

## STATE FARM BANK BUSINESS CARD AGREEMENT AND DISCLOSURE STATEMENT

### The Parties to this Agreement

In this Business Credit Card Agreement and Disclosure Statement (this "Agreement"), the words "you" and "your" refer to the Business entity applicant ("Business") and the owner(s) and/or officer(s) who warrant(s) that they have the authority ("Authorized Officer") to request on behalf of the Business that we issue a Visa® credit card (a "Card") to that person or to another person(s) employed by the Business entity ("Designated Employee") on the same credit card account ("Account"). The words "you" and "your" mean each and either of the Business or the Authorized Officer, individually, and also jointly and severally. The words "we", "us", "our" and "State Farm Bank" mean State Farm Bank, F.S.B., a federal savings bank located in Bloomington, Illinois. Definitions of additional terms are contained in other paragraphs of this Agreement.

### Acceptance of the Terms of this Agreement

If you apply for a Card from us, or use a Card we issue to you, or use the account number associated with the Card, or if another person uses the Card or account number with your authorization, including a Designated Employee, you will be deemed to have accepted and agreed to all of the terms and conditions of this Agreement.

You agree to inform each Designated Employee of the provisions of this Agreement that are applicable to his or her use of a Card or the Account, including, without limitation, provisions concerning authorized use of a Card by others and liability for transactions, and to cause such Designated Employee to agree to and comply with such provisions.

If you do not wish to be bound by the terms and conditions of this Agreement, do not use the Card or authorize another person to use it. Instead, cut all of the Cards in two and return them to us.

### Card Issuance

We will issue each Card in the Business's name, together with the name of the Authorized Officer or Designated Employee.

You represent, warrant, and agree that any Cards will be requested in the names of and given only to the Authorized Officer and Designated Employees, whose expenses the Business has agreed to reimburse. The dishonesty, disobedience, termination, resignation, death or retirement of the Authorized Officer or any Designated Employee shall not affect your obligations or the obligations of any Designated Employee or other cardholder under this Agreement.

You may request to add or delete any Designated Employee by written request on the letterhead stationery of the Business signed by the Authorized Officer of the Business which includes the name of each such Designated Employee, and, if you request the deletion of a Designated Employee, includes all Cards issued to the Designated Employee in connection with the Account.

### How to Use A Card

Subject to the terms of this Agreement, we will make loans to you at our offices in Bloomington, Illinois when you or a Designated Employee uses a Card (which term as used in this Agreement includes use of the account number associated with a Card) as follows:

- (a) **Purchases.** You or any Designated Employee may use a Card to purchase or lease goods or services ("Purchases") from merchants who honor Visa credit cards. Quasi-cash transactions, described below, are deemed to be Cash Advances and not Purchases.
- (b) **Cash Advances.**
  - (1) You or any Designated Employee may use a Card to obtain a Cash Advance at most banks that display the Visa logo. The Bank may add a surcharge to the amount of the Cash Advance you request. If so, the surcharge will be part of the Cash Advance charged to the Account.
  - (2) You or any Designated Employee may use a Card, in conjunction with the personal identification number ("PIN") we will issue to you, to obtain a Cash Advance at automated teller machines ("ATMs") that bear the Plus® logo. The operator of the ATM may add a surcharge to the amount of the Cash Advance you request. If so, the surcharge will be part of the Cash Advance charged to the Account.
  - (3) You or any Designated Employee may use a Card to establish overdraft protection on a checking account of the Business if permitted by your financial institution. You obtain a Cash Advance each time a Card is used to fund such overdrafts.
  - (4) We may send you blank forms of convenience checks or cash advance checks ("Checks") from time to time. If we do, you or any Designated Employee may use a Check to obtain a Cash Advance by signing and completing the Check in accordance with the terms on the Check and any written materials that accompany it. You obtain a Cash Advance each time you or any Designated Employee use a Check and we pay it when it is presented to us, including when you or any Designated Employee use a Check to purchase or lease goods or services.
  - (5) You or any Designated Employee may obtain a Cash Advance when you use a Card for items that are convertible to cash or similar cash-like transactions that we may designate from time to time, including wire transfer money orders, other money orders, travelers checks, or foreign currency (so-called "quasi-cash" transactions). However, a Card may not be used to obtain, and we will not honor requests for, a Cash Advance in the form of casino chips, bets or wagers, gaming transactions (including Internet gambling), lottery tickets or the like.
- (c) **Balance Transfers.** You may use a Card to transfer balances from credit card accounts with third party creditors held in the name of the Business to the Account with us (a "Balance Transfer"). When you request a Balance Transfer, we will write our check or transfer funds to the other creditor of the Business. The amount of our check or funds transfer will be the amount of the Balance Transfer requested, up to the available credit limit for the Account. Balance Transfers are deemed to be Purchases and not Cash Advances. However, interest will begin to accrue as of the date the balance is transferred to the Account. Balance Transfer transactions will not be processed if made payable to cash, to you, to any individual, to a deposit account, to a credit card account held in the name of any individual or to a State Farm Bank credit card account. If such a Balance Transfer is processed, we reserve the right to convert the transaction to a Cash Advance.

