



DEPOSIT ACCOUNT AGREEMENT & REGULATORY DISCLOSURE



silvergate.com
800-595-5856

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04/29/21

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Introduction

Welcome to Silvergate Bank and thank you for opening and maintaining an account. This agreement contains information about your rights and obligations for your deposit account relationship with us. Please retain this agreement (and all changes to this agreement) for future reference.

This agreement describes our deposit accounts and some related services that are available at our business banking center. Some accounts and services may not be available at all times at our business banking center. We may discontinue your account or service at any time without notice.

When you open an account at Silvergate Bank, you agree to the terms and conditions described in this Deposit Account Agreement and Regulatory Disclosure, the signature card, the Schedule of Fees and Charges, the Deposit Interest Rate Schedule, and the application (collectively, "Agreement"). In the event of a conflict between this Agreement and a statement made by one of our employees, this Agreement will prevail.

Throughout this Agreement, the words "you," "your," and "yours" refer to each account owner. "Silvergate Bank," "we," "us," "our," and "Bank" refer to Silvergate Bank. "Business Banking Center" refers to a business banking center of Silvergate Bank.

Other agreements may apply to other services you obtain from us.

Business Banking Center

La Jolla Business Banking Center

4250 Executive Square, Ste. 300
La Jolla, CA 92037
+1 800-478-8117

An appointment-only system will be available to all customers for all services by:

- Calling (858) 202-0508 or (800) 478-8117, or
- Sending an email request to BCAppointments@silvergate.com.

Appointments will be from 9:00 a.m. (PT) to 4:00 p.m. (PT) Monday through Friday, excluding bank holidays.

Customer Identification Program

Important Information about Procedures for Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means to you: When you open an account, we will ask for your name, address, date of birth, tax identification number and other information that will allow us to identify you. We may also ask to see a driver's license or other identifying documents for account owners (and possibly authorized signers).

We may further ask you for specific information regarding the nature of anticipated activity, the sources of your funds, the purposes of transactions, the relationship you have with persons to whom you send funds and persons who send funds to you, the anticipated frequency of such transactions, the ultimate beneficiaries of funds you send and receive, and other questions that may help us clarify the nature and purpose of transactions. We may close accounts if we are unable to understand the purpose of the account, the structure of the organization, the authority of the signers, the documentation provided, or the general risk associated with the establishment of the account. We may elect not to disclose the specific reason for our action.

Owners for fiduciaries, partnerships, corporations, limited liability companies and fictitious business names or other business names may also be asked at account opening and from time to time to provide us with valid documentation of trust agreements (or certification of trust), court orders, partnership agreements, certificates of

limited partnership, articles of incorporation or organization, and filed fictitious business name statements, in addition to any other documents deemed necessary by us.

Important Information About Opening a Legal Entity Account

Effective May 11, 2018, new rules under the Bank Secrecy Act will aid the government in the fight against crimes to evade financial measures designed to combat terrorism and other national security threats.

EACH time an account is opened for a covered Legal Entity, we are required to ask you for identifying information (name, address, date of birth, social security number as well as identification documents) for each individual that has beneficial ownership (25% or more) and one individual that has significant managerial control of the Legal Entity. Silvergate Bank reserves the right to request beneficial ownership of less than 25%.

If you are opening an account on behalf of a Legal Entity, you will be required to provide the appropriate documentation and to certify that this information is true and accurate to the best of your knowledge.

Silvergate Bank proudly supports all efforts to protect and maintain the security of our customers and our country.

Important Information on Prohibited Transactions and the Opening of Accounts

Due to financial sanctions that prohibit transactions with certain high-risk countries coupled with defined weaknesses within certain countries' anti-money laundering (AML) and counter financing of terrorism (CFT) measures, access to Silvergate Bank products, services and transactions will be blocked for entities and individuals in some countries and jurisdictions. This includes the blocking of opening of accounts and transactions from any of these countries or jurisdictions. Please contact your Business Banking Center representative or Account Manager for questions.

Customer Information

Information You Provide Us

When you open an account with Silvergate Bank, you provide us with information about yourself and confirm that it is correct. We keep this information in our records. We may rely on that information until you notify us of a change, and we have had a reasonable amount of time to act on the new information.

Account Information Services

If we close your account because of your unsatisfactory handling, we generally report to account information services such as ChexSystems, Inc. We may report your name, address, Taxpayer Identification Number, driver license number, and the date and reason the account was closed. The account information services may disclose this information to others. This may adversely affect your ability to establish an account at any financial institution for five years from the date of the report.

Credit Reports and Other Inquiries

We may make any inquiries that we consider appropriate to help us determine if we should open, maintain, or close your account. This may include verification of employment and credit reports or other reports from account information services and credit reporting agencies. You authorize the Bank to verify credit and employment history and/or have a credit reporting agency prepare a credit report on you as an individual, owner, principal, officer of an entity or as an authorized signer of an account.

You may request we tell you whether we requested a credit report and, if we did request a credit report, we will tell you the name, address, and telephone number of the reporting agency or account information service.

We may report information about your account to credit bureaus. Late payments missed payments or other defaults on your account may be reflected in your credit report. This includes any balance owed to the account at the time the account is closed.

Release of Information

We offer you several methods by which you can obtain information on your account(s). We have established reasonable security measures for these various methods, but we cannot ensure against unauthorized inquiries. You agree that we are not responsible for the release of information to anyone who has gained access to your debit card, personal identification code, account number, or other code or access device, or who has learned information about you (for example, your social security number), even if you have not authorized them to obtain the information.

Substitute Checks and Your Rights

What Is a Substitute Check?

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

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

What Are My Rights Regarding Substitute Checks?

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

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

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim. We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

How Do I Make a Claim for a Refund?

If you believe that you have suffered a loss related to a substitute check that you received and that was posted to your account, please call us at the phone number listed on your statement or write us at:

Silvergate Bank
Attn: Central Operations
4250 Executive Square, Suite 300
La Jolla, CA 92037

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

Your claim must include:

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

All oral requests for an expedited re-credit claim must be confirmed in writing within 10 business days.

Funds Availability (Regulation CC)

Your Ability to Withdraw Funds at Silvergate Bank

Our policy is to make funds from electronic direct deposits and incoming wire transfers available to you on the day we receive the deposit. Our general policy is to make funds from your cash and check deposits available to you no later than the first business day after the day we receive your deposit. Silvergate Bank encourages you to ask when a particular deposit will be available for withdrawal. Once they are available, you can withdraw the funds in cash, and we will use the funds to pay checks you have written.

For determining the availability of your deposits, every day is a business day except Saturdays, Sundays, and federal holidays.

Federal Regulation CC as of July 1, 2018 does apply when you transmit electronic images of items (paper checks or other paper source documents payable in U.S. dollars) to the Bank for deposit through mobile deposit and remote deposit capture services (“Services”). Funds from deposits made via these Services generally will be available for withdrawal by the second business day after the day of deposit. Restrictive endorsements apply to all checks deposited via mobile deposit and remote deposit capture.

Effective July 1, 2020, the Dodd-Frank Act requires that certain dollar amounts provided under the Expedited Funds Availability Act (“EFA Act”) be adjusted for inflation every five years. The adjustments are tied to the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The Federal Reserve Board (FRB) and the Consumer Financial Protection Bureau (CFPB) amended Regulation CC (“Amendment”) to implement the adjustment for inflation to the dollar amounts under the EFA Act. The below inflation adjustments were made mandatory July 1, 2020.

The first \$225 of your deposits will generally be available no later than the first business day after the day of deposit. However, we may apply additional delays on the availability of funds based on any other factors as determined by us in our sole discretion. Common reasons we may delay availability of your funds include: a large deposit amount, frequent overdrafts, deposited items returned unpaid and indications that a deposited item may not be paid. If you deposit checks totaling more than \$5,525 in any one business day, availability of the amount over \$5,525 may be delayed until the seventh business day after the day of deposit. If funds will be delayed beyond the second business day on any part of your deposit, we will mail you information about when your funds will be available.

If you submit an item via the mobile banking platform on or before 4:00 p.m. (PT) or by Office Deposit on or before 5:00 p.m. on a business day we are open, we will consider that to be the day of deposit. If you submit an item via the Services after these times or on a weekend or a federal holiday, we will consider that the deposit was made on the next business day. In some cases, the Bank may reject a deposit made via the Services. Common reasons

include poor image quality, incorrect payee, or missing endorsement. In the event the Bank rejects a deposit made through the Services, we will notify you and the deposit will not be credited to your account.

Coverage of California Funds Availability Regulations:

Unlike Regulation CC, which applies to transaction accounts only, the California funds availability regulations also apply to savings deposits (savings and money market accounts included, however time deposits are excluded), as well as to the transaction accounts covered by Regulation CC. As a result, financial institutions must follow California law with respect to the availability of deposits made to savings accounts.

Government, Official, and Other Special Types of Checks

Our policy is to make funds from U.S. Treasury checks that are payable to you available no later than the first business day after the day of the deposit.

If you make the deposit in person to one of our employees and meet the conditions described below, our policy is to make funds from the following types of deposits available no later than the first business day after the day of your deposit:

- State and local government checks that are payable to you and are deposited in an account in the same jurisdiction that issued the check.
- Cashier's, certified, or teller's checks that are payable to you.
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders that are payable to you.

If you do not make your deposit of these checks in person to one of our employees (for example, by mail), our policy is to make funds from these deposits available no later than the second business day after the day of deposit.

Longer Delays May Apply

In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit.

Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$225 of your deposits will be available no later than the first business day. If we are not going to make all of the funds from your deposit available on the first business day after the day of your deposit, we will notify you at the time you make your deposit. We will also tell you when the funds will be available if your deposit is not made directly to one of our employees (for example, by mail), or if we decide to take this action after you have left the premises, we will mail you the notice by the next business day after we receive your deposit. We do not mail this notice for deposits referred to in the section titled Government, Official, and Other Special Types of Checks.

If you need the funds from your deposit right away, we strongly encourage you to ask us when the funds will be available.

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

- We believe a check you have deposited will not be paid;
- You deposit checks totaling more than \$5,525 on any one (1) business day;
- You redeposit a check that has been returned unpaid;
- You have overdrawn your account repeatedly in the last six (6) months; or
- There is an emergency such as a failure of communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

Special Rules for New Accounts

If you are a new customer, the following special rules may apply during the first thirty (30) days your account is open.

Funds from electronic direct deposits to your account are available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's checks, certified, teller's, traveler's, and federal, state, and local government checks are available no later than the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you and deposited in person to one of our employees. The excess over \$5,525 is available by the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of deposit. Funds from all other check deposits are generally available by the ninth business day after the day of your deposit. However, we may place longer holds on certain items for other reasons, such as large deposits.

Holds on Other Funds

If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your ability to withdraw a corresponding amount of funds that you have on deposit in another account with us. In either case, we make these funds available in accordance with our policy described elsewhere in this disclosure for the type of check that you deposited.

Miscellaneous Provisions

The fact that we make funds available to you does not waive any of our rights under the law or this Agreement. For example, although we made funds from a check you deposited available to you and you withdrew the funds, you are still responsible for problems with the deposit. If the check is returned to us unpaid for any reason, we may charge your account for the amount of the check.

Checking and Savings Accounts

Interest on Your Funds

You may obtain current rates by calling us at the number for Customer Service on your statement or by asking a business banking center representative.

Interest Bearing Checking and Savings Accounts

If you have an interest-bearing or savings account, your funds earn a variable rate. Your interest rate and annual percentage yield may change. At our discretion, we may change your interest rate and annual percentage yield at any time. We compound interest daily and credit interest monthly. Interest is accrued daily and is posted monthly in the Bank's nightly processing order.

We use the daily balance method to calculate the interest on your account. The daily rate is $1/365$ -or in a leap year, we may use $1/366$ -of the interest rate.

For interest-bearing checking or money market accounts, this method applies a daily rate to the collected balance in the account each day. For savings accounts, this method applies a daily rate to the ledge balance in the account each day.

The rate we pay on some accounts depends on the tier into which the balance in your account falls following nightly processing and after all that day's transactions have posted but before any service charges are deducted and any interest is paid. Rate tiers are updated the next business day following nightly processing. A tier is a range of account balances.

We may change the tiers that apply to an account at any time without notice. Different tiers may apply to different types of accounts. Different rates may apply to different tiers.

Interest rates are determined at the Bank's discretion.

Interest-Bearing Checking or Money Market Accounts: Funds from items deposited other than cash or checks drawn on Silvergate Bank begin to accrue interest on the business day that the Bank receives credit for the items. Cash and funds from items drawn on Silvergate Bank begin to accrue interest on the business date of deposit.

Savings Accounts: Interest begins to accrue on the business day both cash and non-cash items are deposited to the account.

Balance Information

For some accounts, you can avoid a monthly maintenance fee for each statement cycle during which you maintain the minimum required balance for one of the balances listed for your account below. Balance requirements generally vary for different types of accounts and may include the following:

- Ledger balance is the beginning balance in the account each day.
- Collected Balance is the ledger balance for the account minus that portion of the funds deposited for which we have not received credit based on the availability schedule we apply to the account.
- Minimum daily balance is the lowest end-of-day balance in the account during a statement cycle. The end-of-day balance is the amount of funds on deposit in the account after we finish processing that day's transactions.
- Average Daily Balance is the average ledger balance in the account during a statement cycle. We calculate it by adding the end-of-day ledger balances for each day in the statement cycle and dividing by the number of days in the statement cycle.

Account Conversions

We may either close or convert your account to another type of account when we consider it appropriate or necessary to do so. For example, we may close, revoke privileges, or convert your account to another type of account if we think another type of account would better suit the way you use your account, if your account is frequently overdrawn or has debits against insufficient or uncollected funds, if you have excessive deposit activity, or if you use a personal account for business purposes. If we convert your account, we will send you information about the features and benefits of your new account.

