

**INDEPENDENT FARMERS BANK VISA CLASSIC  
CARDHOLDER AGREEMENT**

Effective January 1, 2011

The person ("Cardholder") whose name is embossed on the face of the VISA credit card provided to the Cardholder and issued by Bankers Bank of Kansas, agent for INDEPENDENT FARMERS BANK, and each Cardholder, in the event more than one card is provided to the Cardholder bearing the same account number, by signing or using said Card, agrees with the Issuer to the following terms:

1. Reg. Z Initial Disclosures Cardholder acknowledges receiving from Issuer the initial disclosures required by Regulation Z of the Truth-In-Lending Act ("Initial Disclosures") and agrees that the terms contained in the Initial Disclosures apply to the Cardholder and Cardholder's use of the Card.
2. In this agreement "you" and "your" refer to the customer and means each person who has signed an application for an Independent Farmers Bank (hereafter referred to as IFB) credit card account, whether as an individual user or a joint user. "You" and "your" also refer to the customer who has signed an IFB card or a VISA sales draft or cash advance request as an authorized signer. "We", "us", "our" and "Bank" refer to Independent Farmers Bank, P.O. Box 128, Maysville, MO 64469-0128. "Card" means any VISA card(s) issued to you by us or another single credit device being used from time to time upon presentation to obtain money, property or services on credit. "Card" is implied when you obtain credit by using your account number without using the Card. If more than one person has signed an application for an account, this agreement applies equally to each signer.
3. You agree that this agreement is entered into at Maysville, Dekalb County, Missouri, and credit card(s) are issued based on our acceptance of your application at our principal place of business there.
4. This agreement governs any account for which you are liable now or in the future. By signing your card or using your account, or allowing someone else to use it, you accept the terms of this agreement.
5. You agree to sign your card immediately upon receipt. If you fail to do so, and your card becomes lost or stolen, you may be liable for any fraudulent activity, if it is determined, based upon substantial evidence, that you were grossly negligent in the handling of the account or card.
6. We issue credit card(s) at your request for your use alone but they are our property. We may renew your card(s) from time to time. We may cancel or revoke credit privileges at any time without changing your liability for credit we have already extended you. You agree to deliver at our demand the cards bearing your account number to us or to our agent. We may issue you a different card(s) at any time.
7. You authorize us to charge to your account all purchases obtained with your account number. We agree to advance amounts necessary to pay for all proper purchases and advances, provided you are not past due or in default and you abide by the terms of this agreement.
8. You promise to pay in U.S. Dollars, as this agreement requires, for all authorized credit which is incurred with your account number or with the card(s) you requested. You also promise to pay all finance charges and other charges connected with your credit.
9. You agree that "authorized use" means any purchase, cash advance, mail order or other credit incurred by the use of your credit card(s) and/or your account number, whether such use is by you or by any other person who is allowed to use the card or account number by you, regardless of the benefit of use. You agree that your card(s) shall not be used for any illegal transaction.
10. You agree to pay us within **25** days from the "**Closing Date**" shown on each monthly statement, either (a) the "**New Balance**" or (b) a part of the New Balance not less than the "**Minimum Payment Due**" that we have calculated according to the current minimum periodic payment schedule. The schedule we use follows:

**VISA CLASSIC**

- a. The minimum payment required is the New Balance shown on your statement if the amount is equal to or less than \$20.00.
- b. If the New Balance exceeds \$20.00, the minimum payment is the greater of (a) 4% (percent) of the New Balance which does not exceed your credit limit, plus the entire portion of the New Balance in excess of your credit limit, plus any amount past due, or \$20, whichever is greater.

Checks should be made payable to VISA. **Only checks payable to VISA will be accepted for payment.** Checks you have received from another party should not be endorsed over to VISA. That is, IFB will not serve as a second endorser.

11. **BALANCE CALCULATION; FINANCE CHARGE** A finance charge will be imposed on your account under the following conditions:

a. **PURCHASES A Finance Charge** will be imposed on Credit Purchases only if you elect not to pay the entire New Balance shown on your monthly statement for the previous billing cycle within **25** days from the closing date of that statement. If you elect not to pay the entire New Balance shown on your previous monthly statement within that **25** day period, a **Finance Charge** will be imposed on the unpaid average daily balance of such Credit Purchases from the previous statement closing date and on new Credit Purchases from the date of posting to your account during the current billing cycle, and will continue to accrue until the closing date of the billing cycle preceding the date on which the entire New Balance is paid in full or until the date of payment if more than **25** days from the closing date.

