

**First National Bank**  
**Credit Card Contract and Initial Disclosure Statement**

<b>Interest Rates and Interest Charges</b>	
<b>Annual Percentage Rate (APR) for Purchases</b>	<b>16.40%</b> This APR will vary with the market based on the Prime Rate.
<b>APR for Cash Advances</b>	<b>25.40%</b> This APR will vary with the market based on the Prime Rate.
<b>How to Avoid Paying Interest on Transactions</b>	Your due date is at least 25 days after the close of each billing cycle. We will not charge you interest on purchases if you pay your entire balance by the due date each month.
<b>Minimum Interest Charge</b>	If you are charged interest, the charge will be no less than \$1.00.
<b>For Credit Card Tips from the Consumer Financial Protection Bureau</b>	To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau at <a href="http://www.consumerfinance.gov/learnmore">http://www.consumerfinance.gov/learnmore</a>

<b>Fees</b>	
<b>Annual Fee</b>	<b>None</b>
<b>Transaction Fees</b>	
Cash Advance	Either <b>\$10</b> or <b>4%</b> of the amount of each cash advance, whichever is greater.
Foreign Transaction	<b>2%</b> of each transaction in U.S. dollars.
<b>Penalty Fees</b>	
Late Payment	Up to <b>\$25</b>
Returned Payment	Up to <b>\$25</b>

**How We Will Calculate Your Balance:** We use a method called “average daily balance (including new purchases).”

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in Paragraph 16 of this Contract.

Please read this contract carefully. Your credit card account is governed by this contract. In the contract, "bank," "we," "our" and "us" refer to First National Credit Card (Ft. Pierre, SD) and we are the creditor named in the application you signed. "You," "your" and "applicant" are the person(s) who applied to us for the account. "Contract" means the terms and conditions outlined in this contract. "Account" means the credit card account we open for you to use to access the credit we extend to you. "Credit limit" means the maximum account balance you can have at any time.

- 1. Your Responsibility for the Account:** You are responsible for the balance on the account and you agree to pay the balance under the terms of this contract. You need to sign the back of the card. You need to protect and control the card by not letting any other person use it. If you let another person use it, you agree to be responsible for any charges they make. We may let you add an authorized user to your account. An authorized user is any person you give permission to use the card or your account. If you add an authorized user, you agree to pay for any charges they make as well as any related fees or interest. If you do not pay for the charges made by the authorized user, we may choose to collect directly from them. If you want to remove an authorized user from your account, you need to get the card from them and notify us. If you cannot get the card, contact us immediately and we will close the account to try to stop further charges. The cards remain our property and you agree to return them at our request or we have the right to have a merchant keep the card and return it to us. If your card is lost or stolen or you suspect unauthorized use of your account, you agree to notify us immediately.
- 2. Using your Account to Obtain Credit:** You can use the card and your account to make charges as long as you do not charge more than your credit limit. We can close or suspend the account at any time for any reason including if the activity on your account appears suspicious, if we are concerned about repayment or if the balance is over the credit limit. We can also limit the number or amount of charges you can make on the account. You may be assigned a PIN (Personal Identification Number) or you may request a PIN to use at ATMs to obtain cash advances. The minimum cash advance is \$20.00. Your card and account cannot be used for illegal charges. You may not use your Card in connection with any gambling transaction.
- 3. Your Credit Limit:** The credit limit is included in the information sent with your card and on your statements. You may not go over your credit limit at any time. If your balance is more than your credit limit, you must pay the amount over your credit limit immediately. Your cash advance limit will be 50% of your total credit limit.
- 4. Monthly Billing Statements:** We will send you a statement every month with the account activity, fees and interest. It will also show your minimum payment and payment due date.
- 5. Rewards Program Information:** You will earn \$1 in rewards for every \$100 in net purchases made on your account. Net purchases are purchases made during the billing cycle minus returns and disputed purchases. Rewards earned during a billing cycle will be awarded when that cycle's billing statement prints. Rewards can be redeemed one billing cycle after awarded. There is no limit on the amount of rewards you can earn. You will not earn rewards on cash advances, fees or interest charges. Rewards cannot be redeemed until your account has been open 90 days. When you have been awarded \$25 or more in rewards, you can redeem your rewards by calling the customer service telephone number on your statement. Rewards must be redeemed in \$25 increments. Redeemed rewards will post as a payment to your account. You may also have to make a separate payment to meet the required minimum due on that billing statement. If redeemed rewards create a credit balance on your account, you may request a refund check or the credit balance may be automatically refunded to you. The rewards balance will appear on your monthly billing statement. Rewards will expire after 5 years. Rewards are forfeited if the account is suspended or closed for any reason.
- 6. Payments:** Payments should be sent to the address on the payment coupon with your billing statement. If you send a payment to any other address, there may be a delay in crediting it to your account. We do not lose any of our rights to collect the full balance if we accept late payments, partial payments or checks or money orders marked "payment in full" or similar language. Do not send us postdated checks. If you do, we may deposit these checks when we receive them and will not be liable for any fees that may result. We will post payments when received but we may restrict your ability to make new charges against that payment amount for up to thirty (30) days. If your payment is returned unpaid from your bank, we may re-present it electronically. If this occurs, your check will not be sent to your bank but they can get a copy of it at your request.
- 7. Minimum Payment and Monthly Payment:** You may pay your entire balance at any time without penalty. You must pay at least the minimum payment each month by the payment due date. The payment due date will be at least twenty-five (25) days from the closing date. The closing date is the last day of the billing cycle.  
Monthly Payment: If your balance is less than \$30, the monthly payment is the balance. If your balance is greater than \$30, your monthly payment is the largest amount of either \$30 or 4% of your balance or 1% of the balance plus the current late fee and interest.  
Minimum Payment: The minimum payment is the sum of any past due monthly payments plus the current monthly payment plus any amount over your credit limit.
- 8. Applying your Payments:** In general, the payment will be applied in the following order: unpaid interest, unpaid fees and other charges; and then principal balance. Payments applied to the principal balance will first be paid to balances at the highest annual percentage rate (APR) and then to balances at lower APRs.
- 9. Payment Methods:** All payments must be made in U.S. dollars and drawn on a financial institution located in the United States. Do not send cash through the mail.
- 10. When Interest is Charged:** Interest will be charged if you did not pay the previous balance in full by the payment due date. We will charge interest on the average daily balance. Average daily balance starts with the previous

