

**Business of the Village Board  
Village of Saranac Lake**

SUBJECT: Credit Card Policy

Date: 2-27-2023

DEPT OF ORIGIN: Mayor Williams

BILL # 24-2023

DATE SUBMITTED: 2-21-2023

EXHIBITS: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Village Attorney

\_\_\_\_\_  
Village Administration

EXPENDITURE  
REQUIRED

AMOUNT  
BUDGETED

APPROPRIATION  
REQUIRED:

Resolution to adopt a credit card policy to incorporate into the Village of Saranac Lake Purchasing Policy

MOVED BY: Shapiro      SECONDED BY: Scollin

VOTE ON ROLL CALL:

MAYOR WILLIAMS      yes

TRUSTEE BRUNETTE      yes

TRUSTEE CATILLAZ      yes

TRUSTEE SCOLLIN      yes

TRUSTEE SHAPIRO      yes

**Resolution to adopt a Credit Card Usage Policy as an addition to the Village Purchasing Policy**

WHEREAS, The Village currently does not possess a credit card,

WHEREAS, having a credit card will grant the Village ability to conduct business with vendors that do not accept purchase orders.

NOW, THEREFORE BE IT RESOLVED, The Village of Saranac Lake Board of Trustees approves the attached Credit Card Usage Policy as an addition to the Village's existing Purchasing Policy.



Village of Saranac Lake  
Capital of the Adirondacks <sup>TM</sup>

## VILLAGE OF SARANAC LAKE PURCHASING POLICY

**ADOPTED APRIL 4, 2022**

The question of the adoption of the foregoing resolution was duly put to a vote on April 4<sup>th</sup>, 2022 roll call which resulted as follows:

Motion: \_\_\_\_\_, Second: \_\_\_\_\_,  
Roll Call: Brunette \_\_; Catillaz \_\_; Scollin \_\_; Shapiro \_\_.

I, \_\_\_\_\_, Village Clerk of the Village of Saranac Lake, Franklin County, New York, hereby certify that I have compared the preceding Resolution with the original thereof filed in my office and that the same is a true and correct copy of said original and of the whole thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the said Village of Saranac Lake this 4th day of April 2022.

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Village Clerk

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# VILLAGE OF SARANAC LAKE PURCHASING POLICY

## I. POLICY STATEMENT

In accordance with the Village of Saranac Lake adopted procedures, the Purchasing Official is authorized to administer all purchasing activities with regard to materials, supplies, services and equipment. The primary function of the Purchasing Official is to ensure that the Village of Saranac Lake receives the best possible products and services that meet the needs of the requesting department at the lowest possible cost. In this document, unless otherwise noted, the term "political subdivision" applies to the Village of Saranac Lake in its entirety. The term Purchasing Official may also apply to an appropriate designee for whom the Purchasing Official oversees.

Rules governing purchasing and contract procedures were established under the concept of open competitive bidding as set forth by General Municipal Law (GML 103 and 104-b). Under this system, purchase awards are made to the lowest responsible vendor who meets the Village's specifications and is capable of delivering the service or product. These specifications and conditions are outlined in bid packages that are available to all interested vendors.

The Village of Saranac Lake encourages all segments of the business community to participate in its purchasing program.

The Purchasing Official coordinates vendor contracts and supervises the procurement process to ensure compliance with purchasing policies and procedures.

## II. THE PURCHASING PROCESS

The Purchasing Official maintains a list of qualified vendors for solicitation of quotes and bids. If a vendor would like to apply to be on a vendor list, they can contact the Purchasing Official to have the company's name added to the Village of Saranac Lake Vendor Bid List.

## III. METHODS OF PURCHASE

The following purchasing methods are used by the Village to acquire products, services and equipment:

## **PROCEDURE FOR THE PURCHASE OF COMMODITIES, EQUIPMENT OR GOODS**

<b>Dollar Limit</b>		<b>Procedure</b>
\$1	\$2,499	At the discretion of the Purchasing Official
\$2,500	\$4,999	Documented telephone quotes from at least 3 separate vendors (if available)
\$5,000	\$20,000	Written quotes from at least 3 separate vendors (if available)
\$20,001 and up		Sealed bids in conformance with Municipal Law, Section 103