### Credit Limit

We will establish a credit limit for the Account and any sub-Accounts from time to time. The credit limit will be shown on the initial Card mailer and on each monthly statement of the Account. The total amount of credit outstanding on the Account or sub-Accounts at any time must not be more than the then current credit limit. We may also establish at any time a separate credit limit (as a sublimit within the overall credit limit for the Account and any sub-Accounts) for Cash Advances. If we do, the outstanding Cash Advance balance at any time must not exceed the Cash Advance limit. We may change the credit limit or limits from time to time. We will attempt to notify you if we do.

### Exceeding The Credit Limit

If you or a Designated Employee request credit in any form which, if granted, would cause either the total outstanding balance or the Cash Advance balance (including, in either case, authorized transactions not yet posted to the Account or any sub-Accounts) to exceed the credit limit or the Cash Advance credit limit or any other credit sublimit we establish for the Account or sub-Accounts, whether or not such balances before the request were more than the respective credit limit, we may, at our election: (1) honor the request without permanently increasing the credit limit; (2) honor the request and treat the amount which is more than the credit limit as immediately due; or (3) refuse to honor the request. If we refuse to honor a Check or Balance Transfer, we may advise the person presenting the Check or Balance Transfer that credit has been refused, that there are insufficient funds to pay the Check or Balance Transfer, or in any other manner. If we decide to honor such a request, we may assess an Overlimit Fee as provided in this Agreement.

If we have previously honored requests for credit in excess of the credit limit, that does not mean that we will honor further over-limit requests.

### FINANCE CHARGES

#### When Periodic Rate Finance Charges Begin to Accrue:

- (a) **Purchases.** Periodic rate Finance Charges will not accrue on new Purchases posted to the Account during the current billing cycle if the New Balance, if any, shown on the monthly statement for the previous billing cycle was a credit balance or zero or was paid in full by its Payment Due Date. If the New Balance was not a credit balance or zero and was not paid in full by its Payment Due Date, periodic rate Finance Charges on each Purchase (including Balance Transfers) will accrue daily from the transaction date until the date each Purchase is completely repaid according to the payment allocation method then in effect.
- (b) **Avoiding Finance Charges on New Purchases.** You may avoid a Finance Charge on Purchases first posted to the Account during the billing cycle if you pay the entire New Balance of the Account not later than the Payment Due Date shown on the monthly statement of the Account for that billing cycle.
- (c) **Cash Advances.** Periodic rate Finance Charges on each Cash Advance will accrue daily from the transaction date until the date each Cash Advance is completely repaid according to the payment allocation method then in effect.
- (d) **Transaction Dates for Certain Transactions.** The transaction date for Cash Advances obtained by a Check is the date we process the Check.

