

Issues & Answers



May 2025

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Standing Strong in Uncertain Times



*By Glen Simecek
President and CEO
Washington Bankers
Association*

Washington's banking industry has weathered its fair share of uncertainty over the years. From economic cycles and evolving technologies to natural disasters and global disruptions, banks across our state have consistently risen to the occasion, providing stability and service when their communities needed them most.

Today, that same resilient spirit is being tested once again.

The economic outlook remains uncertain. While some indicators point to cautious optimism, others—rising interest rates, persistent inflation, tariffs impacting a trade-dependent state,

and the potential for a slowing job market—suggest a more complex road ahead. At the same time, our industry continues to navigate significant changes in public policy, including proposed increases in state-level business taxes and a growing patchwork of regulatory burdens that disproportionately affect locally headquartered banks.

It's remarkable to think back eight years to when we had a coalition leadership group in the Senate (the last time a Republican led in either Chamber here) and the state budget was a mere \$43.7 billion. Now the budget is over \$70 billion, and we're facing record tax increases following a decade-long spending spree.

These challenges are real, and the implications for institutions,

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Laurie Stewart, President & CEO,
Sound Community Bank

Dave Swartley, SVP/Managing
Director State Government
Relations, U.S. Bank

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especially community banks deeply embedded in their local economies, are serious. The tax proposals moving through Olympia this year would increase costs for banks of all sizes, reduce capital available for lending, and limit our ability to reinvest in our communities. These are not just banking issues—they are community issues.

But here's what hasn't changed and never will: our commitment to the people we serve.

Whether helping a first-time homebuyer secure a mortgage, guiding a small business through an expansion, or supporting local nonprofits that strengthen our towns and cities, Washington's banks are—and always will be—pillars of service. That commitment doesn't waver with the markets or with politics. It's embedded in the DNA of our industry.

I've long said that trust is our most valuable asset. In times of uncertainty, that trust becomes even more critical. And Washington banks continue to earn it daily through personalized service, sound financial stewardship, and unwavering community leadership.

As we look ahead, the WBA will continue to advocate on your behalf, to lawmakers, regulators, and the public, ensuring that your essential work is recognized and protected. We will continue to remind policymakers that taxing institutions that invest in their communities is short-sighted. And we will ensure that the voices of Washington bankers are heard, loud and clear.

Thank you for the work you do. In every season, especially the uncertain ones, you are the steady hand that helps communities thrive.

HAVE NEWS TO SHARE?

Email it to megan@wabankers.com to be included in an upcoming *Issues & Answers*



Contact Us

Contact the Washington Bankers Association at 601 Union Street, Suite 1720, Seattle, WA 98101

Call us at (206) 447-1700 and visit us on the web at wabankers.com.

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Connect with the WBA online by following us on our social media accounts.

On the Cover

Spencer Spit State Park, a 138-acre marine park is located on the northwestern corner of Lopez Island in the San Juan Islands. This unique park features a rare sand spit enclosed by a saltwater lagoon.

Photo by Megan Managan

A Legacy of Financial Literacy



By Rob Nichols, President & CEO,
American Bankers Association

Each year, we celebrate Teach Children to Save Day on the fourth Thursday in April—a day dedicated to helping kids in grades K-8 learn valuable lessons about saving money, budgeting and distinguishing wants from needs.

I've been participating in Teach Children to Save Day events since I became CEO at ABA ten years ago, and I always look forward to going out into classrooms and spending time with young people in our community—just as I know so many of you do.

As we commemorate Teach Children to Save Day 2025, I'm reminded of the incredible legacy of the ABA Foundation, which is celebrating its 100th anniversary this year. The foundation was launched in 1925 (in conjunction with ABA's 50th anniversary) as the Foundation for Education in Economics Trust Fund. Funded through voluntary contributions, the trust fund sponsored college scholarships and research grants in economics, banking and finance.

In the 1970s, the foundation launched its first consumer education program—the Personal Economics Program—to help volunteer bankers bring financial education presentations to their local schools and communities, and in 1997, Teach Children to Save Day was created.

Education is at the heart of the foundation's mission,

and today, the organization empowers bankers with the tools and resources to help build long-term financial capability for Americans of all ages. We do this through our many flagship programs—including Teach Children to Save; Get Smart About Credit; Safe Banking for Seniors; and Lights, Camera, Save!—as well as through training, consumer resources and campaigns.

