

## Terms and Conditions – State Farm Bank® FixPay® Option FixPay Disclosure

This is an Amendment to your State Farm Bank Credit Card Agreement and Disclosure Statement (“Agreement”) that was previously sent to you and governs your State Farm Bank credit card account (“Account”). This is also referred to as the FixPay Terms and Conditions.

Please read this information carefully and keep in mind that any of the terms of your Agreement that are not changed here will remain in effect.

### FixPay Payment Option.

- 1) The FixPay option features special promotional interest rates that are available on State Farm® Rewards Visa®, State Farm® Rewards Visa Signature®, State Farm Crystal Rewards® Visa Signature® and State Farm® Good Neighbor Visa® credit cards.
- 2) The FixPay option can be used for purchase transactions only. Cash advances, quasi-cash and balance transfer transactions are not eligible for FixPay. The minimum purchase transaction amount for an initial FixPay balance is \$500 - except for insurance premium transactions, for which the minimum transaction amount of \$200. You may have a maximum of three (3) active FixPay balances at any time. Each purchase transaction you elect to transfer to FixPay will have its own specific terms. The total of all FixPay balances in your account at any time cannot exceed 75% of your overall credit limit, with a maximum aggregate outstanding FixPay balance of \$10,000. The initial FixPay balance cannot be greater than the amount of the purchase transaction that you elect to transfer to FixPay.
- 3) The entire single purchase transaction amount you select must be transferred into a FixPay balance, unless the full amount would exceed the aggregate limit for your FixPay balances as provided in paragraph 2 above. In that case, State Farm Bank, in its sole discretion, may agree to either (i) make a partial transfer to a FixPay balance in an amount up to the available FixPay credit limit or (ii) refuse the request.
- 4) FixPay repayment options depend on the purchase transaction amount and the number of months over which you choose to repay the FixPay balance. We will determine the FixPay portion of your monthly Minimum Payment Due in the manner described in paragraph 6, below. The actual amount of interest you will pay on the FixPay balance will be calculated using the average daily balance method as provided in your Agreement and may be more or less than the amount we calculate at the time the purchase transaction is transferred to FixPay, depending in part on whether you make your monthly payments early or late. In the event any credits for returned merchandise are subsequently received with regard to the purchase transaction that formed the basis for your FixPay balance, the outstanding FixPay balance will be reduced accordingly. The FixPay portion of your monthly Minimum Payment Due will remain unchanged, however, and your FixPay balance will pay off earlier than scheduled if subsequent payments are made as agreed.
- 5) Periodic Rates and APRs. In addition to the periodic rates and corresponding annual percentage rates (APRs) shown on your Account disclosures and in your Agreement, the following promotional rates apply to your FixPay balances for the number of months set forth below:
  - A. Insurance Premium Payment Transactions (minimum \$200 transaction)
    - 6 month term only – daily periodic rate 0.0082%; corresponding Annual Percentage Rate 2.99%.
  - B. All Other Purchase Transactions
    - 6 month term – daily periodic rate 0.0164%; corresponding Annual Percentage Rate 5.99% (minimum \$500 transaction);
    - 12 month term – daily periodic rate 0.0164%; corresponding Annual Percentage Rate 5.99% (minimum \$1,000 transaction);
    - 24 month term – daily periodic rate 0.0192%; corresponding Annual Percentage Rate 6.99% (minimum \$1,500 transaction);
    - 36 month term – daily periodic rate 0.0219%; corresponding Annual Percentage Rate 7.99% (minimum \$2,000 transaction).

Any unpaid FixPay balance at the end of the scheduled FixPay repayment period will be automatically transferred to the regular Purchases balance of your Account and will accrue finance charges at the variable annual percentage rate (the Prime Rate plus the specified margin) applicable to regular Purchases balances of your Account at that time.

- 6) Minimum Payment Due. The FixPay monthly payment amount will be included in the overall Minimum Payment Due shown on your monthly Account statement. The FixPay portion of the monthly Minimum Payment Due is calculated separately from the portion of the Minimum Payment Due associated with other activity on your Account. You should be sure you can pay the increased amount of the Minimum Payment Due each month before you elect to transfer a purchase transaction to FixPay. If you do not make the required Minimum Payment Due, you may incur a late charge. The language of your Agreement that describes how the Minimum Payment Due is calculated is amended to read as follows:

State Farm® Rewards Visa® and State Farm Good Neighbor Visa®:

The monthly Minimum Payment Due is 1% of the New Balance (less interest charges, Late Fees and any outstanding FixPay balances, rounded to the nearest \$5.00) + Interest Charges + Late Fees + any Past Due Amounts + any FixPay monthly payment(s) or \$40, whichever is greater (or your entire New Balance if less than \$40). Your monthly FixPay payment is an amount (rounded up to the nearest whole dollar) we determine will repay your FixPay balance in full, in substantially equal monthly installments over the FixPay repayment period, with interest at the applicable FixPay APR. This monthly payment is determined separately for each FixPay balance. We use a standard amortization table or formula to determine this monthly payment.

State Farm® Rewards Visa Signature®, and State Farm Crystal Rewards® Visa Signature®:

The Total Minimum Payment Due each month will be the sum of all past due amounts, plus any amount by which your Account balance exceeds your credit limit, and plus any Late Fees, plus any interest charges, plus 1% of the remaining New Balance of your Account (not including any outstanding FixPay balances you may have), rounded to the nearest \$5 increment and plus any FixPay monthly payment(s), or \$40 whichever is greater (or the entire New Balance if less than \$40). Your monthly FixPay payment is an amount (rounded up to the nearest whole dollar) we determine will repay your FixPay balance in full, in substantially equal monthly installments over the FixPay repayment period, with interest at the applicable FixPay APR. This monthly payment is determined separately for each FixPay balance. We use a standard amortization table or formula to determine this monthly payment.

- 7) A request to transfer a purchase transaction into the FixPay option must be received by State Farm Bank within 15 days after the posting date of the purchase transaction. At your request, a FixPay election may be cancelled and the FixPay balance transferred back to your regular Purchases balance only if the request to cancel is received by State Farm Bank within 15 days after the initial FixPay transfer request. No changes may be made to the FixPay balance after that time.
- 8) All payments made on your Account in excess of the Minimum Payment Due will be applied first to the Account balances with the highest APRs. Any request to apply payment amounts in excess of the Minimum Payment Due toward a specific FixPay balance is subject to this payment allocation requirement and will be honored only if and to the extent it is not otherwise in conflict with this requirement or applicable law. You may pay your entire Account balance in full at any time.
- 9) FixPay eligibility is generally limited to Accounts that are not past due. State Farm Bank reserves the right to refuse any FixPay transfer request. The terms of the FixPay feature as described in this Amendment are subject to change (including, but not limited to, an increase in APRs and fees) in accordance with the provisions of your Agreement and applicable law. The terms described in this document supersede those in all previous versions. By requesting to transfer a purchase transaction to FixPay, you will be agreeing that the amendments to your Agreement and Account disclosures set forth in these FixPay terms and Conditions will apply to your Account while you have an outstanding FixPay balance.