**Periodic Rates of the Finance Charge:** The periodic rates we use to compute all or a portion of the **FINANCE CHARGE** on the Account are described below:

- (a) **Rate of Finance Charge on Purchases.** With respect to all Purchases (including Balance Transfers): (1) **Preferred Pricing.** The daily periodic rate we use to compute the **FINANCE CHARGE** on all Purchases is a variable rate which is 1/365th of the sum of the Prime Rate plus the Preferred Pricing spread rate for Purchases, which was previously disclosed on the card carrier. The corresponding **ANNUAL PERCENTAGE RATE** of the **FINANCE CHARGE** is the Prime Rate plus the Preferred Pricing spread rate for Purchases. The minimum Preferred Pricing **ANNUAL PERCENTAGE RATE** of the **FINANCE CHARGE** is 12.99%. The minimum daily periodic rate used to compute the **FINANCE CHARGE** on Purchases is 0.0355%. (2) **Penalty Pricing.** If you fail to make a minimum monthly payment by the payment due date, exceed the credit limit, or make a payment to us that is not honored, we may increase the **ANNUAL PERCENTAGE RATE** on all account balances (including any promotional rate). In determining the adjusted **ANNUAL PERCENTAGE RATE**, we may consider the length of time the Account has been open, the severity and timing of any Account

default or delinquency, as well as Account usage and performance. If Penalty Pricing is applied to your Account, it will become effective with the first day of the next billing cycle and the daily periodic rate we use to compute the **FINANCE CHARGE** on Purchases is a variable rate which is 1/365th of the sum of the Prime Rate plus 20.99%. The corresponding **ANNUAL PERCENTAGE RATE** of the **FINANCE CHARGE** is the Prime Rate plus 20.99%.

- (b) **Rate of Finance Charge on Cash Advances.** With respect to all Cash Advances: (1) **Preferred Pricing.** The daily periodic rate we use to compute the **FINANCE CHARGE** on all Cash Advances is a variable rate which is 1/365th of the sum of the Prime Rate plus the Preferred Pricing spread rate for Cash Advances, which was previously disclosed on the card carrier. The corresponding **ANNUAL PERCENTAGE RATE** of the **FINANCE CHARGE** is the Prime Rate plus the Preferred Pricing spread rate for Cash Advances. (2) **Penalty Pricing.** If you fail to make a minimum monthly payment by the payment due date, exceed the credit limit, or make a payment to us that is not honored, we may increase the **ANNUAL PERCENTAGE RATE** on all balances (including any promotional rate). In determining the adjusted **ANNUAL PERCENTAGE RATE**, we may consider the length of time the Account has been open, the severity and timing of any Account default or delinquency, as well as Account usage and performance. If Penalty Pricing is applied to your Account, it will become effective with the first day of the next billing cycle, and the daily periodic rate we use to compute the **FINANCE CHARGE** on Cash Advances is a variable rate which is 1/365th of the sum of the Prime Rate plus 20.99%. The corresponding **ANNUAL PERCENTAGE RATE** of the **FINANCE CHARGE** is the Prime Rate plus 20.99%.
- (c) **Variable Rates of the Finance Charge:** The **ANNUAL PERCENTAGE RATES** under subparagraphs (a) and (b) above are variable rates based on the Prime Rate published in the "Money Rates" table in *The Wall Street Journal*. The rates of the **FINANCE CHARGE** under this Agreement may increase if the Prime Rate increases. The effect of an increase in the Prime Rate will be an increase in the amount of the Minimum Payment due under this Agreement. We will calculate **ANNUAL PERCENTAGE RATES** every month, based on the Prime Rate published in the "Money Rates" table in *The Wall Street Journal* two days prior to the statement closing date for the billing period. If two or more Prime Rates are published on that day, the highest of those rates will be used to calculate the rates of the **FINANCE CHARGE** under this Agreement. If two days prior to the statement closing date is a day on which *The Wall Street Journal* was not published, the previous business day on which *The Wall Street Journal* was published will be used. If *The Wall Street Journal* ceases publication, or no longer publishes the prime rate, or changes the manner by which its prime rate is determined, we may select another comparable index of short-term interest rates to be the "Prime Rate" under this Agreement. The new **ANNUAL PERCENTAGE RATES**, and the new daily periodic rates calculated by multiplying the new **ANNUAL PERCENTAGE RATES** by 1/365, will apply to the Account beginning on the first day of the next billing cycle of the Account after the date on which the new **ANNUAL PERCENTAGE RATES** were calculated, and will continue to apply until new **ANNUAL PERCENTAGE RATES** and the corresponding daily periodic rates are calculated and have become effective in the manner described in this paragraph. The new **ANNUAL PERCENTAGE RATES** and the corresponding new daily periodic rates may apply retroactively to the first day of the billing cycle, and transactions that occurred during the billing cycle both prior to and after the date the new **ANNUAL PERCENTAGE RATES** were calculated may be subject to the new **ANNUAL PERCENTAGE RATES** and the corresponding new daily periodic rates for the entire billing cycle.

