

THE STATE BANK OF TOLEDO
PO BOX 309
TOLEDO, IOWA 52342
PHONE (641) 484-2980



VISA OR MASTERCARD CARDHOLDER AGREEMENT
(Effective 2-1-10)

This Cardholder Agreement, the Credit Application and the card carrier accompanying your card cover your credit card account with us, The State Bank of Toledo (“Issuer” or “Us”). The person (“Account Holder” or “You”) signing the Credit Application, the Visa or MasterCard credit card (“Card” or “Account”), any accepted sales slip, or any other document in connection with the use of your Card or your Account, or by using your Card or allowing someone else to use it, you agree to the following terms and conditions:

1. **Your Account.** If you have a joint account, each Account Holder has the right to use the account up to the extended credit limit as described below. Each Account Holder is bound by these terms and each, individually, will be liable for all charges, even if only one of you uses the account. For joint accounts, each individual separately, and both individuals together, are referred to in this Agreement as (“You”).
2. **Credit Card Account Services.** These services are available through your Card account, up to the amount of your credit limit:
 - a. **Credit Purchases.** You can use your account to purchase legal goods and services wherever Visa or MasterCard credit cards are accepted. (Referred to in this Agreement as “Credit Purchases”)
 - b. **Cash Advances.** You can get a Cash Advance (referred to in this Agreement as a “Cash Advance”) from your account by presenting your Card at a financial institution that accepts Visa or MasterCard. You can also use your Card to obtain up to \$200.00 per day in cash from any authorized State Bank of Toledo Automated Teller Machine (“ATM”). You may not obtain a Cash Advance if your account is delinquent, closed or the amount of the advance would cause your balance to go over your credit limit.
3. **Your Promise to Pay.** You promise to pay us, when due, the total of all Credit Purchases and Cash Advances you make on your account. You also promise to pay the total of any Finance Charge and other charges due on the account. You may pay your entire balance at any time.
4. **Additional Card Holders or Others Using Your Account.** You may authorize others to use your account. Each additional card holder may receive a credit card with his or her individual name embossed. You promise to pay for all Credit Purchases and Cash Advances made by anyone you authorize to use your account, with or without a card, and whether or not you notify us that he or she will be using it. If another person has use of your account and you want to end that person’s privilege, you must recover and return that person’s credit card, if any. If you are unable to recover and return the card, you will continue to be liable for any charges made unless you tell us to cancel all cards and establish a new account for you, which will be done automatically if you notify us of unauthorized use under Paragraph 20 of this Agreement. We may request written verification from you regarding any change or cancellation to your account.
5. **U.S. Currency.** If you make a purchase or cash advance in foreign currency the transaction will be converted into U.S. Dollars by Visa or MasterCard.
 - a. For Visa Accounts: The exchange rate for transactions in a foreign currency will be a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government mandated rate in effect for the applicable central processing date. All transactions in foreign countries will be subject to a 1% conversion or processing fee.
 - b. For MasterCard Accounts: The currency conversion rate to determine the transaction amount in U.S. dollars for such transactions is generally either a government mandated rate or a wholesale rate determined by MasterCard for the processing cycle in which the transaction is processed, increased by an adjustment factor established from time to time by MasterCard. The currency conversion rate used by MasterCard on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.
6. **Your Credit Limit.** Your credit limit is shown on each of your billing statements. You agree not to use your account in any way that will cause your balance to go over your limit. If you do, we may at our option, close your account, and/or exercise any of our other remedies under this Agreement or at law. You must pay the full amount of your balance which is over the credit limit. The fact that we do not ask you for that amount as part of the Minimum Payment shown on your billing statement does not relieve you of your obligation to pay it immediately. We will not authorize any new Credit Purchases or Cash Advances if our records show that doing so will cause your balance to go over your credit limit. If we do authorize any such Purchase or Cash Advance, such authorization will not result in any waiver of our rights under this section. If we increase your credit limit, we will notify you.
7. **Law Governing This Agreement.** Except to the extent that federal law is applicable, the validity, construction and enforcement of this agreement and all matters arising out of the issuance or use of the card shall be governed by the laws of the state of the Issuer. You agree to use the Account only for legal purchases of goods and services. Cards may not be used for gambling purposes, whether online or otherwise. If you do use your Card for illegal purposes or gambling, you will be in default under this Agreement and we may terminate your Account, but you still will be liable to us for all charges relating to such transactions and all other transactions on your Account.