balance and adds purchases and cash advances as of their post dates and fees and charges as of the transaction dates. We subtract payments and credits as of their post dates. Then we add the daily balances and divide by the number of days in the billing cycle. Billing cycle means the time between two billing statements. To calculate the interest on purchases, we multiply the average daily balance by the monthly periodic rate. The monthly periodic rate is calculated by dividing the annual percentage rate by 12 months. For purchases, the current Annual Percentage Rate is 16.40% (Prime Rate plus 11.65%) with a 1.3667% current monthly periodic rate. For cash advances, the current Annual Percentage Rate is 25.40% (Prime Rate plus 20.65%) with a 2.1167% periodic rate. If you are charged interest, the charge will be no less than \$1.00.

**Variable Rate APR:** The Prime Rate is determined by using the "Money Rates" column in the Wall Street Journal on the first business day of each month, which is identified as "The base rate on corporate loans at large, U.S. money center commercial banks." If more than one "Prime Rate" is listed in that column, the largest rate listed will be used. Your APR may increase or decrease if the Prime Rate changes.

- 11. Account Fees:** You agree to pay us the following fees which will be billed to your account as a purchase and will accrue interest:
  - a. Cash Advance Fee: You will be billed a fee of \$10 or 4% of the amount of each cash advance, whichever is greater, for each cash advance taken through an ATM, bank withdrawal or other means.
  - b. Late Fee: You will be billed up to \$25 if your payment is not received by the payment due date.
  - c. Returned Payment Fee: You will be billed up to \$25 if your payment is returned for any reason.
  - d. Foreign Transaction Fee: We charge a 2% fee for converting transactions to U.S. dollars if made in another currency.
- 12. Lost or Stolen Cards:** If your card is lost, stolen or being used without your permission, call us toll free at (866) 643-1256 24 hours a day. You should also write to us. Do not use the card or account after you have notified us. You will not be responsible for paying for any unauthorized use after you notify us of the loss, theft or unauthorized use.
- 13. If Card is Refused:** We are not responsible and have no liability if your card or account is not accepted for a charge. Although you may have the credit available, we may be unable to authorize credit due to system difficulties or mistakes. If your account is over the credit limit or past due, authorization for charges should be declined.
- 14. Cardholder Privacy:** We will send you a privacy notice annually. Your telephone calls with our representatives may be recorded for quality and other purposes. We may use automated telephone equipment or pre-recorded telephone calls to contact you at any number you provide to us or that we obtain, including any cellular telephone number. You agree that we will not be responsible for the release of information to anyone who has gained possession of your card or identification number, credit account number or social security number.
- 15. Calls and Text Messages to Your Cellular Phone:** If you provide us with your cellular phone number, you are providing this phone number for us, our affiliates or any third party acting on our behalf to call or text you at any number provided. We may contact you using an auto-dialer or pre-recorded voice message. You agree that we may use this phone number to contact you for any business purpose about your account and you agree to be responsible for any fees or charges you incur as a result of providing this information. We may offer options for text messages or other electronic communications that may be received or accessed from your cellular phone and you agree that by enrolling in these services, you understand and agree to be responsible for any fees or charges you incur as a result of this enrollment.
- 16. Your Billing Rights: Keep this Document for Future Use.** This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