Checking Products

Silvergate Checking

The Silvergate Checking account is available only to consumer customers.

Account Fees. There is no monthly maintenance fee. Refer to the Schedule of Fees and Charges.

Interest Information. N/A

Minimum Balance Requirements. There is a \$100 minimum balance required to open this account.

Rate Information. N/A

Relationship Checking

The Relationship Checking account is available only to consumer customers.

Account Fees. A \$5,000 average daily balance or 1 monthly direct deposit must be maintained to avoid a monthly maintenance fee. Otherwise, a monthly maintenance fee of \$25.00 will be assessed.

Interest Information. N/A

Minimum Balance Requirements. There is no minimum balance required to open this account. A \$5,000 average daily balance is required to avoid a monthly maintenance fee.

Rate Information. N/A

Elite Checking

The Elite Checking account is an interest-bearing account. This account is available only to consumer customers. We may either close or convert your account to another account type if we believe that an account holder is not eligible to hold this account.

Account Fees. A \$2,000 average daily balance must be maintained to avoid a monthly maintenance fee. Otherwise, a monthly maintenance fee of \$10.00 will be assessed.

Interest Information. We use the daily balance method to calculate interest on the account. This method applies a daily periodic rate to the collected balance in the account each day. Funds from items deposited other than cash or checks drawn on Silvergate Bank begin to accrue interest on the business day that the Bank receives credit for the items. Cash and funds from items drawn on Silvergate Bank begin to accrue interest on the business day of deposit. Interest accrues and compounds daily and is credited monthly. If the account is closed before interest is credited, you will not receive the accrued interest.

Minimum Balance Requirements. There is a \$100 minimum balance required to open this account. A \$2,000 average daily balance is required to avoid a monthly maintenance fee. The monthly maintenance fee can also be waived with a combined average daily balance of \$25,000. Deposit accounts owned by the tax reporting owner, joint owner, or principal owner of a business account are eligible for calculation of combined balance.

Rate Information. This account is an interest-bearing, variable rate account. The interest rate and annual percentage yield (APY) are included on the Deposit Interest Rate Schedule. The interest rate and annual percentage yield may change at our discretion, as frequently as daily. Interest rates are determined at the Bank's discretion.

Basic Business Checking

Account Fees. A \$1,500 average daily balance must be maintained to avoid a monthly maintenance fee. Otherwise, a monthly maintenance fee of \$10.00 will be assessed.

Interest Information. N/A

Minimum Balance Requirements. There is a \$100 minimum balance required to open this account. A \$1,500 average daily balance is required to avoid a monthly maintenance fee. The monthly maintenance fee can also be waived with a combined average daily balance of \$15,000. Deposit accounts owned by the tax reporting owner, joint owner, or principal owner of a business account are eligible for calculation of combined balance.

Number of Transactions per Month or Statement Cycle.

200 checks and/or POS debits

100 ACH debits

100 items deposited

*Refer to Business Account brochure for pricing on additional transactions.

Rate Information. N/A

Business Interest Checking

Account Fees. A \$10,000 average daily balance must be maintained to avoid a monthly maintenance fee. Otherwise, a monthly maintenance fee of \$12.00 will be assessed.

Interest Information. We use the daily balance method to calculate interest on the account. This method applies a daily periodic rate to the collected balance in the account each day. Funds from items deposited

other than cash or checks drawn on Silvergate Bank begin to accrue interest on the business day that the Bank receives credit for the items. Cash and funds from items drawn on Silvergate Bank begin to accrue interest on the business day of deposit. Interest accrues and compounds daily and is credited monthly. If the account is closed before interest is credited, you will not receive the accrued interest.

Minimum Balance Requirements. There is a \$100 minimum balance required to open this account. A \$10,000 average daily balance must be maintained to avoid a monthly maintenance fee. The monthly maintenance fee can also be waived with a combined average daily balance of \$20,000. Deposit accounts owned by the tax reporting owner, joint owner, or principal owner of a business account are eligible for calculation of combined balance.

Number of Transactions per Month or Statement Cycle.

200 checks and/or POS debits

100 ACH debits

100 items deposited

*Refer to Business Account brochure for pricing on additional transactions.

Rate Information. This account is an interest-bearing, variable rate account. The interest rate and annual percentage yield (APY) are included on the Deposit Interest Rate Schedule. The interest rate and annual percentage yield may change at our discretion, as frequently as daily. Interest rates are determined at the Bank's discretion.

Premium Business Checking

Account Fees. A \$15,000 average daily balance must be maintained to avoid a monthly maintenance fee. Otherwise, a monthly maintenance fee of \$15.00 will be assessed.

Interest Information. N/A

Minimum Balance Requirements. There is a \$100 minimum balance required to open this account. A \$15,000 average daily balance is required to avoid a monthly maintenance fee. The monthly maintenance fee can also be waived with a combined average daily balance of \$25,000. Deposit accounts owned by the tax reporting owner, joint owner, or principal owner of a business account are eligible for calculation of combined balance.

Number of Transactions per Month or Statement Cycle. Unlimited

Rate Information. N/A

Business Analysis Accounts

These accounts earn a credit on the daily balance. The credit can then be used to pay for all of the fees associated with writing checks, making remote deposits remotely, and using cash management services. At the end of each statement cycle, an analysis statement that details exactly what fees were charged to your account and how much of your analysis credit was used to pay for those fees. Contact your account manager for specific types of analysis accounts offered and associated fees, balances required, and credits earned. The credit earned on an Analysis Business Checking account is not interest. Additional risk-based pricing may apply to Fintech Clients—Contact your Account Manager for additional pricing details.

Silvergate Exchange Network Account ("SEN Account")

The SEN Account is a checking account available only to business customers participating in the Silvergate Exchange Network.

Account Fees: There is no monthly maintenance fee on this account. Refer to the Schedule of Fees and Charges for additional information.

Interest Information: N/A

Minimum Balance Requirements: There is no minimum balance required to open this account.

Rate Information: N/A

Transaction Limitations: The only transactions that are permitted in the SEN Account are internal account transfers between approved accounts. Approved accounts are (a) accounts owned by your business, (b) accounts for benefit of your business, or (c) accounts owned or controlled by companies that are approved counterparties for you in the Silvergate Exchange Network. All other transactions such as checks, wires, ACH, POS or ATM debits will be blocked from the SEN Account.

Savings Products

Money Market

The Money Market account is available only to consumer customers.

Account Fees. A \$1,000 average daily balance must be maintained to avoid a monthly maintenance fee. Otherwise, a \$15.00 monthly maintenance fee will be assessed.

Interest Information. We use the daily balance method to calculate interest on the account. This method applies a daily periodic rate to the collected balance in the account each day. Funds from items deposited other than cash or checks drawn on Silvergate Bank begin to accrue interest on the business day that the Bank receives credit for the items. Cash and funds from items drawn on Silvergate Bank begin to accrue interest on the business day of deposit. Interest accrues and compounds daily and is credited monthly. If the account is closed before interest is credited, you will not receive the accrued interest.

Limitations. There is a \$1,000 minimum balance required to open this account. A \$1,000 average daily balance is required to avoid a monthly maintenance fee. Visa® Debit Cards not available solely for money market accounts.

Number of Transactions per Month or Statement Cycle. Unlimited.

Rate Information. This account is an interest-bearing, variable rate account. The interest rate and annual percentage yield (APY) are included on the Deposit Interest Rate Schedule. The interest rate and annual percentage yield may change at our discretion, as frequently as daily. Interest rates are determined at the Bank's discretion.

Relationship Money Market

Our Relationship Money Market account is an interest-bearing account available only to consumer customers with a Relationship Checking account.

Account Fees. A \$100,000 minimum balance is required to open this account. A \$1,000 average daily balance must be maintained to avoid a monthly maintenance fee. Otherwise, a \$15.00 monthly maintenance fee will be assessed.

Interest Information. We use the daily balance method to calculate interest on the account. This method applies a daily periodic rate to the collected balance in the account each day. Funds from items deposited other than cash or checks drawn on Silvergate Bank begin to accrue interest on the business day that the Bank receives credit for the items. Cash and funds from items drawn on Silvergate Bank begin to accrue interest on the business day of deposit. Interest accrues and compounds daily and is credited monthly. If the account is closed before interest is credited, you will not receive the accrued interest.

Rate Information. This account is an interest-bearing, variable rate account. The interest rate and annual percentage yield (APY) are included on the Deposit Interest Rate Schedule. The interest rate and annual percentage yield may change at our discretion, as frequently as daily. Interest rates are determined at the Bank's discretion.

Limitations. There is a \$100,000 minimum balance required to open this account. A \$1,000 average daily balance is required to avoid a monthly maintenance fee. Visa® Debit Cards not available solely for money market accounts.

Number of Transactions per Month or Statement Cycle. Unlimited.

Business Money Market

The Business Money Market account is available only to business customers.

Account Fees. A \$1,000 average daily balance must be maintained to avoid a monthly maintenance fee. Otherwise, a \$15.00 monthly maintenance fee will be assessed.

Interest Information. We use the daily balance method to calculate interest on the account. This method applies a daily periodic rate to the collected balance in the account each day. Funds from items deposited other than cash or checks drawn on Silvergate Bank begin to accrue interest on the business day that the Bank receives credit for the items. Cash and funds from items drawn on Silvergate Bank begin to accrue interest on the business day of deposit. Interest accrues and compounds daily and is credited monthly. If the account is closed before interest is credited, you will not receive the accrued interest.

Limitations. There is a \$1,000 minimum balance required to open this account. A \$1,000 average daily balance is required to avoid a monthly maintenance fee. Visa® Debit Cards not available solely for money market accounts.

Number of Transactions per Month or Statement Cycle. Unlimited.

Rate Information. This account is an interest-bearing, variable rate account. The interest rate and annual percentage yield (APY) are included on the Deposit Interest Rate Schedule. The interest rate and annual percentage yield may change at our discretion, as frequently as daily. Interest rates are determined at the Bank's discretion.

Business Relationship Money Market

Our Business Relationship Money Market account is an interest-bearing account available only to business customers who have their primary checking relationship with the bank.

Account Fees. A \$100,000 minimum balance is required to open this account. A \$1,000 average daily balance must be maintained to avoid a monthly maintenance fee. Otherwise, a \$15.00 monthly maintenance fee will be assessed.

Interest Information. We use the daily balance method to calculate interest on the account. This method applies a daily periodic rate to the collected balance in the account each day. Funds from items deposited other than cash or checks drawn on Silvergate Bank begin to accrue interest on the business day that the Bank receives credit for the items. Cash and funds from items drawn on Silvergate Bank begin to accrue interest on the business day of deposit. Interest accrues and compounds daily and is credited monthly. If the account is closed before interest is credited, you will not receive the accrued interest.

Rate Information. This account is an interest-bearing, variable rate account. The interest rate and annual percentage yield (APY) are included on the Deposit Interest Rate Schedule. The interest rate and annual percentage yield may change at our discretion, as frequently as daily. Interest rates are determined at the Bank's discretion.

Limitations. There is a \$100,000 minimum balance required to open this account. A \$1,000 average daily balance is required to avoid a monthly maintenance fee. Visa® Debit Cards not available solely for money market accounts.

Number of Transactions per Month or Statement Cycle. Unlimited.

Tiered Regular Savings/Business Savings

The Tiered Regular Savings account is available to consumer customers. The Business Savings account is available to business customers.

Account Fees. A \$500 average daily balance must be maintained to avoid a monthly maintenance fee. Otherwise, a \$4.00 monthly maintenance fee will be assessed.

Interest Information. We use the daily balance method to calculate interest on the account. This method applies a daily periodic rate to the ledger balance in the account each day. Funds from items deposited other than cash or checks drawn on Silvergate Bank begin to accrue interest on the business day both cash and non-cash items are deposited to the account. Interest accrues and compounds daily and is credited monthly.

Limitations. There is a \$100 minimum balance required to open this account. A \$500 average daily balance is required to avoid a monthly maintenance fee. Visa® Debit Cards not available solely for savings accounts.

Number of Transactions per Month or Statement Cycle. Unlimited.

Rate Information. This account is an interest-bearing, variable rate account. The interest rate and annual percentage yield (APY) are included on the Deposit Interest Rate Schedule. The interest rate and annual percentage yield may change at our discretion, as frequently as daily. Interest rates are determined at the Bank's discretion.

Electronic Funds Transfer Agreement and Disclosure

General Information

The following provisions apply only to accounts established primarily for personal, family, or household purposes. They generally apply to funds transfers, deposits, cash withdrawals and purchases made with any debit card, or other device or code that accesses a consumer account, and to direct deposits and some types of preauthorized and telephone-initiated transfers involving consumer accounts (including a transaction you may initiate by check but that a merchant converts to an electronic transfer). These provisions do not apply to debits that the Bank is authorized to make from your account for service charges and other fees, to preauthorized transfers you have instructed the Bank to make to another of your (or a family member's) Silvergate Bank accounts or toward payment of a Silvergate Bank loan, and to certain other types of consumer transactions that are excluded from federal Regulation E.

If we give you a debit card, or other device or code to access your account, you agree to use the card or code only in the manner and for the purposes described in the applicable document. If you attempt to use the card or code in any other manner or for any other purpose, we may reject the transaction, or, at our discretion, we may complete it without incurring any obligation to honor the same type of transaction in the future. We may decide not to issue a card or code at any time without notice.

If you permit another person to use your Card, PIN, and/or account number(s), you are responsible for all transactions conducted by that person (even if he or she exceeds your authorization), until you notify us that the person is no longer authorized so that we may block your Card and PIN and issue new ones.