### Calculating the Average Daily Balances

We calculate an "average daily balance" on all Cards issued on your Account separately for Purchases (excluding introductory period Balance Transfers), Cash Advances, introductory period Balance Transfers, and any special rate offers (as applicable). To get the "average daily balance" of the Account for each of these types of transactions, we take the beginning balance of the Account each day, add any new Purchases (excluding introductory period Balance Transfers), Cash Advances, introductory period Balance Transfers or other special rate offers (as applicable), and subtract any Payments and Credits applied to that type of transaction under the payment allocation method then in effect. This gives us the daily balance for each of these types of transactions. (Credit balances are treated as zero for purposes of calculating the daily balances.) Then, we add all of the daily balances for the billing cycle for each of these types of transactions and divide the respective totals by the number of days in the billing cycle. This gives us the "average daily balance" for the Account for each of these types of transactions. The average daily balances include current transactions for Purchases (including Balance Transfers) and for Cash Advances, except that if the Previous Balance of the Account was zero or a credit balance, or if the total of Payments and Credits posted to the Account during the billing cycle equals or exceeds the Previous Balance, Purchases posted to the Account during the billing cycle are not included in the daily balances of Purchases for purposes of calculating the **FINANCE CHARGE**.

**Cash Advance Transaction Fee Finance Charges:** If you or a Designated Employee use a Card or a check (Convenience Check) to obtain a Cash Advance, we will charge your Account a Cash Advance transaction fee **FINANCE CHARGE** equal to 4% of the U.S. dollar amount of the Cash Advance, subject to a minimum fee of \$10 for each Cash Advance.

**Balance Transfer Transaction Fee Finance Charges:** If you or a Designated Employee make a Balance Transfer to the Account, we will assess to your account a Balance Transfer transaction fee **FINANCE CHARGE** equal to 3% of the U.S. dollar amount of the Balance Transfer transaction, subject to a minimum fee of \$10 and a maximum fee of \$250 for each Balance Transfer.

**International Transaction Fee Finance Charges:** If you or a Designated Employee use a Card to make an international transaction, we will charge your Account an International Transaction fee **FINANCE CHARGE** equal to 1% of the U.S. dollar amount of the transaction. An international transaction is defined as any transaction that was acquired in any country other than the United States.

**Calculating the Finance Charge:** We figure the **FINANCE CHARGE** on Purchases charged to the Account and a portion of the **FINANCE CHARGE** on Cash Advances charged to the Account by multiplying each of the "average daily balances" of the Account by the applicable daily periodic rate and then by the number of days in the billing cycle, and by adding the resulting products together. We then add any Cash Advance transaction fee **FINANCE CHARGE** calculated as provided above, any Balance Transfer transaction fee **FINANCE CHARGES** calculated as provided above, and any International Transaction fee **FINANCE CHARGES** calculated as provided above. If the **FINANCE CHARGE** calculated in this manner is more than zero but less than \$1.50, a minimum monthly **FINANCE CHARGE** of \$1.50 will be charged to the Account. We may, at our election, waive the **FINANCE CHARGE** on small Account balances.

