

## CPN Product & Service Notification



The Durbin Amendment requires that PSP (Plan Service Providers) provide a PIN to all new cardholders and make them available to all existing cardholders. Then, when using the card at point of sale, the cardholder can select either the "CREDIT" option and sign the sales receipt or select the "DEBIT" option and provide the PIN.

The purpose of this notice is to describe the new process for obtaining a PIN.

### What is changing?

Today, cards are sent to participants in an "activated" state. Participants must call if they want to receive a PIN.

With the new process, an activation sticker will be affixed to the front of the debit card (see example shown).



Before using a card, a participant must call **855-584-7552** to activate the card and receive a PIN. If a participant does not activate the card, *transactions will decline at the point of sale.*

A participant that calls to activate a card will be required to enter their card number and the last four digits of their Social Security Number. The Activation Line will activate the participant's card and verbally provide the PIN.

**New, Renewal and Lost/Stolen debit cards ordered after May 4, 2015 will require activation.**

For participants that already have a card (issued before May 4, 2015), **no action will be required.** Participants that forget their PIN can receive one by calling **855-584-7552**.

### Important Dates

- **May 4:** Last day to request cards that do not require activation.
- **May 5 – 12:** During the card activation implementation process, all cards requested during this timeframe will be held. These will be the first cards mailed with an activation sticker.
- **May 13:** All pending cards that were held during May 5-12<sup>th</sup>, will be released to the card processor for processing.
- **May 15:** The card processor will begin producing the cards **with the activation sticker.** The card activation line goes live.

## Questions and Answers:

**Q: Will the card I have right now require activation once this goes into effect?**

A: No. Only New, Renewal and Lost/Stolen debit cards ordered after May 4, 2015 will require activation.

**Q: What if I don't have a PIN assigned to my current card. Will I have to call and get one after May 4<sup>th</sup>?**

A: No. Cards issued before May 4<sup>th</sup> will not be affected. However, if you don't currently have an assigned PIN and wish to have one, you may call 855-584-7552 after May 15<sup>th</sup> to obtain one.

**Q: I'm a new hire and I will get a Flex Card after May 15<sup>th</sup>, but I asked for a Second Card for my spouse. When I call to activate my card and get the assigned PIN, will it work for my spouse's card, too?**

A: Yes. When the participant (account holder) calls to activate their Flex Card, the system will activate all cards associated with their account. The PIN assigned, will be the number used by all card holders.

**Q: Is the activation hotline the same number I call if my card is lost or stolen?**

A: No. If you have lost your card or it has been stolen, you may call 866-679-7649. The Card Center will cancel the current card number on record, and then send a replacement card with new card number. If this is done on/after May 4<sup>th</sup>, your new card will require activation.

**Thank you,  
CPN, Inc.**

## Flex Benefits Visa® Debit Card

### FROM YOUR EMPLOYER

IMPORTANT  
Flexible Benefit Plan Information

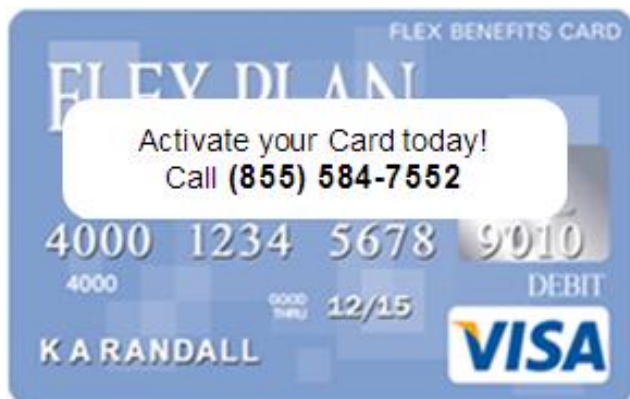
«DATA1»  
«DATA2»  
«DATA3»  
«DATA4»  
«DATA5»  
«DATA6»  
«DATA7»

#### EFFECTIVE JANUARY 1, 2011

This card cannot be used for over-the-counter drugs or medicines unless they are prescribed and filled as a prescription.

Number of Cards: «DATA25»  
Account Number: «DATA24»

### Your Employer's Flex Benefits Debit Card



You received this card by enrolling in your Employer's Flex Benefit Plan.

This debit card should be used to pay your Flex Benefit Plan expenses.

