Northrim Bank

February 19, 2013

Representative Wes Keller
State House of Representatives
State Capitol, Room 118
Juneau, Alaska 99801-1182

Support for HB102 Trust Laws in Alaska – Request Competitive Update

Dear Representative Keller,

While Northrim Bank has not applied for trust powers and does not have ownership in a trust company that utilizes the benefits of Alaska trust laws, we support modernization of our trust laws to keep Alaska competitive and to retain and grow the business that Alaskan's have earned.

Northrim does enjoy meaningful depository relationships originating from local as well as national trusts that utilize Alaska's competitive advantages that have diminished as other States have modernized their trust laws. To acquaint myself with this issue I have reviewed the draft legislation, spoken with other Alaska banks and trust companies and visited with American Bankers Association representatives familiar with such matters. This homework gives me confidence that HB102 is reasonable and appropriate to keep Alaska competitive.

This bill provides increased clarity to Alaska's unique and favorable trust laws. Since the passage of the Alaska Trust Act in 1997, Alaska has become a premier jurisdiction for trust planning. Our distinctive statutes have provided Alaska with increased revenue, job creation and benefits for our residents. More specifically, Northrim Bank has benefited with very material deposits which have allowed us to increase our lending to Alaskans and their businesses. Outside of the increased economic activity generated by our lending, many Alaskans have used these progressive statutes to engage in beneficial financial planning.

The Alaska Trust Act created such significant planning opportunities that it has attracted some of the wealthiest families in America to use Alaska for a portion of their financial planning; not unlike Delaware or the Dakotas that have benefited by various laws that attracted business to their states. Alaska laws have heretofore been sufficiently competitive that some 14 other states have now adopted similar legislation, providing Alaska's trust industry with significantly increased competition. With your support and eventual passage HB 102, the Alaska legislature will help to ensure that Alaska remains at the forefront of trust planning and retains its status as a premier state to serve trust customers locally and nationally.

Accordingly, I hereby thank you for your support and submit this letter as evidence of finance industry support for this legislation.

Sincerely,

Joseph Beedle, President & CEO – Northrim Bank

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