The **Finance Charge** for a billing cycle is computed by applying the monthly Periodic Rate to the **average daily balance** of Credit Purchases, which is determined by dividing the sum of the daily balances by the number of days in the billing cycle. Each daily balance of Credit Purchases is determined by adding to the outstanding unpaid balance of Credit Purchases at the beginning of the billing cycle any new Credit Purchases posted to your account, and subtracting any payments as received or credits as posted to your account, but excluding any unpaid **Finance Charges**.

b. **CASH ADVANCES A Finance Charge** will be imposed on Cash Advances from the date made or from the first day of the billing cycle in which the Cash Advance is posted to your account, whichever is later, and will continue to accrue on the unpaid average daily balance of such Cash Advances until the date of payment if paid during the same billing cycle, or until the closing date of the billing cycle preceding the date on which the entire New Balance is paid in full or until the date of payment if more than **25** days from the closing date. If the New Balance shown on your monthly statement for the prior billing cycle is paid in full within **25** days from the closing date of that statement, no **Finance Charges** will be imposed during the current billing cycle for Cash Advances posted to your account during previous billing cycles.

The **Finance Charge** for a billing cycle is computed by applying the monthly Periodic Rate to the **average daily balance** of Cash Advances, which is determined by dividing the sum of the daily balances by the number of days in the billing cycle. Each daily balance of Cash Advances is determined by adding to the outstanding unpaid balance of Cash Advances at the beginning of the billing cycle any new Cash Advances posted to your account, and subtracting any payments as received or credits as posted to your account, but excluding any unpaid **Finance Charges**.

12. **PERIODIC RATE; ANNUAL PERCENTAGE RATE**

a. **CREDIT PURCHASES** -----The Periodic Rate used to compute the FINANCE CHARGE for Credit Purchases is 1.41% per month. The corresponding ANNUAL PERCENTAGE RATE is 16.92%.

The **Finance Charge** for a billing cycle is computed by applying the **ANNUAL PERCENTAGE RATE** to the average daily balance of Credit Purchases, 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 of Credit Purchases is determined by adding to the outstanding unpaid balance of Credit Purchases at the beginning of the billing cycle any new Credit Purchases posted to your account, and subtracting any payments as received or credits as posted to your account, but excluding any unpaid **Finance Charges**.

b. **CASH ADVANCES** ----- The Periodic Rate used to compute the FINANCE CHARGE for Cash Advances is 1.41% per month. The corresponding ANNUAL PERCENTAGE RATE is 16.92%.

The **Finance Charge** for a billing cycle is computed by applying the **ANNUAL PERCENTAGE RATE** to the average daily balance of Cash Advances, which is determined by dividing the sum of the daily balances by the number of days in the billing cycle. Each daily balance of Cash Advances is determined by adding to the outstanding unpaid balance of Cash Advances at the beginning of the billing cycle any new Cash Advances posted to your account, and subtracting any payments as received or credits as posted to your account, but excluding any unpaid **Finance Charges**.

13. **OTHER CHARGES** – In addition to the **Finance Charge**, you agree to pay the bank the following fees and charges:

a. **LATE PAYMENT FEE** -----If a payment of at least the amount of the minimum required payment is not received within 15 days after the Closing Date subsequent to the Payment Due Date, a late payment fee equal to the greater of (a) 5% of the past due amount or (b) \$1, shall be imposed, though in no event shall the late charge exceed \$15.

**b. ANNUAL FEE** A non-refundable annual membership fee of \$7.50 plus applicable taxes, shall be charged to your account. This fee is for membership in the Issuers credit card plan. The annual membership fee shall be treated as a Credit Purchase for the purposes of calculating Finance Charges, unless prohibited by law.

