

STATE OF NEBRASKA SERVICE CONTRACT AMENDMENT

State Purchasing Bureau
1526 K Street, Suite 130
Lincoln, Nebraska 68508

Telephone: (402) 471-6500
Fax: (402) 471-2089

CONTRACT NUMBER
104020 04

PAGE 1 of 1	ORDER DATE 03/26/25
BUSINESS UNIT 12211800	BUYER BROOK TAYLOR (AS)
VENDOR NUMBER: 1787076	
VENDOR ADDRESS: US BANK 200 S 6TH ST EP-MN-L20A MINNEAPOLIS MN 55402-1403	

THE CONTRACT PERIOD IS:
JULY 01, 2023 THROUGH JUNE 30, 2031

THIS SERVICE CONTRACT HAS BEEN AMENDED PER THE FOLLOWING INFORMATION:

THIS CONTRACT IS NOT AN EXCLUSIVE CONTRACT TO FURNISH THE SERVICES SHOWN BELOW, AND DOES NOT PRECLUDE THE PURCHASE OF SIMILAR SERVICES FROM OTHER SOURCES.

THE STATE RESERVES THE RIGHT TO EXTEND THE PERIOD OF THIS CONTRACT BEYOND THE TERMINATION DATE WHEN MUTUALLY AGREEABLE TO THE VENDOR/CONTRACTOR AND THE STATE OF NEBRASKA.

Original/Bid Document 6660 Z1

Contract to supply and deliver Prepaid Card Service to the State of Nebraska.

This is the initial term of the contract as amended.

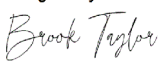
The contract may be renewed for two (2) additional one (1) year periods when mutually agreeable to the vendor and the State of Nebraska.


Vendor Point of Contact:
Name: Tyler Vickery
Phone: 904-470-1990
E-Mail: tyler.vickery@usbank.com

(4/12/2023 ch)
AMENDMENT ONE (1) AS ATTACHED. (09/08/23 AM)
AMENDMENT TWO (2) AS ATTACHED. (03/26/25 BT)

Line	Description	Quantity	Unit of Measure	Unit Price	Extended Price
1	STORED VALUE CARD SERVICE INITIAL CONTRACT PERIOD	1.0000	\$	0.0000	0.00
2	STORED VALUE CARD SERVICE FIRST OPTIONAL RENEWAL YEAR	1.0000	\$	0.0000	0.00
3	STORED VALUE CARD SERVICE SECOND OPTIONAL RENEWAL YEAR	1.0000	\$	0.0000	0.00
Total Order					0.00

DS


Signed by:
 4/8/2025
9D9E6EDF47644F8...
BUYER

DocuSigned by:
 4/8/2025
D5D6C0E236ED496...
MATERIEL ADMINISTRATOR

AMENDMENT TWO
Contract Number 104020 O4

Prepaid Card Services

Between
The State of Nebraska
And
US Bank

THIS AMENDMENT is entered into by and between the State of Nebraska ("State/Entity") and US Bank ("Vendor").

WHEREAS, the State of Nebraska has a contract with Vendor identified as 104020 O4 for use by state agencies and other entities.

WHEREAS, the terms of the contract specifically state that the contract may be amended when mutually agreeable to the Vendor and the State of Nebraska.

WHEREAS, this Amendment and any attachments hereto will become part of the Contract. Except as set forth in this Amendment, the Contract is unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict between this Amendment and the Contract or any earlier amendment, the terms of this Amendment will prevail.

NOW, THEREFORE, it is agreed by the parties to amend the contract as follows:

1. Incorporate Amendment Two as attached to outline specifics to the State Lottery Program.

IN WITNESS WHEREOF, this amendment is entered into as of the last signature date below (the "Effective Date").

State of Nebraska

Docusigned by:

By: 

D5D6C0E236ED496...

Name: _____

Michelle Potts

Title: Material Administrator

Date: 4/8/2025

US Bank

Signed by:

By: 

C9A39E1CB5884FA...

Name: _____

Benjamin Osmond

Title: SVP- Treasury & Payment Solutions

Date: 4/8/2025

**AMENDMENT TWO TO CONTRACT 104020 04 PREPAID CARD SERVICE AWARD
BETWEEN
THE STATE OF NEBRASKA AND US BANK**

This Amendment Two to 104020 04 Prepaid Card Service Award (this "Amendment Two") is made effective upon execution, by and between U.S. Bank National Association d/b/a Elan Financial Services ("U.S. Bank" or Elan") and The State of Nebraska ("State").

RECITALS

WHEREAS, U.S. Bank and State entered into Contract 104020 04 Prepaid Card Service Award effective July 1, 2023 (the "Agreement"); and

WHEREAS, U.S. Bank and State entered into Amendment One to Contract 104020 04, effective September 18, 2023.

WHEREAS, U.S. Bank and State desire to outline specifics to the State Lottery Program, subject to the terms and conditions set forth in this Amendment Two.

AGREEMENT

NOW, THEREFORE, in consideration of mutual promises and obligations set forth herein, the parties agree as follows:

1. Capitalized Terms. Capitalized terms used herein but not otherwise defined herein shall have the meanings given to such terms in the Agreement, unless the context shall otherwise require.

