

TO: Board of Directors

FROM: Ruth Floyd, Executive Director of Business Services

SUBJECT: Bank Change and Credit Card Limit Increase

DATE: June 6, 2023

TYPE: Action Required

The bank that we use for our credit cards has changed from Union Bank to U.S. Bank because of their recent acquisition. We anticipate receiving new cards in early June to replace the old ones that will be deactivated on June 22, 2023.

In addition, due to an increase in student activities that require the use of a credit card, particularly those that do not accept purchase orders such as airfare and hotel accommodations, staff recommend increasing the credit limit from \$28,000 to \$50,000. This will increase our capacity to book arrangements during peak student activity and travel seasons.

Recommendation:

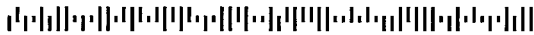
We recommend the board **approve an increase in the U.S. Bank credit card limit from \$28,000 to \$50,000.**



Location code: 18755

May 2, 2023

**NEW CARD. MORE BENEFITS.
Your new U.S. Bank Credit Card
is coming soon**



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STANWOOD CAM SCHOOL D
3 CARD SHS STAND COMPANY
26920 PIONEER HWY
STANWOOD, WA 98292-9548

Re: Your Credit Card Account Ending in [REDACTED]

Dear Cardmember,

Welcome to your new U.S. Bank credit card. We are glad you're joining us and want to inform you that you will receive your new **U.S. Bank Business Platinum Visa®** credit card in June. This will replace your current card and that means there will be a few changes to your Account.

WHAT TO KNOW

- **New Card.** You will receive a new card with a new Account number and expiration date. On **June 22, 2023**, your old card and account number will be deactivated.
- **Balances Transfer Automatically.** All existing balances will transfer to your new Account automatically in late June. The Annual Percentage Rate (APR) for any existing balances will remain at your current terms and conditions.
- **Terms.** Some terms of your account will change. See the "Important Changes to Your Account Terms" included in this letter for more information.
- **Visa Benefits.** Some of your Visa benefits may change. Please visit mycardgtb.com/vbiz to view the Guide to Benefits for further card benefit details including full terms and conditions.

Payment Address Change. The address where you send monthly payments will change as of June 22, 2023, and you will need to send any payment after this date to:

Cardmember Service
P.O. Box 790408
St. Louis, MO 63179-0408

YOUR NEXT STEPS.

- **Watch the mail for your new credit card** to arrive in June.
- **Continue to use your old credit card** until your new card arrives.
- **Update Your Bill Payments and Mobile Wallet.** Remember to update any billers with your new credit card information, including your new Account number and expiration date. Upload your new credit card to your mobile wallet.
- **New Personal Identification Number (PIN).** If you previously had cash access, you will automatically receive a new PIN by mail shortly after your new business credit card arrives. If you have any questions regarding cash advance please contact the number below, after you receive your new credit card, for more information.

Should you have any questions, please contact Cardmember Service at 1-866-279-1728 (8:00am-8:00pm, PST; seven days a week).

Sincerely,

Cardmember Service

Please see the reverse side for additional terms.



Important notice regarding other changes to your Account

Please note, we have enclosed a document titled "Important Changes to Your Account Terms" that details the important terms that will apply to your new Account. If you choose **not** to accept your new terms and wish to close your current account, please notify us by June 22, 2023. You may notify us by contacting our 24-hour Cardmember Service Department at 1-800-285-6452, or in writing at the following address:

Cardmember Service – Location Code 18755
P.O. Box 6337
Fargo, ND 58125-6337

If you elect to opt out of these account changes and close your Account, you should continue to pay any outstanding balance as outlined in the terms of your existing Account.

Please note, even if you have notified us that you wish to close your Account as provided in this letter, the Account may continue to receive recurring charges from merchants where you have provided your credit card information for automatic payments. Please contact and cancel automatic payments with any merchants providing recurring services.

For more details about the new terms of your account, your responsibilities using your account and our responsibilities and obligations, please be sure to review your Cardmember Agreement as soon as you receive it in late May or early June.

FREQUENTLY ASKED QUESTIONS ABOUT YOUR NEW CARD

When will I receive my new card?

You will receive a new card with a new Account number and expiration date in June.

When can I start to use my new card?

You can begin to use your new card right away and destroy your old card.

When will my old card be deactivated?

Your old card with your old account number will be deactivated June 22, 2023

For more information visit: usbank.com/unionbank

The creditor and issuer of this card is U.S. Bank National Association, pursuant to a license from Visa U.S.A. Inc.

Important Changes to Your Account Terms

The following is a summary of the changes that are being made to your account terms. These changes will take effect on 6/22/2023. For more detailed information, please refer to the terms of your new Cardmember Agreement when you receive it in the mail.

You have the right to reject these changes. However, if you do reject these changes you will not be able to use your account to initiate new purchases, balance transfers, or cash advances. You can reject the changes by contacting our 24-hour Cardmember Service Department at 1-800-285-6452, or in writing at the following address by 6/22/2023:

Cardmember Service – LC 18755
P.O. Box 6337
Fargo, ND 58125-6337

Please note: Even if you have notified us that you reject these changes, the Account may continue to receive any recurring charges that were previously set up to happen automatically for items or services until you contact and cancel delivery with the company providing the item or service.

Revised Terms, as of 6/22/2023 Interest Rates and Interest Charges	
Annual Percentage Rate (APR) for Purchases	13.65% This APR will vary with the market based on the Prime Rate.
APR for Balance Transfers	13.65% This APR will vary with the market based on the Prime Rate.
APR for Cash Advances	29.99% This APR will vary with the market based on the Prime Rate.
Penalty APR and When it Applies	29.99% This APR may be applied to your Account if you: <ol style="list-style-type: none">1) Make payments 5 calendar days late twice or 30 calendar days late once; or2) Make a payment that is returned; or3) If you exceed your Credit Limit 2 times in 12 consecutive months How Long Will the Penalty Rate Apply? If your APRs are increased for any of these reasons, the Penalty APR will apply until you make 6 consecutive minimum payments when due and do not exceed your Credit Limit during that time period.
How to Avoid Paying Interest on Purchases	Your due date is 24 – 30 days after the close of each billing cycle. We will not charge you interest on new Purchases if you pay your entire balance, or Plan Adjusted Balance if you have any Fixed Payment Program balance(s), in full by the due date each month. We will begin charging interest on Advances and Balance Transfers on the transaction date.
Minimum Interest Charge	If you are charged interest, the charge will be no less than \$1.00.

Important terms continued on Reverse Side

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Fees	
Transaction Fees	
<ul style="list-style-type: none"> • Balance Transfer • Convenience Check Cash Advance ⁽¹⁾ • Cash Advance • Cash Equivalent Advance • Foreign Transaction • U.S. Bank ExtendPay® Fees 	<p>Either 3% of the amount of each advance or \$5 minimum, whichever is greater</p> <p>Either 3% of the amount of each advance or \$5 minimum, whichever is greater</p> <p>Either 5% of the amount of each advance or \$10 minimum, whichever is greater</p> <p>Either 4% of the amount of each advance or \$10 minimum, whichever is greater</p> <p>3% of each foreign transaction</p> <p>A monthly fee not to exceed 1.6% of the original principal amount in a U.S. Bank ExtendPay® Plan or U.S. Bank ExtendPay® Loan.* This fixed fee is disclosed upon enrollment and charged each month that you owe the applicable ExtendPay balance.</p>
Penalty Fees	
<ul style="list-style-type: none"> • Late Payment • Returned Payment • Overlimit 	<p>\$19 on Balances up to \$100 \$29 on Balances from \$100 up to \$250 \$39 on Balances of \$250 or more.</p> <p>\$35</p> <p>\$39</p>

⁽¹⁾ Convenience Checks may not be available to all accounts

*U.S. Bank ExtendPay® Fees are calculated based upon the original principal amount, Purchase APR, and other factors.

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

This information is accurate as of 4/1/2023 and may have changed after that date.

How We Will Calculate Your Minimum Payment. Your Minimum Payment will be calculated as follows: first we determine the "Base Minimum Payment", which is the greater of \$10.00 or 1.00% of your New Balance up to the Credit Limit, excluding any Fixed Payment Program balance(s), Accounts fees and interest, which, if not a whole dollar amount, will be rounded to the next highest dollar. To the Base Minimum Payment, we may add one or more of the following items, as applicable to your Account: Account fees and interest, some or all of any balance amount over your Credit Limit, and your total monthly payment obligation on your Fixed Payment Program(s), if any. If the resulting Minimum Payment is greater than \$10.00, the total, if not a whole dollar amount, is then rounded to the next highest dollar. See your Cardmember Agreement for more information.

Fixed Payment Programs. From time to time we may offer to you the benefit of our Fixed Payment Programs, including U.S. Bank ExtendPay® Plans and U.S. Bank ExtendPay® Loans, which allow you to pay off balances in fixed monthly payments over time. See your Cardmember Agreement for more information.

Payment Allocation. When you make a payment, the amount up to your Minimum Payment is applied first to the monthly payment obligation for U.S. Bank ExtendPay® Plans and U.S. Bank ExtendPay® Loans if any, and then to non-Fixed Payment Program balances in the order of the lowest to highest APR. Any amount over your Minimum Payment is applied to non-Fixed Payment Program balances in the order of lowest to highest APR before applying to Fixed Payment Program balances.

Interest Rate. We have abbreviated the terms "daily periodic rate" as **DPR**, and "ANNUAL PERCENTAGE RATE" as **APR**. Your Variable **APRs** are calculated by adding a margin to the Index. Your variable **DPR** is equal to $1/365^{\text{th}}$ of the corresponding **APR**. Your **DPR** and corresponding **APR** may increase or decrease from time to time according to the movements up or down of the Index, which is the Prime Rate published in the "Money Rates" section of the Midwest Edition of *The Wall Street Journal* before the date on which the billing cycles closed (in other words, the "statement date"). Any variable rate adjustment based on an Index change will be effective as of the first day of the current billing cycle, and will apply to the new and outstanding Account balances and transactions subject to that variable rate. We reserve the right to choose a comparable new Index if *The Wall Street Journal* ceases to publish a Prime Rate.

Calculating Interest. Please note that on the first statement you receive after 6/22/2023, for purposes of calculating interest, we add Purchases, Advances or Balance Transfers to the appropriate balances for those categories on the transaction date. After the first statement, Purchases, Advances or Balance Transfers will be added to the appropriate balances for those categories on the later of the transaction date or the first day of the statement period, as described in the Cardmember Agreement.

The margin is the percentage we add to the Index to calculate the **APR**. The current margin is 5.65%. Purchases and Balance Transfers have no minimum rate. There is a 29.99% maximum rate. Any variable rate adjustment based on a change to your margin will be effective as of the first day of the current billing cycle and will apply to all new Account balances and transactions subject to that variable rate. Any variable rate adjustment based on a change to your Index will be effective as of the first day of the current billing cycle and will apply to all new and outstanding Account balances and transactions subject to that variable rate. An increase or decrease to the Index or margin will apply to Purchase, Advance, and Balance Transfer balances and will result in an increase or decrease in the **INTEREST CHARGE** on the Account, an increase or decrease to your Minimum Payment, and an increase or decrease to your New Balance. The current Index is 8.00% as of 4/1/2023.