**c. ATM USAGE FEE** A fee may be imposed by an ATM operator not holding the consumer's account, or by any national, regional, or local network used to complete the transaction. Automated teller machine operator means any person that operates an automated teller machine at which a consumer initiates an electronic fund transfer or a balance inquiry and does not hold an account to or from which the transfer was made, or about which an inquiry is made.

**d. SECURITY INTERESTS** If you have other loans from the Issuer, or take out other loans with the Issuer in the future, collateral securing those loans will also secure your obligations under this agreement. However, unless you expressly agree otherwise, your household goods (with the exception of purchase money loans) and primary dwelling will not secure your obligations under this agreement even if the Issuer has or later secures a security interest in the household goods (purchase money only) or a mortgage on the dwelling.

If you have executed a written agreement granting a security interest in any deposit accounts (checking, savings, or share accounts) or other funds held by the Issuer to secure your obligations under this credit card plan, such accounts and/or funds are additional securities for your obligations to Issuer arising from the use of your Card.

14. **PAYMENTS AND CREDITS** will generally be applied to amounts outstanding at the time the payment or credit is received in the following order:

- Cash Advance Finance Charges -Purchase Finance Charges -Late Fees
- Annual Fees
- Cash Advance Accruing Balances (oldest balance is paid first)
- Purchase Accruing Balances (oldest balance is paid first)
- Non-Accruing Balances

15. We set your credit line when we open your account, and we may change it from time to time. You agree not to incur, or to let others incur, charges on your account that exceed your credit line. If the total charges do exceed the credit line, you agree, when we request, to make a payment to reduce the total on your account to an amount below your credit line. Your credit line will appear on each monthly statement.

16. If you revoke the authority of someone to use your account, revocation is not effective until that person's card expires or you return it to us, whichever is first; provided, however, each joint user agrees to pay all amounts due us for charges made by any joint user until all cards are returned to us and the balances are paid in full.

17. You agree to notify us promptly by telephone of the loss or theft of any credit card bearing your account number. Notify VISA Customer Service first by telephone at **(800) 847-2911**. You can contact this number 24 hrs. a day for help with lost or stolen cards to cancel any further unauthorized card activity. You may also contact Independent Farmers Bank at **816-449-2182**.

You will not be liable for any unauthorized use, unless we determine, based on substantial evidence, that you were grossly negligent in the handling of the account or card.

18. You agree that "unauthorized use" means the use of a credit card which has occurred or may occur as the result of loss, theft or other wrongdoing, and which is by a person other than you or your agent, who does not have actual, implied or apparent authority for such use, and from which you receive no benefit.

19. We are not accountable if anyone refuses to honor a credit card with your account number. All Credit Purchases and Loans are effected at the option of the Seller and Cash Advancing Bank, respectively, and Issuer shall not be responsible for refusal by any Seller or Cash Advancing Bank to honor the Card or any Related Card. Any refund, adjustment or credit allowed by Seller shall not be by cash but rather by a credit advance by the Issuer which shall be shown as a credit on Cardholder's account statement with Issuer.

20. You agree to advise us promptly if you change your mailing address. We can accept address corrections from the U.S. Postal Service. All written notices and statements from us to you will be sent to your address as it appears on our records.

21. We will consider your account past due if you fail to pay at least your minimum payment in funds acceptable to us by the date it is due. Your account will remain past due until any previous unpaid payment is paid.

22. We can consider you in default if you provide us with false information or signature, if you try to exceed or do exceed your credit line without our permission, if you fail to provide updated information which we request from time to time, if you move (either

temporarily or permanently) outside the United States, if you become subject to bankruptcy or insolvency proceedings, if attachment or garnishment proceedings are instituted against you or your property, if there is an event which we believe causes the prospect of payment to be significantly impaired, if you fail to comply with any provision of this agreement or in the event of death. Default on any account with us will constitute default on all accounts with us. Upon default, at our option and under applicable law, we can declare all amounts on your account immediately due and payable. Also, we can exercise all rights available to us under law to collect what you owe us. All remedies are cumulative and our failure to exercise any one shall not affect our rights to any other remedy.

23. If the Bank incurs collection costs or attorney fees in connection with your account, as permitted by applicable law, you agree to pay the reasonable costs of collection, including, but not limited to, attorney fees and collection fees in an amount not to exceed 15% of the unpaid debt on your account if such limitation is required by law.