You must review your periodic statements and promptly report to us any unauthorized funds transfers initiated using your Card, PIN, or otherwise. You agree to notify the Bank immediately if your Card is lost or stolen or if the secrecy of your PIN is compromised. You agree not to reveal your PIN to any person not authorized by you to use your Card. Further, you agree not to write your PIN on your card or on any other item kept with your card. Failure to take these actions may affect the extent of your liability for any unauthorized transfers under federal regulations or other applicable laws. We may refuse a transaction on your account when your card has been reported lost or stolen or when we reasonably believe there is unusual activity on your account. If the Bank suspects fraud we may freeze your funds at any time.

Silvergate Bank Visa® Debit Card Services for Business and Consumer Visa® Debit Cards

Silvergate Bank Visa® Debit Cards are the sole property of Silvergate Bank and may be revoked or cancelled at any time without prior notice. If you receive a Silvergate Bank Visa® Debit Card ("Card") from us, you may use it for the types of services described below and the following provisions are applicable.

You may use your Card and/or PIN to purchase goods and services from merchants that have arranged to accept your Card as a means of payment (“Participating Merchants”). Some Participating Merchants may permit you to receive cash back as part of your purchase. Purchases made with your Card, including any purchase where you receive cash, are referred to as POS transactions and will cause your primary checking account to be charged for your purchase. At the time you receive the Card, you choose your primary checking account from the accounts linked to your Card. POS transactions involving a refund will be credited to your primary account. When we authorize the transaction in advance, we commit to make the requested funds available when the transaction settles and we may place a temporary hold on your account for the amount requested by the merchant, which may be more than the amount you authorized. Until the transaction settles, or we determine it is unlikely to be processed, the funds subject to hold will not be available to you for other purposes (e.g., for withdrawal, to cover checks, or other transactions). We reserve the right to dishonor any check or other item drawn against your account to ensure there are funds available to pay for Card transactions. You may use your Visa® Debit Card and PIN issued to you to initiate transactions at ATMs within the networks identified on your card and at other facilities that we may designate from time to time. Unless you specify a different account during an ATM transaction, your primary account will be used for your transactions. You may use your card to (some of these services may not be available at all ATMs):

- Withdraw cash from your checking and savings accounts, and
- Obtain balance information on your deposit accounts.

Visa® Debit Card for Consumer Limits

- You may withdraw up to a maximum of \$500 per day (if there are sufficient funds in your account) using a Silvergate Bank Visa® Debit Card
- You may make up to \$3,000 in purchase per day (if there are sufficient funds in your account) using a Silvergate Bank Visa® Debit Card

Visa® Debit Card for Business Limits

- You may withdraw up to a maximum of \$1,000 per day (if there are sufficient funds in your account) using a Silvergate Bank Visa® Debit Card
- You may make up to \$3,000 in purchase per day (if there are sufficient funds in your account) using a Silvergate Bank Visa® Debit Card

You agree not to use your Card for a transaction that would cause your account balance to go below zero or to access an account that is no longer available or lacks sufficient funds to complete the transaction. We will not be required to complete any such transaction but if we do, we may, at our sole discretion charge or credit the transaction to another account you have with us and you agree to pay us the amount of the improper withdrawal or transfer upon request. We do not authorize and pay overdrafts for ATM transactions or everyday debit card transactions unless you have overdraft protection from your savings or money market set up with us.

Fees and Charges

Refer to the Schedule of Fees and Charges

Replacement Cards

Your Card can be replaced, as necessary, by calling us toll-free at 800-595-5856. Fees may apply. Refer to the Schedule of Fees and Charges

Foreign Transactions

If your Card is used to conduct an international transaction, a conversion fee may occur even if there is no currency conversion. The exchange rate between the transaction is:

- A rate selected by Visa® from a range of rates available in wholesale currency markets for the applicable central processing date. The rate may vary from the rate Visa® itself receives.

or

- The government-mandated rate in effect for the applicable central processing date.

In addition to the rate used, a fee equal to 1% of the transaction amount is added to each international transaction.

ATM Safety Tips

- Always protect your Card by keeping it in a safe place. If your Card is lost or stolen, contact us immediately.
- Always protect your PIN. Never give your PIN to anyone and you should never write your number anywhere, especially on your Card. If you choose your own PIN, avoid using obvious numbers such as telephone numbers, addresses, or birth dates.
- Never give information about your Card or PIN over the telephone. If someone is requesting this information, refuse and immediately notify the Bank.
- ATMs may be monitored by surveillance cameras, which record activity at the ATM.
- When you enter or exit an ATM in an enclosed area, be sure you close the entry door completely. Do not open locked ATM vestibule doors for others or allow any unknown persons to enter the ATM area when you are making your transaction.
- After completing your transaction, secure your Card and cash immediately, before exiting the ATM area. Count it later in the safety of your locked car or home.
- Shield the keypad with your hand or body while entering your PIN. Do not leave your transaction record at the ATM. Keep your transaction record in a safe place so you can compare it to your statement.
- If you use a drive-up ATM, be sure passenger windows are rolled up and your doors are locked.
- Be aware of your surroundings, especially at night. If you must use an ATM at night, consider taking someone with you.
- If you notice anything suspicious or that you deem unsafe, such as the lighting around the ATM is not working, use another ATM or return later.
- Report all crimes to law enforcement officials and your local Business Banking Center.
- If you need emergency assistance, call 911 from the nearest telephone.

Travel Notice

If you will be traveling abroad or outside the area where you currently use your debit card, let us know about your trip so we can keep your card safe. Call your local Business Banking Center or 800-577-4312 to give us the details of your trip such as the dates, the destinations and your contact information so that we can contact you should there be a question on any of the charges to your card.

If you experience problems using your card while you are traveling please contact us at 800-577-4312.

Online Banking

You may use your computer to obtain account information and make certain transfers and to pay bills. When you subscribe to these services, we provide you with an agreement and disclosures for the service and link your eligible accounts. Refer to the Online Banking Agreement and Disclosure.

Electronic Check Conversion

You may authorize a merchant to use your check as a source of information to initiate an EFT from your account. Electronic check conversion is a payment process in which a merchant, after obtaining your authorization, uses your check to gather routing, account, and check number information to initiate a one-time EFT. An electronic debit for the transaction is then sent to us. When we receive the electronic debit, we charge it to your account. We may receive the electronic debit to your account immediately after the business enters the transaction, so you may have a reduced right to stop payment and you may incur an overdraft if you do not have sufficient funds in your account to cover the amount of the check at the time you wrote the check and authorized the transaction. Since the check is not sent to us for processing, we do not have a copy of your check. This type of EFT transaction involving a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. A description of the transaction will appear on your statement. If the business uses a blank check to initiate an electronic debit, the business should give you notice of the conversion and return the voided check to you. You should treat the voided check with care because someone else who obtains it could use the information to initiate other debits against your account. A business that receives your check by mail or converts it to an electronic debit should give you notice of the conversion and destroy the original check.

Re-Presented Check Transaction and Fees

You may authorize a merchant to electronically collect a fee associated with the re-presentation of a check that is returned due to insufficient or unavailable funds. The resulting fee transaction, if debited from a consumer account, is covered by the Electronic Funds Transfer Act and this disclosure. When a merchant re-presents a check electronically, that transaction is not covered by the Electronic Funds Transfer Act or this disclosure. A description of that transaction will appear on your statement.

Automated Clearing House (ACH) Transactions

From time to time, originators that you authorize may send automated clearing house (ACH) credits or debits for your account. For each ACH transaction, you agree that the transaction is subject to the National Automated Clearing House Association (NACHA) Operating Rules and any local ACH operating rules then in effect. You agree we may rely on the representations and warranties contained in these operating rules and either credit or debit your account, as instructed by the originator of the ACH transaction.

You should be careful about giving someone your account number to help prevent unauthorized transactions on your account. You must notify us immediately of unauthorized activity.

For information about stopping payment of an ACH transaction, refer to the section of this Agreement titled "Stop Payment Orders".

Electronic Banking Disclosures

Consumer's Liability for Unauthorized Transactions

Tell us AT ONCE if you believe your Silvergate Bank Visa® Debit Card or similar card or your personal identification number (PIN), Online Banking password, or similar code has been lost, stolen, or learned by an unauthorized person, or if you believe that an electronic funds transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. If you tell us within two business days after you learn of the loss or theft, you can lose no more than \$50 for an unauthorized electronic funds transfer or a series of related unauthorized transfers should someone use your Card or PIN without your permission.

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

Your losses could include all the money in your account plus, if you have an overdraft protection plan linked to your account, any transfers from another account, any available balance on the plan, or any advances on a credit line.

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

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

Remember, do not write your PIN on your card or carry the PIN with you. This reduces the possibility of someone using your card without your permission if it is lost or stolen.

If you believe your Card is lost or stolen, your access code has been learned by an unauthorized person, or that someone has transferred or may transfer money from your account without your permission, you must notify us immediately by calling the number listed below. If unauthorized activity occurs, you agree to cooperate during the investigation and to complete an affidavit.

Telephone: 800-595-5856

Write to: Silvergate Bank
Central Operations Department
4250 Executive Square, Ste. 300
La Jolla, CA 92037

You should also call the number or write to the address listed above if you believe a transfer has been made using information from your check without your permission.

Business Days

For purposes of these electronic banking disclosures, our business days are Monday through Friday. Holidays are not included.

Liability for Unauthorized Visa® Point-of-Sale Debit Card Transactions

Tell us, AT ONCE, if you believe your Visa® debit card has been lost or stolen or had any unauthorized transactions. Your liability for unauthorized Visa® point-of-sale debit transactions that take place on the Visa® network is zero dollars (\$0.00). We may require you to provide a written statement regarding the unauthorized Visa® point-of-sale debit transactions.

Your liability for unauthorized Visa® ATM cash withdrawals of currency made at an ATM and processed through Visa® or Plus networks is zero dollars (\$0.00). Covered cards are VISA® Consumer Cards and some VISA® Business Cards, (Visa® Corporate Card, Visa® purchasing Card or Anonymous Visa® Prepaid Card or as defined in the VISA® Rules) that are issued in the United States region. With respect to unauthorized transactions, these limits may be exceeded to the extent allowed under applicable law (see Consumer's Liability for Unauthorized Transfers) only if we determine that you were grossly negligent or fraudulent in handling of your account or ATM or point-of-sale debit card. All Visa® card issuers must provide provisional credit for a dispute or an unauthorized transaction (as applicable) to the cardholder's account within five business days of receiving a customer's notice of an unauthorized transaction unless the issuer determines that additional investigation is warranted and allowed. The issuer is required to follow any shorter provisional recredit requirements for consumers under Regulation E.

The same consumer liability limits shall apply to Interlink transactions. To notify us of lost or stolen cards, or of unauthorized transactions, call or write to us at the telephone number or address listed above. This will help prevent unauthorized access to your account and minimize any inconvenience.

California Debit Card Cardholder

If you are a California resident and you have a debit card that may be used without a Personal Identification Number (PIN) for electronic transactions from your consumer deposit account, then you have the following protections regarding unauthorized use. Tell us AT ONCE if you believe your debit card has been lost or stolen or if your statement reflects any unauthorized use. Telephoning is the best way of keeping your possible losses down. Your losses could include all of the money in your account plus, if you have an overdraft protection plan linked to your account, any transfers from another account, any available balance in the overdraft plan, or any advances on a credit line. If your debit card is lost or stolen, you will be responsible for the lesser of \$50.00 or the amount of unauthorized use prior to your notification to us of the loss or theft of your card. If you do not notify us of the loss or theft of your Card within sixty (60) days after the statement was mailed to you and we can prove that we could have stopped someone from using your Card without your permission if you had told us, then you will be responsible for the amount of unauthorized use of your Card up to the lesser of \$500.00 or the amount of unauthorized use that occurs after the sixty (60) day period mentioned above until the time you notify us of the loss or theft of your Card.

Also, if your statement shows transfers that you did not make, tell us at once. If the unauthorized use does not involve the loss or theft of your card and if you notify us within sixty (60) days after the statement was mailed to you, then you are not responsible for the unauthorized use. If the unauthorized use does not involve the loss or theft of your Card and if you do not notify us within sixty (60) days after the statement was mailed to you, you may not get back any money lost after the sixty (60) days if we prove that we could have stopped someone from taking the money if you had told us in time. The sixty (60) day period mentioned throughout this paragraph may be extended by a reasonable period if the delayed notice was caused by extenuating circumstances outside of your control (e.g., extended hospital stay). If you believe that your Card 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 to us at the telephone number or address listed above.

Preauthorized Credits

If you have arranged to have direct deposits made to your account at least once every sixty (60) days for the same person or company, you can call us at 800-595-5856 to find out whether the deposit has been made.

Receipt for Transfers

You can usually get a receipt at the time you make any transfer to or from your account at an ATM or point of sale terminal. You may not get a receipt for small dollar transactions. Each transaction is subject to verification by us, so the receipt is not final, and our records will control if there is a conflict.

Periodic Statements

We send you a monthly account statement (unless there are no transactions in a month). In any case, we send you a statement at least quarterly.

Preauthorized Payments

Right to Stop Payment and Procedure for Doing So

If you have told us in advance to make regular payments out of your account or you have authorized someone to debit your account through the ACH system, you can stop any of these payments. Here is how: Call us at 800-595-5856 or write to us at Silvergate Bank, ATTN: Central Operations, 4250 Executive Square, Ste. 300, La Jolla, Ca 92037. You must notify us in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after your call. You must tell us the exact amount of the payment you want stopped, as well as other identifying information which we will request. We may charge you a fee for each stop payment order you give. If we require additional information and do not receive it, we may remove the stop payment order after 14 days.