2. Amendment to General Purpose Instant Issue Card Agreement. Article 5.3 of the General Purpose Instant Issue Card Agreement is hereby replaced with the following:

5.3 Funding of Accounts. Except as provided for in section 5.4, The State shall utilize a good funds method of settlement and must have a sufficient amount of immediately available funds on deposit in the Funding Account to fund any Disbursement to a Card. Elan will not be liable to the State for, and the State will hold Elan harmless from, any claims arising from the refusal by Elan to load a Disbursement onto a Card if there are insufficient funds available in the Funding Account to cover the Disbursement Amount

5.4 Settlement.

(a) Financial Information. The State shall provide its fiscal year-end financial statements as soon as available but not later than 120 days following the end of the State's fiscal year, if needed. State shall provide additional information, upon request by Elan, regarding the business, operations, affairs and financial condition of the State, including reviews, audits or Customer prepared quarterly financial statements.

(b) Credit Controls. Elan, at its sole discretion, will set the settlement limits or controls associated with this Agreement and may, without prior notice to the State, modify or cancel such limits or controls. If Elan determines that the

settlement risk is unacceptable, Elan may require the State to utilize a good funds method of settlement that requires the State to ensure delivery to Elan of immediately available funds prior to activating any Card; provided, that if the State is required or elects to utilize a good funds method of settlement, such method of settlement shall be effective for the term of this Agreement.

(c) Settlement Timeline. If the State is approved for settlement funding method, settlement exposure shall be limited to no longer than four calendar days before the State shall cause funds to be deposited into the Funding Account or State shall otherwise maintain a balance in the Funding Account in an amount not less than (i) the aggregate amount of load values that have been loaded to Cards but for which Elan has not yet settled with the State; plus (ii) any unpaid Program fees due to Elan from the State (the "Daily Settlement Amount").

(d) Fraud & Errors. Without limitation of the foregoing, the State shall be liable to fund each Daily Settlement Amount in the Funding Account, including any Disbursements loaded to any Card as a result of any fraudulent or otherwise wrongful act or omission by any Account Representative or as the result of the State's negligence or willful misconduct. Elan will not cancel or otherwise reverse any Disbursement(s) loaded to a Card made in error by the State or Account Representative if such load was made more than two (2) hours prior to the State's request to Elan to cancel such load or Card; provided, however, the State shall have the right and Elan shall provide the State with the ability to reverse such error by way of a batch file. Any such Disbursements loaded to a Card more than two (2) hours prior to the State's request to cancel such load or Card remain the liability of the State and the State must include such Disbursement amount in the applicable Daily Settlement Amount. Elan shall not assist the State in any collection efforts with respect to such Total Deposit or Card.

(e) Internal Funds Transfer. The State hereby authorizes Elan to initiate an internal funds transfer from the Funding Account for the Daily Settlement Amount.

(f) Material Breach. It shall be a material breach of this Agreement if at any time the State does not fund the Funding Account in accordance with 5.4 (c), and the account will be considered delinquent. Bank may immediately suspend its performance under this section of the Agreement for any account that is delinquent. Bank may recover any reasonable legal fees and other expenses incurred in collecting any delinquent amounts on an account.

(g) Post Termination Provisions. Upon any termination of this Agreement, the State hereby authorizes Elan to debit the Funding Account for all undisputed amounts permitted pursuant to this Agreement that have accrued prior to the effective date of termination, including any Daily Settlement Amount with respect to which Elan has not yet debited the Funding Account.

3. Amendment to Fee Schedule. Exhibit B shall be replaced with the attached Exhibit B, specifically and exclusively for the State of Nebraska Lottery Program.

4. Affirmation of Agreement. Except as expressly modified herein, the Agreement shall remain in full force and effect and nothing in this Amendment Two shall be deemed to waive or modify

any provision of the Agreement.

5. Entire Agreement. This Amendment Two taken together with the existing Agreement, including all prior amendments, exhibits, and attachments, embodies the entire agreement and understanding between the parties and supersedes and has merged into it all prior oral and written agreements on the same subjects by and between the parties hereto.

6. Counterparts. This Amendment Two may be executed in any number of counterparts, each of which when so executed shall be deemed an original, and all of which counterparts of this Amendment Two when taken together, shall constitute one and the same document.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Two to be executed and effective as of the date first above written.

U.S. BANK NATIONAL ASSOCIATION d/b/a
ELAN FINANCIAL SERVICES

Signed by:
By: Benjamin Osmond
C9A39E1CB5884FA...
Name: Benjamin Osmond
Title: SVP- Treasury & Payment Solutions

STATE OF NEBRASKA

DocuSigned by:
By: Michelle Potts
D5D6C0E236ED496...
Name: Michelle Potts
Title: Materiel Administrator

Exhibit B
Program Pricing Schedule

The following items are billed to the State:

Item / Activity	Fee
Program Implementation Fee	\$0.00
Marketing Materials	N/A
Monthly Program Service Fee	\$0.00
Card Issuance Fee (per Card) standard card with company logo	\$0.00
Card Issuance Fee (per Card) custom card	\$0.00

The following items are billed to the Cardholders:

Item / Activity	Fee
Monthly Account Maintenance Fee <i>(Effective after the card has been active for 7 months and as long as a balance remains thereafter)</i>	\$2.00

Point of Sale Fees

Visa® Signature-Based POS transactions	\$0.00
PIN-Based POS transactions	\$0.00
Cash Back with Purchase at Participating Merchants	\$0.00

Cash Withdrawal Fees

ATM withdrawals at Domestic ATMs (ATM Withdrawals are free at MoneyPass ATMs)	Free at MoneyPass ATMs \$2.00 at Out of Network ATMs
ATM Withdrawal at International ATMs (3% Foreign Transaction Fee also applies to each international ATM withdrawal)	\$0.00
Visa Teller-based Cash Withdrawals	\$5.00

Customer Service and Miscellaneous Fees

Customer Service – Unlimited FREE Web-Based Service	\$0.00
– VRU Calls and Live Representative Calls	\$0.00
ATM Balance Inquires - Domestic and International	\$0.00
Paper Statement	N/A
Standard Card Replacement	\$5.00
3% Foreign Transaction Fee also applies to each international transaction	3%

STATE OF NEBRASKA SERVICE CONTRACT AMENDMENT

State Purchasing Bureau
1526 K Street, Suite 130
Lincoln, Nebraska 68508

Telephone: (402) 471-6500
Fax: (402) 471-2089

CONTRACT NUMBER
104020 04

PAGE 1 of 1	ORDER DATE 09/08/23
BUSINESS UNIT 12211800	BUYER MATTHEW HANSEN (AS)
VENDOR NUMBER: 1787076	
VENDOR ADDRESS: US BANK 200 S 6TH ST EP-MN-L20A MINNEAPOLIS MN 55402-1403	

THE CONTRACT PERIOD IS:

JULY 01, 2023 THROUGH JUNE 30, 2031

THIS SERVICE CONTRACT HAS BEEN AMENDED PER THE FOLLOWING INFORMATION:

THIS CONTRACT IS NOT AN EXCLUSIVE CONTRACT TO FURNISH THE SERVICES SHOWN BELOW, AND DOES NOT PRECLUDE THE PURCHASE OF SIMILAR SERVICES FROM OTHER SOURCES.

THE STATE RESERVES THE RIGHT TO EXTEND THE PERIOD OF THIS CONTRACT BEYOND THE TERMINATION DATE WHEN MUTUALLY AGREEABLE TO THE VENDOR/CONTRACTOR AND THE STATE OF NEBRASKA.

Original/Bid Document 6660 Z1

Contract to supply and deliver Prepaid Card Service to the State of Nebraska for the contract period July 1, 2023 through June 30, 2031. The contract may be renewed for two (2) additional one (1) year periods when mutually agreeable to the vendor and the State of Nebraska.

Vendor Contact: Tyler Vickery
Phone: 904-470-1990
E-Mail: tyler.vickery@usbank.com

(4/12/2023 ch)

AMENDMENT ONE (1) AS ATTACHED. (09/08/23 AM)

Line	Description	Quantity	Unit of Measure	Unit Price	Extended Price
1	STORED VALUE CARD SERVICE INITIAL CONTRACT PERIOD	1.0000	\$	0.0000	0.00
2	STORED VALUE CARD SERVICE FIRST OPTIONAL RENEWAL YEAR	1.0000	\$	0.0000	0.00
3	STORED VALUE CARD SERVICE SECOND OPTIONAL RENEWAL YEAR	1.0000	\$	0.0000	0.00
Total Order					0.00

<p>DocuSigned by:</p> <p><i>Matthew Hansen</i> 9/18/2023</p> <p>D09C6E7ACB6340E... BUYER</p>	<p>DS</p> <p><i>RT</i></p>	<p>DocuSigned by:</p> <p><i>Amara Block</i> 9/18/2023</p> <p>4CFE2711162A4A2... MATERIEL ADMINISTRATOR</p>
--	----------------------------	--

AMENDMENT ONE
Contract 104020 O4
Prepaid Card Services for the State of Nebraska
Between
The State of Nebraska and US Bank

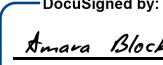
This Amendment (the "Amendment") is made by the State of Nebraska and US Bank (the "Contractor") parties to Contract 104020 O4 (the "Contract") and upon mutual agreement and other valuable consideration, the parties agree to and hereby amend the contract upon execution as follows:

1. Add Amendment One as attached.

This Amendment or Addendum and any attachments hereto will become part of the Contract. Except as set forth in this Amendment or Addendum, the Contract is unaffected and shall continue in full force and effect in accordance with its terms. If there is conflict between this Amendment and the Contract or any earlier amendment, the terms of this Amendment will prevail.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date of execution by both parties below.

State of Nebraska

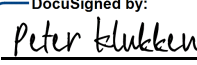
By: 
4CFF2711162A4A2...

Name: Amara Block

Title: Materiel Administrator

Date: 9/18/2023

Contractor: US Bank

By: 
3A54A563AD084D4...

