

State Farm Bank® Business Credit Protection Program Terms and Conditions

PLEASE READ THESE TERMS AND CONDITIONS
CAREFULLY. THEY DESCRIBE IMPORTANT
LIMITATIONS, EXCLUSIONS AND REQUIRED PROCEDURES.

1. General

You have enrolled in the State Farm Bank Business Credit Protection Program, (the "Program") an **optional** provision of your State Farm Bank Credit Card Agreement and Disclosure Statement ("Agreement"). **This is NOT an Insurance Policy. These Terms and Conditions are part of your Agreement and all provisions of the Agreement, will continue to apply except as provided otherwise in these Terms and Conditions.**

In these Terms and Conditions, the words "you" and "your" refer to the Business entity applicant ("Business") and the owner(s) and/or authorized officer(s) named in the Program Notification of Enrollment. "We," "ours," and "us" mean State Farm Bank, F.S.B., the issuer of your State Farm Bank Credit Card account.

The Program will apply to the State Farm Bank Business Credit Card Account (the "Account") specified in your Notification of Enrollment. The Program is a service that, in exchange for a monthly fee, will cancel a calculated monthly minimum payment amount (the "Cancellation Amount") as disclosed in the **Repayment; Minimum Payment Due Each Month** section of your current Agreement, excluding the sum of all past due amounts. The Cancellation Amount will be applied to your Account for each month that you remain eligible for the "Covered Event" (as defined below). **The Cancellation Amount specifically excludes the sum of all past due amounts and amounts over the credit limit.** Certain Covered Events will cancel your full balance due up to \$25,000 in a single lump sum cancellation amount. If you comply with Section 3, upon the occurrence of a Covered Event you will be entitled to a period of time (defined below for each Covered Event) when we will credit your Account for the Cancellation Amount. During this period of time you will not be required to make a payment for the Cancellation Amount (if your Account is NOT past due or over the credit limit, the Cancellation Amount will equal your minimum

monthly payment due) and no Program fees will be assessed to your Account. State Farm Bank will limit the use of the Account during this period of time.

Charges

The Program will cost you \$0.68 per \$100 of balance. For example if you have a balance of \$2,000 your monthly charge will be \$13.60.

Covered Event	Maximum Benefit
Business Interruption	2 Billing Periods
Business Hardship	2 Billing Periods
Disability	24 Billing Periods
Overnight Hospitalization	24 Billing Periods
Loss of Life	Max \$25,000

2. Description of the Benefits

The Program benefits are triggered by a "Covered Event" – your business interruption, business hardship, disability, overnight hospitalization, and loss of life. We define below the Covered Events that are eligible for benefits and the conditions and limitations of each Covered Event. During any period in which you are approved for benefits:

- You will not be required to make a payment for the Cancellation Amount (if your Account is NOT past due or over the credit limit, the Cancellation Amount will equal the minimum monthly payment due) on your Account
- The monthly Program fees will not be billed to your Account
- Your Account will not be considered delinquent in our records or in information we provide to credit bureaus or to anyone else. You are required to make payment for any amounts past due or over the credit limit prior to approval of your benefits under this Program. Once your benefit period ends, you will be required to start making minimum monthly payments again and the Program fees will resume

3. Important Limitations on Benefits and Continued Use of Your Account During Benefit Period.

3.1. **General Activation Requirements. You are first eligible for the Program benefits 30 days after the date of your enrollment in the Program.** You can never receive any retroactive benefits under the Program and should notify us as soon as it is reasonably possible but no later than 365 days after the date of a Covered Event. Covered Events may require a minimum amount of time in the Covered Event and vary by the Covered Event. Please see the Benefit Period Section for each Covered Event for the time in a Covered Event prior to activation. You must provide any evidence we reasonably require at the start and the continuation of the Covered Event. Failure to provide the requested evidence within 30 days of the date of the request for the evidence will result in a discontinuation of benefits. (Generally, this evidence must be provided each month.) Failure to do so will result in the denial or discontinuation of your benefits.

3.2. **Time Between Covered Events for Benefit Activation:** At least 30 days must pass between the end date of a Covered Event and a new Covered Event. If two or more Covered Events occur within 30 days of each other, benefits will be administered under the Covered Event that occurred first.

3.3. **Denial of Benefits or Suspension from Program for Breaching Terms of State Farm Bank Business Credit Protection Program.** You will **NOT** qualify for benefits if:

- (a) You cancel Program enrollment prior to notifying us of a Covered Event
- (b) You fail to notify us of the Covered Event within 365 days of the date of the Covered Event;
- (c) You fail to provide our reasonably requested evidence within 30 days of the date of our request
- (d) On the day we review your application for the Program benefits and all or any portion of any minimum monthly payment required for your Account remains unpaid for at least 30 days

after the date of the billing statement first reflecting such minimum monthly payment (two payments past due). You will be cancelled from the Program if, as of the end of any billing period, all or any portion of any minimum monthly payment required for your Account remains unpaid for at least 60 days after the date of the billing statement first reflecting such minimum monthly payment. If your coverage is cancelled, you will need to re-apply.