8. **Honoring Your Card.** We will not have any responsibility to you if anyone refuses to honor a Card issued on your account. Any refund, adjustment or credit allowed by a Seller shall not be by cash but rather by a credit advice to us which shall be shown as a credit on your account statement.
9. **Security for This Account.** If you have other loans or credit extensions from Issuer, or take out other loans or credit extensions with Issuer in the future, collateral securing those loans or credit extensions will also secure your obligation under this Agreement. However, unless you expressly agree otherwise, your household goods and dwelling will not secure your obligations under this Agreement even if Issuer has or later acquires a security interest in the household goods or a mortgage on the dwelling. If you have executed a written agreement granting a security interest in any deposit account (checking, savings, or certificate of deposit), or any other funds held by Issuer to secure your obligations under this credit card plan, such accounts and/or funds are additional security for your obligations to the Issuer arising from the use of your Card.
10. **Payments.** You will receive monthly billing statements from us. The New Balance shown on your statement is the total of unpaid obligations which have been posted to your account as of the statement date. You can either pay the entire new Balance or you can pay in installments, but we must receive at least the Minimum Payment shown on your billing statement by the payment due date. Your Minimum Payment is figured as follows: \$20.00 or 5% of that portion of the New Balance which does not exceed your credit limit, whichever is greater, plus the entire portion of the New Balance in excess of your credit limit, plus any amount past due, rounded to the nearest whole dollar. Your payment must be in U.S. currency, with a draft or a check drawn on a U.S. bank and payable in U.S. dollars, with a negotiable instrument payable in U.S. dollars and clearable through the U.S. banking system, or with a telephonic or electric payment authorization in U.S. funds.
11. **Payment Applications.** Your Minimum Payment will be applied in any order at our discretion. Payments in excess of the Minimum Payment will be applied in accordance with applicable law. We may accept checks marked "Paid in Full" or with words of similar effect without losing any of our rights to collect the full balance of your account.
12. **Immediate Repayment of Your Full Balance.** If Cardholder fails to make payment within 10 days of the time required by this agreement, or fails to observe any other covenant, breach of which materially impairs the Cardholder's prospect to pay the amounts due, Issuer may elect to declare all amounts then owed to Issuer to be immediately due and payable after giving such notice as required by law. In this event we may also, without notifying you, temporarily suspend your credit, close your account, and cancel all credit cards issued on it.
13. **Reevaluation of Credit.** We can reinvestigate and reevaluate any information you provided on your credit application at any time, and in the course of doing so, we may ask you for additional information, request credit bureau reports and/or otherwise verify your current credit standing.
14. **Finance Charges.** Periodic Finance Charge. Your account will be subject to the Monthly Periodic Finance Charge Rate and corresponding Annual Percentage Rate applicable to The State Bank of Toledo accounts, set forth in the Initial Disclosure provided to you by us.
 - a. The Periodic Finance charge on Cash Advances is calculated as follows:

Method A: A finance charge will be assessed on Cash Advances that you obtain through the use of your Card from the date of the Cash Advance or from the first day of the billing cycle in which the Cash Advance is posted to the account, whichever is later and will continue to accrue until the date of payment. The Finance Charge for a billing cycle is computed by applying the monthly Periodic Rate to the Average Daily Balance which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance is determined by adding to the transaction date or the first day of the billing cycle in which the Cash Advance is posted to the account whichever is later and subtracting all payments as received and credits posted through that date but excluding any unpaid Finance Charges.
 - b. The Periodic Finance charge on Credit purchases is calculated as follows:

Method E: A finance charge will be assessed on retail purchases from the date each transaction posts to the account. A finance charge will be assessed on the balance of credit purchases only if cardholder elects not to pay the entire New Balance. The finance charge will accrue only on the unpaid portion of the Previous Balance Due (even if there is New Activity shown on the current billing cycle). The finance charge for a billing cycle is determined by applying the monthly periodic rate to the Average Daily unpaid balance of credit purchase; which is determined by dividing the sum of the daily balances during the billing cycle, by the number of days in the cycle. Each daily balance is the principal balance minus current cycle credit purchases, and payments and credits as received, but excluding any unpaid finance charges.
15. **Membership Fee.** We may charge a membership fee of \$12.00 per year, which will be billed to your account during the same "renewal month" each year. If we assign your account a renewal month other than the month of your first billing statement, we may assess a partial Membership Fee prorated for the period until the first renewal month. All Membership Fees are payable when posted to your account and are non-refundable except as otherwise provided by law. This annual Membership Fee shall be treated as a credit purchase for purposes of calculating Finance Charges unless prohibited by law.
16. **Transaction Fee for Cash Advances and Other Fees.** The transaction fee for bank and ATM cash advances shall be 2% of the cash advance amount, with a \$2.00 minimum charge and a \$10.00 maximum charge. The late payment fee shall be \$10.00 if payment is made 10 days after the due date. If you write a check for your payment that is returned for insufficient funds, the returned check charge shall be \$10.00.
17. **If You Change Your Name or Address.** You agree to notify us in writing within twenty days of changing your name, your home or mailing address, or home or business telephone number.
18. **Our Right to Cancel Your Account.** We can cancel your account at any time, or reduce the amount of your credit line, without notice to you, except in those situations where notice is required by law. If we cancel your account, you agree to destroy all Cards issued on your account by cutting them in half and returning them to us. You will continue to be responsible for full payment of the balance on your account and all charges to your account, including those not yet received by us, as well as

subsequent Finance Charge and other charges. Each Card is our property, and you agree that the Cards are not transferable and to surrender any Card upon demand.