**What to do if you find a mistake on your statement:** If you think there is an error on your statement, write to us at: First National Credit Card, PO Box 5097, Sioux Falls, SD 57117. In your letter, give us the following information: Your name and account number; the dollar amount of the suspected error; a description of the problem. If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake. You must contact us: 1) Within 60 days after the error appeared on your statement; and, 2) If you have enrolled in automatic payment, at least 3 business days before the payment is scheduled if you want to stop payment on the amount you think is wrong. You must notify us of any potential errors in writing. You may call us but if you do, we are not required to investigate any potential errors and you may have to pay the amount in question.

**When we receive your letter, we must do two things:** Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

**While we investigate whether or not there has been an error:** We cannot try to collect the amount in question or report you as delinquent on that amount. The charge in question may remain on your statement and we may continue to charge you interest on that amount. While you do not have to pay the amount in question, you are responsible for the remainder of your balance. We can apply any unpaid amount against your credit limit.

**After we finish our investigation, one of two things will happen:** If we made a mistake: You will not have to pay the amount in question or any interest or other fees related to that amount. If we do not believe there was a mistake: You will have to pay the amount in question along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe. If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

**Your rights if you are dissatisfied with your credit card purchases:** If you are dissatisfied with the goods or services that you have purchased with your credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase. To use this right, all of the following must be true: 1) The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. These limitations do not apply if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services. 2) You must have used your credit card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your credit card account do not qualify. 3) You must not yet have fully paid for the purchase. If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at: First National Credit Card, PO Box 5097, Sioux Falls, SD 57117. While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.

**17. ARBITRATION: PLEASE READ THIS CAREFULLY. YOU AGREE THAT ANY DISPUTE WILL BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, A DISPUTE IS RESOLVED BY AN ARBITRATOR INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES ARE SIMPLER AND MORE LIMITED THAN COURT PROCEDURES. YOU ALSO AGREE ANY ARBITRATION WILL BE LIMITED TO THE DISPUTE BETWEEN YOU AND US AND WILL NOT BE PART OF A CLASS-WIDE OR CONSOLIDATED ARBITRATION PROCEEDING.**

**Agreement to Arbitrate:** You and we agree that any dispute will be resolved by arbitration. This agreement is governed by the Federal Arbitration Act (FAA), 9 USCS § 1 et seq. and the substantive law of the state of South Dakota.

**Definitions:** Arbitration is a means of having an independent third party resolve a dispute. A “dispute” is any controversy or claim between you and us. The term dispute is to be given its broadest possible meaning and includes, without limitation, all claims or demands (whether past, present or future, including events that occurred prior to the opening of this account), based on any legal or equitable theory (tort, contract or otherwise), and regardless of the type of relief sought (i.e. money, injunctive relief or declaratory relief). A dispute includes, by way of example and without limitation, any claim based upon federal or state constitution, statute, ordinance, regulation, or common law, and any issue concerning the validity, enforceability or scope of this arbitration agreement. The term “you” includes any authorized user and also your heirs, guardian, personal representative or trustee in bankruptcy. The term “us” includes our employees, officers, directors, attorneys, affiliated companies, predecessors and assigns, as well as our marketing, servicing and collection representatives and agents.