Order additional cards for your spouse or dependent at [www.MyFlexOnline.com](http://www.MyFlexOnline.com).

Note: Select the "CREDIT" payment option and sign the sales receipt or select the "DEBIT" payment option and provide your PIN.<sup>†</sup>

### Use this Card only for Qualified Flex Benefit Expenses

This Flex Benefits Visa Debit Card ("Card") is governed by the terms of the Cardholder Agreement displayed on the back of this page. Your employer may have allocated funds to pay certain qualified expenses under a flex benefits or Health Reimbursement Arrangement plan provided to employees, or you may have a health savings account ("HSA"). The Card can be used only at qualified locations wherever Visa debit cards are accepted. The Card allows you to access the funds available to you under the flex benefits or Health Reimbursement Arrangement plan or that you have in your HSA. The Card cannot be used at any ATM. No cash access is permitted.

The Card should be used only to pay for goods or services that are qualified under the rules governing your employer's flex benefit or Health Reimbursement Arrangement plan or your HSA. By using this Card, you certify that the goods or services paid for with this Card are for qualified expenses and that you have not received and will not seek reimbursement for these goods or services from another source.

THE IRS REQUIRES THAT YOU KEEP RECEIPTS FOR VERIFICATION PURPOSES.

If the Card was used to pay for expenses under your employer's flex benefit or Health Reimbursement Arrangement plan, you may be contacted to verify the Card was used for reimbursable expenses. Goods or services paid from your employer's flexible benefits plan which are not substantiated must be repaid by you. If the Card was used to pay for expenses under your HSA, you will need to save your receipts to substantiate these expenses on your personal income tax return.

Questions? Call the number on the back of your card.

This Card is issued by The Bancorp Bank pursuant to a license from Visa U.S.A. Inc. The Bancorp Bank; Member FDIC.

<sup>†</sup> You will receive a Personal Identification Number ("PIN") when you activate your Card. You can then use your card as you would a debit card at participating merchants, by selecting the "debit" payment option and entering the PIN. The PIN cannot be used to obtain cash at ATMs or cash back at merchants.

**Cardholder Agreement**  
**IMPORTANT – PLEASE READ CAREFULLY**

**Terms and Conditions/Definitions for your Flex Benefits Visa® Debit Card**

This document constitutes the agreement ("Agreement") outlining the terms and conditions under which this benefits card ("Card") has been issued to you. By accepting and using the Card, you agree to be bound by the terms and conditions contained in this Agreement. "Card" means the Visa Debit Card issued to you by The Bancorp Bank, Wilmington, Delaware. "Issuer" means The Bancorp Bank or its depository institution affiliate. The Issuer is an FDIC insured member institution. "Reimbursement Account" means the records maintained to account for the value of claims associated with the Card. "You" and "your" mean the person or persons who have received the Card and are authorized to use the Card as provided for in this Agreement. "We," "us," and "our" mean the Issuer, our successors, affiliates or assignees. "Plan Sponsor" means your employer or the association who is sponsoring your benefit plan ("Benefit Plan"). "Plan Administrator" means your employer or an agent for your Plan Sponsor to assist in the administration of your Benefit Plan. "Cardholder Services" means the agent for the Plan Administrator who manages selected card services. The Card is a device that may be used to access one or more benefits accounts such as a Flexible Spending Account (FSA), Health Reimbursement Arrangement (HRA), and/or a Health Savings Account (HSA), depending on what your Plan Sponsor offers. This Agreement governs the relationship between you and us regarding your Card, and our services related to the Card. The types of benefits that are available to you under your plan documents, the limitations on those benefits, and the qualifications to participate in the Benefit Plan, are governed by other documents, including plan documents that your Plan Sponsor has provided to you. The Plan Administrator or Plan Sponsor will determine what accounts are available to you, your spouse and/or dependents. We are not a party to the Benefit Plan or those other plan documents. We are not a fiduciary with respect to the Benefit Plan and are not responsible for the plan documents or the administration of your Benefit Plan. You acknowledge and agree that the amount available for Card use is limited to the amount available in your Reimbursement Account(s). You agree to sign the back of the Card immediately upon receipt. The expiration date of the Card is identified on the front of your Card. The Card is a prepaid card. The Card is not connected in any way to any other account. The Card is not a credit card. The Card is not for resale. You will not receive any interest on your funds in a Reimbursement Account. The Card will remain the property of the Issuer and must be surrendered upon demand. The Card is nontransferable and it may be canceled, repossessed, or revoked at any time without prior notice subject to applicable law. Our business days are Monday through Friday, excluding federal holidays, even if we are open. Any references to "days" found in this Agreement are calendar days unless indicated otherwise. Write down your card number and the customer service phone number provided in your Benefit Plan document or on the back of your Card on a separate piece of paper in case your Card is lost, stolen, or destroyed. Please read this Agreement carefully and keep it for future reference.