Notice of Varying Amounts

If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

Liability for Failure to Stop Payment

If you order us to stop a preauthorized payment three business days or more before the transfer is scheduled, and you have given us the information we requested, including the exact amount of the payment, we will be liable if we fail to stop the payment for your damages directly caused by our failure to stop payment.

Liability for Failure to Make Transfers

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

- If, through no fault of our own, you do not have enough money in your account to make the transfer.
- If the transfer would go over the amount of overdraft protection available to you.
- If the ATM where you are making the transfer does not have enough cash.
- If the ATM, terminal, or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as power outages, equipment failure, fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- If the funds are subject to legal process or other encumbrance restricting the transfer.
- If an account becomes dormant, in which case we may terminate Card or code access to that account.
- If your Card or code has been revoked due to inactivity or at our discretion.

There may be other exceptions stated in our agreement with you or permitted by law.

Confidentiality-Account Information Disclosure

We will disclose information to third parties about your account or transactions as stated in the Banks Privacy Policy. The Privacy Policy can be viewed on the Banks website at: www.silvergate.com

California Consumer Privacy Act

Silvergate Bank and Silvergate Capital Corporation (“Silvergate”) have adopted the California Consumer Privacy Policy to explain how it collects, uses, and shares information from and about you in connection with certain of its products and services. The Notice and Policy Under the California Consumer Privacy Act can be found at the Banks website: www.silvergate.com

Error Resolution Procedures

In case of errors or questions about your electronic transfers, call us at 800-595-5856 or write us at Silvergate Bank, Attn: Central Operations Department, 4250 Executive Square, Ste. 300, La Jolla, Ca 92037.

Call or write to us as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we have sent you the FIRST statement on which the problem or error appeared.

1. Tell us your name and account number.
2. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell us the dollar amount of the suspected error.

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

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If the alleged error involves a transfer resulting from a point-of-sale transaction, or a transaction initiated outside a state, territory, or possession of the United States, we may take up to 90 days (instead of 45) to investigate. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it with 10 business days, we may not credit your account.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of any documents that we used in our investigation. If the error involves a transaction processed on the Visa® network, your account will be provisionally credited within 5 business days from receipt of notification.

If you are a new customer and the error or question concerns an electronic transaction that occurred within 30 days after the first deposit to the account was made, we will tell you the results of our investigation within 20 business days after we hear from you. If we need more time, we may take up to 90 days to investigate. In this case, we will credit your account within 20 business days for the amount you think is in error, so that you have use of the money during the time it take us to complete our investigation.

NOTICE: As part of the security system to help protect your card and PIN, we may use hidden cameras and other security devices to determine who is using a card at an ATM.

UNLESS OTHERWISE PROVIDED IN OUR ELECTRONIC BANKING AGREEMENT, YOU MAY NOT STOP PAYMENT OF ELECTRONIC FUNDS TRANSFERS. THEREFORE, YOU SHOULD NOT EMPLOY ELECTRONIC ACCESS FOR PURCHASES OR SERVICES UNLESS YOU ARE SATISFIED THAT YOU WIL NOT NEED TO STOP PAYMENT.

Change in Terms/Termination

We may change the terms of this Agreement from time to time by sending a written notice, statement message, electronic message through our online banking services, or an amended agreement. Mailings will be made to the last address shown in our records for your account. You will receive at least thirty (30) calendar days written notice of any change that adversely affects you, unless an immediate change is necessary to protect the security of your account(s). Your continued use of any service or maintenance of your account shall indicate your agreement to the change. We reserve the right to terminate this Agreement and/or the use of your PIN or Silvergate Bank Visa® Debit Card with or without cause.

We may immediately do so if:

- You or any authorized user of your PIN or Silvergate Bank Visa® Debit Card breaches this or any other agreement with us.
- We have reason to believe there has been or may be unauthorized use of your PIN or Card.
- You or any authorized user of your PIN or Card requests that we do so.

If you ask the Bank to terminate your account or the use of any PIN or Card, you will remain liable for subsequent transactions performed by any other party to your account.

Funds Transfer Services

The following provisions apply to funds transfers you send or receive through us, but do not apply to electronic fund transfers governed by federal Regulation E. If you have a specific agreement with us for these services, these provisions supplement that agreement to the extent these provisions are not inconsistent with the specific agreement.

The Uniform Commercial Code includes provisions relating to funds transfers. These provisions define the following terms: funds transfer, payment order, and beneficiary. These terms are used here as they are defined in

Article 4A of the Uniform Commercial Code-Funds Transfers as adopted in the State of California. In general: a funds transfer is the process of carrying out payment orders that lead to paying a beneficiary. The payment order is the set of instructions given to us to transfer funds. The beneficiary is the person or business who receives the payment.

We may charge fees for sending or receiving a funds transfer. We may deduct our fees from your account or from the amount of the transfer. For current fees, refer to the Schedule of Fees and Charges.

Fedwire

Fedwire is the electronic funds transfer system of the Federal Reserve Banks. When you send a payment order or receive a funds transfer, we or other banks involved in the funds transfer may use Fedwire. If any part of a funds transfer is carried out by Fedwire, your rights and obligations are governed by the federal Regulation J.

Sending Funds Transfers

You may subscribe to certain services we offer, or you may give us other instructions to pay money or have another bank pay money to a beneficiary. This section applies to wire transfers and transfers we make between Silvergate Bank accounts. It does not apply to automated clearing house (ACH) system funds transfer services. You may give us payment orders for ACH system transfers only if you have a separate agreement with us for those services.

Cutoff Times for Payment Orders

We have cutoff times for processing payment orders. Cutoff times vary depending on the particular office of our Bank and the type of payment order. We may treat payment orders we receive after a cutoff time as if received on the next business day. We will tell you our cutoff times upon request.

Amending or Canceling Payment Orders

You may not amend or cancel a payment order after we receive it. If you ask us to do this, we may make a reasonable effort to act on your request. But, we are not liable to you if, for any reason, a payment order is not amended or canceled. You agree to reimburse us for any costs, losses or damages that we incur in connection with your request to amend or cancel a payment order.

Inconsistency with Name or Number

The beneficiary's bank may make payment to the beneficiary based solely on the account or other identifying number, even if the name on the payment order differs from the name on the account. We or an intermediary bank may send a payment order to an intermediary bank or beneficiary's bank based solely on the bank identifying number, even if the payment order indicates a different bank name.

Sending Payment Orders

We may select any intermediary bank, funds transfer system, or means of transmittal to send your payment orders. Our selection may differ from that indicated in your instructions.

Notice of Rejection

We may reject payment orders. We will notify you of any rejection orally, electronically, or in writing. If we send written notices by mail, we do so by the end of the next business day.

We are not liable to you for the rejection or obligated to pay you interest for the period before you receive timely notice of rejection.

Errors or Questions About Your Payment Orders

We notify you about funds transfers by listing them on your account statement. In some cases, we may also notify you electronically, in writing, or by a report produced through one of our information reporting services.

You must notify us at once if you think a funds transfer shown on your statement or notice is incorrect. You must send us written notice, including a statement of relevant facts, no later than 14 days after the date you receive the first notice or statement on which the problem or error appears.

If you fail to notify us within this 14-day period, we are not liable for any loss of interest because of an unauthorized or erroneous debit or because your statement or notice is incorrect. We are not required to compensate you, and we are not required to credit or adjust your account for any loss of interest or interest equivalent.

Calculations

If we are obligated to pay for loss of interest that results from our error or delay regarding your payment order, we calculate compensation as follows. With an analyzed checking account, we credit the account to reflect the applicable value date or otherwise adjust the account under our account analysis procedure, to recalculate earnings credits for the period involved. With a non-analyzed, non-interest-bearing account, we use a rate equal to the average of the Federal Funds rates set by the Federal Reserve Bank of New York, less a reserve factor. With a non-analyzed, interest-bearing account we use the rate applicable to the account. If we have a separate agreement with you specifying a different calculation method, we use that method instead.

Receiving Funds Transfers

We may receive instructions to pay funds to your account. We may receive funds transfers directly from the sender, through a funds transfer system or through some other communications system. This includes wire transfers, ACH transfers that may be sent through an ACH system or processed directly to an account with us, and transfers between Silvergate Bank accounts.

ACH Provisional Payment Rule

Under ACH rules, funds transfers sent through an ACH system are provisional and may be revoked prior to final settlement. You agree to these rules.

If the funds transfer is revoked before final settlement, we may charge your account for the amount credited. The person who sent the payment order is considered not to have paid you. If this happens, we do not send a separate notice; we report the information on your account statement.

Notice of Funds Transfer

We notify you that we have received funds transfers by listing them on your account statement. We send statements by mail. If you use one of our information reporting services, you may receive notice through that service. We are not obligated to send you a separate notice of each incoming funds transfer. While we generally do not provide separate notices, we may do so on occasion, in which case we send the notice within two business days after we credit your account.

We are not obligated to pay you interest for the period before you receive notice.

If you are expecting a funds transfer and want to find out if it has been credited to your account, call us at the number for Customer Service on your statement.

Posting Your Customer's Payments

We credit to your account electronic payments (such as bill payments) that we receive from your customers. If you do not apply a payment to an account of your customers, you must promptly return the payment to us.

ACH Debits and Credits

From time to time, originators that you authorize may send automated clearing house transactions (ACH) credits or debits to your account. For each ACH transaction, you agree that the transaction is subject to the National Automated Clearing House Association (NACHA) Operating Rules and any local ACH operating rules then in effect.

You agree that we may rely on the representations and warranties contained in these operating rules and either credit or debit your account, as instructed by the originator of the ACH transactions.

You should be careful about giving someone your account number to help prevent unauthorized transactions on your account. You must notify us immediately of unauthorized activity.

Ownership of Accounts

We may determine ownership of accounts from the information in our records. We may rely on information you give us. Changes you ask us to make to your account are not effective until we have had a reasonable time to act on the new information.

Joint Accounts

If more than one person's name appears in the title of an account (without a fiduciary, beneficiary, or other designation), the account is a joint account. All persons whose names appear on a joint account are co-owners of the account, regardless of whose money is deposited or who makes the deposits. Each co-owner acts as the agent of each other co-owner. Each co-owner authorizes each other co-owner to operate the account without the consent of any other co-owner. This includes the authority to add additional persons as co-owners, deposit funds and withdraw or transfer funds from the account, endorse for deposit to the joint account on behalf of any other co-owner an item payable to another co-owner, instruct us to stop payment on any item drawn on the account by any co-owner, obtain a debit card, draw upon any overdraft protection plan, line of credit connected to the account, obtain information about the account, including transactions conducted by other co-owners, pledge the account as security for any debts, and close the account. We may rely on the instructions of any co-owner without liability to any other co-owner.

Each co-owner is jointly and severally liable to us for all fee and charges assessed against the account, all amounts owed to us on the account, such as overdrafts, and all costs, losses or liabilities related to this Agreement or the account.

All joint accounts at Silvergate Bank are presumed to be joint accounts with the right of survivorship, unless we have otherwise agreed with you in writing that the account is owned in another capacity. If the signature card you signed when you opened the account indicates the capacity in which your account is held, we may rely on that designation. **Right of survivorship means that when a co-owner dies, the balance in the account belongs to the surviving co-owner(s), subject to our right to charge the account for any amount the deceased co-owner or a surviving co-owner owes us.** Applicable state law may impose obligations on the surviving co-owner(s), such as an obligation to pay claims against or expenses of the deceased co-owner's estate.

A joint account is governed by the applicable provisions of the laws of the State of California. You are solely responsible for meeting the requirements for establishing your account as a joint account with rights of survivorship.

California Uniform Transfers to Minors Act (CUTMA)

The transferor of the funds to a CUTMA account and the CUTMA account custodian understand and agree that upon creation of the account, the funds in the account, including any additions thereto and interest accruing thereon, are transferred irrevocably to the minor beneficiary of the account. The custodian agrees to maintain the account pursuant to the responsibilities described in the California Uniform Transfers to Minors Act. The custodian has the sole authority to transact business on the account. Each CUTMA account may have only one custodian and one minor beneficiary. If the custodian resigns, is removed or dies, we will recognize a designated successor custodian or guardian of the minor if no successor custodian is designated.

Payable-On-Death Accounts

You may designate an account to be payable on your death to a designated payable on death (“POD”) or in-trust-for (“ITF”) payee or payees. Regardless of how it is designated, an account which is payable on your death (or the death of the last surviving co-owner) to one or more named payees is POD or ITF account. A POD or ITF account may be alternatively described in the account documentation as “payable on death,” “POD,” “in trust for,” “as trustee for,” “ATF,” “transfer on death,” “TOD,” a “Totten Trust,” or otherwise.

During your lifetime, a POD or ITF account belongs to you. You may close the account, remove or add a payee, change the account type or account ownership, and withdraw all or part of the account balance. Upon the death of the owner or, if there are co-owners, upon the death of the last surviving co-owner, any sums remaining on deposit belong to the then-surviving (if any) payee(s), subject to our right to charge the account for any amount the deceased owner, co-owner or payee owes us. The applicable state law may also impose obligations on the surviving payee, such as an obligation to pay claims against or expenses of the deceased owner’s or co-owner’s estate. A payee will acquire an interest in the account only after the death of all account owners and then only if the payee is alive.

Fiduciary Accounts

A fiduciary account is one opened under court authority by an executor(s), administrators(s), conservator(s), guardian(s), or by a trustee(s) under a written revocable or irrevocable trust agreement. The Bank may require that a fiduciary execute a document certifying their powers as trustee, a certified copy of the court order or trust agreement be provided to the Bank, or provide other documents evidencing the person(s) opening the account is/are a designated fiduciary(ies), evidencing the powers of the fiduciary(ies), provisions for succession, and other specific provisions.