Name: Peter Klukken

Title: SVP

Date: 9/15/2023

**AMENDMENT ONE TO CONTRACT 104020 04 PREPAID CARD SERVICE BETWEEN
THE STATE OF NEBRASKA AND US BANK**

This Amendment to Prepaid Debit Card Agreement (this "Amendment") is made effective upon execution, by and between U.S. Bank National Association ("U.S. Bank") and The State of Nebraska ("State").

RECITALS

WHEREAS, U.S. Bank and State entered into a Prepaid Debit Card Agreement effective July 1, 2023 (the "Prepaid Debit Card Agreement"); and

WHEREAS, U.S. Bank and State desire to add the Expense Card Agreement, subject to the terms and conditions set forth in this Amendment.

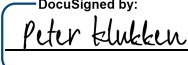
AGREEMENT

NOW, THEREFORE, in consideration of mutual promises and obligations set forth herein, the parties agree as follows:

1. Capitalized Terms. Capitalized terms used herein but not otherwise defined herein shall have the meanings given to such terms in the Prepaid Debit Card Agreement, unless the context shall otherwise require.
2. Amendment of an Additional Card Agreement. The U.S. Bank Expense Card Exhibit to Prepaid Debit Card Agreement attached hereto is added to the State of Nebraska Service Contract Number 104020 04.
3. Affirmation of Agreement. Except as expressly modified herein, the Prepaid Debit Card Agreement shall remain in full force and effect and nothing in this Amendment shall be deemed to waive or modify any provision of the Prepaid Debit Card Agreement.
4. Entire Agreement. This Amendment taken together with the existing Prepaid Debit Card Agreement, including all prior amendments, exhibits, and attachments, embodies the entire agreement and understanding between the parties and supersedes and has merged into it all prior oral and written agreements on the same subjects by and between the parties hereto.
5. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed shall be deemed an original, and all of which counterparts of this Amendment when taken together, shall constitute one and the same document.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and effective as of the date first above written.

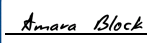
U.S. BANK NATIONAL ASSOCIATION

By:  _____
DocuSigned by:
3A54A563AD084D4...

Name: Peter Klukken

Title: SVP

STATE OF NEBRASKA

By:  _____
DocuSigned by:
4CFF2711162A4A2...

Name: Amara Block

Title: Chief Procurement officer

U.S. BANK EXPENSE CARD EXHIBIT TO PREPAID DEBIT CARD AGREEMENT

This U.S. Bank Expense Card Exhibit to Prepaid Debit Card Agreement (this “Exhibit”) is made between U.S. Bank National Association, a national banking association (“U.S. Bank”) and State of Nebraska (the “State”).

RECITALS

U.S. Bank is a member of National Associations and issues U.S. Bank-branded and National Association-branded debit cards, check cards, prepaid debit cards and other banking cards to cardholders; and

State is an entity seeking to, and U.S. Bank is willing to, provide State-owned business-related expense funds to designated recipients on a National Association-branded prepaid debit card.

NOW, THEREFORE, in consideration of the mutual promises set forth in this Exhibit, the parties agree as follows:

1. In addition to the definitions contained in Article I of the Prepaid Debit Card Agreement, for the purposes of this Exhibit, the following definitions with also apply:

“Funding Card” means a virtual prepaid debit product which operates off of a centralized funds pool and through the Funding Card Account.

“Funding Card Account” means a prepaid debit card account funded through periodic deposits made with U.S. Bank by State and accessible through the use of a (real or virtual) prepaid debit card issued and serviced by U.S. Bank. The Funding Card Account may be used by State to make the periodic transfers to and debits from Accounts.

“National Associations” means Visa U.S.A., Inc., Visa International, Inc., and Plus System, Inc.

“Program” means the program between U.S. Bank and State for the issuance of Cards to Cardholders, according to the terms of this Exhibit. Key elements of the Program and essential responsibilities of the parties are included in Exhibit A to this Exhibit.

2. Article 4, “Responsibilities of U.S. Bank” in the Prepaid Debit Card Agreement is deleted and replaced with the following:

ARTICLE IV. RESPONSIBILITIES OF U.S. BANK

4.1 Card Issuance.

(a) Beginning no later than the Program Launch, State will begin to offer to recipients the option of receiving a prepaid debit card as a means of accessing State-owned per diem and similar business expense funds. U.S. Bank will make Cards available to recipients following receipt

of State requests for the issuance of a personalized Card and following U.S. Bank's review and processing in accordance with U.S. Bank's procedures and criteria. Such procedures and criteria will be in U.S. Bank's sole control and discretion. U.S. Bank will issue a Card to a recipient no later than two (2) Business Days following U.S. Bank's receipt of complete and accurate information from State.

(b) U.S. Bank may, in its sole discretion, undertake periodic reviews of Cardholders and their Accounts to manage risks associated with fraudulent card use and other Account activity which has the potential of exposing U.S. Bank to financial loss. U.S. Bank reserves the right to take any necessary actions to stop such activity on the Account. For any Account closed pursuant to this Section, subsequent transmission of load value will be rejected. U.S. Bank will notify State in writing of any actions taken pursuant to this Section within ten (10) Business Days.