24. If you make a payment with a check, money order, or other type of instrument marked "Payment in Full" or other language indicating satisfaction of indebtedness, we are not bound by such language and do not waive any rights under this agreement. Where full payment of any indebtedness owing under this agreement is not made, satisfaction of indebtedness shall occur only pursuant to a written agreement, signed by an authorized employee of the Bank.

**Communications regarding disputed balances must be sent to: Customer Service, P.O. Box 30495, Tampa, FL 33630.**

25. Payments must be made to Issuer in U.S. dollars drawn on a U.S. bank. If Cardholder incurs charges in any other currency, the charges will be converted into U.S. dollars.

**VISA** – The exchange rate between the transaction currency and the billing currency used for processing international transactions is:

- 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.

26. We can change the terms of this agreement including changing the periodic rate and the annual percentage rate on the existing balance of your account to the maximum rate allowed by law, even if that maximum rate increases after the date of this agreement. We will, of course, comply with applicable law about notice to you if we make any changes.

27. We can waive, or choose not to enforce, any of our rights under this agreement at any time, without the waiver affecting any of our other rights. A waiver on one occasion will not act as a waiver of the same right at a future time.

28. You may not sell, assign or transfer your Account without first obtaining written consent from Independent Farmers Bank.

29. From time to time we may monitor telephone calls between you and us to assure the quality of our customer service.

30. We both agree that this agreement is governed by the laws of Missouri except to the extent that federal law applies.

## **YOUR BILLING RIGHTS**

### **KEEP THIS NOTICE FOR FUTURE USE**

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

#### **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 on a separate sheet of paper at the address listed on your bill. 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.

In your letter, give us the following information:

-Your name and account number. -The dollar amount of the suspected error. -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.

If you have authorized us to pay your credit card bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong.

To stop the payment your letter must reach us three business days before the automatic payment is scheduled to occur.

**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 line. 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. 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.

If we do not follow these rules we cannot collect the first \$50.00 of the questioned amount, even if your bill was correct.

**Special Rule for Credit Card Purchases**

If you have a problem with the quality of property or services that you purchased with a 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 property or services. There are two limitations on this right:

You must have made the purchase in your home state or, if not within your home state, within 100 miles of your current mailing address; and

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.

<b>Interest Rates and Interest Charges</b>		<b>VISA</b>
<b>Annual Percentage Rate (APR) for Purchases</b>	<b>16.92%</b> Fixed	
<b>APR for Balance Transfers</b>	N/A	
<b>APR for Cash Advances</b>	<b>16.92%</b> Fixed	
<b>Penalty APR and When it Applies</b>	None	
<b>How to Avoid Paying Interest on Purchases</b>	Your due date is at least <b>25</b> 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 (Grace Period) each month.	
<b>Minimum Interest Charge</b>	If you are charged interest, the charge will be no less than <b>\$0.00</b>	
<b>For Credit Card Tips From the Federal Reserve Board</b>	To learn more about factors to consider when applying for or using a credit card, visit the web site of the Federal Reserve board at: <a href="http://www.federalreserve.gov/creditcard">http://www.federalreserve.gov/creditcard</a> .	
<b>Fees</b>		<b>VISA</b>

<b>Annual Fee</b>	<b>\$7.50</b>
<b>Transaction Fees</b> <ul style="list-style-type: none"> <li>• <b>Balance Transfer</b></li> <li>• <b>Cash Advances</b></li> <li>• <b>Foreign Transaction</b></li> </ul>	None None None
<b>Penalty Fees</b> <ul style="list-style-type: none"> <li>• <b>Late Payment</b></li> <li>• <b>Over-the-Credit-Limit</b></li> <li>• <b>Returned Payment</b></li> </ul>	<b>5.0%</b> of past due amount or \$1 whichever is greater None None
<b>Other Fees</b>	None

**How we calculate your balance:** We use a method called “average daily balance” (including new purchases). Refer to the **Balance Calculation** section (sec. 10) of your cardholder account agreement.

**Billing Rights:** Information regarding your rights to dispute transactions and how to exercise those rights are provided in this cardholder agreement. See the “**Your Billing Rights**” section for more details.