### Account Fees and Charges

The following fees will be charged to the Account as a Purchase in the billing cycle in which the charges are incurred: (a) a Late Payment Fee if we do not receive payment in an amount at least equal to the Minimum Payment due shown on the monthly statement of the Account by the Payment Due Date shown on the statement. The amount of the Late Fee will vary based on the New Balance of the Account at the closing date of your billing cycle as follows: \$15 if the New Balance is less than \$500; \$39 if the New Balance is \$ 500 or greater; (b) an Overlimit Fee of \$39 if the Account balance exceeds the credit limit or any separate Cash Advances credit limit for the Account (even if fees assessed by us cause the Account balance to exceed the credit limit), charged to the Account as of the first day in the billing cycle that the Account balance exceeded the credit limit or exceeded any separate Cash Advances credit limit for the Account; (c) a Returned Payment Fee of \$39 if a check or draft you send us as a payment on the Account is returned for insufficient funds or for any other reason; (d) a Returned Check Fee of \$39 if we return a Check unpaid for any reason; (e) a Statement Reprint Fee of \$5 for each copy of a monthly statement; (f) an Account Research Fee of \$15 per hour (with a \$10 minimum).

### Repayment; Minimum Payment Due Each Month

You promise to pay us the amounts of all credit you or a Designated Employee obtain (including all Purchases and Cash Advances), all fees and charges we assess against the Account and all Finance Charges as provided in this Agreement. You agree to make payments in the amounts and at the times provided in this Agreement. Time is of the essence.

We will provide a statement of the Account at approximately monthly intervals if there has been activity on the Account, a finance charge is assessed during the preceding month, or there is a balance (credit or debit) in the Account exceeding \$1, unless we deem the Account to be uncollectible, or we have instituted delinquency collection procedures, or furnishing the statement would violate federal law. You may pay any amount up to the entire unpaid balance (the "New Balance") of the Account at any time. You must pay each month at least the Minimum Payment amount shown on the monthly statement by the Payment Due Date shown on the statement. The Minimum Payment due each month for Accounts is the sum of all past due amounts, plus any amount by which your Account balance exceeds your credit limit, plus 1% of the New Balance of the Account plus the amount of any Account Fees and **FINANCE CHARGES** posted to the Account during the billing cycle, rounded to the nearest \$5 increment, or \$10, whichever is greater (or the entire New Balance if less than \$10). If the account is closed and has a balance remaining the Minimum Payment due each month for the Account is the sum of all past due amount, plus any amount by which your Account balance exceeds your credit limit, plus 1% of the Balance of the Account plus the amount of any Account Fees and **FINANCE CHARGES** posted to the Account during the billing cycle, rounded to the nearest \$5 increment, or \$10, whichever is greater (or the entire New Balance if less than \$10). The Payment Due Date will be at least 24 days after the Closing Date shown on the monthly statement. If you overpay, or if a credit balance is otherwise created in the Account, we will not pay interest on such amounts. Payments are not deemed to be received until they are posted to the Account. See the monthly statement of the Account for details on timely posting of payments. Mail the payment made in U.S. dollars, accompanied by the payment remittance stub, using the envelope enclosed with the monthly statement or to the payment address provided. The crediting of payments sent to any location other than the payment address or received in any other manner may be delayed. Do not send correspondence of any type to the payment address. When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, the funds may be withdrawn from your account as soon as the same day we receive your payment and you will not receive your check back from your financial institution. For inquiries about the Account, please call us toll-free at 1-877-SF4-VISA (1-877-734-8472) or write us at P.O. Box 87, Deposit, New York 13754-0087.

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