19. **Change is Terms of Your Account.** We can change any terms of your account at any time. We will provide you with such notice as is required by law by mailing a notice to you at the latest address shown in our records. Subject to applicable law, any change will apply to the current balance of your account, as well as to future balances.
20. **If Your Card is Lost or Stolen or if an Unauthorized Use May Occur.** You agree to notify us immediately if your card is ever lost or stolen or if an unauthorized use may have occurred. The telephone number to call is (800) 215-6280 [for international reporting use (727) 570-4881], and you agree to follow up your call with notice in writing to us at: Credit Card Security Department, P.O. Box 30035, Tampa, Florida 33630. You also agree to assist us in determining the facts, circumstances and other pertinent information relating to any loss, theft, or possible unauthorized use of your credit card and comply with such procedures as we may require in connection with our investigation, including assisting in the prosecution of any unauthorized user.
21. **Liability for Unauthorized Use of Credit Card.** If Cardholder has a consumer account or a business account for which less than 10 cards have been issued, Cardholder's liability for unauthorized use of a card will not exceed \$50.00. If 10 or more cards are issued to employees of a single business or other organization, there is no limit to Cardholder's liability for any unauthorized use that occurs before Cardholder notifies Issuer as provided herein: the business or organization may only impose liability on its employees for unauthorized use of a card as authorized by federal law and regulation.
22. **Credit Information.** You agree that we may release information to others, such as credit bureaus, regarding the status and history of your account. However, we are not obligated to release any such information to anyone unless we are required by law to do so.
23. **Waivers.** If, for any reason we do not make use of any of our rights under this Agreement on a particular occasion, that will not limit our rights in the future in any way.
24. **Our Address.** To send payment: Payments must be sent to the address listed on the front of the billing statement after the phrase "make check payable to." To inquire or send correspondence: Write us at the address indicated on the front of the billing statement after the phrase "send inquiries to."
25. **Important Notice to Our Customer Who Contacts Us by Phone.** Cardholder agrees that Issuer, its agents and service companies may, without the need to seek additional confirmation from Cardholder, monitor and/or record any telephone communications with Cardholder to insure that inquiries from you are handled promptly, courteously, and accurately.
26. **MasterCard and Visa Rules and Regulations.** The services being provided to you under this Agreement are made possible by Issuer's status as a licensee of MasterCard International and VISA U.S.A. You recognize Issuer's responsibility to comply with the current MasterCard International and VISA U.S.A. rules and regulations and changes to them in order to continue to provide these services. Visa and MasterCard may not be used for any illegal transactions.
27. **Regulation Z Initial Disclosures.** By using your Account, you acknowledge receipt from us of the Initial Disclosures required by Regulation Z of the Truth-In-Lending Act and that the terms contained in the Initial Disclosures apply to you and your use of the Account and are incorporated in full into this Agreement. The information about the terms and costs of the Account described in this Agreement is accurate as of the Effective Date. This information may have changed after that date. To find out what may have changed, call us at (641) 484-2980 or write to us at The State Bank of Toledo, P.O. Box 309, Toledo IA 52342.
28. **Notice Regarding ATM Fees by Others.** If you use an ATM that is not operated by us, you may be charged a fee by the operator of the machine and/or by an automated transfer network. You may be charged a fee for a balance inquiry even if you do not complete a fund transfer.

YOUR BILLING RIGHTS
(KEEP THIS NOTICE FOR FURTHER USE)

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

1. **Notify Us in Case of Errors or Questions About Your Bill.** If you think your bill is wrong or if you need more information about a transaction on your bill, write us using a separate sheet of paper or using a Cardholder Dispute form supplied to you by The State Bank of Toledo. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights. Send the completed form or letter to: Customer Service, P.O. Box 30035, Tampa FL 33630. In your letter, give us the following information:
 - a. Your name and account number.
 - b. The dollar amount of the suspected error.
 - c. Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.
2. **Your Rights and Our Responsibilities After We Receive Your Written Notice.** We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we did not make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within 10 days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is.

3. Special Rules for Credit Card Purchases. If you have a problem with the quality of services that you purchased with a credit card, and you have tried in good faith to correct the problem with the merchant, you have the right not to pay the remaining amount due on the property or services. There are two limitations on this right:

- a. You must have made the purchases in your home state or, if not within your home state within 100 miles of your current mailing address: and
- b. The purchase price must have been more than \$50.00.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.