**Selection of Arbitrator:** If a dispute arises, the party asserting the claim or defense must initiate arbitration, provided you or we may first try to resolve the matter informally or through customary business methods, including collection activity. The party filing arbitration may initiate and pursue the matter with the American Arbitration Association (“AAA”) or JAMS, The Resolution Experts or we may agree upon a different arbitrator described below. If you claim you have a dispute with us, but do not initiate arbitration or select an arbitrator, we may do so. You may obtain copies of the current rules of arbitration and forms and instructions for initiating arbitration by contacting them as follows:

American Arbitration Association  
335 Madison Avenue, Floor 10  
New York, NY 10017-4605  
Website: [www.adr.org](http://www.adr.org)

JAMS, The Resolution Experts  
1920 Main Street, Suite 300  
Irvine, CA 92614  
Website: [www.jamsadr.com](http://www.jamsadr.com)  
Phone: (949) 224-1810 or (800) 352-5267

The policies and procedures of the arbitrator will apply provided that they are consistent with this arbitration agreement. To the extent the arbitrator’s rules or procedures are different than the terms of this arbitration agreement, the terms of this arbitration agreement shall apply. If either of the arbitration firms are not available to adjudicate the matter, or if the neither is convenient or acceptable to you, you and we may agree on one or more neutral arbitrators. If you and we cannot agree on arbitrator(s), an arbitrator will be appointed by a court with jurisdiction over the matter pursuant to the FAA.

**Cost of Arbitration:** We will pay the filing fee and any costs or fees charged by the arbitrator regardless of whether you or we initiate the arbitration. Except where otherwise provided by applicable law, each party will be responsible for its own attorneys’ fees and other expenses. Unless prohibited by law, the arbitrator may award fees, costs and reasonable attorneys’ fees to the party who substantially prevails in the arbitration.

**Place of Arbitration:** Unless you and we agree to a different location, the arbitration will be held in the same city as the U.S. District Court closest to your then-current mailing address. The arbitrator may decide the matter based upon written submissions by the parties if permitted under the arbitration rules.

**Waiver of Rights:** You are waiving your right to a jury trial, to have a court decide your dispute, to participate in a class action lawsuit and to certain discovery and other procedures that are available in a lawsuit. The arbitrator has the ability to award all remedies available by statute, at law or in equity to the prevailing party. You and we agree that the arbitrator has no authority to conduct class-wide proceedings and will be restricted to resolving the individual disputes between you and us. If an arbitration firm or arbitrator fails or refuses to enforce the waiver of class-wide arbitration, then the dispute will proceed in court. The validity, effect and enforceability of this waiver of class action lawsuit and class-wide arbitration is to be determined solely by a court of competent jurisdiction and not by the arbitration firm or arbitrator. If such court refuses to enforce the class-wide arbitration waiver, then it is agreed the dispute will proceed in court rather than arbitration.

**Review of Arbitration Award:** The arbitrator shall apply applicable federal and South Dakota substantive law and the terms of your agreement with us. The arbitrator shall make written findings and the arbitrator’s award may be filed with any court having jurisdiction. The arbitration award shall be supported by substantial evidence and must

be consistent with your agreement with us and applicable law or may be set aside by a court upon judicial review. **Other Provisions:** If any portion of this arbitration agreement is subsequently deemed unenforceable, the enforceability of any other provision of this arbitration agreement shall not be affected and the unenforceable term shall be amended such that it is enforceable to the maximum extent permitted by law provided that if a class action litigation or a class-wide arbitration is permitted for any reason, either party may require that the entire dispute be heard by a Judge, sitting without a jury, under applicable court rules and procedures. This arbitration provision shall survive: (i) termination or changes in your agreement with us, your card account, or the relationship between you and us concerning your card account; (ii) the bankruptcy of any party; and (iii) any transfer, sale or assignment of the card account, or any amounts owed on the card account, to any other person or entity.

**Right to Opt-Out:** If you do not wish to agree to arbitrate all disputes with us, you must advise us in writing at the following address within thirty (30) days of our mailing this agreement to you at the most recent mailing address we have for you: First National Credit Card, PO Box 5097, Sioux Falls, SD 57117-5097.