**My Use-of-Card Promises**

For each benefits account plan(s) ("Plan") where you are enrolled to use your Visa Debit Card ("Card"), you certify that you will only access your Plan account for payment of qualifying expenses under that Plan. You acknowledge that you have received and reviewed guidelines on the expenses that are qualifying expenses under the Plan, and you agree to follow these guidelines. You also agree and affirm that any expense you pay with the Card will not be submitted (and has not been submitted previously) for reimbursement to any other plan or program of benefit coverage. Further, you agree to save all invoices and receipts for any expense you pay with the Card and, upon request, to submit these documents to your Plan Administrator. You acknowledge that in order to process certain Card transactions it may be necessary to disclose information regarding your participation in the Plan to third party service providers). The promises, requests and consents above will be considered "My Use-of-Card Promises," and you understand that your acceptance of these (by activation of the Card) and your reliance on them has created a binding contractual commitment on your part regarding your use of the Card. You also understand that you will renew and reaffirm My Use-of-Card Promises each time you use or permit the Card to be used for payment.

**Authorized Users**

You are responsible for all authorized transactions initiated and fees incurred by use of your Card. If you permit another person to have access to your Card or Card number, we will treat this as if you have authorized such use and you will be liable for all transactions and fees incurred by those persons. You are wholly responsible for the use of each Card according to the terms and conditions of this Agreement.

**Activate Your Card**

You must activate your Card before it can be used. You may activate your Card by calling the number listed on the activation label attached to your card. You will need to provide personal information in order to verify your identity.

**Dependent Cards**

If you are the primary cardholder, you may request a Card for one or more dependents if allowed under your Benefit Plan. You remain liable for any and all usage of any dependent Cards you authorize.

**Card Replacement**

If you need to replace your Card for any reason, please contact your Plan Administrator at 1-866-679-7649 to request a replacement Card. You will be required to provide personal information which may include your Card number, full name, transaction history, etc.

**Representations and Warranties**

By activating the Card or by retaining, using or authorizing the use of the Card, you represent and warrant to us that: (i) you are at least 18 years of age (or older if you reside in a state where the majority age is older); (ii) you are a U.S. citizen or legal alien residing in the United States or the District of Columbia; (iii) you have provided us with a verifiable U.S. street address (not a P.O. Box); (iv) the personal information that you provide to us in connection with the Card is true, correct and complete; (v) you received a copy of this Agreement and agree to be bound by and to comply with its terms; and (vi) you accept the Card.

**Loading Your Card**

You may not load funds to your Reimbursement Account(s), called "value loading". Only your Plan Sponsor may add additional funds to your Reimbursement Account. You will have access to your funds upon activation.

**Using Your Card/Features**

The maximum amount that can be spent on your Card per day is the maximum value of your Card, which is the lesser of the value available in each Reimbursement Account linked to your Card or \$99,999.99. You may use your Card to purchase eligible goods or services at selected merchants ("Qualified Expenditures"), such as healthcare merchants everywhere Visa® debit cards or NYCE® are accepted, as long as you do not exceed the value available in your Reimbursement Account. Qualified Expenditures are defined by your plan documents provided by your Plan Sponsor. If you use the Card for any purpose other than a Qualified Expenditure, you may be subject to taxes, penalties, fines or surcharges according to applicable federal and state law. Your Plan Sponsor, the Internal Revenue Service ("IRS") or any other competent jurisdiction will make the determination of Qualified Expenditures. We have no responsibility to make such determination. If you use the Card for Non-Qualified Expenditures, you indemnify us and hold us harmless for any penalties or other consequences that may occur as a result of such use. If you use, continue to use or attempt to use the Card for Non-Qualified Expenditures, you may be assessed a penalty and/or your Card may be revoked. You agree to reimburse your Plan for Non-Qualified Expenditures. To the extent that you fail to reimburse your Plan, you authorize your Plan Administrator or your Plan Sponsor to collect from you personally, or withhold such Non-Qualified Expenditures, including taxes, penalties, fines or surcharges, from your

