

HAWTHORN BANK VISA CONSUMER CREDIT CARD

1. Finance Charges

- a. 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 with 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.
 - b. 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.
2. The current periodic rate used to compute the FINANCE CHARGE is 2.16% per month. The Corresponding ANNUAL PERCENTAGE RATE is 13.90%. The periodic rate is variable and subject to change. Rate is adjustable monthly based on the current prime rate as published in the Wall Street Journal on the 20th day of each month + a margin of 7.15%. Any change in the Index will result in a change in the ANNUAL PERCENTAGE RATE which will become effective on the first day of the next billing cycle after the date of the change.
 3. Late Payment Fee: Payments received 15 days after due date is subject to a late payment fee of 5% of the payment, with a minimum fee of \$1.00 and a maximum of \$15.00. Late fees will appear as a memo item on your statement during the month you are late and will hard post to your statement on the next billing cycle.
 4. The Annual Membership Fee is \$0.
 5. The Over the Limit Fee is \$0.

6. The minimum periodic payment required is the total New Balance as shown on your monthly billing statement if the amount is under \$10.00. If the New Balance exceeds \$10.00 the minimum periodic payment is 4.00% of that portion 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 \$10.00, whichever is greater.
7. In the event of suit to collect unpaid balances, all costs, including reasonable attorneys' fees, and those costs expenses and attorneys' fees incurred in appellate, bankruptcy and post judgment proceedings, shall be imposed, except to the extent such costs, fees, or expenses are prohibited by law.
8. Documentary stamp taxes as may be required by law shall be imposed on each Cash Advance at the time the loan is made.
9. Additional charges, plus applicable taxes, may also be assessed if you pay us with a check which is not honored by your financial institution, request copy of a document, request a cash advance, or use your card for a transaction at an automated teller machine, if such charges are not prohibited by law or regulation. No Finance Charge will be assessed on such additional charges. However, the annual membership fee shall be treated as a Credit purchase for purposes of calculating Finance Charges, unless prohibited by law.
10. If you have other loans from issuer, or take out other loans with 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 and primary 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 accounts (checking, savings, or share accounts) or 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 issuer arising from the use of your Card.
11. Cash Advance Fee: A Cash Advance Fee will be assessed for each cash advance transaction, including those made at a teller window or ATM. The fee is 0% of the amount of each cash advance. Cash advances may also accrue interest from the transaction date without a grace period. Additional ATM operator fees may apply. The maximum number of daily cash advances will be set to three.
12. Return Check Fee: If any payment made by check or other negotiable instrument is returned unpaid by your financial institution, a Returned Check Fee of \$0 will be assessed to your account. This fee applies regardless of the reason for the return, including insufficient funds or closed accounts.
13. Foreign Transaction Fee: A Foreign Transaction Fee of 0% of the U.S. dollar amount of each transaction will be assessed for purchases or cash advances made in a foreign currency or that involve a foreign financial institution. This fee applies whether the transaction occurs outside the United States or is processed by a merchant located outside the United States.

TERMS AND CONDITIONS

The person ("Cardholder") whose name is embossed on the face of the Visa ("Card") enclosed herewith, and each Cardholder, in the event more than on Card in enclosed

herewith bearing the same account number, by signing or using said Card receipt of which is acknowledged, agrees with the issuer of the Card whose name is printed on the reverse ("Issuer") as follows:

- 1) Goods and service ("Credit Purchases") may be purchases or leased by means of such card by Cardholder from any retail business establishment ("Seller") who honors same upon the execution of a sales slip evidencing such Credit Purchase and bearing the account number of Cardholder embossed on the face of such Card. Additionally, Visa Cash Advances may be obtained through use of such Card upon execution of a written request of Cardholder in a form furnished to him from any bank that is a member, alone or in association with others, of Visa International Inc. and upon execution of a written separate agreement with Issuer for a Visa overdraft financing agreement, if offered by Issuer.
- 2) Cardholder shall be liable and agrees to pay Issuer for Credit Purchases made by, or for Loans extended to Cardholder or anyone else using such Card unless the use of such Card is by a person other than the Cardholder who does not have actual, implied or apparent authority for such use, and from which Cardholder receives no benefit. Additionally, Cardholder shall be jointly and severally liable and agrees to pay for all Credit Purchases and Loans obtained through the use of any other Card bearing Cardholder's account number that has been issued to another person by reason of such person being a member of Cardholder's family, or otherwise issued upon Cardholder's request (all such Cards bearing the same Visa account number hereinafter collectively called "Related Cards").
- 3) Each Card is the property of Issuer, is not transferable and must be surrendered upon demand. It can be cancelled as well as repossessed by Issuer or its designee, and the privileges thereof revoked, at any time without prior notice.
- 4) Cardholder shall not use Card or permit the use of Related Cards to obtain Credit Purchases or Loans which will increase Cardholder's Visa indebtedness to Issuer to an amount more than the limit established by Issuer.
- 5) All Credit Purchases and Loans are affected at the option of the Seller and Cash Advancing Bank, respectively, and Issuer shall not be responsible for refusal by and 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 to Issuer which shall be shown as a credit on Cardholder's account statement with Issuer.
- 6) Issuer will send to Cardholder, at monthly intervals determined by Issuer, a statement reflecting for the prior monthly period all Visa Card and Related Card transactions. Such statement shall be deemed correct and accepted by Cardholder and all holders of Related Cards unless Issuer is notified to the contrary in writing within 60 days of mailing of such statement. Cardholder will pay such statement by remitting to Issuer within 25 days of the closing date reflected on the statement either the full amount billed or, at Cardholder's option, an installment equal to at least the required minimum payment stated in paragraph 6 on the reverse.
- 7) Interest on Loans and Credit Purchases will be charged in accordance with the finance charge calculation method referred to in paragraph 1 of the Disclosures on the reverse side. The rate of interest shall be established by Issuer from time to time but shall never exceed the maximum rate permitted by law. The current interest rate per annum is the Annual Percentage Rate set forth in Paragraph 2 of the Disclosures on the reverse side.