## **PROCEDURE FOR THE PURCHASE OF PUBLIC WORKS PROJECTS/CONTRACTS**

<b>Dollar Limit</b>		<b>Procedure</b>
\$1	\$2,499	At the discretion of the Purchasing Official
\$2,500	\$4,999	Documented telephone quotes from at least 3 separate vendors (if available)
\$5,000	\$35,000	Written quotes from at least 3 separate vendors (if available)
\$35,001 and up		Sealed bids in conformance with Municipal Law, Section 103

A good faith effort shall be made to obtain the required number of proposals or quotations. If the purchaser is unable to obtain the required number of proposals or quotations, the purchaser will document the attempt made at obtaining the proposals including the vendors contacted and the reason no quote or proposal could be secured. In no event shall the failure to obtain the proposals be a bar to the procurement.

In the course of normal business, departments are authorized to secure quotes from vendors in accordance with the aforementioned fixed limits and purchasing policy. All quotes secured by individual departments are subject to review and the approval of the Purchasing Official. Vendors should take particular care when quoting prices to assure accuracy for quantities, units of measure, pricing and delivery terms. Telephone quotes should be provided the same day as requested if possible. A written, faxed or electronic quote for purchases is solicited by issuance of a "Request for Quote" form; the vendor should return this completed form within the designated time period. The Purchasing Official reviews quotes and selects the lowest quote meeting the Village requirements and specifications. The Village of Saranac Lake will accept quote responses via US Mail or similar delivery service, scanned quotes sent via email or by fax.

### **IV. COUNTY CONTRACT**

County governing boards within New York State may make provision in county purchase contracts for political subdivisions and districts to piggy back off their contracts. That is to purchase materials, equipment and supplies under such contracts. These purchases must be in accordance with rules, adopted by the county board, that prescribe the conditions under which the purchases may be made (County Law, Section 408-a).

Pursuant to GML Section 103(3), purchases through the county are exempted from the competitive bidding requirements of GML Section 103.

## **V. STATE CONTRACTS**

Pursuant to GML 104, political subdivisions are authorized to make purchases of materials, equipment and supplies (except printed material) through the NYS Office of General Services (OGS), subject to rules established by OGS (see State Finance Law, Section 163). GML Section 104 provides that purchases by political subdivisions are exempt from competitive bidding requirements. Note: No official may make a purchase through the OGS when bids have already been received unless the purchase may be made upon the same terms, conditions and specifications, but at a lower price, through OGS.

## **VI. PIGGYBACK CONTRACTS**

The definition of a “Piggyback Contract” is a contract let by the United States or any agency thereof, any state or any other county, political subdivision or district therein. In order for the “Piggyback Contract” exclusion to apply, the contract must be let in a manner consistent with GML section 103 and made available for use by other governmental entities.

GML section 103 stipulates that three (3) prerequisites that *must* be met in order for a procurement to take place under this exception.

1. Contract must have been let by the United States or any agency thereof, any state or any other political subdivision or district therein.
2. Contract must have been “*made available for use by other governmental entities.*” This means the contract must have included language extending the terms and conditions of the contract to other governmental entities.
3. Contract must have been “let to the lowest responsible bidder or on the basis of best value in a manner consistent with GML 103.”

Due to the requirements of GML 103, each contract presented under this section of the Purchasing Policy must be individually evaluated on a case by case basis. Any proposed agency or political subdivision must have a due diligence assessment performed to ensure it is in compliance with GML. If the due diligence demonstrates compliance with GML 103, then a resolution must be presented to the Village Board that approves the purchase.

***The “piggybacking” references contained in this policy are subject to sunset provisions, which are currently set for July 31, 2021.***



## **VII. PURCHASING POLICIES AND CONTROL**

### **PLANNING**

- A. **ANTICIPATE YOUR NEEDS:** Once you have established what you need, within the limitation of your budget, requisition these needs as far in advance as possible. The time element affords the Purchasing Official the opportunity to solicit competitive bids or quotes and get the best possible value.
- B. **EMERGENCIES:** An exception to the competitive bidding requirements exists for emergency situations. There are **three basic statutory criteria to be met** in order to fall within this exception.
1. The situation arises out of an accident or other unforeseen occurrence or condition.
  2. The circumstances affect public buildings, public property or the life, health, safety or property of the political subdivision's residents; and
  3. The situation requires immediate action, which cannot await competitive bidding.