payroll to the extent permitted by law. Some merchants do not allow cardholders to conduct split transactions where you would use the Card as partial payment for goods and services and pay the remainder of the balance with another form of legal tender. If you wish to conduct a split transaction and it is permitted by the merchant, you must tell the merchant to charge only the exact amount of funds available on the Card to the Card. You must then arrange to pay the difference using another payment method. Some merchants may require payment for the remaining balance in cash. If you fail to inform the merchant that you would like to complete a split transaction prior to swiping your Card, your Card is likely to be declined. Any preauthorization amount will place a "hold" on your available funds until the merchant sends us the final payment amount of your purchase. Once the final payment amount is received, the preauthorization amount on hold will be removed. It may take up to seven (7) days for the hold to be removed. During the hold period, you will not have access to the preauthorized amount. If you use your Card number without presenting your Card (such as for a mail order, telephone, or Internet purchase), the legal effect will be the same as if you used the Card itself. For security reasons, we may limit the amount or number of transactions you can make with your Card. Your Card cannot be redeemed for cash. You may not use your Card for online gambling or any illegal transaction. Upon any purchase via a point-of-sale terminal, mail order, telephone order or other purchase transaction, the balance of your Reimbursement Account will be reduced by the amount of such purchase as determined by your Plan Administrator. The use of your Card to purchase goods and services from merchants is treated as a claim against your Reimbursement Account, as appropriate. Each time you use your Card, the amount of the transaction and any applicable fees, will be deducted from the appropriate available balance(s) in your Reimbursement Account, as determined by your Plan Administrator. You are not allowed to exceed the available amount through an individual transaction or a series of transactions. Nevertheless, if a transaction exceeds the available balance, you shall remain fully liable for the amount of the transaction and any applicable fees. If you believe that a transaction was deducted from the incorrect plan account, contact your Plan Administrator. You do not have the right to stop payment on any purchase or payment transaction originated by use of your Card. You may not make preauthorized regular payments from your Card. If you authorize a transaction and then fail to make a purchase of that item as planned, the approval may result in a hold for that amount of funds for up to seven (7) days.

**Personal Identification Number, Cash Access, and ATM Use**

You will receive a Personal Identification Number ("PIN") when you activate your Card. You may not use your Card to obtain cash from an Automated Teller Machine ("ATM"), Point-of-Sale ("POS") device, or by any other means. You may not use your Card at an ATM. For security reasons, we may limit the number of consecutive PIN failures allowed. You should not write or keep your PIN with your Card. Never share your PIN with anyone. When entering your PIN, be sure it cannot be observed by others and do not enter your PIN into any terminal that appears to be modified or suspicious. If you believe that anyone has gained unauthorized access to your PIN, you should advise us immediately following the procedures in the paragraph labeled "Your Liability for Unauthorized Transfers."

**Non-Visa Debit Transactions**

We allow non-Visa debit transactions. At certain merchant locations, you may have the option to process your debit card transaction as a Visa transaction or a NYCE transaction; and for NYCE transactions, a PIN may not always be required. Merchants are responsible for providing you with a clear way of choosing to make a Visa debit transaction if they support Visa transactions. Please be advised that should you choose to use the NYCE network when making a transaction, different terms may apply. Certain protections and rights applicable only to Visa debit transactions as described in this Agreement will not apply to transactions processed on the NYCE network. Please refer to the paragraph labeled "Your Liability for Unauthorized Transfers" for a description of these rights and protections applicable to Visa debit and non-Visa debit transactions. Examples of the type of action that you may be required to make to initiate a Visa debit transaction include signing a receipt or using Verified by Visa® over the Internet. Examples of the type of action that you may be required to make to initiate a non-Visa debit transaction include using a PIN, or authorizing a payment directly with a biller where your identity is verified through a means other than use of a PIN.

**Returns and Refunds**

If you are entitled to a refund for any reason for goods or services obtained with your Card, you agree to accept credits to your Card for such refunds and agree to the refund policy of that merchant. If you have a problem with a purchase that you made with your Card, or if you have a dispute with the merchant, you must handle it directly with the merchant.

**Receipts**

You should get a receipt at the time you make a transaction using your Card. You agree to retain, verify, and reconcile your transactions and receipts and to present those receipts when requested to do so.

**Expiration**

Unless terminated, your Card will expire on the last day of the month printed on your Card; however, your ability to pay for products and services may end sooner than the Card expiration date depending on your enrollment status in your Benefit Plan.

**Charges Made In Foreign Currencies**

If you make a purchase in a currency other than the currency in which your Card was issued, the amount deducted from your funds will be converted by Visa into an amount in the currency of your Card. 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 may vary from the rate Visa itself receives or the government-mandated rate in effect for the applicable central processing date. If you make a purchase in a currency other than the currency in which your Card was issued, the Issuer may assess this foreign currency conversion fee of 3% of the transaction amount.

**Card Account Balance/Periodic Statements**

You may determine your Reimbursement Account balance or review any transaction by calling your Plan Administrator at the number printed in your plan document or on the back of your Card. Contact your HSA custodian to determine the balance in your HSA.

**NOTICE TO CARDHOLDERS WITH AN HSA.**

All questions about transactions made with your Card must be directed to your Plan Administrator. We will not send you a periodic statement listing transactions that you make using your Card. The transactions will appear only on the statement issued by your bank or other financial institution that holds your HSA account.

**Our Liability for Failure to Complete Transactions**

If we do not properly complete a transaction from your Card on time or in the correct amount according to our Agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance: 1) If through no fault of ours, you do not have enough funds available on your Card to complete the transaction; 2) If a merchant refuses to accept your Card; 3) If an electronic terminal where you are making a transaction does not operate properly, and you knew about the problem when you initiated the transaction; 4) If access to your Card has been blocked after you reported your Card lost or stolen; 5) If there is a hold or your funds are subject to legal or administrative process or other encumbrance restricting their use; 6) If we have reason to believe the requested transaction is unauthorized; 7) If circumstances beyond our control (such as fire, flood, or computer or communication failure) prevent the completion of the transaction, despite reasonable precautions that we have taken; 8) If your Plan Sponsor or Plan Administrator did not add Funds to your Reimbursement Accounts in a timely manner; or 9) Any other exception stated in our Agreement with you.

**Fee Schedule**

All fee amounts will be withdrawn from your Card Account and will be assessed as long as there is a remaining balance on your Card Account, except where prohibited

by law. Anytime your remaining Card Account balance is less than the fee amount being assessed, the balance of your Card Account will be applied to the fee amount resulting in a zero balance on your Card Account.

Foreign Currency Conversion Fee	3% of the transaction amount
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**Confidentiality**

We may disclose information to third parties about your Card or the transactions you make: 1) Where it is necessary for completing transactions; 2) In order to verify the existence and condition of your Card for a third party, such as a merchant; 3) In order to comply with government agency, court order, or other legal reporting requirements; 4) If you give us your written permission; 5) To our employees, auditors, affiliates, service providers, or attorneys as needed; or 6) Otherwise as necessary to fulfill our obligations under this Agreement.

**Your Liability for Unauthorized Transfers**

Contact Cardholder Services at once if you believe your Card has been lost or stolen. Telephoning is the best way to minimize your possible losses. If you believe your Card has been lost or stolen, or that someone has transferred or may transfer money using your Card Account without your permission, call Cardholder Services at 1-866-297-3619. Under Visa U.S.A. Inc. Operating Regulations, your liability for unauthorized Visa debit transactions on your Card Account is \$0.00 if you are not grossly negligent or fraudulent in the handling of your Card. This reduced liability only applies to Visa signature debit transactions. If you notify Cardholder Services within two (2) business days of any unauthorized transactions, you can lose no more than \$50.00 if someone used your Card without your permission. If you do not notify Cardholder Services within two (2) business days after you learn of the loss or theft of your Card and we can prove that we could have stopped someone from using your Card without your permission if you had promptly notified us, you could lose as much as \$500.00.

Also, if you become aware of and/or your statement shows transactions that you did not make, notify Cardholder Services at once following the procedures stated in the paragraph labeled "Information About Your Right To Dispute Errors." If you do not notify Cardholder Services in writing within sixty (60) days after you become aware of the transaction and/or after the statement was made available to you, you may not get back any value you lost after the sixty (60) days if Cardholder Services can prove that they could have stopped someone from taking the value if you had notified Cardholder Services in time and you are grossly negligent or fraudulent in the handling of your Card. If your Card has been lost or stolen, we will close your Card Account to keep losses down.

**Other Terms**

Your Card and your obligations under this Agreement may not be assigned. We may transfer our rights under this Agreement. Use of your Card is subject to all applicable rules and customs of any clearinghouse or other association involved in transactions. We do not waive our rights by delaying or failing to exercise them at any time. If any provision of this Agreement shall be determined to be invalid or unenforceable under any rule, law, or regulation of any governmental agency, local, state, or federal, the validity or enforceability of any other provision of this Agreement shall not be affected. This Agreement will be governed by the law of the State of Delaware except to the extent governed by federal law.

**Amendment and Cancellation**

We may amend or change the terms and conditions of this Agreement at any time. You will be notified of any change in the manner provided by applicable law prior to the effective date of the change. However, if the change is made for security purposes, we can implement such change without prior notice. We may cancel or suspend your Card or this Agreement at any time. You may cancel this Agreement by returning the Card to us. Your termination of this Agreement will not affect any of our rights or your obligations arising under this Agreement prior to termination.

Your Plan Administrator and/or you have the right to suspend or terminate a Card. You must surrender a cancelled, revoked or terminated Card to your Plan Sponsor. Your Card will be suspended if you (or an individual authorized by you) fail to use the Card in the manner it was intended. You will receive notification telling you why your Card is "suspended" and giving corrective instructions to reverse the suspension. A suspended Card can be reactivated after you take corrective action. Your Card may be suspended for inappropriate and/or abusive transactions including, but not limited to, purchase of clearly Non-Qualified Expenditures, purchases for ineligible individuals, providing Card access to inappropriate individuals, or delinquent claim submission to document transactions, and failure to make necessary fund replacements in your Reimbursement Account.

Your Card will be terminated if you lose eligibility status for your Reimbursement Account. Such a status change may include an employment status change or your Plan Administrator if they are no longer offering such accounts. We may also terminate your Card at the request of your Plan Sponsor if you (or an individual authorized by you) repeatedly fail to use your Card in the manner it was intended. You will receive notice if your Card is terminated.

**Information About Your Right to Dispute Errors**

In case of errors or questions about your transactions, call 1-866-297-3619 or write to Cardholder Services, P.O. Box 7237, Sioux Falls, SD 57117-7237 if you think your receipt is wrong or if you need more information about a transaction. You must contact Cardholder Services no later than sixty (60) days after the date of the transaction in question. 1) Provide your name and Card number. 2) Describe the error or the transaction you are unsure about, and explain why you believe it is an error or why you need more information. 3) Provide the dollar amount of the suspected error.

If you provide this information orally, you may be required to send your complaint or question in writing within sixty (60) calendar days of the date of the transaction in question. A determination will be made whether an error occurred within sixty (60) calendar days after you notify Cardholder Services and any error will be corrected promptly. If more time is needed, however, Cardholder Services may take up to ninety (90) days to investigate your complaint or question. If Cardholder Services decides to do this, you will be notified verbally or in writing. If you are asked to put your complaint or question in writing and you do not provide it within sixty (60) calendar days of the date of the transaction in question, your Card may not be credited. For errors involving new Cards, POS transactions, or foreign-initiated transactions, Cardholder Services may take up to ninety (90) days to investigate your complaint or question. If it is determined that an error has occurred, the transaction in error will be corrected upon completing the investigation. You will be told the results within three (3) business days after completing the investigation. If it is decided that there was no error, you will be sent a written explanation. Copies of the documents used in the investigation may be obtained by contacting Cardholder Services at the phone number or address listed above.

**English Language Controls**

Any translation of this Agreement is provided for your convenience. The meanings of terms, conditions and representations herein are subject to definitions and interpretations in the English language. Any translation provided may not accurately represent the information in the original English.

**Customer Service**

For customer service or additional information regarding your Card, please call the number on the back of the card.

**No Warranty Regarding Goods or Services as Applicable.**

We are not responsible for the quality, safety, legality, or any other aspect of any goods or services you purchase with your Card.

This Cardholder Agreement is effective 03/2015.