(c) In the event State chooses to offer RII Cards, U.S. Bank shall provide State with access to the Administrative Web Portal which will permit State to enroll, register and load non-personalized RII Cards on a near-instantaneous basis for distribution to Cardholders. Cardholders who receive such RII Cards shall receive them from State in a pre-activated status or ready-to-activate status with funds loaded by State (for avoidance of doubt, such RII Cards may be funded on a delayed basis in State's discretion). U.S. Bank shall ensure each Card may continue to be used for such purpose until the expiration or depletion of funds on the Card. U.S. Bank shall record the issuance of each RII Card and track that RII Card's issuance, usage, fee collection and closure. RII Card inventory will be distributed to State, provided, however, that if State rolls out the Program in multiple locations, then additional Card stock delivery charges may be assessed and shall be paid by State. State shall be responsible for the security and distribution of all RII Cards that State has received.

(d) Upon the request of State to U.S. Bank, U.S. Bank will issue to such Cardholder a personalized Card as a replacement for such Card. The Card being replaced will remain active until the Cardholder activates the replacement Card. The replacement Card (i) will access the same Account tied to the original Card, (ii) will be personalized with the name of the Cardholder and (iii) will be subject to the same terms and conditions as any other Card issued under this Exhibit. Notwithstanding the foregoing, State may, in its discretion, elect to offer only RII Cards to Cardholders.

4.2 Design and Manufacture of Cards.

(a) U.S. Bank will purchase plastic stock and be responsible for ordering, embossing, encoding and delivering Cards to State. U.S. Bank will provide a standard card design. Each Card will bear the U.S. Bank Marks and the marks of the appropriate National Associations.

(b) Unless specifically stated otherwise in the price tables contained in the Exhibits to this Exhibit, U.S. Bank will bear the expense of manufacturing Cards issued to Cardholders.

4.3 Design of Statements and Card Carriers.

(a) U.S. Bank will produce Cards and Card carriers, subject to Applicable Law and the regulations of applicable National Associations using a design created by U.S. Bank.

(b) U.S. Bank will bear all costs and expenses for the design, printing and production of the Card carriers; provided that State will bear any additional manufacturing, printing or operating expense incurred as result of redesign of the Card carriers requested by State if the card conformed with the design approved by the State, unless both U.S. Bank and State agree in writing that a redesign is necessary.

(c) U.S. Bank is responsible for providing monthly Account statements to Cardholders containing information relating to transactions performed with their Cards. U.S. Bank will make such Account statements available to Cardholders in an electronic format via the Internet through U.S. Bank's proprietary prepaid cardholder web site.

4.4 U.S. Bank Program Responsibilities. U.S. Bank will have full responsibility and control over all policies, activities and decisions with respect to all Cards and Accounts, including all fees and charges, customer service, Card issuance and cancellation, debt collection, access to automated teller machines ("ATMs"), and issuance of personal identification numbers. U.S. Bank shall administer and be responsible for all operational aspects of the Program as set forth in Exhibit A and including Account set-up, Card plastic issuance, Account reconciliation, Cardholder telephone and internet inquiries, chargeback processing, Disbursement and transaction processing, interaction with the National Association's system, computer processing, and collections. U.S. Bank shall cause the Program to comply with all Applicable Law in all material respects, including compliance with applicable state escheatment laws. U.S. Bank is not responsible for any determination of the amount to be paid to any Cardholder with respect to such Cardholder's Disbursement amount.

4.5 U.S. Bank Cardholder Service. U.S. Bank will provide State with access to a trained staff to assist State with any Cardholder inquiries or complaints arising in connection with Cards or other aspects of the Program, all in accordance with U.S. Bank's established customer service procedures and Applicable Law.

3. Article 5, "Responsibilities of State" in the Prepaid Debit Card Agreement is deleted and replaced with the following:

ARTICLE V. RESPONSIBILITIES OF STATE

In addition to its other responsibilities set forth in this Exhibit and Exhibit A, State shall have the following responsibilities in furtherance of the Program:

5.1 Enrollment of Recipients. State will ensure that all prospective cardholders and Cardholders are bona fide recipients of State. State understands that all prospective cardholders or Cardholders that do not, in U.S. Bank's sole discretion, pass the initial or ongoing verification and screening will be denied a Card. The denial of a Card to a recipient under any circumstances may not be a cause for termination of this Exhibit by State. State understands that U.S. Bank must collect identifying information and verify the identities of all prospective cardholders in order to comply with Applicable Law. In addition, any prospective cardholder or Cardholder may be required to provide additional documentation to U.S. Bank under Applicable Law. In the event U.S. Bank requires additional documentation from a prospective

cardholder or Cardholder pursuant to Applicable Law, U.S. Bank is required to restrict access to the card by virtue of those Applicable Law.

5.2 Program Material and State Responsibilities. State will arrange for and coordinate the distribution of Cards to its recipients. State will not distribute any program material unless such material has been reviewed and approved by U.S. Bank prior to distribution to its recipients. State will ensure that (i) Cards are only used for per diem purposes, (ii) Cardholders understand that Account funds are State-owned business funds, (iii) Cardholders understand State's rights with respect to Cards (including State's right to review Card activity and to initiate deposits and debits from Cards) and all State-imposed policies and expectations related to usage of Cards, and (iv) State complies with all State-imposed policies and expectations related to usage of Cards.