In short, if you can foresee the need in the future, you should be able to follow the bid process.

## **VIII. SOLE SOURCE**

Competitive bidding is not required under GML, Section 103 in those limited situations when a political subdivision, in the public interest, requires particular goods or services that uniquely serve the public interest, for which there is no substantial equivalent and, which are, in fact, available only from one source. In making these determinations the political subdivision should document, among other things, the unique benefits of the item as compared to the items available in the marketplace; that no other item provides substantially equivalent or similar benefits; and that, considering the benefits received, the cost of the item is reasonable, when compared to other products or services in the marketplace. In addition, the political subdivision should document that there is no possibility of competition for the procurement.

## **IX. PROFESSIONAL SERVICES**

The courts have held that "professional services" are not contracts for public work, that phrase is used in the bidding statutes, and therefore not subject to competitive bidding procedures. Generally, professional services involve specialized expertise, use of professional judgment and/or a high degree of creativity. Among the services, which have been held to be exempt from competitive bidding under this exception are those of engineers, architects, land surveyors, attorneys, physicians and insurance brokers. To assist the Purchasing Official in selecting a vendor for professional services, in particular

where market rates for services may fluctuate, the use of a Request for Proposal or RFP, specifying the services requested is encouraged but not required.

## **X. PURCHASE ORDERS**

- A. **REQUISITIONS:** In “ALL” instances and without exception, the requisition is to be entered and purchase orders are to be completed before a purchase is made. If the Chief Fiscal Officer receives any claims for materials, supplies or services for which no purchase order was issued, the Purchasing Official in conjunction with the Treasurer will have the authority to nullify the payment of such claim. Direct payment claim vouchers should be avoided.
- B. **CONFIRMING PURCHASE ORDERS:** Confirming Purchase Orders should be kept to a minimum and will only be approved provided they meet the Purchasing Guidelines and the amount available in the appropriate budget line. The Purchasing Official will not approve a confirming order, when the purchase is not justified, where the purchase is being made to circumvent established procedures.
- C. **BLANKET PURCHASE ORDERS:** Issued as requested to various vendors for purchase of those items considered to be of an immediate need or for the purpose of consolidating purchases. Such examples would be electric or telephone bills, etc. which involve on-going purchases. Blanket Purchase Orders must issued on a monthly basis.

## **XI. FORMAL SEALED BIDS FOR COMMODITIES OVER \$20,000 AND PUBLIC WORKS PROJECTS/CONTRACTS OVER \$35,000**

All purchases of “like” commodities exceeding \$20,000, and public works projects/contracts of “similar scope” exceeding \$ 35,000 in the **aggregate** for all departments combined annually are acquired through this process.

Legal notices are published in local newspapers informing the public of the products or services being bid.

Bid packages are prepared with detailed specifications and conditions including items bid, units and total quantity desired, instructions for bidding, delivery information, bid opening dates and any special requirements for bidding.

Bid notices are faxed or scanned and mailed to Bid Services (companies in the business of informing prospective vendors of bids in their field of work). The bid packages are available for pickup at the Village of Saranac Lake Offices, and can be shipped by US Mail. Vendors can request shipping by a package service such as Fed Ex or UPS and will be shipped this way only at the vendors' expense.

The Vendor Bid Lists (those vendors who have picked up bid packages) shall not be released prior to a bid opening as this may adversely affect the bids received and/or encourage collusion, any requests received by a Village Department for this information will be directed to the Purchasing Official. No exceptions are made to this policy.

Any bids not arriving prior to the bid-opening deadline will be rejected and returned to the bidder unopened. Sealed bids are publicly opened and read at the time and place designated in the bid documents and legal notices. All information regarding the opening of a bid will be detailed within the bid specifications. All bid tabulations showing bid results are available for public inspection during regular business hours at the Village of Saranac Lake Offices.

Purchase orders and/or contracts are awarded to the lowest responsive and responsible bidder(s) meeting Village specifications.

The Village reserves the right to reject any and all bids or parts of bids when such rejection is in the best interest of the Village. The Village reserves the right to award all bids on an item-by-item or aggregate basis, whichever is deemed in the best interest of the Village.