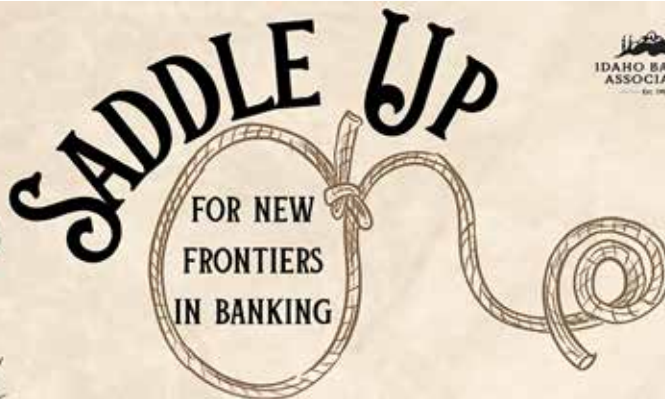
I'm incredibly proud of the work the foundation has done throughout its history to support banks as they help build long-term financial security, promote revitalized and resilient communities and advance economic opportunity for all—and the work continues! In fact, the foundation has set an ambitious goal of reaching 5 million people with financial education programs by 2026.

We are already well on our way: so far, more than 1,100 banks have reached 2.2 million customers and counting. If you're not already participating in these programs, I encourage you to explore our offerings and join us in this effort. Thanks to financial support from the foundation's sponsors, we are able to provide our programs and resources for free to every bank in the nation. You can register at any time at aba.com/FinEd.

As bankers know all too well, you're never too old—or too young—to deepen your understanding of personal finance and increase financial literacy.

By volunteering your time and expertise in your community, bankers like you can help Americans of all ages chart their course to a bright financial future.

PROUD PARTICIPANT



2025 ANNUAL CONVENTION

JULY 28-30
COEUR D'ALENE RESORT

Register online at wabankers.com/convention



Strengthening Fraud Defenses: Why Bankers Should Attend 2025 KBA Fraud Academy

Bankers in Washington state have a unique opportunity this August to enhance their fraud prevention skills by attending the 2025 Kentucky Bankers Association (KBA) Fraud Academy. Scheduled for August 12–14, 2025, at the Hyatt Regency in Lexington, Kentucky, this premier event is accessible virtually, ensuring that distance doesn't hinder participation.

Why Attend the KBA Fraud Academy?

The KBA Fraud Academy is a comprehensive training program for banking professionals. It offers insights from seasoned experts, including members of the U.S. Secret Service, FBI, and other law enforcement agencies. The curriculum covers over 18 critical topics, including check fraud, elder fraud, cybercrimes, and the latest fraud prevention tools. Attendees will gain practical knowledge to identify and mitigate various fraud risks, ultimately reducing potential losses for their institutions.

Virtual Attendance Benefits

For those unable to travel, the virtual option provides flexibility without compromising the quality of education. The virtual platform includes features like DVR capabilities, allowing participants to start sessions conveniently, and interactive tools to submit questions to speakers in real-time. This ensures that all attendees can fully engage with the program regardless of location.

Endorsement from the Washington Bankers Association

The Washington Bankers Association recognizes the value of this program and encourages its members to participate.



The agenda and information highlights the Fraud Academy's relevance and importance in equipping bankers with the necessary tools to combat evolving fraud threats.

Registration Information

Don't miss this opportunity to strengthen your institution's defenses against fraud. For more details and to register, visit the official KBA Fraud Academy website: www.kba-fraudacademy.com.

Secure your spot today and join a community dedicated to safeguarding the financial industry.

Next Session of Understanding Bank Performance Starts July 10

Gain a deeper understanding of how banks generate revenue, manage risk, and drive profitability in the next session of the

Understanding Bank Performance program.

Kicking off July 10, this virtual eight session series is ideal for emerging leaders, analysts, and anyone looking to strengthen their grasp of core banking financials. Don't miss this opportunity to build your bank performance IQ!

Learn more and register at [wabankers.com/upb](https://www.wabankers.com/upb).

Events Calendar

May 7-9 – Agricultural Bankers Conference, ID
May 13 – CBA Annual Conference, La Quinta, CA
May 22 – OBA Women in Banking Luncheon, OR
May 30 – PSBJ Women Who Lead
June 5 – WBA Night at Spokane Indians
June 24-25 – CBA Women in Banking Forum, CA
July 10 – Understanding Bank Performance

July 28-30 – 2025 Annual Convention; Coeur d'Alene, ID
Aug. 14-16 – KBA Fraud Academy
Aug. 21 – Commercial Lending Development Program
Sept. 16 – Understanding Bank Performance
Sept. 22 – Credit Analyst Development Program
Sept. 24 – Credit, Lending & Compliance Conference
Oct. 7-9 – Bank Trainers Conference, FL

To register or to learn more about any of the listed events, please visit www.wabankers.com/calendar.

WA Bankers Attend 2025 ABA Washington Summit

The 2025 Washington Summit, hosted by the American Bankers Association (ABA) from April 6 to 9 in Washington, D.C., brought together thousands of bankers and industry leaders to engage with lawmakers and regulators on critical issues facing the financial sector.

The Washington Bankers Association (WBA) attended alongside four member bankers, joining peers from across the country to amplify the industry's voice.

Thank you to Andy Hastings, Washington Trust Bank; Clayton DeHaan, Bank of America; Joe Kiley, First Financial Northwest Bank; and Gary Zambor, 1st Security Bank of Washington, for participating in this year's event.