5.3 Transmission of Load Values and State Representatives. State will transmit to U.S. Bank the amounts to be deposited via ACH into the Funding Card Account. State Representatives will use a batch process or the Administrative Web Portal to fund individual cards. Such transmission will be made only by authorized State Representatives. State agrees to provide complete and accurate information to U.S. Bank. State Representatives will be responsible for the initial transmission of load values and any changes to the amounts to be loaded in to the Funding Card Account after the initial transmission of the determined amount for the Funding Card Account, as well as the correction of any errors in any other data or transmission made by the State.

5.4 Compensation to U.S. Bank. U.S. Bank will charge Cardholders according to the fee schedule set forth in Exhibit B to this Exhibit. U.S. Bank reserves the right to change the Cardholder fee schedule in accordance with the Agreement or as required by applicable law. As the Cards are to be loaded solely with State-owned funds, State acknowledges that it is responsible and liable for all transactions conducted by Cardholders with the Cards and Accounts, including all fees incurred by Cardholders in connection therewith, subject to and limited by the amount loaded on the Cardholder's Card and Account.

5.5 Training Responsibilities. State shall be responsible for identifying the appropriate State locations that will enroll, load and activate the Cards. State is solely responsible to sufficiently train State Representatives in connection with the Program so that State Representatives are able to properly operate the Program and answer questions regarding the Cards and the Program. U.S. Bank shall provide State with initial training and a support number they may call for assistance regarding Program questions.

5.6 RII Cardholder Enrollment. At the time of each Card enrollment, State shall provide U.S. Bank with the Cardholder enrollment information set forth in Exhibit A. Data entry of Card ID numbers and information shall be made only by an Account Representative. State shall be liable for errors in transmission made by all State employees and State Representatives. State shall only engage in enrollment and registration of Cardholders that are physically present at a bona fide State location at the time of enrollment unless otherwise agreed to in advance and in writing by U.S. Bank. After completing enrollment, State shall give the Cardholder the Card and all disclosure documents required by U.S. Bank.

5.7 RII Card Security and Inventory Control. State shall provide RII Card stock security and inventory control in accordance with all requirements of the National Associations and U.S. Bank, as modified from time to time. U.S. Bank's current requirements are attached as Exhibit C to the Prepaid Debit Card Agreement. State shall bear all risk of loss and any associated liability for RII Cards lost or stolen after State has received such Cards. State must permit U.S. Bank to monitor and/or audit State's

compliance with this Section 5.7 during regular business hours upon not less than 48 hours' notice to State and shall provide U.S. Bank with copies of all applicable audits and test results obtained by State regarding such compliance.

5.8 Reliance on Instructions. State shall be responsible for monitoring the use of the System by its State Representatives. U.S. Bank may, without further inquiry, execute or act in reliance upon any instructions, directions, transmissions or other information received from any person using the identity, passwords or access credentials of an Account Representative and any action undertaken by U.S. Bank in reliance to same shall constitute good discharge by U.S. Bank of its obligations under this Exhibit.

4. Article 6, "Program Policies and Account Attributes" in the Prepaid Debit Card Agreement is deleted and replaced with the following:

ARTICLE VI. CARD ACCOUNTS ATTRIBUTES AND FUNDING

6.1 Funding Card Account. The parties acknowledge and agree that all funds deposited in the Funding Card Account and Card Accounts are State-owned deposits with U.S. Bank and are intended solely for the purpose of funding Cards. Upon termination of this Exhibit, U.S. Bank shall refund to State any funds in remaining in the Card Accounts, after the deduction of any remaining fees owed to U.S. Bank or any costs incurred by U.S. Bank.

6.2 Funding of Accounts. State shall utilize a good funds method of settlement which requires State to deposit a sufficient amount of immediately available funds in the Funding Card Account via transfer from another U.S. Bank depository account or via ACH transfer prior to registering or loading any Card. State will fund loads to Cards via a batch process or the Administrative Web Portal. The Administrative Web Portal will also allow State to monitor Card activity and to initiate card-to-card transfers from Card Accounts back to the Funding Card Account. Use of the Administrative Web Portal shall be restricted to State Representatives. State acknowledges and agrees that the Funding Card and the Funding Card Account are subject to the terms of this Exhibit.

6.3 Load Reversals. State may use the Administrative Web Portal to monitor Card activity and to initiate Card-to-Card transfers from Card Accounts and to the Funding Card Account. State may also reverse any Deposit Amount loaded onto a Card, provided sufficient funds are still available on said Card. State will be responsible for all applicable Deposit Amounts, including those made by State in error. U.S. Bank will not be obliged to assist State in any collection efforts with respect to any Deposit Amount or Card load for which reversals cannot be completed.

6.4 Liability for Transactions and Overdrafts. State shall be liable for all transactions and usage of the Funding Card and the Cards, including all transactions and usage due to negligence, willful misconduct and fraud (excluding however, any negligence, willful misconduct or fraud on the part of U.S. Bank or its agents). State will, in a timely manner, refer to U.S. Bank any and all inquiries regarding any aspect of a Card or Account, and any other inquiries regarding any other aspect of U.S. Bank's prepaid debit card operations.