## **XII. REQUEST FOR PROPOSAL (RFP)**

Requests for proposals are traditionally used as a means of obtaining all types of professional services. A request for proposals and evaluation of proposals can consider price plus other factors such as experience, staffing, service areas, level of service, quality of service and professional reputation. The RFP involves making a request from various firms and then evaluating the proposals received.

## **XIII. BID PRICES SUBMITTED**

The bid price submitted shall be exclusive of Federal and State taxes and must not include any tax for which the bidder may claim exemption because of doing business with the Village. All prices submitted must include all delivery charges to Village of Saranac Lake.

#### **XIV. PREVAILING WAGES**

Prevailing wages shall be paid for each contract to which the municipality may involve the employment of laborers, workmen or mechanics, as outlined in Article 8 of the New York State Labor Law.

#### **XV. INSURANCE**

The Village may require that insurance shall be procured with the specified coverage amounts required and an insurance declaration page and/or copy of the policy provided prior to a purchase order or payment. The declaration page or policy certificate provided must name "The Village of Saranac Lake" as an Additional Named Insured. In addition, if the service being provided is considered a "Professional Service" the Village may require that a "Certificate of Professional Liability" must be provided naming the Village of Saranac Lake as an Additional Named Insured.

#### **XVI. SECURITY**

If security is required, the bid invitation will indicate the kind and amount of security needed. Submitted bid packages will not be considered by the Village if the specified security is not enclosed.

The Village uses two types of security:

- A. **BID DEPOSIT: (Certified Check or Bid Bond):** The deposit must be for the amount specified in the bid invitation. The Deposit will be forfeited to the Village should the successful bidder fail to enter into a contract or to accept a purchase order. Bid Deposits are returned to the unsuccessful bidders by mail.
- B. **PERFORMANCE, LABOR AND MATERIAL BONDS:** These bonds may be required from a successful bidder on certain bids. The Village holds these bonds until all contract obligations are satisfactorily met. The bonds may be forfeited to the Village should the successful bidder fail to comply with the terms and conditions set forth in the specifications and the award. Bonds are to be made payable to the "The Village of Saranac Lake."

#### **XVII. AWARD OF CONTRACT**

Award of contract will be made to the lowest responsible qualified bidder whose proposal shall comply with all of the provisions required in the bid package. The Village reserves the right to waive any informality or to reject any or all proposals and may advertise for

new proposals, if in its opinion the best interest of the Village will be served. The Village may require any or all bidders to present evidence of experience, ability and financial standing as well as a statement as to the equipment, which they will have available for the execution of the contract. The Village, at its discretion, reserves the right to award a contract either on an item-by-item basis or as a total award of all items in combination.

#### **XVIII. AWARD TO OTHER THAN THE LOWEST RESPONSIBLE DOLLAR OFFEROR**

Whenever any contract is awarded to other than the lowest responsible dollar offeror, the reasons that such an award furthers the purpose of General Municipal Law § 104-b, as set forth herein above, shall be documented as follows:

**Best Value.** Notwithstanding anything else contained in this chapter to the contract, the Village of Saranac may award purchase contracts and service contracts that have been procured pursuant to competitive bidding or otherwise under General Municipal Law § 103(1) or this chapter by either the lowest responsible bidder standard or the best value standard.

- i. Definition.** “Best value” is defined in State Finance Law § 163 as, “the basis for awarding contracts for services to the offeror which optimizes quality, cost and efficiency, among responsive and responsible offerors.” For the purposes of this section, the Board of Trustees adopts the above definition of “best value” as may be modified from time to time by the State Legislature.
- ii. Applicability.** The best value standard may only be used for purchase contracts, which includes contracts for service work, but excludes any purchase contracts necessary for the completion of a public works contract pursuant to Article 8 of the Labor Law. When awarding contracts under the best value standard, the Village of Saranac Lake must consider the overall combination of quality, price, and other elements of the required commodity or service that in total are optimal relative to the needs of the Village of Saranac Lake. Use of the best value standard must rely, wherever possible, on objective and quantifiable analysis. The best value standard may identify as a quantitative factor whether offerors are small businesses or certified minority- or women-owned business enterprises as defined in New York Executive Law § 310.
- iii. Approval.** Use of the best value standard for the procurement of goods and services requires approval from the board. The board must also approve the factors to be considered when awarding contracts under this standard.

