

FALCON NATIONAL BANK

BUSINESS DEBIT CARD APPLICATION

(for business purposes only)

Business Name _____ Taxpayer ID No. _____

Corporation: for profit not for profit
 Partnership Limited Liability Company Sole Proprietorship Other _____

County and State of Business _____

Business Address (Street, City, State & ZIP) _____

Business Telephone No. _____ Business Fax No. _____

Business E-mail _____ Business Web Page _____

Checking Account No. _____

Number of Cards Requested _____

Names of Cardholders:

Name _____	Dollar Limits _____
Name _____	Dollar Limits _____
Name _____	Dollar Limits _____
Name _____	Dollar Limits _____
Name _____	Dollar Limits _____
Name _____	Dollar Limits _____
Name _____	Dollar Limits _____
Name _____	Dollar Limits _____

Signatures: By signing below, you are requesting the Falcon National Bank Business Debit Card and associated services. You agree to the terms and conditions of the Falcon National Bank Business Debit Card Agreement, including any fees and charges. You further agree that the information contained in this Application is accurate. You authorize us to verify your creditworthiness and employment history, as an individual, through any necessary means, including having a consumer credit reporting agency run a consumer credit report on you.

Signature & Title _____ Date _____

Signature & Title _____ Date _____

Signature & Title _____ Date _____

Signature & Title _____ Date _____

Mail or Deliver Application to:

FALCON NATIONAL BANK
 183 CEDAR DRIVE
 FOLEY, MN 56329

For Institution Use

Approved Declined Additional Information _____

By _____

Date _____

Separate Authorization on File Yes No

Number of Cards Received _____

FALCON NATIONAL BANK BUSINESS DEBIT CARD AGREEMENT TERMS AND CONDITIONS

Important Information About Procedures for Opening a New Account. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth (for individuals), and other information that will allow us to identify you. We may also ask to see your driver's license (for individuals) or other identifying documents.

Introduction. This Falcon National Bank Business Debit Card Agreement ("Agreement") contains contract terms and other important information relating to your Falcon National Bank Business Debit Card ("Card"). These terms govern the operation of this account unless varied or supplemented in writing. This Agreement also incorporates any other terms and conditions provided separately with your account agreement as well as the terms of any disclosures you may have received. You should read this Agreement carefully and keep a copy for your records.

Applicable Law. This Agreement will be governed by the laws of the state in which your account is located as well as federal laws and regulations. Normal banking customs and practices also apply.

Definitions. Unless inconsistent, words and phrases used in this document shall be construed so that the singular includes the plural and the plural includes the singular. The words "we," "our," and "us" refer to the financial institution which issues the Card. The words "you" and "your" refer to the owner of the specific account for which Card transactions are permitted. The word "Cardholder" refers to any person authorized by you to use the Card.

Business Card Purpose. You and any Cardholder agree that this Card is for use by business owners and employees. The Card can be used for business purpose point-of-sale and Automated Teller Machine (ATM) transactions only. The Card may not be used for personal purposes. You acknowledge and understand that the Card shall not be treated as a consumer card under the provisions of state and federal law. You agree to provide written instructions to all Cardholders that the Card shall not be used for consumer purposes. We assume all transactions are for business purposes. We do not monitor transactions to determine their purpose.

Account Requirement, Payment Responsibility, Transferability, Enforceability. The services described in this Agreement will be available to you only as long as you maintain a business checking or savings account with us. You are liable for the payment of Card transactions authorized by you or your agent or any Cardholder or their agent. This account may not be transferred or assigned without our written consent.

If any terms of this Agreement cannot be legally enforced, it will be considered changed to the extent necessary to comply with applicable laws. If any part of this Agreement becomes unenforceable, it will not make any other part unenforceable.

How to Use the Business Card, Security Procedures. The Card allows Cardholders to directly access the business checking or savings account specified in your Card Application. We will issue Cards and codes to you at your request. Each Card will identify your business as well as the Cardholder.

You agree to the following security procedures. Each Cardholder must sign their Card before it may be used. You agree to require both a Card and a code to be used together to obtain cash at designated ATMs. However, you may use your Card to purchase goods or pay for services without a code. Once a Card has been issued it cannot be transferred to another person. You agree to immediately notify us when you terminate a Cardholder's rights and to promptly return the Card to us. You agree to provide written instructions to all Cardholders about the importance of protecting the Card and code. You agree to examine your receipts and periodic statements in a timely manner. You agree that the dollar/frequency limits assigned to each Cardholder will also act as a security procedure.

Termination and Amendments.

- We may terminate this Agreement by written notice to you.
- You may terminate this Agreement by written notice to us.

We may make amendments to this Agreement in the same method as provided in the terms and conditions provided in your account agreement. Use of your Card after receipt of notice of an amendment constitutes your acceptance of the change.

Notices. Any notices mailed to you under this Agreement will be mailed to the address we have for you in our records. You will keep us notified of your current mailing address.

Order of Payment. Our policy is to post and pay Card transactions in the order they are received. We reserve the right to pay Card transactions before checks, drafts, and other items.

Overdraft Protection Plan. If your account has an overdraft protection plan, Card transactions that would otherwise overdraw your account will be covered by the overdraft protection plan. Your overdraft protection plan will be documented on a separate agreement. You should become familiar with that document as some of the terms, such as your liability for unauthorized transfers initiated with your Card, may vary from the terms of this Agreement.

Stop Payment. Only stop-payment requests from you or the Cardholder who authorized the transaction will be honored. However, because Card transactions are often processed immediately, stopping or amending payment is difficult and we cannot ensure that any request you make will be effective. In order to be effective, we must receive your request in time to give us a reasonable opportunity to act. Your request must precisely identify the transaction by date, time, location and dollar amount. Only you may release a stop-payment request.

TYPES OF TRANSACTIONS

Below are the types of transactions your Card will accommodate.

ATM Transfers. You may access your account by ATM using your Card and code to:

- get cash withdrawals from your checking account.
 - you may withdraw no more than \$300.00 per day.
 - there is a charge of \$2.50 per transaction over three per statement cycle at ATMs we do not own or operate.
- get cash withdrawals from your savings account.
 - you may withdraw no more than \$300.00 per day.
 - there is a charge of \$2.50 per transaction over three per statement cycle at ATMs we do not own or operate.
- transfer funds from your checking account to your savings account.
- transfer funds from your savings account to your checking account.
- get information about:
 - the account balance of your checking account.
 - the account balance of your savings account.

Some of these services may not be available at all terminals.

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to ATM transfers.

Point-of-Sale Transactions. You may access your checking account with your Card to purchase goods (in person, online, or by phone), pay for services (in person, online, or by phone), get cash from a merchant, if the merchant permits, or from a participating financial institution and do anything that a participating merchant will accept.

Using your Card and/or code:

- you may not exceed \$1,000.00 in transactions per day.

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to debit card transactions.

Currency Conversion and Cross-Border Transaction Fees. If you effect a transaction with your Card in a currency other than US Dollars, Mastercard will convert the charge into a US Dollar amount. The Mastercard currency conversion procedure includes use of either a government-mandated exchange rate, or a wholesale exchange rate selected by Mastercard. The exchange rate Mastercard uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of purchase or the date the transaction was posted to your account.

Mastercard charges us a Currency Conversion Assessment of 20 basis points (.2% of the transaction) for performing the currency conversion. In addition, Mastercard charges us an Issuer Cross-Border Assessment of 90 basis points (.9% of the transaction) on all cross-border transactions regardless of whether there is a currency conversion. A cross-border transaction is a transaction processed through the Global Clearing Management System or the Mastercard Debit Switch in which the country of the merchant is different than the country of the cardholder.

Advisory Against Illegal Use. You agree not to use your Card for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the Cardholder may be located.

Limitations on frequency of transfers. In addition to those limitations on transfers elsewhere described, if any, the following limitations apply:

- Transfers from a Business Savings or Business Money Market account to another account or to third parties by preauthorized, automatic, telephone, or computer transfer are limited to six per monthly statement cycle.
- Transfers from a Business Prime Invest account to another account or to third parties by preauthorized or automatic, telephone transfer, computer transfer, check, draft, debit card, ATM transfer are limited to six per monthly statement cycle.
- A Reg D Excess Debits fee of \$0.50 will be charged for each debit transaction (withdrawal, check paid, automatic transfer or payment out of this account) in excess of six during a month.

FEES

- We charge \$10.00 to replace a lost or stolen Card.
- We will charge you \$35.00 for each stop-payment order you give.

DOCUMENTATION

Terminal Transfers. You can get a receipt at the time you make a transfer to or from your account using an automated teller machine or point-of-sale terminal. However, you may not get a receipt if the amount of the transfer is \$15 or less.

Retain Copies for Your Records. You should retain copies of all records including receipts, credit slips (for returned merchandise), and cancellation numbers (for cancelled reservations). You should also mark each transaction in your account record (but not while at a terminal). You should review your periodic statement for accuracy and compare your account record against your periodic statement to reconcile balances.

Periodic Statements. You will get a monthly account statement from us for your checking account that will also include a record of transactions made using your Card.

Periodic Statements. You will get a monthly account statement from us for your savings account that will also include a record of transactions made using your Card, unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly.

LIMITATIONS ON OUR LIABILITY

We will not be liable if:

- you do not have enough money in your account to make the transfer.
- you have an overdraft line and the transfer would cause you to exceed your credit limit.

- an ATM does not have sufficient cash.
- a terminal or system is not working properly.
- circumstances beyond our control (such as fire or flood) prevent the transfer.
- a merchant refuses to accept your Card.
- an ATM rejects your Card.

There may be other limitations on our liability.

UNAUTHORIZED TRANSFERS

Your Liability for Unauthorized Transfers. Tell us AT ONCE if you believe your Card and/or code has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). We will be liable for all unauthorized transfers unless the unauthorized transfer was due to the loss or theft of your Card and/or code. If you notify us of the loss or theft of your Card and/or code within 60 days of receipt of the bill, you can lose no more than \$50 if someone used your Card and/or code without your permission. If you do not tell us within 60 days after the receipt of the bill, you may not get back any money you lost due to the loss or theft of your Card and/or code.

Additional Limits on Liability. You will not be liable for any unauthorized transactions using your Card if: (i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft, and (ii) upon becoming aware of a loss or theft, you promptly report the loss or theft to us. Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

Contact in Event of Unauthorized Transfer. If you believe your Card and/or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write us at the telephone number or address listed in this disclosure.

Consequential Damages. We will not be liable for any consequential or incidental damages resulting from the unauthorized use of your Card.

CONFIDENTIALITY

To protect your privacy, we will only disclose information received through your electronic funds transfers in accordance with applicable law.

RIGHT TO BRING CIVIL ACTION

You may bring a civil action against any person violating any provision of Minnesota Statutes § 47.69.

If you prevail in such an action, you may recover the greater of your actual damages or \$500. You may also be entitled to recover punitive damages, your court costs and reasonable attorney's fees.

TIME NEEDED TO COMPLETE TERMINAL TRANSACTIONS

- Withdrawals made at a terminal will normally be completed and charged to your account on the business day we receive your withdrawal request.
- Transfers between accounts will normally be completed on the business day we receive your transfer request.

POINT-OF-SALE TRANSACTIONS

Payment for goods or services made in this manner shall not affect any of the rights, protections, or liabilities in existing law concerning a cash or credit sale made by means other than through the use of a terminal.

You cannot reverse a point-of-sale transaction.

ERROR RESOLUTION

You agree to examine your receipts and periodic statements using ordinary care and to report any errors to us within a reasonable time. You agree that the time to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 60 days from when the statement containing the error was first mailed or made available to you. If you do not report within 60 days, we will be entitled to treat such information as correct and you will be precluded from asserting otherwise. You further agree that if you fail to report to us within 14 days from when the statement was first mailed or made available to you that we will not be required to pay interest on any refund to which you may be entitled. We will only recredit your account for errors as required by law.

Call or write us immediately with errors or questions about your electronic transfers at the telephone number or address listed in this disclosure. If you tell us orally, we may require your complaint or question in writing within 14 business days.

If you provide us with timely notice of an error or problem in your periodic statement, we will investigate the matter and notify you of the results within a reasonable amount of time. The exact time will depend on the specific circumstances of the error or problem.

You may ask for copies of the documents that we used in our investigation.

See the section titled Unauthorized Transfers for your liability concerning such errors.

FALCON NATIONAL BANK
183 CEDAR DRIVE
FOLEY, MN 56329

Business Days: Monday through Friday
Excluding Federal Holidays
Phone: 320-968-6300 or 1-866-439-4363



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