Business and Non-Personal Accounts

If the account owner is a corporation, unincorporated association, limited liability company, limited liability partnership, fiduciary, trust, partnership, sole proprietorship, or other entity holding an account in any capacity other than an individual capacity, each person signing the signature card or other account documents represents and agrees that they are fully authorized to execute all documents in their stated capacity, have furnished all documents necessary to demonstrate that authority, and will furnish any other documents in such form as we may request from time to time. We may refuse to recognize any resolution affecting the account that is not on our form or that appears to us to be incomplete or improperly executed.

Transferring Ownership

Your account is for your use only. Ownership of your account is transferable only on our records. You may not transfer or assign ownership of your account to another party without our written consent. Even if we consent, we may require that you close the account and that the new account holder open a new account in their name. We may refuse to acknowledge or accept attempted pledges or assignments of an account or purported security interests in an account.

Authorized Signers

The following terms apply to individual accounts and those with multiple signers:

- We may endorse checks for you that we receive for deposit.
- We may transfer funds between your accounts, transfer your accounts, and take other actions per the written instructions of any signer.
- We may rely on the information that you give us, and we enter into our records, until you notify us in writing of a change.

- If we believe there is a dispute about ownership or control of the account, we may place a hold on the funds and not release the funds until we receive either a court order or instructions signed by all persons claiming interest in the account.
- We may deduct amounts you owe us, such as fees and charges, from your account.

The following terms apply only to accounts with more than one signer:

- We may require the signature of all signers if there are any conflicts among you.
- We may cash or deposit all checks payable to any signer when endorsed by any other signer.
- Each signer is individually liable for debts owed to Silvergate Bank, regardless of which signer incurred the debt.

Statements and Notices

Our statements and notices are in English. If you have difficulty reading English, please call us at the number for Customer Service on your statement.

Statements

We provide you with a monthly statement when there is activity on your checking or money market savings account. When there is no activity on your account, we may choose not to provide a statement. You must promptly review all statements we provide to you and any accompanying items and notify us immediately of any dispute, error, or other problem. You assume full responsibility for monitoring and reviewing the activity of your account and the work of your employees, agents, and accountants. Unless you notify us promptly of a dispute, error, or other problem, we will assume the statement is correct.

We mail your statement to you at the address we have in our records for your account unless we have agreed to provide statements to you electronically. You agree to notify us if you change your address. If one or more statements are returned to us, we may stop sending statements until a new address is provided to us.

We may destroy statements that are sent to you and returned to us as being undeliverable, along with any accompanying checks or other items. We are not responsible for checks or statements lost while not in our possession. We provide a single statement. You may generally obtain an additional copy of your statement for a fee.

Savings and Time Deposit Accounts

For all savings and time deposit accounts, we provide you with a quarterly statement. However, if you have an electronic fund transfer (such as a direct deposit or an ATM withdrawal) to or from your account during any month, we provide a statement for that month.

Combine Statements

With some checking accounts, you may elect to receive a combined statement, a statement that reports activity for the accounts you have linked to your primary checking account. If you choose a combined statement, you receive one statement reflecting activity in your linked deposit accounts, rather than individual statements. This means that each owner of any linked account can review information about all other linked accounts. If an owner of one of the linked accounts is an Online Banking customer, that owner can review information about all linked accounts through Online Banking.

To determine whether accounts can be linked or to link accounts for this service, call us at the number for Customer Service on your statement.

Notices

We inform you of changes affecting your rights and obligations by providing a notice to you. In some cases, we may post a notice of a change in our business banking center or on our website. Otherwise, we either mail the

notice to you at the address in our records or, if we have agreed on this method, we may provide it to you electronically. We may include a notice with your statement.

If notices we mail to you are returned to us, we may destroy them. If one or more notices are returned to us, we may stop sending notices until a new address is provided to us and you agree that changes covered in these notices are still effective and binding to you.

For accounts with more than one owner, we may send notices to any one co-owner. A notice sent to one owner is effective for all.

Insufficient Funds-Overdrafts

Non-Sufficient Funds and Returned Item Fees

When you do not have enough available funds in your account to cover a check or other item, we consider the check or other item a non-sufficient funds item. An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway.

Non-sufficient funds items include all orders and instructions for the payment, transfer, or withdrawal of funds from your account. As examples, a non-sufficient funds item includes a check, draft, demand draft, image, substitute check, image replacement document, electronic item (such as an ACH, ATM or point-of sale instruction to withdraw funds), preauthorized payment, automatic transfer, telephone-initiated transfer, Online Banking transfer, or bill payment instruction, withdrawal slip and in-person payment, transfer or withdrawal instruction.

Whether we return or pay a non-sufficient funds item depends on a number of factors, including the type of transaction (e.g., check, debit card or ATM transaction), the amount of the item, and the past activity in your account. An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We may without notice to you and in our sole discretion, authorize and pay overdrafts for the following types of non-sufficient funds transactions: checks and other transactions made using your checking account number (e.g., ACH transaction) and automatic bill payments. We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. If we do not authorize and pay any type of transaction, it will be declined or returned unpaid. We will charge you a fee each time we pay or return checks and other transactions made using your checking account number (e.g., an ACH transaction) or automatic bill payments. Refer to the Schedule of fees and Charges. If we overdraw your account, you agree to repay us immediately. We may use deposits you or others make to your account to pay any overdraft you owe us. If we pay non-sufficient funds items by overdrawing your account on one or more occasions, we are not obligated to continue paying any future non-sufficient funds items, and we may stop paying your non-sufficient funds items and return them unpaid without notice to you.

We do not authorize and pay overdrafts for the following types of transactions: ATM transactions and everyday debit card transactions. If you do not have enough money in your account to cover one of these transactions, your transaction will be declined, unless you have set up an overdraft protection plan from your savings or money market account to cover the transaction. We will not charge you a fee if your transaction is declined.

Order of Payment

To manage your account, it is important that you are aware of the order in which we pay checks and other transactions drawn on your account. The order in which we pay your checks and other transactions is important if there is not enough money in your account to pay all of the transactions presented on one day. In the normal course of business, we generally pay checks and other transactions presented for payment from your account in a single banking day in the following manner: (1) Generally, most transactions are posted to your account according to the date and time in which these transactions are presented to the Bank. (2) Certain transactions may be posted after regular bank business hours, during our nightly processing (“Nightly Processing”). The current order of our processing is described below in detail:

Nightly Processing Order

Daily transactions which will be processed as part of Nightly Processing include scheduled sweep transfers, ACH debits, checks and service charges. These transactions will normally be posted to your account in the following order:

1. All deposits
2. Internal transfers
3. Teller withdrawals, telephone transfers, wire transfer debits, ATM transactions, and loan payments
4. POS debits (posted in time stamp order)
5. Scheduled sweep debits
6. ACH debits (posted in time stamp order)
7. Checks in numeric order
8. Service charges
9. Interest payments

Numerical Check Re-Sequencing

As you can see above, we re-sequence the checks that are not processed over the counter (OTC) by check number order when charging your account. We re-sequence the checks on any given day that multiple checks are presented for payment. This re-sequencing may process the checks so that they appear in the same order as in your check register, or it may not, depending on how quickly checks are processed and then presented to us through the banking system. Accordingly, you may not be able to control the order in which checks are processed by us. **You may contact us at 1-800-595-5856 or check our online banking system to determine which of your checks have been processed.** The order in which these checks and other transactions are processed is important if there is not enough money in your account to pay all of the charges that are presented. However, there is no payment processing order that may be deemed favorable to you in every instance. There are advantages and disadvantages for any order of payment on any given day. In some cases, this may help you and in some cases this may hurt you. If the smallest items are always paid first, you may have fewer non-sufficient funds (NSF) or overdraft fees, but the largest - and perhaps the most important - items (such as rent or mortgage payments) might not be paid. We think our policy attains a reasonable balance between minimizing additional cost to you and paying your more important items. Using the order method described above is our way of trying to be neutral. We reserve the right to change the order of payment without notice to you under circumstances we deem necessary and appropriate, including if we suspect fraud or possible illegal activity affecting your account. We shall be excused from posting transactions in the order described above if a failure or delay to post transactions in the order described above is caused by legal constraint, interruption of transmission, or communication facilities, equipment failure, war, emergency conditions or other circumstances beyond our control. In the event of any of the foregoing failure or delays, you acknowledge that transactions may be posted in a different order.

Returned Items

If we decide not to pay a check or other item drawn on your account, we may return the original or a copy of the item or we may send an electronic notice of return and keep either the original or a copy of the item in our records. If we send an electronic notice of return, you agree that any person who receives that electronic notice may use it to make a claim against you to the same extent and with the same effect as if we had returned the original item.

Overdraft Protection from Your Savings or Money Market Account

This service is available if you have a Silvergate Bank savings or money market account. At least one of the owners of the checking account must also be an owner of the savings or money market account. Certain other restrictions may also apply.

When you do not have enough available funds in your checking account to cover a check or other item, we may automatically transfer funds from the available balance in your savings or money market account to your checking account. Funds you deposit into your savings or money market account may not be immediately available for overdraft protection. We may cancel this service if you close your savings or money market account. Under this plan, we may charge an overdraft protection transfer fee to your checking account for each transfer. Refer to the Schedule of Fees and Charges.

Deposits, Withdrawals, and Cashed Items

Deposits

We may accept a check or other item for deposit to your account from anyone. We do not have to question the authority of the person making the deposit. If your account is overdrawn, we may apply the deposit to the overdraft and any applicable fees.

Any credit to an account is subject to final verification, payment and adjustment by us.

We may refuse, accept for collection only, or return all or part of any deposit. We may refuse to accept for deposit to your account items payable to a third party. In receiving checks or other items for deposit or collection, we act only as your collecting agent and assume no responsibility beyond the exercise of due care, including care in selecting collecting banks. We are not responsible for errors and delays made by others in the collection process. If we have given you credit for an item and it is not paid for any reason, we may revoke the credit and charge the amount of the item back to your account, even if this causes your account to be overdrawn. When you send us deposits by mail, or place deposits in a lobby deposit box or other depository, we may treat them as received at the time we receive the actual delivery of deposits sent by mail or when we remove the deposits from our depositories.

If we accept a cash deposit in unusual denominations, such as unrolled coins, we may assess a charge for accepting and processing the deposit.

If you a blank deposit slip from our business banking center, rather than one of your personalized deposit slips, you agree that we will not be held liable for errors that may result from your or our manual encoding of the account information.

You agree that you will not knowingly deposit items into your account that do not have either a true original signature of the person on whose account it is drawn or an authorized mechanical reproduction of that person's signature.

You warrant that all endorsements on items deposited to your account are genuine. In the event that you fail to endorse an item deposited to your account, you agree that we may supply your missing endorsement. You agree to reimburse us for any loss, cost, or expense we incur as a result of your failure to endorse an item exactly as drawn. If we receive an affidavit stating that one or more endorsements on a check or other item deposited into your account is/are forged, we may freeze the account for the amount of the forged item or charge back the amount of the item to your account, without prior notice to you, even though you may have already used the funds and/or even if it makes the account be overdrawn. In the case of a certificate of deposit, the account may be closed, and all interest earned forfeited.

We may refuse to accept items for deposit that are payable to and/or bear more than one endorsement or the endorsement of individuals not known to us. We may require all payees and/or endorsers to be present before we accept the item or that their endorsements be guaranteed by their financial institutions.

Unless you have instructed us to the contrary, we may, but are not required, to send a returned deposited item back for payment a second time before notifying you. At our option, we may re-present the check for payment electronically.

You must correctly identify the account to which you want funds deposited.

You are responsible for any claim, cost, loss, or damage caused by your failure to properly identify the account to which a deposit is made or intended to be made. We may credit an account based solely on the account number listed on the deposit slip or other instruction to credit an account, even if the name on the deposit slip or other instruction differs from the name on the account.

Collection Items

We may accept certain items, such as items payable in foreign currencies, on a collection basis only. We route and process collection items separately. We normally credit your account for collection items only after we receive payment for them. But if we do credit your account and then do not receive payment, we may debit your account for the amount of the item. We charge fees for processing collection items. These fees apply even if the collection item is not paid. Refer to the Schedule of Fees and Charges.

The bank on which the collection item is drawn may charge additional fees for processing the collection item. If the other bank requires payment of a fee prior to processing the collection item, we may charge your account for the amount of the fee and pay it to the bank on which the collection item is drawn. In some cases, the other bank may subtract the fee from the amount of the payment we receive. These fees may apply even if the item is returned unpaid.

When another bank submits a collection item to us drawn on your account, we may charge the other bank a fee. When you do not have enough funds in your account for us to process the collection item, we may charge you a non-sufficient funds item fee.

Demand Drafts or Remotely Created Checks

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

You agree not to deposit demand drafts or remotely created checks to your account without a written agreement with us. If we agree to accept demand drafts or remotely created checks for deposit to your account, you warrant and guarantee that the draft or remotely created draft is authorized according to the terms on its face by the person identified as the drawer.

Deposit Errors

When we accept or receive your deposits, we may give provisional credit to your account for the amount indicated on the deposit slip, subject to verification by us at a later time. You must ensure that the amount shown on the deposit slip is correct even if you did not prepare it. If we later determine the amount of the deposit is incorrect, we may debit or credit your account. We report corrections on your statement. If you believe there is an error in the amount of your deposit, you must notify us of the error within one year of the date of your statement that shows the deposit. If you do not notify us within this notice period, the deposit amount indicated on your statement will be considered finally settled. That is, if the actual amount of the deposit was less than the amount shown on the deposit slip, the difference will become your property and if the actual amount deposited was more than the amount shown on the deposit slip, the difference will become our property.

