

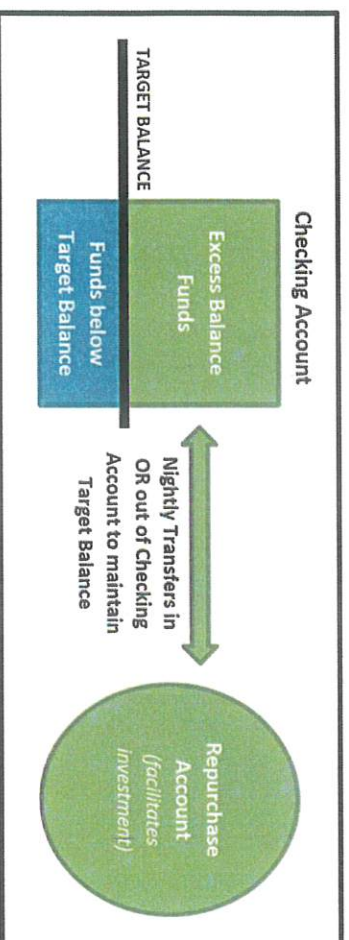
Repurchase agreements and Insured Cash Sweeps

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Repurchase Accounts

What is a Repurchase Account (REPO)?

A Repurchase Account is a deposit product ideal for customers who have deposits in excess of the FDIC insured amount. Funds in the Repurchase Account are protected by a pledge in a security owned by the bank. Each day the bank “sells” securities to cover the customer deposits and the customer “buys” the securities. This supports better cash management, as the customer can minimize the idle cash balances in their checking account and earn interest on the excess funds invested. Customers establish a “Target Balance”, which is the minimum balance they want to maintain in the checking account (this minimum balance can be zero). Each night the excess funds above the Target Balance automatically “sweep” into a repurchase account for investment purposes. Investment of the excess funds happens without the customer having to take any action. Here’s how funds flow between the checking and repurchase account: Our Sweep Account Master Repurchase Agreement is a contract that facilitates the investment sweeps described above. From a legal perspective, funds flowing into the repurchase account are being used to purchase a portion of a security (or securities) held by the bank. The customer then sells that security back to the bank daily. The customer’s funds placed in the repurchase account are covered by a pledge in a security owned by the bank.



IMPORTANT: Customer funds held in a repurchase agreement are not a deposit and therefore not insured by the FDIC. Such funds are subject to the terms and limitations of the Sweep Account Master Repurchase Agreement.

Repurchase Accounts

How do Repurchase accounts work?

- Customer continues to use operating account linked to the REPO account with no disruptions.
- Deposit balances in operating account can be set to predetermined target balance.
- Each banking day balances are swept to and from the REPO account to maintain target balance in operating account. (REPOs can have a \$0 target balance or something different).
- Interest (if applicable) is paid on monthly average balances at the end of each month.
- REPO accounts can only be accessed via sweeps between the operating and REPO account.

Repurchase Accounts

What type of securities are pledged against Repo Accounts?

Currently, securities constitute a balance between Treasury, Mortgage-back Securities (MBS) and Commercial mortgage-backed (CMBS). All MBS securities are “Agency” MBS held at Fannie Mae, Ginnie Mae, and Freddie Mac. (Note: We do not own or pledge any private label MBS (or the type of securities that experienced losses during the great recession)). At the close of business each day, REPO accounts are collateralized at 103% of balances by bank-owned securities safekept at the Federal Home Loan Bank Des Moines.



** Types of securities and overall security pool is subject to change at Glacier Bancorp's discretion **

Repurchase Accounts

Will I receive a monthly statement and how do I know what securities are pledged against my balances?

You will receive a monthly statement for both your REPO account as well as the operating account to which it is connected. You will also receive a daily Repurchase Agreement Confirmation. This confirmation contains a CUSIP code, a unique code assigned to the specific securities pledges against your balances. Please see a sample confirmation statement:

Glacier Bancorp, Inc.
49 Commons Loop
Kalispell, MT 59901
(406) 756-4200

REPURCHASE AGREEMENT CONFIRMATION

As principal, we confirm the following balance under your master repurchase agreement on file. This confirmation supersedes all prior dated confirmations. If this confirmation is not in accordance with your records, please contact your account officer immediately.

Customer Number	Trade Number	Settlement Date	Principal Balance	Maturity Date	Current Rate
001-00000165693	607	10/18/2018	3,121,770.83	10/19/2018	0.3500%

The following security is sold under agreement to repurchase:

Security Description	CUSIP Number	Coupon Rate	Maturity Date	Par Value	Market Value	% Of Security
FEDERAL NAT MTG A	31418DX98	2.000%	04/01/2036	4,899,000	3,394,698.31	2.450%

Funds held pursuant to the repurchase agreement are not deposits and are not insured by the FDIC

Insured Cash Sweep[®] (ICS) and CDARS[®]

What is an Insured Cash Sweep (ICS)?

Insured Cash Sweep (ICS)[®] products offer businesses competitive interest rates (if applicable) while providing complete FDIC coverage on amounts over the \$250,000 federal limit. Business deposits placed in the ICS[®] service, are divided into amounts under the standard FDIC insurance maximum of \$250,000, which are placed in demand deposit accounts (using the ICS[®] demand option), money market deposit accounts (using the ICS[®] savings option), at multiple banks.

As a result, clients can access guaranteed multi-million dollar FDIC coverage from many institutions while working directly with just one: Altabank. We'll manage the multi-bank relationship for you.

Insured cash sweeps and CDARS are part of a deposit network serviced by IntraFi

Insured Cash Sweep[®] (ICS) and CDARS[®]

What is a CDARS?

Similar to a traditional certificate of deposit, CDARS offer businesses competitive interest rates while providing complete FDIC coverage on amounts over the \$250,000 federal limit. Business deposits placed in a CDARS instrument are divided into amounts under the standard FDIC insurance maximum of \$250,000, which are placed at multiple banks in the network.

As a result, clients can access guaranteed multi-million dollar FDIC coverage from many institutions while working directly with just one. CDs have a range of maturities (4 weeks, 13 weeks, 6 month, 1 year, 2 years, and 3 years).



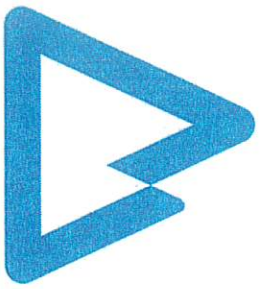
Repurchase Accounts vs Insured Cash Sweep® (ICS)

How do Repurchase and ICS accounts compare?

Features	Repurchase Account (Repo)	Insured Cash Sweep (ICS)
Interest Bearing	X*	X
Protects deposits	X	X
Deposits secured by securities	X	
FDIC insurance on full balance		X
Sweep fee applies	X**	X**

*Repo interest rate typically higher than ICS due to Intrafi fee charged to the bank

**Sweep fee currently \$50/month



AltabankTM

Division of Glacier Bank