- 8) If the card is cancelled or surrender is demanded by Issuer, or if Cardholder defaults in any payment due, or is deceased, bankrupt or insolvent, or any attachment or garnishment proceedings are initiated against Cardholder or his property, Issuer may elect to declare all amount then owed to Issuer to be immediately due and payable without notice or demand of any kind. If Cardholder has other loans from Issuer, or takes out other loans with Issuer in the future, collateral securing those loans will also secure the Cardholder's obligations under this agreement. However, unless the Cardholder expressly agrees otherwise, the Cardholder's household goods and primary dwelling will not secure Cardholder's obligations under this agreement even if Issuer has or later acquires a security interest in the household goods or a mortgage on the dwelling. Cardholder agrees to pay all costs incurred by Issuer in collecting Cardholder's indebtedness or in enforcing agreement, including reasonable attorneys' fees and also those costs, expenses and attorneys' fees incurred in appellate, bankruptcy and post-judgment proceedings, except to the extent such costs, fees or expenses are prohibited by law.
- 9) This agreement may be amended from time to time by Issuer by written notice mailed to Cardholder at Cardholder's last known address.
- 10) 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 and use of the Card shall be governed by the laws of the state of Missouri.
- 11) Additional charges, plus applicable taxes, may also be assessed if you pay us with a check not honored by your financial institution, request a copy of a document, make delinquent payments, make charges which exceed your credit limit, request a replacement card or use your card for a transaction at an automated teller machine, if such charges are not prohibited by law or regulation. No Finance Charge will be assessed on such additional charges.
- 12) Zero Liability – Additional Visa information concerning zero liability. Cardholders will not be liable for any unauthorized transactions using their Visa Debit/ credit card when used for point-of-sale transactions, if: 1) the Cardholder has exercised reasonable care in safeguarding their card from risk of loss or theft; 2) the Cardholder has not reported two or more incidents of unauthorized use within the previous 12 months, 3) the Cardholder's account must be in good standing.
- 13) Cardholder agrees that Issuer, its agent or service companies may monitor and/or record any telephone communications with Cardholder.
- 14) Multi-Currency Conversion Rates Statement: If you effect a transaction with your Visa card in a currency other than U.S. dollars, Visa International Incorporated will convert the charge in a U.S. dollar amount. Visa International will use its currency conversion procedure, which is disclosed to institutions that issue Visa cards. Currently the currency conversion rate used by Visa International to determine the transaction amount in U.S. dollars for such transaction is generally either a government mandated rate or a wholesale rate determined by Visa International for the processing cycle in which the transaction is processed, increased by an adjustment factor established from time to time by Visa International. The currency conversion rate used by Visa International on the processing date may differ from the rate that would have been used on the purchase date or Cardholder statement posting date.

15) **Your Billing Rights**

Keep This Notice 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:

Hawthorn Bank

132 E. High St.

Jefferson City, MO 65101

In your letter, give us the following information:

- Your name and Account number;
- The date and dollar amount of the suspected error.
- 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 can also contact us at the phone number that is printed on the back of your card.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated 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 at the address above. You may notify using other ways (including calling us at the telephone number listed on the front of your statement), but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

What Will Happen After We Receive Your Letter.

When we receive your letter, we must do two things:

- a. 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.
- b. 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 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:

- a. 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. (Note: Neither of these are necessary 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.)
- b. 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.
- c. 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:

Hawthorn Bank

132 E. High St.

Jefferson City, MO 65101

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.