- 18. Delay in Enforcement:** We can delay enforcing or fail to enforce any of our rights under this contract without losing our right to enforce them at a later time.
- 19. Credit Reports:** You authorize us to obtain credit reports about you for any legitimate business purpose. We may obtain a credit report for reviewing, modifying the terms, renewing the account or collecting on the account. We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report. You and each authorized user agree that we may report account information to credit reporting agencies in the names of both you and the authorized user.
- 20. Change in Terms of Your Credit Account:** We may change any term of this contract at any time upon notice to you as is required by law. You may have the right to reject the change in terms, depending on the type of change, and if you do, your account will be closed and you will be able to pay off the balance under the terms in effect at that time.
- 21. Law Governing this Contract:** This contract is entered in the state of South Dakota where the decision to grant credit will be made. Therefore, this contract will be governed by the laws of the state of South Dakota applicable to contracts, and applicable federal law.
- 22. Severability:** If any provision of this contract is invalid or unenforceable under any law, rule or regulation of any governmental agency, federal, state or local, it shall not affect the validity or enforceability of any other provision of this agreement.
- 23. Default:** You will be in default of this contract if any of the following occur:
  - a. If you do not make a minimum payment on your account on or before the payment due date;
  - b. If you die or become legally incompetent;
  - c. If you become insolvent or bankrupt;
  - d. If you exceed or attempt to exceed your credit limit;
  - e. If you provide us with or have provided us with false or misleading information or signatures at any time;
  - f. If you fail to comply with this contract;
  - g. If you request an excessive number of replacement cards; or
  - h. We reasonably deem the prospect of repayment of your account to be in jeopardy for any reason.

If you are in default, we may immediately cancel your account and we do not have to give you notice of cancellation. We can also require that you pay us the balance on your account. You agree that you will return the card(s) to us. Even if an account is in default, you agree to pay interest and fees as defined in this contract until your balance is paid in full. If your account is in default and you try to make charges, we can use any legal means to recover the card(s) including listing your account in warning bulletins and offering rewards for the return of the cards. If you resolve a default situation, we can still declare your account in default for the same or different reason at a later time.

- 24. Cancellation:** You may cancel your account at any time by notifying us in writing at the address on your monthly statement and returning all cards issued on your account (cut in half). Even if your account is closed, you agree to pay the balance on the account under the terms of this contract. We can suspend your account privileges or cancel your account at any time, for any reason. We will notify you after we do so, unless you are in default at that time. We will have no obligation to notify you prior to suspending your charging privileges or cancelling your account.
- 25. Our property:** Each card that we issue on your account must be signed by the person named on it. You agree to surrender the card upon demand by us or our agents.
- 26. Refund of Initial Fees:** If you cancel your account within 90 days after the contract is first mailed to you and if you have not used your account for any charges, all fees and interest billed to your account will be credited back to your account.
- 27. Collection Costs:** Unless prohibited by applicable law, if we start collection proceedings to recover amounts you owe us by reason of this contract, you agree to pay reasonable attorney's fees and other collection costs.
- 28. Headings:** The headings used in this contract are for the convenience of reference only and are not intended in any way to define or describe the scope or intent of any provision of this contract.

**29. State Notices:**

**a. California residents:** A married applicant may apply for a separate account. As required by law, you are hereby notified that negative credit reporting may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations. After credit approval, each applicant shall have the right to use the account up to the limit of the account. Each applicant may be liable for amounts extended under the plan to any joint applicant.

**b. Kentucky residents:** You may pay the unpaid balance of your account in whole or in part at any time.

**c. Maine residents:** Payment Protection provided herein is voluntary and you have the right to cancel such protection at any time.

**d. New York residents:** Consumer reports may be requested in connection with the processing of the application and any resulting account. Upon your request, we will inform you of the names and addresses of any consumer reporting agencies which have provided us with such reports. New York residents may contact the New York Department of Financial Services to obtain a comparative list of credit card rates, fees and grace periods. New York Department of Financial Services 1-800-342-3736 or <http://www.dfs.ny.gov/consumer/creditdebt.htm>.

**e. Ohio residents:** The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.