The WBA delegation participated in the full Summit agenda and also met with members of the Washington congressional delegation. During these meetings, bankers discussed several key issues, including opposition to proposed credit card interest rate caps, support for the Access to Credit for Rural Economies (ACRE) Act, and broader concerns around regulatory burden. These discussions gave lawmakers direct insights into how proposed federal policies would affect local banks and their communities.

Legislative and Regulatory Outlook

House Financial Services Committee Chairman French Hill (R-AR), a former community banker, shared his priorities for the 119th Congress, emphasizing efforts to streamline regulations and support community banks. Senate Banking Committee Chairman Tim Scott (R-SC) discussed initiatives aimed at "right-sizing" bank regulations and promoting financial inclusion. Senator Ruben Gallego (D-AZ) provided insights into bipartisan opportunities within the Senate Banking Committee.

Treasury Secretary Scott Bessent addressed the current state of the economy, highlighting the importance of a resilient banking system in sustaining economic growth. Acting FDIC Chairman Travis Hill discussed regulatory priorities and the role of the FDIC in maintaining financial stability.

Industry Challenges and Innovations

ABA's policy experts led sessions on emerging issues, including the fight against fraud, cybersecurity threats, and the impact of technological advancements on banking operations. Bank CEOs shared their perspectives on navigating the changing regulatory environment and the importance of advocacy in shaping policy.

By participating in the Summit and meeting directly



with lawmakers, WBA and its members continue to ensure that the perspectives of Washington's banking community are represented in federal policy conversations.

Visit ABA's Summit Look Back page for more highlights and session recordings at www.aba.com/training-events/conferences/washington-summit/look-back.

PNW Capitol Hill Visit Planned for October

The Pacific Northwest Capitol Hill Visit with the Idaho and Oregon Bankers Association is planned for October 13-15. The group will stay at the Dupont Circle Hotel, and the event will include briefings with regulatory banking agencies and congressional meetings.

Registration information will be shared as it becomes available.

Honoring Excellence: Consider Applying for the ABA Emerging Leader Awards

The ABA Emerging Leader Awards identify and recognize the next generation of bank leaders committed to the highest standards of achievement and service to the industry and their communities. Developing and guiding future leaders is critical to our industry's success, as today's emerging leaders are tomorrow's decision-makers.

The ABA Emerging Leader Awards recognize forward-thinking, adaptable, and innovative bankers who inspire and influence others to achieve a common goal.

By our definition, emerging leaders have the desire, capacity, and initiative to make significant contributions to their bank's success. They are driven to grow as leaders and develop new skills to strengthen the banking industry and their community.

If this sounds like you, we encourage you to apply!

Don't miss this opportunity to showcase your leadership journey and receive industry recognition.

The application portal will close at 5 p.m. ET on June 20, 2025.



Is there someone in your network who embodies all the qualities of an emerging leader in banking?

Nominate a colleague for an ABA Emerging Leader Award and acknowledge their efforts and achievements in making a difference in the banking industry.

We look forward to celebrating the next generation of leaders who continue to drive positive change in our industry!

For more information, visit our FAQ page online or email emergingleaders@aba.com.

Industry News

New Hires

Erin Shannon
SBA Loan Specialist at Washington Trust Bank

Ryan Petrik
Treasury Management Director at Washington Trust Bank

Shea Morrison
Senior Vice President and Director of Branch Banking West Region at Riverview Bank

Annette Campista
Senior Vice President and Business Banking Director at Riverview Bank

Kimberly Geleyse
Division Operations Manager at Banner Bank

Emily Hu
Vice President and Banker at JPMorgan Private Bank

Jonathan Adams
Customer Service Representative at Olympia Federal Savings

Alex Sheldon
Loan Funder at Olympia Federal Savings

Angela Armano
Customer Care Center Associate at Olympia Federal Savings

Savana Sims
Customer Care Center Associate at Olympia Federal Savings

Cory Swank
Branch Manager at Olympia Federal Savings

Zoe McNamara
Customer Service Representative at Olympia Federal Savings

James Bartel
Senior Vice President and Commercial Lending Relationship Manager at 1st Security Bank of Washington

Promotions

Brenda Wallace
Assistance Vice President and Branch Relationship Manager at Heritage Bank

Casey Kilborn
Vice President and Business Development Director at Olympia Federal Savings

Lindsey Bamba
Assistant Vice President and Retail Banking Operations Manager at Olympia Federal Savings

Kaitlyn Koeller
Branch Manager at Olympia Federal Savings

Trina Cruz
Branch Manager at Olympia Federal Savings

Deidre Michie
Senior Human Resources Generalist at Olympia Federal Savings

Joanna Jones
Senior Payroll Administrator at Olympia Federal Savings

Sierra Taylor
Accounting Clerk at Olympia Federal Savings

Kristi Olson
Universal Operations Assistant at Olympia Federal Savings

Phil Whittington
Chief Financial Officer at 1st Security Bank of Washington

Alexa Palomarez
Business Advisor at Baker Boyer Bank

Retirements

Sue Survis
Olympia Federal Savings

Have Industry News to share with WBA? Email megan@wabankers.com or call (206) 344-3472.