3.4. **Your Obligation to Make Payments Until You Receive Notice That You Are Approved for Benefits.** Until you are notified that you are entitled to the Program benefits, you must continue to make your minimum monthly payments.

3.5. **Limited Account Usage After Covered Event and Benefits and During Benefit Period.** You agree that you will not engage in any excessive use of your Account after the date of a Covered Event for which you may receive benefits. We will determine excessive use by reviewing the prior three months of activity on your Account prior to the date of the Covered Event. After activation of benefits, you agree that the credit limit on your Account will be reduced to allow for a maximum available credit of \$1,000.00. Available credit is defined as the credit limit on your Account less the current outstanding balance plus pending transactions that have not been posted to your Account. If the available credit at the time of benefit activation is less than \$1,000.00, that amount will be the maximum amount of available credit. The reduction in your credit limit will also reduce your available cash credit limit. The use of your Account in violation of this subparagraph may result in a denial or discontinuation of benefits.

3.6. **Reason Why Benefits May End.** Once begun, benefits will end as of the beginning of the billing period in which:

- (a) The Covered Event ends or you fail to provide on a timely basis necessary evidence that the Covered Event is continuing

- (b) You receive benefits for the maximum period available
- (c) You die
- (d) You file for bankruptcy
- (e) We discover that any information you provided in connection with your request for benefits is materially inaccurate
- (f) You cancel your enrollment in the Program during a benefit period

4. Business Interruption

- 4.1. **“Business Interruption”** means your business has suffered due to one of the following events:
- (a) Loss of a key employee – your business suffers because a key individual is no longer employed. Key employees include Officer of Corporation, Office Manager, Owner and/or Co-Owner
 - (b) Unexpected interruption of your business – your business suffers a loss of income due to an unexpected forced shutdown of your business for at least five consecutive calendar days (for reasons other than fire or flood)
 - (c) Embezzlement – your business suffers a loss due to misuse of business funds by someone other than you
 - (d) Burglary, theft or vandalism of your business assets or location
- 4.2. **Benefit Period.** Benefits for Business Interruption will commence as of the beginning of the billing period in which we determine that you have provided satisfactory evidence of the business interruption. Benefits will be provided for not more than a total of two billing periods for each Covered Event and will stop, if sooner, as of the beginning of the billing period in which the Business Interruption ends or you fail to provide satisfactory evidence that the Business Interruption is continuing. Only one Business Interruption cancellation will be granted during any one calendar year.
- 4.3. **Exclusions.** You do NOT qualify for Business Interruption benefits if the event is due to:
- (a) Your willful or criminal misconduct

- (b) The scheduled termination of a key employee under employment contract
- (c) Your business is of a seasonal or temporary nature

5. Business Hardship

- 5.1. **“Business Hardship”** means a Self-Employed Person’s business location has suffered one of the following events:
- (a) Property or inventory damage of at least five hundred dollars as a result of fire or flood. “Flood” means rising water due to overflow of inland or tidal waters or unusual and rapid accumulation or runoff of surface water due to overflow of inland or tidal waters or unusual or rapid accumulation or runoff of surface waters from any source
 - (b) A shutdown of the business location for at least five consecutive days as a result of a fire or flood
- 5.2. **Benefit Period.** Benefits for Business Hardship will commence as of the beginning of the billing period in which we determine that you have provided satisfactory evidence of the Business Hardship. Benefits will be provided for not more than a total of two billing periods for each Covered Event and will stop, if sooner, as of the beginning of the billing period in which the Business Hardship ends. Only one Business Hardship cancellation will be granted during any one calendar year.
- 5.3. **Exclusions.** You do NOT qualify for Business Hardship benefits if due to your willful or criminal misconduct.

6. Disability or Overnight Hospitalization

- 6.1. You may be eligible for benefits because of Disability or Overnight Hospitalization. **“Disability” Defined.** “Disability” means that you were injured in an accident or suffer from an illness that prevents you from performing the material and substantial duties of your job or, if you are retired or are otherwise unemployed, that would prevent you from performing the

material and substantial duties of any and all jobs.

“Overnight Hospitalization” Defined.

“Overnight Hospitalization” means you were directed by a physician to be admitted to a licensed hospital for at least one night and you remained in the hospital as directed by the physician.

6.2. Benefit Period. Benefits for Disability will commence as of the beginning of the billing period in which we determine that you have provided satisfactory evidence that your Disability has continued for 30 consecutive days or the covered person must be hospitalized for at least one overnight stay. After the internal verification form has been furnished, subsequent verification forms must be provided. Each verification form must be completed by a physician confirming a covered person's medical condition. A covered person may be eligible for one additional month of benefit if he or she remains disabled or has an overnight stay in hospital. The additional month is defined as the 30 day period following the date noted in the verification of disability or of the hospital stay. Benefits will be provided for not more than a total of 24 billing periods for each Covered Event and will stop, if sooner, as of the beginning of the billing period in which the Disability or Hospitalization ends or you fail to provide satisfactory evidence that the Disability or Hospitalization is continuing. If a Disability or Hospitalization is from a cause related to a prior Qualifying Event, it will be considered the same cancellation. If a covered person is disabled after being discharged from a hospital or is hospitalized after being disabled related to the same event, your cancellation period may be continued. However, your total combined cancellation period for this Qualifying Event cannot exceed 24 months.