Endorsements

We may accept checks for deposit that are payable to any signer on the account when endorsed by any other signer. We may endorse checks for you that we receive for deposit.

We restrict both how you endorse checks that you ask us to cash or deposit and what you may place or have printed on the back of the checks. If you place or imprint information on the back of the check, it may overlap into the area reserved for the banks' endorsements. If it becomes necessary for us to return one of your checks, the material placed on the back of the check may interfere with the bank endorsements and cause delays in returning the item. You agree to reimburse us for all claims, costs, losses, and damages that result from the late return of a

check due to material entered on the back of the check that obscured or interfered with our or another bank's endorsement.

You must endorse checks in the area that extends 1 ½ inches from the trailing edge of the back of the check. The trailing edge is the left side of the check when you look at it from the front. If your endorsement obscures our bank's endorsement, you are liable for checks that are returned late and unpaid.

Certain checks, such as government, insurance, and title company checks, may require the personal endorsement of all payees. You authorize us to accept transfers, checks, and other items for deposit to your account if they are payable to you or to the order of any one or more owners(s) of the account, whether or not they are endorsed by you. You authorize us to supply missing endorsements and you warrant and guarantee that all endorsements are genuine.

Foreign Currency/Foreign Instruments

You agree that you may not write checks or other withdrawal orders on your account in a foreign currency.

The processing and collection of foreign instruments are not subject to United States laws or regulations. We may refuse to accept for deposit or collection a check, draft, or other item that is payable in a currency other than U.S. dollars or that is drawn on a bank or branch of a bank located outside the U.S. (a "foreign instrument"). If we accept a foreign instrument for deposit or collection, you bear all the risks associated with the collection process and foreign currency fluctuation (exchange rate risk). A foreign instrument may be returned unpaid many months later after we process the item. You bear all risks of a late return. We may decide not to credit a foreign instrument to your account until we receive the proceeds in cleared funds from the paying bank. If we do provide credit, such credit is provisional and we may reverse the credit at any time if the foreign instrument is returned unpaid or is initially paid but subsequently returned for any reason, including fraud. You agree that we may use the then current exchange rate and we may charge your account for the full value of the foreign instrument, including any applicable fees, which may result in a loss to you.

If you deposit an item which is later determined to be a foreign instrument, it may or may not need to be sent for collection. If we determine the instrument needs to be sent for collection, we may reverse any provisional credit given for the item at our then current exchange rate and mail the foreign instrument to you at the address we have on file for you. You may then ask us to send the item on collection.

You understand that foreign instruments sent for collection are sent solely for you and at your risk and we are not liable for any event in the collection process that is beyond our control, such as a default by banks or agents involved in the collection process, or for the loss of the foreign item in transit. We may send the foreign instruments directly or through a correspondent to any bank. We may deduct both our fees and the charges assessed by the payor bank and any agents involved in the collection process from your account, even if the collection is unpaid. If the collection is returned unpaid, we may mail the item to you at the address we have on record for you. We may also charge your account for the item at our then current exchange rate and for a collection fee together with any charges assessed by any other parties to the collection process. You should be aware that a foreign instrument that has been sent for collection and paid may be returned later, sometimes much later, for fraud, and we may debit your account at the then current exchange rate, including fees assessed by the foreign bank or any instrument returned for fraud.

At your request, we will try to determine the status of a collection. You agree to pay any fees associated with the request. We may refuse your request if more than thirty (30) days have passed since the collection was first processed.

Lost Checks

When we cash a check for you or accept a check for deposit to your account, we are acting as your agent in collecting the check. We are not responsible if a check is lost or delayed during the collection process. If a check is lost during the collection process, we may charge your account for the amount of the check. If the financial

institution on which the check is drawn gives us a photocopy of the check or a replacement document representing the check, we may charge your account for the amount of the check.

A lost check may not be returned to us for some time. Despite any delay, we may charge your account when we receive either the returned check, a copy of the check, or a notice of return.

Returned Deposited or Cashed Items

This section applies to items that you deposit or that we cash for you, and includes items drawn on us and items drawn on other banks.

If a cashed or deposited item is returned to us at any time for any reason, including for breach of warranty claims, or according to any law, regulation, or rule (including a clearinghouse rule), by the bank on which it is drawn or any collecting bank, we may accept the return and charge the item back against your account without regard to whether the other bank finally paid the item or returned the item in accordance with any applicable midnight deadline or clearinghouse rule. We may debit your account for any interest you may have provisionally earned on the item. We may charge you a fee for each returned item. Refer to the Schedule of Fees and Charges. Different fees may apply to domestic and foreign items. We may debit your account for a returned item, including an indemnified copy of the original item or an image replacement document (“IRD”), at any time on or after the day it is returned to us by electronic, automated clearinghouse (“ACH”) or other means or on the day we receive notice that the item is being returned to us, whichever is earlier. We are not liable for any action or inaction to recover payment of a returned item. If one of your cashed or deposited items have been paid by the financial institution on which it is drawn and is later returned to us with a claim there is a breach of warranty (for example, it is forged or bears a missing endorsement), that the item is counterfeit, bears an unauthorized signature, contains an encoding error or should not have been paid for any reason, we may debit your account for the amount of the item, including any applicable fees, and pay the amount to the claiming party. We are not obligated to question the truth of the facts that are asserted, to assess the timeliness of the claim or to assert any defense. We do not need to notify you in advance of our actions related to the claim. If you do not have sufficient funds to cover a returned item, we may overdraw your account and charge a non-sufficient funds fee. We are not liable to you if there are insufficient funds to pay your items because we withdrew funds from your account in connection with a returned item. You agree to immediately repay an overdraft caused by a returned deposited or cashed item.

In some cases, the bank on which the returned check or other item is drawn may send us an electronic notice of return, an indemnified copy of the original, or an image replacement document (“IRD”), instead of returning the item. We may act on, and you agree to be bound by, the electronic notice of return, or indemnified copy or IRD just as if the original item had been returned.

If we receive advance notice from another financial institution that is returning to us a check of \$5,000 or more unpaid, we will generally send you a notice. We may not send notices for items less than \$5,000.

Account Corrections

If funds to which you are not entitled are deposited to your account by mistake or otherwise, we may deduct these funds from your account. If there are not enough funds in your account, we may overdraw your account and charge an overdraft fee. If the funds were transferred from your account, we may reverse the transfer. We can do this without prior notice or demand.

Substitute Checks

You agree that you will not deposit “substitute checks,” as defined by federal law or Image Replacement Documents (“IRDs”) that purport to be substitute checks and have not been previously endorsed by a bank, unless we enter into an agreement to do so. If you deposit such an item, you give us the same warranties and indemnities that we, as a reconverting bank, would give under applicable law or regulation, and you agree to reimburse us for claims, losses, costs, and damages we may incur. If you provide us with an electronic representation of a substitute check for deposit into your account instead of an original check, you agree to reimburse us for all claims, losses,

costs, and damages we incur because the substitute check resulting from the electronic representation does not meet applicable substitute check standards or causes duplicate payments.

You agree not to use any checks that contain a background image that interferes with our or any other bank's ability to produce a digital image of your check. If you do, you will be responsible for any losses you or another person suffers because of the inability to produce a readable digital image of your check.

You agree to use checks that include certain high security features, such as a real watermark, thermo-chromatic ink, and paper that is reactive to at least 15 chemicals. If you choose to use checks that do not contain these security features, you may be responsible for any losses you or another person suffers due to a criminally altered or replicated check.

Check Cashing

If a person wants to cash your check in our business banking center, we may require identification satisfactory to us and we may charge them a fee for cashing the check. We may also impose additional requirements, such as requiring their fingerprint, an endorsement guarantee, or other assurance of documentation in connection with the transaction. If a person with your check fails or refuses to satisfy our requirements, we may refuse to cash the check. We are not liable to you for refusing to cash the check or for charging a check cashing fee.

We may cash checks payable to any signer on your account when endorsed by any other signer.

There may be times when we refuse to cash a check written to you because cashing checks drawn on accounts at other banks can present problems similar to using uncollected funds from deposited checks. If we do cash such a check and it is later returned to us unpaid for any reason, we may deduct the amount of the check and any applicable fees from your account.

If you ask us to cash a check or other item, we may apply the proceeds of the check or other item to fees, overdrawn balances, or other amounts you owe us.

We may refuse any withdrawal or transfer request on forms not approved by us, by any method we do not specifically permit, if it is in greater number than the frequency permitted, or if it is for an amount greater or less than any withdrawal limitation. Even if we honor a non-conforming request, we may treat continued abuse of the stated limitation as your act of closing the account.

Multiple Signatures and Check Legends

Your signature card identifies who is authorized to make withdrawal, write checks, transfer funds, place stop payments, obtain ancillary services, and otherwise give us instructions regarding your account. We do not offer accounts on which two or more signatures are required for withdrawal.

Although your account may indicate that more than one signature is required on checks and for the withdrawal or transfer of funds, that notation is principally for your own purposes. We do not assume a duty to support multiple signature requirements. As such, we assume no duty to confirm that two or more (or any combination) of authorized signers have approved any transaction and we may act upon the instructions of any one authorized signer. Although we may attempt on occasion to enforce the multiple signature requirement shown on your card (for example, by refusing to permit a transaction by other than the stated number and/or combination of authorized signers), we may cease doing so at any time and without notice. We may pay out funds from your account if the check, item or other withdrawal instruction is signed or approved by any one of the persons authorized to sign on the account. We are not liable to you if we do this.

If you order checks printed or written with legends or notations, such as "not valid after 60 days" or "not valid over \$1,000," we may disregard these instructions and pay the item even if the condition or notation has not been met. We are not liable to you for any claims, costs, losses, or damages that result from the placement of these restrictions or other notations on your checks, or from our disregarding them.

Item Processing

We may accept, pay, certify, or charge checks and other items to the appropriate account in any order we choose. An “item” refers to checks, substitute checks, purported substitute checks, electronic items or transactions, drafts, demand draft, remotely created items, image replacement documents, indemnified copies, ATM withdrawals or transfers, point-of-sale transactions, preauthorized payments, automatic transfers, telephone-initiated transfers, ACH transactions, online banking transactions (including bill payment instructions), withdrawal slips, in-person transfers or withdrawals, cash tickets, or other instructions or orders for the payment, transfer, or withdrawal of funds, and an image or photocopy of any of the foregoing.

Check Stock and Ink

Checks you write may be converted into electronic images during the check collection and return process. If you use check stock not purchased from a vendor approved by us or use check stock or features that cause critical data to disappear or be obscured upon conversion, or you make your check out in such a way (for example, using lightly colored ink or pencil) that cause critical data to disappear or be obscured upon conversion, you agree that you are liable for the risk of loss. You also agree you are liable for the risk of loss if you use check stock that contains defects, such as printing inaccuracies, faulty magnetic ink, faulty encoding, or duplicate serial numbers.

To protect the security of your account, you should not print your driver license number or social security number on your checks.

Examining Checks

We use automated check processing procedures to more efficiently process great volumes of items and comply with expedited funds availability laws. Like most other banks, we select some checks to review on the basis of certain criteria that change from time to time. This means that most checks are processed on the basis of the MICR (magnetic ink character recognition) line printed along the bottom edge of the check and are not individually examined for dates, maker signatures, legends, or endorsements. You agree that we will have exercised ordinary care if we examine only those items that we have identified according to certain minimum criteria that we may establish for inspection. Since we do not individually examine most checks, it is critical for you to take care of your checks, promptly review your account statement, and immediately report any suspicious or unauthorized activity to us. You agree that automated processing of your checks reasonable and that you accept responsibility for preventing and reporting forgeries, alterations, and other unauthorized uses of your checks or accounts. You agree that the exercise of ordinary care will not require us to detect forgeries or alterations that could not be detected by a person observing reasonable commercial standards.

Since some types of fraud are more difficult to detect, we may choose to make further inquiries about certain checks or other paper items that are presented for payment on your account. If we are unable to contact you or determine with relative certainty that you have authorized these payments, we may return the checks or other items unpaid without any liability by us to you.

Facsimile Signature

If you use a facsimile signature, you are responsible for any withdrawal from your account that bears or appears to us to bear a facsimile signature that resembles or purports to be the signature of a person authorized to withdraw funds. We will not be liable to you if use of the facsimile device (or similar device utilized to affix your signature) was unauthorized. You are responsible even if the size, or color, of the facsimile signature is different from any signature previously presented to us. We may pay the withdrawal and may charge your account for it. You agree to reimburse us (and we may charge your account) for all claims, costs, losses, and damages, including attorneys’ fees, that result from our payment of a withdrawal bearing either a facsimile that resembles or purports to bear your signature or a facsimile we believe you authorized.

Restricting Transactions on Your Account

As part of our loss prevention efforts, if we suspect that irregular, unauthorized, or unlawful activities may be involved with your account, we may restrict access or transactions (“freeze”) or place a hold on your account and on other accounts you maintain with us, without any liability to you, pending an investigation of such suspected activities. If we restrict your account as described, we will provide any notice required by the laws governing your account.

Voluntary Disclosure of Account Information

If you voluntarily disclose your account number to another person orally, electronically, in writing or by other means, you are deemed to have authorized each item, including electronic debits, that result from your disclosure. We may pay these items and debit your account.

Large Cash Withdrawals

We require advance notice for large cash withdrawals. We may also refuse to honor a request to withdraw funds in cash from your account or to cash a check (including a cashier’s check or other official item) at a business banking center if we believe that the amount is unreasonably large or that honoring the request would cause us an undue hardship or security risk. We are not responsible for providing you security in such transactions.