6.5 ACH Transfers. State warrants to U.S. Bank that it will not use a Card Account, or make any ACH transfer with respect thereto, for any purpose that is not lawful or is not expressly permitted by

the terms of this Exhibit. State will, with respect to all ACH transfers, comply with and be bound by the rules and regulations that govern the applicable funds transfer systems, such as ACH Rules, as published by the National Automated Clearinghouse Association ("NACHA"). State also acknowledges that U.S. Bank must make certain warranties under the ACH Rules with respect to ACH transfers initiated by State.

6.6 FDIC Record Keeping Requirements: In order to facilitate the offering of deposit insurance to Cardholders, State agrees to fully cooperate in arranging to retain and sharing of Cardholder information with U.S. Bank in a manner consistent with its FDIC-mandated record-keeping obligations, including (i) through April 1, 2021, those required by 12 C.F.R. § 360.9, which provide for a standard data format for generating deposit account and customer data for the FDIC; and (ii) starting April 1, 2021, those required by 12 C.F.R. § 370, which mandate that State be able to provide the required information in the required format ("FDIC Information") to the FDIC within 24 hours of the failure of U.S. Bank. The FDIC Information that is compatible with U.S. Bank's information technology systems are outlined in the Deposit Broker's Processing Guide ("Guide") published by the FDIC, including alternative recordkeeping requirements in Section VII of the Guide, which describes the process to follow and the FDIC Information State will need to provide in the event U.S. Bank fails. That information can be accessed on the FDIC's website at <https://www.fdic.gov/deposit/deposits/brokers/>. State acknowledges that, following the appointment of the FDIC as receiver of U.S. Bank, the FDIC may place a hold on Cardholder's Accounts and that State and Cardholders may not have access to deposits in the deposit account until State delivers the FDIC Information. Upon request, U.S. Bank will provide State with the opportunity to validate its capability to deliver the FDIC Information so that a timely calculation of deposit insurance coverage can be made.

5. The following provisions are added to Article 11 of the Prepaid Debit Card Agreement:

11.7 Card Volume Rights. In the event that on any year-anniversary of this Exhibit the total number of active Cards is less than 100, U.S. Bank shall have the right to do any one of the following: (i) terminate this Exhibit with fifteen (15) days notice to State, provided such notice is given within thirty (30) days of the applicable year-anniversary of this Exhibit, or (ii) require that State make such enhancements to its efforts to market the Program as U.S. Bank directs.

11.8 Annual Deposit Threshold. In the event that on any year-anniversary of this Exhibit the annual Deposit Amount of the Program is, or averages less than, \$75,000.00, U.S. Bank may terminate this Exhibit with 30 days' notice to State. Upon mutual agreement between U.S. Bank and State, the Program may be broken into a limited number of subaccounts, each serving a separate population of Cardholders under the Program (each, a "Subprogram"). This section 11.8 also applies separately to each individual Subprogram.

6. Section 12.2 of the Prepaid Debit Card Agreement is deleted in its entirety and replaced with the following:

12.2 Wind-down of Operations. Following termination of this Exhibit, U.S. Bank will not accept requests to issue a Card and will not reload existing Accounts with Disbursements. Following termination of this Exhibit, State will promptly instruct Cardholders to destroy their respective Cards.

IN WITNESS WHEREOF, the parties have executed the Exhibit effective as of the date fully executed by both parties, as noted below.

U.S. BANK NATIONAL ASSOCIATION

DocuSigned by:
By: Peter Klukken
3A54A563AD084D4...

Name: Peter Klukken

Title: SVP

Date: 9/15/2023

STATE OF NEBRASKA

DocuSigned by:
By: Amara Block
4CFF2711162A4A2...

Name: Amara Block

Title: Chief Procurement Officer

Date: 9/18/2023

Exhibit A

Program Description

Key Elements

The Program will have the following key elements:

- The Cards will be National Association-branded, following all National Association “Prepaid Debit Card” regulations and program guidelines
- Single source reloadable Program
 - No consumer or direct reloads will be permitted
 - No card-to-bank or card-to-card transfers permitted
- During onboarding process, State may set MCC-based purchase restriction blocks for the Program, provided State gives prior written notice of the restrictions to Cardholders.
 - MCC block on gambling will always be in place.
- The Cards may have ATM access at certain ATMs, as directed by State
- The Cards will have point-of-sale access through the National Association network
- Cards will be of standard design and only carry U.S. Bank’s name and/or trademarks
 - Cards may carry State’s name and/or trademarks for an additional fee
- Cards will expire after 5 years
- Cardholder text and email alerts are available

U.S. Bank Operational Responsibilities

U.S. Bank shall be specifically responsible for the following:

- Making Cardholder transactions and account statements available to Cardholders via the Internet through its proprietary prepaid cardholder web site
- 24/7 Voice Response Unit access to Cardholders will be available via a dedicated toll free telephone number.
 - Voice Response Unit features include lost/stolen account reporting, remaining account balance, last load amount, and recent transaction history
- Live customer service agents will be made available 24 hours per day, 7 days per week to assist Cardholders via a toll free telephone number
- Providing initial training (train the trainer) of designated State Representatives.
- Providing Card stock and all packaging needed to support the delivery of Cards to the Cardholders at the agreed-upon cost
- Providing access to the Administrative Web Portal for use by State Representatives in the administration of the Program
- Providing access to standard reports through the Administrative Web Portal
 - Card Activity Detail
 - Card Status
 - Funding Reject Report
 - Card Activation
 - Account Reconciliation
 - Monthly Program Metrics
- Setting up Accounts, processing chargebacks in accordance with the rules of the National Associations, and providing all related Card processing and account maintenance