6.3. Exclusions. You do NOT qualify for Disability benefits if your disability is due to:

- (a) Childbirth
- (b) Normal pregnancy
- (c) Intentionally self-inflicted injuries

- (d) Disability during the first six months of the Program coverage arising from an accident or illness that caused you to consult with a physician or seek medical treatment within 6 months prior to your enrollment in the Program
- (e) Disability that occurs prior to your enrollment (or re-enrollment) in the Program

6.4. Exclusions. You do NOT qualify for Overnight Hospitalization benefits if:

- (a) Hospitalization was during the first six months of the Program coverage arising from an accident or illness that caused you to consult with a physician or seek medical treatment within six months prior to your enrollment in the Program
- (b) Hospitalization is the result of your committing or attempt to commit suicide
- (c) Hospitalization is the result of you operating any motorized transportation vehicle while under the influence of drugs or alcohol
- (d) Injuries were sustained during a criminal act or in preparation for a criminal act
- (e) Hospitalization is the result of intentionally self-inflicted injuries
- (f) Hospitalization occurred prior to your enrollment (or re-enrollment) in the Program

7. Loss of Life

7.1. Benefits for Loss of Life are subject to these Terms and Conditions and your next of kin must submit a certified copy of your death certificate to us.

7.2. Benefit Amounts. Benefits for Loss of Life will cancel your total outstanding balance as of the date you suffered the loss up to \$25,000.00.

7.3 Exclusions. You do NOT qualify for Loss of Life benefits caused by:

- (a) Your committing or attempt to commit suicide
- (b) Your operating any motorized transportation vehicle while under the influence of drugs or alcohol

- (c) Death due to a criminal act or in preparation for a criminal act
- (d) Death that occurs prior to your enrollment (or re-enrollment) in the Program
- (e) Nuclear disaster or War or any act of war
- (f) As a result of pre-existing medical condition
- (g) An unscheduled air flight defined as a flight on an airline not listed on the Official Airline Guide, which is either of the United States registry or foreign registry and certified by the United States government to carry passengers on a regularly scheduled basis

8. Application for Benefits. To apply for benefits, you must call our Program Administrator at 1-866-490-9838 or write to State Farm Bank, c/o Benefit Activation Department, P.O. Box 977122, Miami, FL 33197-7122. Once you apply for benefits, we will generally send you written verification forms and a checklist showing the evidence of the Covered Event you must provide.

9. Provisional Benefit. You may be granted provisional benefits for one billing period if you satisfactorily answer certain questions during the initial phone call and we determine, in our sole discretion, that your situation qualifies. We may revoke provisional benefits if:

- (a) We believe the answers to the questions in the initial report were inaccurate in any way
- (b) You fail to submit your verification forms
- (c) We determine that you do not qualify for benefits for any reason. If we provide you with a provisional benefit, it will reduce the period of your remaining benefit, if any

10. Further Information. If you have any questions concerning the Program, you can call or write to our Program Administrator. You can call toll free at 1-866-490-9838 from 8:00 A.M. to 8:00 P.M. Eastern Time, Monday through Friday. You can write to State Farm Bank, c/o Benefit Activation Department, P.O. Box 977122, Miami, FL 33197-7122.

11. Waiver of Requirements. We reserve the right to waive any of the requirements described above, at our sole discretion. However, if we do so, we will not be obligated to waive the same requirements in any other situation and our waiver of one or more requirements will not constitute a waiver of any other requirements. Our waiver for one cardholder does not require us to grant an identical or similar waiver for you or any other cardholder. A waiver of a requirement may be terminated immediately at any time upon written notice to you.

12. Change in Terms. We may change or terminate the Program terms at any time and for any reason. However, we will provide at least 30 days written notice if there is a change to or termination of the Program. No change or termination that we initiate will reduce the benefits available to you for any Covered Event for which you are already receiving benefits at the time of such notice. If you terminate coverage, your benefits will be cancelled.

13. Enrollment Cancellation. You or we may cancel your enrollment in the Program at any time and for any reason. If we cancel your enrollment, no such cancellation shall affect your right to benefits for any Covered Event for which you are already receiving benefits at the time of such cancellation. If you cancel your enrollment, any current benefits you are receiving will be ended. If we cancel, we will give you written notice of cancellation at least 30 days in advance. If you cancel, you must give notice of cancellation by calling 1-877-734-2265 or writing to State Farm Bank, P.O. Box 84062, Columbus, GA 31908-4062. If you provide notice of cancellation within 30 calendar days after your enrollment date, we will credit your Account for any Program fees you have been charged.

14. Balance Used to Compute State Farm Bank Business Credit Protection Fees. The monthly fee for the Program is computed by multiplying the total monthly billing period-end balance on your Account (excluding the Program fee for that billing period) by the rate specified in your Welcome Kit. The fee will be shown on your Account billing statement and included in the balance due on your Account for each billing period.