Paying Checks and Other Items

We may debit your account for a check or other item drawn on your account either on the day it is presented to us for payment, by electronic or other means, or on the day we receive notice that the item has been deposited for collection at another bank, whichever is earlier. If you do not have sufficient funds to cover the item, we decide whether to return it or pay it and overdraw your account.

We may determine your balance and make our decision on a non-sufficient funds item at any time between our receipt of the item or notice and the time we must return the item. We are required to determine your account balance only once during this time period.

When you deposit checks or other items that are drawn on another account with us, we may treat such items as presented to us for payment on the business day that they are received by our office that processes checks drawn on the other account.

In some cases, we may be sent an indemnified copy of your original check, an image replacement document (IRD), a substitute check, or an image of your check, instead of the original item. We may act upon presentment of an IRD, indemnified copy, substitute check, or image of your check and pay these items against your account, just as if the original had been presented.

Sample Signature

To determine the authenticity of your signature, we may refer to the signature card or to a check or other document upon which your signature appears. We may use an automated process to reproduce and retain your signature from a check upon which your signature appears. If you create your own checks, or obtain them from someone else, and we cannot accurately verify your signature on a check by comparing it with a check that posted to your account, you are responsible for any losses that may result from our inability to use that check to verify your signature.

Stale-Dated and Post-Dated Items

A check is considered stale-dated if it is dated more than 6 months in the past. If a stale-dated check is presented for payment against your account, we may pay the check and charge it to your account.

A check is post-dated if it is dated in the future. If a post-dated check is presented for payment, we may pay the check and charge it to your account even if it is presented for payment before the date on the check.

If you do not want us to pay a stale-dated or post-dated check, you must place a stop payment order on it.

Miscellaneous Terms and Services

Automatic Transfer Service

With this service, you may arrange to have funds transferred automatically from most Silvergate Bank checking or savings accounts to other Silvergate Bank checking or savings accounts or to pay a Silvergate Bank loan.

In most cases, we will make transfers periodically on the days and for the amounts that you specify. A scheduled transfer that falls on a weekend or bank holiday is made the next business day. If we are unable to complete a transfer because you do not have enough funds available in your account, we may cancel the service.

Business Days

Our business days are Monday through Friday, excluding bank holidays. We may switch from one business day before the end of the calendar day. Business banking center hours are posted at the business banking center location.

Check and Deposit Slip Forms

We offer checks, withdrawal forms, and deposit slips in a number of styles and prices. We encourage you to use Silvergate Bank checks and other forms.

We may refuse to accept checks or other forms you create or from a vendor not approved by Silvergate Bank. If you use checks or other forms that we have not approved, you agree that you are liable for all claims, costs, losses, and damages that may result (for example, if our equipment is unable to read or process the checks).

You are responsible for verifying the accuracy of all information on your checks and other forms. Our liability, if any, for any printing errors on checks or other forms obtained through Silvergate Bank is limited to the cost of replacing the forms. We are not liable for any claims, costs, losses, or damages you may incur when you use checks or other forms not obtained through us.

Check Copies

You will not receive your canceled checks with your account statement. Instead, we include information on your statement about your canceled checks (check number, date posted and amount) that posted to your account during the statement cycle. We keep copies of your check. We generally keep a copy of each check (usually a digital image) we post to your account for seven years from the date the check posts to your account and destroy the originals. These copies are available to you. In the rare instance where a copy is not available or of poor quality, we are not liable to you for any claim, cost, loss or damage of any kind. After seven years, we may destroy the copies. Checks are deemed to be made available to you at the time your statement is made available.

You may request a copy of a check by calling us at the number for Customer Service on your statement. Two check copies will be provided free of charge for each statement sent. We will generally make a copy available to you within seven business days. Refer to the Schedule of Fees and Charges.

In order to produce a copy, you must provide us with the account number, check number, exact amount of the check, and date the check was paid. This information is on your statement. If a check you wrote was converted to an electronic debit, we did not receive the check for processing, and we do not have a copy. These electronic debits are listed on your statement.

If we cannot provide a copy of a check that posted to your account and you lose money as a result, we may be liable to you up to the amount of the check. You agree that we are not liable for any special, incidental, or consequential loss or damage of any kind.

Claims/Conflicts to Your Account

If we receive notice that another person or entity makes a claim against funds in your account or if we believe that a conflict exists between signers on the account or that there is a dispute over matters such as account ownership or transaction authority, we may take one or more of the following actions without being liable to you. We may continue to rely on current signature cards and other account documents; we may honor the competing claim upon receipt of what we deem to be acceptable documentation to justify such claim; we may freeze all or part of the funds until the dispute is resolved to our satisfaction; we may close the account and issue a check for the balance in the account, either payable to you or to you and each claimant; or pay the funds to an appropriate court for resolution. You agree that you are liable for all expenses and fees we incur, including attorneys' fees, and we may charge them to your account.

Currency Exchange Rates

If we receive a transaction denominated in a foreign currency for credit to your account (such as a wire denominated in a foreign currency), we may determine and assign a currency exchange rate to your transaction without notice to you. You agree to this arrangement and accept our determination of the currency exchange rate. We may consider many other factors in setting the currency exchange rate, including and without limitation, exchange rates charged by other parties, desired rates of return, market risk, and credit risk. You understand and agree that the exchange rates for retail and commercial transactions, and for transactions effected after regular business hours and on weekends, are different from the exchange rates for large inter-bank transactions effected during the business day, as reported in the Wall Street Journal or elsewhere. Exchange rates offered by other dealers or shown at other sources may be different from our rates. You agree that we are not liable to you if our rates are different from rates offered or reported by third parties, or offered by us at a different time, at a different location, for a different transaction amount, or involving a different mode of payment. You also understand and agree that exchange rates are highly volatile. You assume all risks relating to or arising from fluctuations in the exchange rates between currencies involved in each of these transactions.

Cutoff Time

The cutoff time for receipt at any of our locations of a stop payment order, restraining order, writ of attachment or execution, levy, garnishment, or similar order relating to your account is 10:00 a.m. (PT). The cutoff time establishes our obligation to pay or return checks and other items. If we receive an order before this cutoff time, we may review items presented for payment against your account on the previous business day to determine whether we need to return any of them to comply with the order. If we receive the order after the cutoff time, we may not review items presented on the previous business day.

For example, if we receive a stop payment order from you after our cutoff time and the item you wanted to stop was presented for payment the previous day or otherwise before we had the opportunity to act on your request, your order was received too late to stop payment on the item. Or, if we receive a levy before the cutoff time and you do not have enough funds in your account to cover both the levy and all items presented against your account the previous business day, we may return one or more items and apply the funds to the levy.

Death or Incompetence

You agree to notify the Bank promptly, if any owner or authorized signer on your account dies or is declared incompetent by a court of appropriate jurisdiction. We may place a hold on an account and refuse to accept deposits or requests or withdrawal upon receipt of notice that the owner or signer has died or has been declared incompetent by a court of appropriate jurisdiction. We will not release funds to a successor, or to a representative of a deceased owner's estate, or to a conservator for an owner except upon submission of documentation demonstrating the death or incompetence of the customer and the authority of the representative, successor, or conservator to take possession or delivery of the funds. Where a non-owner signer on an account dies or is declared incompetent, our general rules regarding changing signers on accounts will apply. Until the Bank has

received written notice of the death or incompetence of any account signer, it may rely and act upon the signature of each such deceased signer. We may suspend, refuse, and reverse any transactions or deposits (for example, automatic federal direct deposits of benefit payments belonging to the decedent) if any owner or authorized signer dies or is declared by a court to be incompetent.

Upon the death of an accountholder, the manner in which we release the account or any interest in the account will depend on the vesting of the account, the size of the estate, and/or the state of residence at the time of death. To determine how the account or your interest in an account must be released upon your death, we may require your successor or personal representative to submit a certified copy of your death certificate and any other documents we deem necessary, at our sole discretion, to establish who is entitled to delivery of your account or your share of the account.

Examining Statements and Reporting Problems

This section applies to any problem or unauthorized transaction on your account, except electronic transactions that are subject to Regulation E.

You must exercise reasonable control over your statements, checks, deposit slips, endorsement, and signature stamps, debit cards, personal identification numbers (PINs) and other access devices. It is your responsibility to keep them safe and secure and to promptly discover and report if any of them are missing in time to prevent misuse. You assume full responsibility for monitoring and reviewing the activity of your account and the work of your employees, agents, and accountants.

We may deny a claim for losses due to forged, altered, or unauthorized transactions, items, or signatures if you do not guard against improper access to your statements, checks, deposit slips, endorsement and signature stamps, and account information.

You agree to promptly and carefully review your account statement and any accompanying items. You must report problems or unauthorized transactions to us immediately, by calling the number for Customer Service on your statement. We may require written confirmation of your claim, including an affidavit signed by you on a form acceptable to us. Problems or unauthorized transactions include suspected fraud; missing deposits; unauthorized electronic transfers; missing, stolen, or unauthorized checks or other withdrawal orders; checks or other withdrawal orders bearing an unauthorized signature, endorsement or alteration; illegal images; encoding errors made by you or us; and counterfeit checks. You agree that 60 days after we send a statement and items (or otherwise make them available) is the maximum reasonable amount of time for you to review your statement or items and report any problem or unauthorized transaction related to a matter shown on the statement or items. In addition, if you do not notify us in writing of suspected problems or unauthorized transactions within 60 days after we send your statement or items, or otherwise make them available, you agree that you cannot make a claim against us relating to the unreported problems or unauthorized transactions, regardless of the care or lack of care we may have exercised in handling your account. (For substitute checks, you must notify us within 40 days to qualify for an expedited recredit. See section titled Substitute Checks and Your Rights.) In addition, if you fail to report an unauthorized transaction on your account within 30 days (or such lesser period as is specified in the state law applicable to your account) following the closing date of the statement containing information about the first unauthorized transaction, we are not liable to you for subsequent unauthorized transactions on your account by the same person. You may not bring any legal proceeding or action against us to recover any amount alleged to have been improperly paid out of your account unless you have given us the notice described above.

If there are any unauthorized transactions on your account (such as missing, stolen, or unauthorized checks), we recommend that you close your current account and open a new one. If you do not do so, we are not liable to you for subsequent losses or damages on the account due to forgery, fraud or other unauthorized use. When you open a new account, you are responsible for notifying any third parties that need to know your new account number.

If you report to us that a forgery, alteration or other unauthorized transaction has occurred on your account, you agree to cooperate with us in the investigation and prosecution of your claim and any attempt to recover funds.

You agree to provide us with an affidavit containing the information we require concerning the transaction. We may deny your claim if you fail to provide us with any affidavit we require. You also agree to assist us in identifying and prosecuting the suspected wrongdoer(s).

You agree that we have a reasonable period of time to investigate the facts and circumstances surrounding any claimed loss and that we have no obligation to provisionally credit your account. Our maximum liability is the lesser of your actual damages proved or the amount of the missing deposit or the forgery, alteration or other unauthorized withdrawal, reduced in all cases by the amount of the loss that could have been avoided by your use of ordinary care. We are not liable to you for special or consequential losses or damages of any kind, including loss of profits and opportunity or for attorneys' fees incurred by you.

If your claim relates to a business account, you agree to pursue all rights you may have under any insurance coverage you maintain before making a claim against us in connection with any transaction involving your accounts, and to provide us with all reasonable information about your coverage, including the name of your insurance carrier, policy number, policy limits and applicable deductibles. Our liability is reduced by the amount of all insurance proceeds you receive or are entitled to receive. At our request, you agree to assign to us your rights under your insurance policy.

Legal Processes

If we receive any legal process relating to your account, we may accept and act on any legal process we believe to be valid without any liability by us to you, whether served in person, by mail, by facsimile, or other means, at locations other than the business banking center or office at which the account, property or records are held. A legal process includes subpoenas, restraining orders, injunction, writ of attachment or execution, levy, garnishment, tax withholding order, search warrant, forfeiture, or other similar order relating to your account. You agree to this and direct us not to contest the legal process.

We will hold and turn over funds or other property to the court or creditor as directed by the legal process. We do not pay interest on the funds during the period we hold them. If the funds are held in a time deposit, we may impose an early withdrawal penalty.

We may impose a legal process fee for each order. We may deduct the fee from your account. You agree to pay any fees and expenses we incur for research and copying of documents and all other expenses, including attorneys' fees, which we may incur in responding to any legal process related to your account. We may deduct these fees and expenses from any of your accounts without prior notice. Any garnishment, attachment or other levy against your account is subject to our right of setoff and any security interest we have in the account.

You agree that we are not liable to you for not paying items because we have held or withdrawn funds from your account or in any way restricted access to funds because of a legal process.

If we receive a subpoena or other legal process for information about your account and we believe it requires our compliance, we may release the information. If the legal process directs us to release information about an account that is reported on a combined statement, we may release the entire combined statement, even if other accounts on the combined statement are not subject to the legal process. If the legal process requests information about one account owner or signer, we may release information about other co-owners or signers on the account, even if the other co-owners or signers are not covered by the legal process.

Notice of Withdrawal

Federal regulation requires the Bank to reserve the right to require seven (7) days prior written notice of withdrawal from any savings, money market, or NOW account. While the Bank must reserve this right, it is not our general policy to exercise it.

Power of Attorney

If you want to grant someone power of attorney over your account, we ask that you complete our power of attorney form, which is available at our business banking center or by calling the number for Customer Service on your statement. We may also generally accept a state's statutory form power of attorney. We may, in our sole discretion, accept any form we believe was executed by you and act on instructions we receive under that form without any liability to you. You agree to reimburse us for any claims, costs, losses, and damages that we incur in accepting and acting on any power of attorney form that we believe you executed. In some cases, we may require that the attorney-in-fact confirm in an affidavit that the power of attorney designation has not been revoked or terminated. We may restrict the types or sizes of transactions we permit an attorney-in-fact to conduct. For example, we may not allow an attorney-in-fact to open new accounts on your behalf.