## **XIX. DELIVERIES**

Deliveries to departments are to be completed between the hours of 8:00 AM and 4:00 PM unless otherwise specified on the purchase order.

All Bills of Lading are to include a complete "Ship To" address and purchase order numbers, as they appear on the purchase order received.

## **XX. INVOICING AND PAYMENT**

To ensure prompt payment of a purchase order, invoices containing the proper information must be submitted to the "Ship To" address indicated on the purchase order.

Invoices must contain the Purchase Order number, quantities, and unit of measure and total prices as stated on the purchase order. Authorized Village representatives will issue no payments prior to receipt and acceptance of products and services.

The Village of Saranac Lake is exempt from paying all Sales Tax and Compensating Use Tax imposed by the State pursuant to N.Y.S. Tax Law 1116(A)(1). Upon request, a letter attesting to this fact will be executed and signed by the Village Treasurer as the Chief Fiscal Officer.

## **XXI. GIFTS AND GRATUITIES**

Village policy prohibits acceptance of gifts at any time, other than advertising novelties. Employees must not become obligated to any supplier and shall not participate in any Village transaction from which they will benefit directly or indirectly.

## **XXII. Credit Cards**

The Village of Saranac Lake authorizes a credit card for the Village Manager and the Village Accounts Payable personnel (two physical cards in total) for purchasing of the good and services, from the vendors that do not accept purchase orders.

The Village of Saranac Lake will obtain two credit cards from the financial institution in which it has established its account.

- i. Authorized Credit Card Users:
  - a) Primary: Village Manager
  - b) Secondary: Accounts Payable

Note: All issued credit cards will be in the custody of the designated cardholder, or filed in the possession of the Village Manager's office. Cardholder agreement will be drafted.

- ii. Each additional credit card for every additional designated cardholder must be approved by the Village Manager. The Village Manager must notify the Village Treasurer regarding the additional credit cardholder so that the Treasurer's monthly credit card payment audit is accurately conducted.



iii. Establish Credit Limits:

- a) \$25,000.00 per the designated credit cardholder.

iv. Purchasing Restrictions:

- a) In store purchase – Either the Village Manager or the Account Payable personnel has to be present (at the 'store'), at the time of conducting a sale.
- b) Online Purchase – The department heads, or an employee from the department assigned to an item purchasing request, per the department head's instructions, must get a hold of the Accounts Payable and the Accounts Payable personnel will complete the purchase, after all the necessary info for the purchase is provided to the Accounts Payable personnel (item website link, item quantity, shipping address, shipping type, etc.). Standardized form for submitting the order necessary info will be provided to the departments.
- c) It is understood that no personal use of the Village's credit card will be allowed. Any unauthorized expenditures to the issued credit cards will be the responsibility of the designated cardholder and must be reimbursed to the Village, by the designated cardholder immediately.
- d) Over the phone payments are not permitted.

Note: The Village Treasurer is authorized to limit the number of credit card transactions per department, if needed.

## XXIII. IN CONCLUSION

The intent of the Purchasing Policy of the Village of Saranac Lake is to provide guidance. It is not intended to be all inclusive since no single publication can be all encompassing or answer every question. Any question that cannot be answered by these guidelines should be directed to the Purchasing Official in writing. In the case of any matter not specifically addressed here, New York State General Municipal Law, section 103 and 104-B, will guide the Purchasing Official in making a determination.

This Purchasing Policy was adopted on this 4th day of April, 2022

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Mayor Williams

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Trustee Brunette

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Trustee Catillaz

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Trustee Scollin

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Trustee Shapiro



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Business Edition® with Reward Simplicity Mastercard®

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Cards are issued by First National Bank of Omaha, which is referred to below as "we", "us", "our", and "FNBO®".

**IMPORTANT RATE, FEE AND OTHER COST INFORMATION**  
(SUMMARY OF CREDIT TERMS)

Rates	Interest Charges
<b>Annual Percentage Rate (APR) for Purchases</b>	<b>0.00%</b> introductory APR for the first 12 billing cycles. After that, your APR will be <b>16.49% to 22.49%</b> , based on your creditworthiness. This APR will vary with the market based on the Prime Rate.
<b>APR for Balance Transfers</b>	<b>0.00%</b> introductory APR for the first 12 billing cycles. After that, your APR for new balance transfers will be <b>16.49% to 22.49%</b> , based on your creditworthiness. This APR will vary with the market based on the Prime Rate.
<b>APR for Cash Advances</b>	<b>27.49%</b> . This APR will vary with the market based on the Prime Rate.
<b>How to Avoid Paying Interest on Purchases</b>	Your due date is at least 20 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month. <sup>1</sup>
<b>Minimum Interest Charge</b>	If you are charged interest, the charge will be no less than \$1.75.
<b>Fees</b>	
<b>Set-up and Maintenance Fees</b>	
• Annual Fee	<b>None</b>
• Monthly Fee	<b>None</b>
<b>Transaction Fees</b>	
• Balance Transfer	Either <b>\$10</b> or <b>5%</b> of the amount of each transfer, whichever is greater
• Cash Advance	Either <b>\$15</b> or <b>5%</b> of the amount of each cash advance, whichever is greater
• Cash Equivalent	Either <b>\$15</b> or <b>5%</b> of the amount of each cash equivalent transaction, whichever is greater
• Foreign Transaction	<b>3%</b> of each transaction in U.S. dollars
<b>Penalty Fees</b>	
• Late Payment	<b>\$35</b> if New Balance is less than \$500 <b>\$39</b> if New Balance is equal to or greater than \$500
• Over-the-Credit-Limit	<b>\$39</b>
• Returned Payment (Payment Dishonored)	<b>\$35</b>

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

**Index And When It Is Determined:** The Index used to determine your variable APRs is the highest U.S. Prime Rate as published in the "Money Rates" section of The Wall Street Journal during the 90 days immediately preceding the last day of each calendar month (the determination date). The above APRs are based on an Index (Prime Rate) of 5.50% as of the 8/31/2022 determination date. If the Prime Rate is higher or lower on a later determination date, the above APRs may increase or decrease accordingly.

When you become a cardmember, the Index will be effective for the entire billing cycle that ends in the second month after the determination date. For example, if your billing cycle ends in July, we will use the Index determined on the May determination date.

**APR for Purchases and Balance Transfers:** To determine the variable APR for purchases and balance transfers, we add a margin of 10.99% to 16.99% to the Index (Prime Rate).

**APR for Cash Advances:** To determine the variable APR for cash advances, we add a margin of 21.99% to the Index (Prime Rate).

**How We Will Calculate Your Minimum Payment:** If your New Balance is less than \$35, the minimum payment will be equal to your New Balance. If your New Balance is \$35 or greater, the minimum payment will be the greater of (a) 2% of the New Balance or \$35, whichever is larger; or (b) the current cycle fees and finance charges (except balance transfer fees) plus 1% of the New Balance (excluding current cycle fees and finance charges). Your minimum payment will also include any amount (i) past due and (ii) necessary to reduce your balance to your credit limit. Calculations will exclude disputed amounts. Balance transfer fees will be part of your Balance Transfers Balance Category, unless we specify otherwise.

<sup>1</sup> We will begin charging interest on cash advances and balance transfers on the transaction date.

Your account will generally have monthly billing cycles. However, your first billing cycle may be more or less than one month.

**IMPORTANT NOTICE REGARDING CHANGES IN TERMS. We may change the APRs, rates, fees, costs, and other terms of your account subject to, and as allowed by, applicable law.**

Payments on your account will be generally applied as follows: (a) the minimum payment amount will be applied to balances with the lowest APRs before balances with higher APRs; and (b) any amount you pay in excess of the minimum payment will be applied to balances with the highest APRs before balances with lower APRs.

**BALANCE TRANSFERS:** You authorize us to make each balance transfer you request. Each company you request us to pay and each balance transfer request may be treated as a separate balance transfer transaction.

Each balance transfer is subject to our approval and we are not liable if we do not make any balance transfer you request. We reserve the right to make balance transfers in the order we select and to limit the amount of the balance transfers that we make (this amount may be less than your total credit limit). If you ask for a balance transfer and we do not approve the full amount, we may either pay only part of the amount you asked for or decline your request. You may not transfer balances from other accounts you have with us or our related companies. In addition, we may not process a balance transfer request if it is incomplete, illegible or written to cash. Each balance transfer is subject to applicable fees and finance charges and does not have the benefit of an interest-free (grace) period.

Please consider the following when asking for a balance transfer: (a) To protect your rights, you should not transfer any amount that you dispute, (b) you should continue to make all payments due on the other accounts until you receive notice from them that they have been paid in full, (c) you are liable for any late payments, finance charges or disputed amounts on your other accounts, and (d) if you want your other accounts closed following a balance transfer, you are responsible for doing so.

**CREDIT REPORTS:** By applying for this account, you agree that FNBO may obtain credit reports for purposes of processing your application and for later purposes related to your account such as reviewing, updating and renewing it, increasing the credit line and collecting. If you request, you will be informed of whether or not a credit report was requested and of the name and address of the consumer reporting agency that furnished the report. You also authorize FNBO to verify your employment, income and other relevant information.

**NOTICE TO CARDMEMBERS AND AUTHORIZED USERS:** 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.

**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, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Married applicants may apply for separate accounts in their own names.

**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.

**NOTICE TO MARRIED WISCONSIN APPLICANTS:** No provision of any marital property agreement, unilateral statement or court decree adversely affects our interests and/or rights unless, prior to the time the credit is granted or an open-end credit plan is entered into, we are furnished with a copy of the agreement, statement, or decree, or have actual knowledge of the adverse provision. **Married Wisconsin residents applying for credit separately must furnish name and address of their spouse to FNBO at P.O. Box 3437, Omaha, NE 68172-9981.**

**CALIFORNIA RESIDENTS:** The applicant, if married, may apply for a separate account. After credit approval, each applicant shall have the right to use this account to the extent of any credit limit set by the creditor and

each applicant may be liable for all amounts of credit extended under this account to each joint applicant.

**NEW YORK RESIDENTS** may contact the New York State Department of Financial Services by telephone or visit its website for free information on comparative credit card rates, fees and grace periods. New York State Department of Financial Services: 1-800-342-3736 and "www.dfs.ny.gov".

**ARBITRATION NOTICE:** You understand that any Cardmember Agreement you receive will contain an arbitration provision that may substantially limit your rights in the event of a dispute, including your right to litigate in court or have a jury trial, discovery and appeal rights, and the right to participate in court or in arbitration as a representative or member of a class action. You may request arbitration rules and forms through either or both of the following arbitration administrators: American Arbitration Association, 1-800-778-7879; and National Arbitration Forum, 1-800-474-2371. Please review the Cardmember Agreement and its arbitration provision carefully before you use or allow someone else to use an account.

**IMPORTANT REWARDS PROGRAM INFORMATION**

**ABSOLUTE REWARDS® FOR BUSINESS PROGRAM TERMS AND CONDITIONS SUMMARY**

Please read this Terms and Conditions Summary for important information about the Absolute Rewards® for Business Program ("Program"). First National Bank of Omaha, is referred to below as "we", "us", "our", and "FNBO®". FNBO is the issuer of the credit card account(s) ("Account") and the sponsor of the Program. The Program is offered at our sole discretion. **Complete Program Terms and Conditions (including additional limitations and restrictions) will be provided to you if you become an approved cardmember.**

<b>EARN POINTS</b>	<b>Earn 1.50 points</b> (equal to 1.50% back) for each \$1.00 of Net Purchases posted to the Account.
<b>BONUS EARNINGS</b>	<b>In addition to the above</b> , you will earn 3,000 bonus points after the first \$600 in Net Purchases are posted to the Account within the first 3 consecutive billing cycles after the Account is opened. Please allow up to 8 weeks after bonus points are earned for these bonus points to be added to your point balance (Account must be open and enrolled in the Program at that time). Your Account will generally have monthly billing cycles (whether or not you receive an Account billing statement for the month). However, your first billing cycle will begin on the day you open your Account and may be more or less than one month.
<b>ANNUAL PROGRAM FEE</b>	There is no annual Program fee. However, please review the "Fees" Section in this Summary of Credit Terms for information on possible annual or monthly set-up and maintenance fees associated with the Account.
<b>LIMIT ON POINTS EARNED</b>	There is no limit on the number of points that can be earned, but if we offer bonus points, we may limit the number of bonus points awarded for certain purchases and/or promotions.
<b>POINT EXPIRATION</b>	Points are redeemed on a first-in, first-out basis and points will expire on or after the <b>third anniversary</b> of when they were awarded.
<b>POINT FORFEITURE</b>	If the Account is closed for any reason, enrollment in the Program will be terminated and any accumulated points will be forfeited.
<b>POINT REDEMPTION</b>	Points can be redeemed for (collectively, the "Rewards"): <ul style="list-style-type: none"> <li>• Merchandise</li> <li>• Gift cards/certificates</li> <li>• Travel (Airline, Hotel, and Car Rentals)</li> <li>• Cash back as a statement credit to the Account, an ACH deposit to any checking or savings account (ABA routing number required), or as a check sent by mail</li> <li>• Other goods and services</li> </ul>
<b>REDEMPTION REQUESTS</b>	Available 24/7 through online access or toll-free customer service during hours of operation; additional information about redemption will be provided if you become a cardmember.

**ENROLLMENT:** To participate in the Program, the Account must be open. The "Enrollment Date" is the date the Account is opened or, if later, the date enrollment in the Program is completed. Program membership will be automatically renewed each year with the Terms and Conditions and the fees, if any, then in effect, until we are notified that the card is being cancelled or enrollment in the Program is terminated as otherwise permitted by these Terms and Conditions.

**NET PURCHASES:** "Net Purchases" are authorized, new purchases posted to the Account on or after the Enrollment Date, excluding refunds, credits (for returned merchandise or otherwise), and disputed billing items.

Net Purchases do not include: (a) annual fees, finance charges, and other fees or charges posted by us to the Account; (b) cash advances (including, but not limited to, purchases of money orders or other cash equivalents) or special check transactions; (c) balance transfers; (d) charges for other products, services, or benefits that we provide; or (e) other transactions that we determine not to be eligible.

We reserve the right to determine, in our sole discretion, whether transactions qualify as Net Purchases, and our determinations shall be final.

**POINTS:** Points are not earned in the Program until they appear on the Account billing statement. Points may be deducted for awards based on purchases that are subsequently subject to a refund, credit, or dispute, which could result in a negative point balance. We reserve the right to retroactively correct errors made in point awards. Points will not be earned if the Account cannot be used for new purchases or participation in the Program has been suspended. If a credit card is reported lost or stolen, we will temporarily suspend our awarding of points in the Program until a new card is issued. At our sole discretion, we may award additional bonus points in connection with certain purchases and/or promotions. Additional details and additional terms and conditions will be provided with such offers and are in addition to the Program Terms and Conditions unless otherwise specified therein. We reserve the right to determine which Net Purchases are eligible for bonus points.

**BUSINESS ACCOUNTS:** A "Business Account" is an Account that you agree to use solely for business purposes in your Cardmember Agreement. A Business Account with multiple cardholders may elect to award and redeem points at the company level or to one or more designated individual Accounts. Certain limitations may apply. If you need assistance designating point awards, please contact Commercial Card Client Servicing at 1-800-652-5741. If this section conflicts with any other section of these Terms and Conditions, then this section shall control with respect to Business Accounts.

**REWARDS AND REDEMPTION:** Point redemption may be subject to shipping, handling, or other fees. Redemption requests are subject to point balance verification. Upon verification of the point balance, if the Account does not have enough points to redeem for a particular Reward, the Reward may still be obtained by redeeming at least 1,000 points toward the Reward and then paying the balance owed for the Reward with a credit card. If a credit card is reported lost or stolen, the ability to redeem points will be temporarily suspended until a new card is issued.

**CASH BACK:** Only points can be used to redeem for cash back, not a combination of points and a credit card. Cash back is redeemable in denominations of \$25, \$50, \$100, \$250, and \$1,000. Cash back in the form of a statement credit will be applied as a credit to the Account. While cash back in the form of a statement credit will be applied as a credit to the Account, **the regular monthly minimum payments shown on the Account billing statements must still be made.**

We are not responsible for replacing lost, stolen, or destroyed checks. Checks that have not been cashed and cleared within 120 days after the issue date will become void and the money received as a Reward will be credited to the Account as a statement credit.

For all checking and savings account ACH deposit cash back redemptions, the correct account number must be provided in the redemption form in order for the amount requested to be deposited accordingly. If an ACH deposit is rejected, the redemption will be reversed and the points will be added back to the rewards balance associated with the Account.

We may change or terminate the Program in our discretion at any time with or without prior notice to you except where required by law.