2025 CREDIT, LENDING & COMPLIANCE CONFERENCE

SEPTEMBER 24 Learn more online at wabankers.com/clc

2025 Engage Conference: Innovation, Learning & Leadership for the Future of Banking

On April 29, the WBA hosted the 2025 Engage Conference, a dynamic virtual event designed for professionals in retail banking, training, and human resources. This year's program included engaging speakers, practical insights, and forward-looking discussions that left attendees inspired and equipped for the future.

Opening Keynote: Mentoring That Moves the Needle

The day began with a powerful session from Lisa Z. Fain, CEO of the Center for Mentoring Excellence. A fantastic follow-up to her previous Engage appearance, Lisa's keynote, "Mentoring 2.0 – How to Make the Most of Your Mentoring Time," focused on leveraging planning and advanced strategies to structure impactful mentoring conversations. Her approach energized participants to think more deeply about how mentoring can be used to achieve meaningful and measurable outcomes in today's complex work environment.

Tackling Technology: Real-World AI in Banking

Next, Shonna Kracinski, Chief Human Resources Officer at Midland States Bank, brought practical energy to the conversation with "AI Unplugged: Lessons and Practical Applications for Financial Institutions." In a live "show-and-tell" format, Kracinski shared how Midland successfully integrates generative AI across the organization. Her real-world examples and insights demystified AI and helped attendees envision how they could begin or expand their AI journeys.

Morning Breakouts: Leadership, Law, and Community Impact

The morning breakout sessions offered tailored content across three tracks:

- Sherry Johnson Metz, founder of Lead Forward Consulting, led "Developing First-Time Managers: Rethinking Leadership Growth," addressing the need to evolve leadership development strategies to meet the demands of AI, hybrid work, and growing expectations for adaptability.
- Mark Berry, Partner at Davis Wright Tremaine, provided critical updates during "2025 Employment Law Update: Protect, Prepare, and Thrive," offering HR professionals tools to navigate the ever-changing legal landscape.
- WBA's Duncan Taylor and Megan Managan hosted a panel on Bankers Care, sharing how this long-running initiative is advancing financial literacy and community impact through partnerships across Washington.

Industry Insights: Adapting to Change

After the lunch break, Matt Dienes, President and CEO of First Fed Bank and chair of the Education Workgroup, shared a fast-paced Industry Update highlighting the regulatory, workforce, and technological shifts impacting banks across the region.

Afternoon Breakouts: Feedback, Goals, and Growth

Three concurrent sessions gave attendees more to explore:

- Chris & Michelle Wheatley of Wheatley Leadership Group offered a hands-on approach in "Creating a Culture of Feedback," sharing methods to build psy-



chologically safe environments for giving and receiving feedback.

- Eric Girard, CEO of Girard Training Solutions, presented "Goal Setting to Drive Results as a Team," showing participants how to craft effective, SMART-aligned goals.
- J.R. Covey, a Consultant at OneAccord, led "The Relationship Between Your Stories & Your Success," which explored how mindset and internal narratives influence team and organizational performance.

High-Energy Close: Leading Across Generations

The conference wrapped with a live and engaging keynote from Christopher Thompson, founder of CORE Inclusive Consulting. His session, "The Future of Banking Leadership: Navigating Change Across Generations," struck a resonant chord with attendees. Blending inspiration and practicality, Thompson addressed how Baby Boomers, Gen X, Millennials, and Gen Z are reshaping the workplace—and how banks can harness this change to develop agile leadership pipelines and drive long-term success.

The 2025 Engage Conference delivered expert-led content and a sense of shared purpose for professionals committed to growing their teams and institutions. We thank all our speakers, panelists, and attendees for making this year's Engage Conference a success, and we look forward to continuing the conversation in 2026.



Washington Trust Bank Donates to Proud Ground

Washington Trust Bank recently announced a donation to Proud Ground.

The organization is the largest community land trust in the Pacific Northwest. It works to safeguard neighborhoods by guaranteeing working families' ability to reside there and protecting affordable housing.

The bank has partnered with the organization to help homeowners achieve their dreams, and recently joined their gala to celebrate 25 years of the organization's impact in Clark County.

with a vibrant and sustainable market area.
The 2025 market opened in early May for the season.



Riverview Bank Celebrates YWCA Clark County's Shine Event

Riverview Bank was a bronze sponsor for the YWCA Clark County annual Shine event.

The event supports the organization's SafeChoice programs for domestic violence and sexual assault survivors and includes inspiring stories and unwavering support for the community.



Mountain Pacific Bank Attends Blue Skies for Children's Shine Bright Showcase & Auction

The Mountain Pacific Bank Bellingham team recently attended the annual Blue Skies for Children's Shine Bright Showcase and Auction with Allan Fee from KAFE 104.1.

The event raises money to help families with essentials and provides growth opportunities they otherwise could not afford.



WaFd Bank Donates to Ballard Food Bank

WaFd Bank announced earlier this spring a donation to the Ballard Food Bank.

The \$2,000 donation will help the organization continue its mission of serving the community and fighting food insecurity, which it has been doing since 1970.

The organization offers a grocery store and a Kindness Café, which serves hot meals every day. It also has a Resource Hub for mobile medical services, state resources, and more.



Timberland Bank Donates to Tenino Farmers Market

Timberland Bank recently donated \$1,500 to the Tenino Farmers Market.

The donation will help the market provide the community



Chase Celebrates Small Business Graduates

Chase recently celebrated its small business program graduates at the Southcenter branch this spring.

As part of the program, the bank's business consultants provided advice and information to small businesses in the community.

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U.S. Bank Volunteers at Boys & Girls Clubs of Bellevue

The US Bank Bellevue leadership team recently spent a morning volunteering with the Boys & Girls Clubs of Bellevue.

The group helped clean the teen center, which allows local teens to learn new skills, receive mentorship, and more.

The clubs have served the community for over 70 years, offering a safe place for kids after school.

KeyBank Attends All Partners Eastside Pathways Meeting

The local KeyBank team in East King County recently attended the 2025 All Partners Eastside Pathways Meeting in Bellevue.

Eastside Pathways is a collaborative community organization dedicated to improving the lives of children and families in the area. The bank was one of the main sponsors of the event.



Olympia Federal Savings Attends Child Care Action Council Luncheon

The Olympia Federal Savings team recently attended the annual Child Care Action Council fundraising luncheon.

During the event, the group learned about the impact of Dolly Parton's Imagination Library and the work of bringing books to children across Washington.

Lindsey Bamba, who works for OlyFed, is a board member who recently completed a nine-year term.



U.S. Bank Volunteers with Dress for Success Seattle

U.S. Bank recently volunteered with Dress for Success Seattle at a Pop-Up event.

The pop-up events help clients select clothing for wardrobes that will fit and be their style, and help them feel comfortable and confident, as they prepare for a new career move.

The bank volunteers were able to share information about various programs and provide technical assistance to those attending the event, including information on how to navigate companies' websites and find roles online that are a good fit.

Mechanics Bank Announces Merger with HomeStreet Bank

Mechanics Bank announced a merger agreement with HomeStreet Bank at the end of March.

Mechanics is a 120-year-old bank based in Walnut Creek, Calif., with 112 branches nationwide and over \$16 billion in assets.

HomeStreet has 56 branches throughout Washington, Oregon, Southern California, and Hawaii with approximately \$8 billion in assets.

Under the terms of the agreement, HomeStreet will become a wholly owned subsidiary of Mechanics Bank and will be re-named Mechanics Bancorp. The combined bank will have 168 branches throughout the West Coast and \$23 billion in assets.



U.S. Bank Volunteers with Light A Lamp

The U.S. Bank team recently volunteered with Light a Lamp, which promotes positive mental health and supports individuals facing psychological and physical health challenges.

The group saw firsthand the organization's work to help students feel stronger and build kindness in the community.



Washington Trust Bank Sponsors YWCA Women of Achievement Awards

Washington Trust sponsored the annual YWCA Women of Achievement Awards, which are dedicated to honoring the outstanding women and changemakers in the community.

The team sponsored the event and volunteered to help it run smoothly.

The YWCA annually honors eight women who have helped the greater Spokane community become a better place to live, work, and grow. Since 1982, they have honored over 260 changemakers in the area.

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Cashmere Valley Bank Volunteers at Yakima Canyon Marathon

The Cashmere Valley Bank Ellensburg team recently volunteered during the Yakima Canyon Marathon.

The group handed out water and encouraged runners to continue with the race.



Cashmere Valley Bank Sponsors Mariachi Northwest Festival

Cashmere Valley Bank recently sponsored the Mariachi Northwest Festival, celebrating its 25th anniversary.

Students from around the state participated in weekly classes, culminating in a showcase and concert.

Two bankers presented scholarships to graduating seniors for their efforts in the event.



Washington Trust Bank Donates to Seattle Nativity School

Washington Trust Bank recently announced a \$20,000 donation to the Seattle Nativity School to help the next generation of students.

The school provides a rigorous, Jesuit education to middle school students from low-income families, preparing them for success in high school, college, and beyond.

With a focus on STEM and small class sizes, the donation will help the school with on-site academic resources, enrichment programs, and ongoing student support.



Washington Trust Bank Sponsors Lunar New Year Banquet

Washington Trust Bank recently sponsored the annual Lunar New Year banquet of the Great Seattle Chinese Chamber of Commerce.

The event welcomes the new year with good fortune and happiness, and each year the event proceeds benefit a local nonprofit.



StateBank Northwest Celebrates International Reading Day

In early April, in honor of International Children's Book Day, the StateBank Northwest branches were transformed into storybook locations.

Employees dressed up as their favorite characters and donated books to local students.



Olympia Federal Savings Meets Boys & Girls Club Youth of the Year

The Washington State Boys & Girls Club Youth of the Year, Kurt, recently stopped by the Olympia Federal Savings headquarters in downtown Olympia to say hello.

Kurt is a member of the Boys & Girls Club of Thurston County, which the bank supports.

The annual program helps foster the next generation of leaders. The bank wished him luck

as he prepared for the next round of competition, the Pacific Region Youth of the Year competition this summer.

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In Memory: Michael J. Nelson



It is with heavy hearts and profound love that we announce the passing of Michael James Nelson, an extraordinary son, brother, husband, father, and friend, who entered eternal rest on April 23, 2025, at the age of 56.

Born on June 11, 1968, in Tacoma, Washington, to Robert James Nelson and Karen Schneider Nelson, Michael lived a life defined by kindness, integrity, unwavering faith, and a deep love for his family and friends. Michael graduated from Franklin Pierce High School in 1987 and went on to earn his degree in Political Science from Central Washington University in 1991.

Michael met the love of his life, Tami League Nelson, at Green River Community College in 1988. Their bond quickly grew strong, and they were married on March 21, 1992, sharing 33 beautiful years of marriage filled with laughter, partnership, and steadfast devotion. Together, they built a home full of warmth, faith, and countless cherished memories.

As a father, Michael was a steady and guiding light for his sons, Jacob Foster Nelson and James Kenneth Nelson. He led by example, teaching them the values of hard work, compassion, perseverance, and unconditional love. His pride in Jacob and James was boundless, and his encouragement and gentle wisdom shaped their lives profoundly.

Professionally, Michael built a successful and fulfilling career in human resources. He was deeply respected for his integrity, compassion, and natural leadership. Throughout his career, he prided himself on advancing the leadership skills and talents of those he served, always seeking to encourage, empower, and uplift others. For many years, Michael was a member of the Board of Directors for Junior Achievement of the South Puget Sound Region. His impact on those he mentored continues to ripple far beyond his professional life.

Michael had an extraordinary gift for making others feel truly seen and heard. He listened deeply — with patience, kindness, and genuine interest — making each person who crossed his path feel valued and special. His friendships were lifelong and sincere, built on trust, loyalty, and his remarkable ability to lift others up simply by being himself.

Michael's strong faith was the foundation of his life. It guided his actions, strengthened him through life's challenges, and shaped the way he loved and served others. He was a powerful example of what it means to walk humbly and faithfully in God's grace.

Michael is survived by his beloved wife, Tami League Nelson; his sons, Jacob Foster Nelson (Taylynn Twiggs) and James Kenneth Nelson (Genevieve Buchanan); his parents, Robert and Karen Nelson; his sister, Caroline Calapp (Kenton); his mother-in-law, Judy League; his niece, Shauna Lammi (Rikki), his nephews, Bryan Dailey and Mitchell Dailey (Kami); his step-niece, Jennifer Darling (Troy); his great-nephew, Henry and many extended family members and dear friends whose lives were made brighter by knowing him. He was also known as "Uncle Mike" to many others who adored him.

Michael was preceded in death by his father-in-law, Kenneth League, and his brother-in-law, Jason League.

A Celebration of Life service honoring Michael will be held on May 10, at 11 a.m. at The Lutheran Church of St. Paul, with a reception to follow. All who knew and loved him are warmly invited to gather in remembrance and gratitude for his remarkable life.

In lieu of flowers, the family requests donations be made in Michael's memory to Junior Achievement of Washington - South Puget Sound Region or The Lutheran Church of St. Paul.

Though Michael's earthly journey has ended, the love, faith, and kindness he shared will live on in all who were blessed to know him. Michael is laid to rest at Fir Lane Memorial Park in Spanaway, Washington. He leaves behind a legacy of grace, compassion, and joy — a life well-lived and deeply loved.

OFAC's Interim Final Rule: 10 Years of Records – But Which Ones?

By Compliance Alliance

It's been said that, "If you love something, set it free." OFAC, apparently, does not second that emotion – at least not when it comes to transaction records. Instead, they now require banks to hold onto them for ten years – twice as long as before.

In September 2024, the Office of Foreign Assets Control (OFAC) quietly dropped an interim final rule (found at 89 FR 74832) amending the Reporting, Procedures, and Penalties Regulations (RPPR) under 31 CFR Part 501, and requiring that "certain transaction" records – which were once required to be kept for five years – now be retained for ten years. With an effective date of March 12, 2025, many financial institutions (and other entities subject to OFAC regulations) are now left wondering the full scope of this rule, and which of their records will be affected.

However, the rule itself provides little clarity on exactly what "certain transactions" fall under this requirement. Instead of offering a straightforward or exhaustive list, OFAC relies on reference (bordering on implication) to existing regulatory language – specifically 31 CFR Part 501, Subpart C – to "outline" what falls under the new requirement. Broadly, these would be transactions involving or subject to OFAC regulations,



including blocked or sanctioned property, rejected or unexecuted prohibited transactions, transactions requiring OFAC authorization through licenses, and any activities tied to specific sanctions programs. In other words, the implication is that any transaction that falls under OFAC's oversight now carries a decade-long recordkeeping obligation.

Here's a high-level breakdown of some of the records now subject to the updated rule. First, documentation related to blocked property and assets (essentially, anything frozen due to U.S. sanctions). This may include bank accounts, securities, real estate, and other holdings belonging to entities on the Specially Designated Nationals (SDN) List – and similar restrictions (31 CFR 501.603). It is important to note here that the 10-year retention period begins after the date of the transaction, which

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Washington Trust Bank Donates To Junior Achievement Washington

Washington Trust Bank recently announced a \$5,000 donation to Junior Achievement Washington.

The organization helps young people discover what's possible in their lives by connecting what they learn in school to life outside the classroom.

The bank's donation will help Junior Achievement with work readiness programs, entrepreneurship, and financial literacy curriculum, which will benefit children in classrooms across the region.



Mountain Pacific Bank Supports Girls on the Run Snohomish County Celebration

In preparation for the annual Girls on the Run Snohomish County Celebration 5k event in June, the Mountain Pacific Bank Everett and Lynnwood teams recently decorated 300 bandanas with inspirational messages for runners.

The girls will wear bandanas during the event as part of the final piece of the program, which is designed to help them learn and grow.

StateBank Northwest Supports Union Gospel Mission in Lewiston

StateBank Northwest was recently recognized for helping the Union Gospel Mission in Lewiston, after the bank awarded the organization a grant.

The grant helped the mission build a new Center, which included a 5,90-square-foot single-story building with a chapel, administrative offices, child care, classrooms, and a maintenance area.

The grant was possible thanks to the Federal Home Loan Bank of Des Moines Member Impact Fund, which matched the bank's original donation, resulting in a total grant of \$2.7 million.



First Fed Bank Donates to Crescent School District Spanish Class

First Fed Bank recently made a \$1,000 donation to the Crescent School District's Spanish 4 class.

The money will help the students with their cultural immersion trip to Costa Rica later this year.

Students will be placed in classes based on their Spanish fluency, which will allow them to use real-world language skills during the cultural exchange program.

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Washington Trust Bank Partners with Spokane Sports

Washington Trust Bank Partnered with Spokane Sports this spring to celebrate women's sports during the Fan Fest Block Party in downtown Spokane as part of the NCAA March Madness excitement.

The event featured music, face painting, prize giveaways, and even WT Banks showing off his basketball skills.



Cashmere Valley Banks Volunteers with Women's Service League Events

Cashmere Valley Bank recently volunteered at several events with the Women's Service League.

The team helped at My Girlfriend's Closet, which sells nice donated clothes for low prices to raise money for grants and scholarships, which the group gives out later in the year.

They also volunteered at the Prom Dress Giveaway, which takes in donated prom dresses and provides a space for local students to shop for the upcoming event.



Baker Boyer Bank Volunteers at Elementary School

As part of Financial Literacy Month, Baker Boyer Bank volunteers spent time teaching about finance at Berney Elementary earlier in April.

The event was part of the bank's partnership with 21st Century Learning and the Finance Academy, which teaches first through fifth-grade students about finances and money.



U.S. Bank Attends Seattle Good Business Network Event

The U.S. Bank team in Seattle recently attended a Seattle Good Business Network event, where small businesses get together to learn and meet each other.

The bank volunteers included small business specialists who shared important information about finances and working with banks, and provided tips and resources.



1st Security Bank of Washington Donates to Washington Kids in Transition

1st Security Bank of Washington recently attended the annual Washington Kids in Transition annual fundraiser.

The organization works with students and families in the Edmonds and Everett school districts to keep them safe and out of harm's way.

The bank donated \$1,500, and the event raised over \$140,000, which will help support its community efforts.



Liberty Bank Sponsors Jewel Box Fundraising Gala

Liberty Bank sponsored the annual Jewel Box Theater's Fundraising Gala, which featured the theme "On The Threshold 2025".

The bank's team, Lynette Reynolds, Kelly Garcia, Melissa Johnson, Chelsie Calara, and Rhonda Morris, donated their time to help with guest check-in and check-out and planning behind the scenes as part of the Gala Committee.

The fundraiser helped secure a dedicated space for the community theater for rehearsals in the coming years.

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Riverview Bank Supports Northwest Association for Blind Athletes

The Riverview Bank team recently attended the Northwest Association for Blind Athletes' 2025 One in a Million Dinner and Auction.

The event included support and stories about programs specifically created for athletes with visual impairments, and those who have overcome their limitations to continue competing.



1st Security Bank of Washington Donates to Centrum's Free Concerts

In mid-March, 1st Security Bank of Washington announced a \$5,000 donation to support the Centrum Free Friday Concerts.

This summer concert series, a mainstay in downtown Port Townsend, brings free live music to the area throughout the summer.



Chase Celebrates Completion of Habitat for Humanity Olympic Ridge Community

The JPMorgan Chase team in Seattle recently celebrated the completion and dedication of the Habitat for Humanity Seattle-King County 17-home Olympic Ridge Community.

The bank was the corporate partner for the project, which involved crews from start to finish, and crews volunteered during the build.



Sound Community Bank Donates to Salmon for Soldiers

Sound Community Bank recently donated \$400 to support Northwest Washington Outreach Salmon for Soldiers.

The organization offers local veterans the opportunity to have a small sense of normalcy through fishing. Events are designed specifically to accommodate veterans with paralysis, PTSD, TBI, and other debilitating challenges they face.



Riverview Bank Supports Clark County Historical Museum Exhibit

Riverview Bank recently attended the Clark County Historical Museum's celebration of its NAACP Vancouver

80th Anniversary exhibit opening.

Cody Ritter, the bank's SVP/Commercial Team Leader and current CCHM board president, welcomed the visitors during his opening remarks.

The museum created the exhibit in partnership with NAACP Vancouver, and it shares the voices and stories of Vancouver's Black community.



Chase Volunteers at Northwest Harvest

The Chase team in Seattle recently volunteered at Northwest Harvest.

The group sorted and packed food to be delivered to families and those in need throughout the greater Puget Sound area and the state.

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WaFd Bank Donates to Martin Luther King Jr. Elementary

WaFd Bank and the Seattle Storm recently donated \$5,000 to Martin Luther King Jr. Elementary as part of the Fit Future Initiative. They surprised the students with free financial education tools through Banzai.

The donation will help students be physically and financially fit for their futures.



Mountain Pacific Bank Hosts Shred Day

The Mountain Pacific Bank team in Everett recently hosted its annual Shred Day.

The team welcomed customers and residents of the area to bring sensitive items to be shredded by the industrial shred machine.

Olympia Federal Savings Donates to Food Source Foundation

Olympia Federal Savings donated to The Food Source Foundation in March as part of the bank's Two Cent Program.

The donation of \$2,941 was made possible thanks to donating two cents from every debit card transaction made during the month.

The organization works to address food insecurity throughout Thurston County.

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means the actual recordkeeping timeframe may sometimes extend beyond a decade. For blocked property, the clock doesn't start until the property is unblocked.

As a result, in cases where assets remain blocked, the recordkeeping requirement can effectively last indefinitely. Next, records pertaining to rejected or unexecuted transactions – any transaction halted due to OFAC regulations (where there is not an otherwise “blockable” interest). This generally would cover wire transfers, credit card payments, securities trades, and any other financial activity that couldn't proceed due to sanctions compliance (31 CFR 501.604). Additionally, transactions requiring an OFAC license fall under the expanded rule, even if the license application was denied. Whether seeking authorization for payments, trade, or other restricted dealings, it would appear appropriate to retain all applications and supporting documentation (31 CFR 501.602 and, by reference, 31 CFR 501.801).

Finally, records related to specific sanctions programs look to be encompassed. This could include compliance due diligence, sanctions screening logs, internal risk assessments, and audit reports. (31 CFR 501.601 and A Framework for OFAC Compliance Commitments).

Though the rule doesn't do much in the way of clarifying the scope of the relevant recordkeeping obligations, it makes no secret as to why this longer retention period is being imposed. OFAC's decision aligns with the 21st Century Peace Through Strength Act, which, among other things, extended the statute of limitations on civil penalties for sanctions violations from five years to ten years (50 U.S.C. 1705(d) and 4315(d)). In other words, the government now has a decade to enforce penalties for violations, so banks likewise need to hold onto records for the same period to avoid potentially unpleasant consequences. This may be particularly relevant for markedly complex financial cases, where illicit transactions can take years to uncover.

As the rule and the updated retention requirements are currently in effect at the time of this publication, now may likely be the perfect time for a record retention schedule review – to that end, our Record Retention Schedule Cheat Sheet is a useful tool that covers federal record retention requirements. Moreover, banks may want to evaluate (and update) their retention policies to reflect the shift from five-year to ten-year recordkeeping for applicable transactions, as well. As always, if you have any other questions or concerns about it, feel free to contact us on the Compliance Hub Hotline.

After all – though many may not “love” it – setting an OFAC record free too soon could be a costly mistake.



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