We may require a separate form for each attorney-in-fact and for each account for which you grant power of attorney. If your attorney-in-fact does not present the original form, we may refuse to honor any power-of-attorney you grant for any reason and you agree that we are not liable to you. When we accept a power of attorney designation, we may continue to recognize the authority of your attorney-in-fact until we receive written notice of revocation from you and have reasonable time to act upon it.

You agree that you are bound by, and responsible for, the actions of your agent.

Right of Setoff

We reserve the right to take funds on deposit in your account that you or others deposit and apply them to amounts you owe us. This is called the right of setoff. Our rights of setoff are different than other rights we have under this Agreement to deduct from or charge your account for amounts you owe us (for example, fees and charges).

There are limitations to our ability to take or setoff funds from your accounts with us and from accounts you may own with others. To the extent that you may do so by contract, you waive those conditions and limits and authorize us to apply funds in your accounts and accounts you own with others to the amount that you owe us.

We may exercise our right of setoff and deduct funds from any account you have with us without notice to you, except that this provision does not apply to any consumer credit covered by Truth in Lending regulations. If you are a sole proprietor, we may deduct funds from any of your personal or business accounts. If your account is a partnership, we may deduct funds from the personal accounts of any general partner.

We may use funds from a joint account to satisfy the debts for which any one of you is liable, whether liable jointly or individually, or with another person. We may deduct funds at any time, without regard to the origin of the funds in the account or the beneficial ownership of the funds.

Funds held in individual accounts may be used to satisfy the debts for which you are liable, even if such debts are owed jointly with another person. Such debts include monies owed by you arising out of another joint account of which you are a co-owner, even if they are not directly incurred by you; those on which you are secondarily liable; or any amounts for which we become liable to any governmental agency or department or any company as a result of recurring payments credited to any of your accounts after the death, legal incapacity, or other termination of entitlement of the intended recipient of such funds.

If we use funds from a time deposit account, we may impose an early withdrawal penalty.

You agree that we are not liable to you for dishonoring items where withdrawals described herein result in any overdraft or returned item fee to your account.

Some government payments (for example, Social Security, Supplemental Security Income, Veterans, and other federal or state benefit) may be protected from attachment, levy, or other legal process under federal or state law. If such protections would otherwise apply to funds we take or setoff from your accounts, to the extent that you may do so by contract, you waive these protections and agree that we may take or setoff funds, including federal and state benefit payments, from your accounts to pay amounts you owe us.

Stop Payment Orders

You may place a stop payment order on a check or other item if it has not already been paid. You may not place a stop payment on a debit card, point-of-sale, or ATM transaction.

You may request a stop payment order by mail, telephone, in person, or online banking (business accounts only). You agree that you must give us sufficient notice so that we have a reasonable period of time to act on your request. Your stop payment request will be effective only after we have had a reasonable period of time to act on your request and to verify that the item has not paid. We may charge you a fee for each stop payment order you request and for each renewal. Refer to the Schedule of Fees and Charges.

You agree that you must provide us with the following information to place a stop payment: account number, exact amount of the item, and item number. We may also require that you tell us the date of the item, the name of the person who signed or authorized the item, and the name of the party to whom the item was made payable. We may use only a portion of the required information to identify an item.

We use a computer system to identify items. Therefore, in order for your stop payment order to be effective, you agree that you will provide us with the exact amount of the item, including dollars and cents. If you give us the wrong amount or are unsure of the amount, the item may be paid, and you agree we are not liable to you.

There may be cases in which we pay an item even if a stop payment order is in effect. For example, if a business banking center employee cashes a check because they do not have knowledge of the order.

Stop payment orders are effective for six months, at which time you must renew them, or they will no longer be effective. We may, in our sole discretion decide to honor a stop payment order for a longer period without notice to you. In order for your stop payment order to remain effective after six months has passed, you must renew the order. Each renewal is treated as a new order. If an item is presented after an order is expired, we may pay it.

You may cancel the order at any time before expiration. You may notify us of your intention to cancel the order by calling us at the number for Customer Service on your statement, in person or by mailing us notification. Your request to cancel the order is not effective until we have had a reasonable opportunity to act on it. A stop payment order is cancelled automatically upon account closing.

Our liability for paying an item subject to a proper and timely stop payment order is limited to the actual loss suffered, up to the amount of the item. You must prove the loss to our satisfaction. You agree that we are not liable to you for any special, incidental, or consequential loss or damage of any kind.

ACH Stop Payment Orders

From time to time, we may receive ACH debits to your account from senders you previously authorized to debit your account. You may ask us to stop payment on a future ACH debit to your account if the item has not already been paid. You are responsible for notifying the originator that you have revoked prior authorization for ACH debits.

To place an ACH stop payment order, you will need to provide us with the information detailed in the section titled Stop Payments. We also need your name, telephone number, and type of account. We may also request the date of prior ACH debits from the same originator posted to your account so we can obtain information about the debit, such as the company name and company identification number used by your originator and printed on your statement. Otherwise, you must provide us with the company name and company identification number.

If you cannot tell us the amount of the ACH debit, we may still be able to stop payment based on the company name and company identification number, but this may stop all ACH items from this sender. If you give us the wrong identification number or if the sender changes the identification number, we may pay the item.

ACH stop payment orders take effect within three business days. If you give us oral instructions, we may require you to put them in writing. If you do not, we may remove the stop payment order after 14 days. Otherwise, your order will be effective for 6 months.

Dormant/Inactive Accounts

An account on which there has been no activity for a period of time as provided by applicable state or federal law may be considered inactive or dormant. Your account is considered inactive or dormant if you do not perform at least one of the following activities for a period of time specified in California's unclaimed property law: make a deposit or withdrawal, write to us about the account, or otherwise show an interest in the account. Please be aware that you need to personally perform the activity, which means that automatic withdrawals and deposits will not be considered under California Unclaimed Property laws.

State law requires us to turn over dormant property to the state. Before we turn over an account, we may send a notice to the address currently in our records. If mail we previously sent to this address was returned to us, we may not send the notice.

If you have not made a deposit to or withdrawal from your account for a period of time that we consider substantial, we may also refuse to pay items drawn on or payable out of the account. If you re-establish contact with us, we do not have to reimburse you for interest lost and we are not liable to you for any interest that would otherwise have accrued on your account.

Transaction Verification

All transactions, including those for which we provide a receipt, are subject to our final verification. Verification of a deposit does not occur at the business banking center at the time of deposit. Consequently, the receipt you receive is provisional until the deposit has been verified and is not proof of verification. We may reverse or otherwise adjust any transaction (debit or credit) that we believe we made to your account in error at any time without notice to you.

Taxpayer Information

In general, the Bank is required to report annually to accountholders and to the Internal Revenue Service (IRS), and to any applicable state tax agencies, the interest payments that total \$10.00 or more during a calendar year on your accounts.

Accordingly, when you open an account, Silvergate Bank is required to obtain from each accountholder, and you must give us, a valid, verified U.S. taxpayer identification number (TIN) and information regarding your backup withholding status. When you apply for an account, you certify that you have provided the correct TIN for the accountholder and the correct backup withholding status.

If you fail to furnish the Bank with your certified Social Security Number or TIN, or if the IRS notifies us that you gave us an incorrect number, or if you failed to report all of your interest and dividends, the Bank may be required to withhold at the current rate interest earned on your account and pay it to the IRS. Backup withholding is not an additional tax. You should claim amounts withheld and paid to the IRS as a credit on your federal income tax return.

Cashier's Checks, Teller's Checks, and Certified Checks

You do not automatically have the right to stop payment on cashier's checks you purchase from us. In the event that a cashier's check is lost, stolen, or destroyed, please contact us for the procedures to follow to obtain reimbursement or have the cashier's check reissued. In general, you will have to complete a Declaration of Loss form, describing the cashier's check and how it came to be lost, stolen, or destroyed, and sign the Declaration of Loss under penalty of perjury. We may require your signature to be notarized. We must then wait 90 days from the date the check was issued before we can pay your claim. If 90 days has already passed, then we will act on your claim within a reasonable time. If the check is presented during the 90-day waiting period, we may pay the item to a person entitled to enforce the check. If this happens, we will not pay your claim.

Waivers

We may delay enforcing our rights under this Agreement without losing them. No delay in enforcing our rights will affect your obligation to pay us fees and other amounts you owe us under this Agreement. If we waive a provision of this Agreement, the waiver applies only in the specific instance in which we decide to waive the provision and not to future situations or other provisions.

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

You waive diligence, demand, presentment, protest, and notice of every kind, except as otherwise set forth in this Agreement.

Attorney Fees

We agree to be liable to us, to the extent permitted by law, for any loss, costs, or expenses that we may incur as a result of any dispute or legal proceeding involving your Account. You authorize us to deduct any such loss, cost, or expenses from your account without prior notice to you or to bill you separately. This obligation includes disputes between you and us involving your account in situations where we become involved in disputes between you and an authorized signer, a joint owner, or a third party claiming an interest in your account. It also includes situations where any action taken on your account by you, an authorized signer, a joint owner, or third party causes us to seek the advice of an attorney, whether or not we actually become involved in a dispute.

Disputes

We try to resolve our customers' problems or disputes as quickly as possible. In most cases, we can resolve a problem in a business banking center or by telephone. Any dispute or controversy regarding your account will be decided by either arbitration or a referee. Under the procedures, the dispute is submitted to a neutral person for determination in place of trial before a judge or jury. A dispute or controversy involving one deposit account relationship, or two or more deposit account relationships with at least one common owner, is decided by arbitration under the Commercial Arbitration Rules of the American Arbitration Association. Any other dispute or controversy is decided by reference under California Code of Civil Procedure Section 638 and related sections or any other similar governing state law. A referee, either an active attorney or a retired judge, is selected according to the procedures by selecting arbiters of the American Arbitration Association and is then appointed by the court in which the action regarding the dispute or controversy is pending.

Postdated Checks

We may charge your account for an item that is otherwise properly payable from the account even though this results in paying the check before the date on it, unless you give us a special "notice of postdated check." You can give us this special notice orally, but it must be received by us so as to give us a reasonable opportunity to act on it before final payment of the item. In placing your notice of postdated check, you must describe the check by giving the date, the check number, the exact amount of the check and the name of the payee in order for us to return the item if it is presented for payment before the date on the check.

We require that you put any oral notice of postdated check in writing and deliver it to us within 14 days. We have a special form for this purpose. If you do not put your notice in writing, then your notice of postdated check will expire at the end of the 14-day period. If you put your notice in writing to us, then your notice of postdated check will remain in effect for a total of six months. If you want to continue your notice of postdated check for additional six-month periods, then you must renew your notice before the current notice expires. We impose a fee for each notice of postdated check and each renewal.

We may pay the item as of its due date, even if you have given us a notice of postdated check. If you do not want the item to be payable as of its date, you must give us a stop payment order. The notice of postdated check is not the same as a stop payment order. For a stop payment order to be effective, we must receive it in time for us to act on it before the date of the item and the other requirements relating to stop payments must be followed by you.

Unlawful Internet Gambling

In compliance with the Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA) and implementing regulations (Regulation GG), certain transactions are prohibited within your account.

“Unlawful internet gambling” is defined in UIGEA as placing, receiving, or otherwise knowingly transmitting a bet or wager by any means that involves the use, at least in part, the Internet where such bet or wager is unlawful under any applicable federal or state law in the state or tribal lands in which the bet or wager is initiated, received, or otherwise made.

A restricted transaction is defined under Regulation GG to be transactions in which funds are unknowingly accepted by gambling businesses in connection with the participation by others in unlawful internet gambling. Internet gambling will generally be considered to be unlawful unless verifiable authorization is obtained by an appropriate state or tribal authority.

As a customer of Silvergate bank, these restricted transactions are prohibited from being processed through your account or banking relationship with us. Your account could be subject to closure.

Banks are required to block unlawful internet gambling debit and credit card transactions. Systems provided by card operators may not be able to distinguish lawful from unlawful internet items. Therefore, lawful internet gambling transactions could be blocked. The Bank is protected under this regulation and assumes no liability in the event such lawful transactions are blocked.

Information About Fees and Charging Your Account

Fees

You agree to pay us for our services in accordance with the fees that apply to your account and your deposit relationship with us.

Account Fees

Your account is subject to the fees described in the Schedule of Fees and Charges that applies to your account. The Personal Schedule of Fees and Charges lists account fees that apply to consumer deposit accounts. The Business Schedule of Fees and Charges apply to business deposit accounts. The Business Schedule of Fees and Charges does not apply to commercial accounts, such as an account on Account Analysis. The Schedule of Fees and Charges that pertains to your account is part of the binding contract between you and us.

Fees of Other Services

In addition to deposit accounts, we offer other services such as wire transfers and cashier’s checks. You can obtain current information about these services and the corresponding fees at the business banking center location or by calling us at the customer service number shown on your account statement. The Schedule of Fees and Charges that applies to your account may contain fees for some of these services.

Charging Fees to Your Account

We may deduct fees, overdrafts and other amounts that you owe us under this Agreement from your accounts with us, except that this provision does not apply to any consumer credit covered by the federal Truth in Lending law. We may make these deductions at any time without prior notice to you or request from you. If there are not enough funds in your account to cover the amounts you owe us, we may overdraw the account, without being liable to you. You agree to pay immediately all fees, overdrafts, and other amounts you owe us. We may use deposits you or others make to your account to pay fees, overdrafts, and other amounts you owe us.

Notes:

