business Days: Monday through Friday

Excluding Federal Holidays

Notice of ATM/Night Deposit Facility User Precautions

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

1. Prepare for your transactions in advance (for instance, by filling out a deposit slip) to minimize your time at the ATM or night deposit facility.
2. Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always save your ATM receipts. Don't leave them at the ATM or night deposit facility because they may contain important account information.
3. Compare your records with the account statements you receive.
4. Don't lend your ATM Card to anyone.
5. Remember, do not leave your Card at the ATM. Do not leave any documents at a night deposit facility.

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