- Managing Card account settlement with respect to the loading of value to Cards and the processing and settlement of Card transactions through the National Associations
- Designate and identify to State a program manager for the Program who shall be the primary point of contact for State with respect to the Program

State Operational Responsibilities

State shall be specifically responsible for the following:

- Opening new Card Accounts via batch enrollment process or Administrative Web Portal
- Transmit accurate load values to U.S. Bank using a batch enrollment process or the Administrative Web Portal
- Actively promoting the Program and distributing, when applicable, Cards to Cardholders
- Assist in the initial and ongoing training of State Representatives
- Manage Card inventory using the Administrative Web Portal and following the procedures established by U.S. Bank
- Follow all Card security requirements described in Exhibit C of the Prepaid Debit Card Agreement for RII Cards and store RII Card stock in a secure environment accessible only to State Representatives
- Enroll Cardholders in the Program and, if applicable, reload Cards using the Administrative Web Portal or a batch process following the procedures established by U.S. Bank
- Present all enrollment and disclosure materials to the Cardholder in the precise manner and fashion prescribed by U.S. Bank
- Provide all Cardholder information required for initial enrollment in the Program.
 - Currently (but subject to change) the Cardholder information required for initial enrollment in the Program is: First Name, Last Name, Full Physical Address and Date of Birth.
 - For RII Cards, the Deposit Account / Card ID number located on the front of the Card packet is also required.
- Designate and identify to U.S. Bank a program manager for the Program who shall be the primary point of contact for U.S. Bank with respect to the Program

Timing

- The timing and success of the rollout of the Program is dependent upon State's cooperation and employment of sufficient resources for the performance of those functions required of State hereunder and State's compliance with U.S. Bank's instructions or requirements.
- The targeted testing and Program Launch date are set forth below, subject to change by the mutual agreement of parties:
 - Product "Friendly User" Testing: _____
 - Program Launch: _____

Exhibit B
Program Pricing Schedule

Expense Card with Cash Access

Item/Activity	Fee
STATE	
Program Implementation Fee (this fee may or may not be addition to the Program Implementation Fee for “Cash Access” Cards, in the sole discretion of U.S. Bank)	\$0.00
Per Card Issued Fee	\$0.00
Monthly Account Maintenance Fee	\$0.00
CARDHOLDERS	
Monthly Account Maintenance Fee	\$0.00
<i>Point of Sale Fees</i>	
VISA Signature-Based POS Transactions	\$0.00
PIN-Based POS Transactions	\$0.00
Cash Back with Purchase at Participating Merchants	\$0.00
<i>Cash Withdrawal Fees</i>	
Withdrawals and Balance Inquiries at U.S. Bank and MoneyPass-branded ATMs	\$0.00
Withdrawals at non-U.S. Bank and non-MoneyPass-branded ATMs (ATM owner may levy a fee to the cardholder)	\$2.50
Withdrawals at any International ATM	\$3.00
Teller-Based Cash Withdrawals (at any VISA bank, not limited to U.S. Bank)	\$5.00
<i>Customer Service and Miscellaneous Fees</i>	
Customer Service – Online & Automated Phone Access (unlimited)	\$0.00
Monthly Inactivity Fee (Following 180 days of inactivity)	\$3.00
ATM Balance Inquiries – At any non US Bank/MoneyPass ATM	\$1.00
E-Mail Alert and Zero Balance and Negative Balance Text Message Alert*	\$0.00
Text Message Alerts*-- Address Change, Funds Added and Low Balance	\$0.00
Mobile Banking Transactions* -- Balance Inquiry and Mini-Statement	\$0.00
*Standard messaging charges may apply through cardholder’s mobile carrier and message frequency depends on account settings.	
International transactions are subject to 3% currency conversion fee	3%

STATE OF NEBRASKA SERVICE CONTRACT AWARD

State Purchasing Bureau
1526 K Street, Suite 130
Lincoln, Nebraska 68508

Telephone: (402) 471-6500
Fax: (402) 471-2089

CONTRACT NUMBER
104020 04

PAGE 1 of 1	ORDER DATE 04/12/23
BUSINESS UNIT 12211800	BUYER CONNIE HEINRICHS (AS)
VENDOR NUMBER: 1787076	
VENDOR ADDRESS: US BANK 200 S 6TH ST EP-MN-L20A MINNEAPOLIS MN 55402-1403	

AN AWARD HAS BEEN MADE TO THE VENDOR/CONTRACTOR NAMED ABOVE FOR THE SERVICES AS LISTED BELOW FOR THE PERIOD:

JULY 01, 2023 THROUGH JUNE 30, 2031

THE STATE RESERVES THE RIGHT TO EXTEND THE PERIOD OF THIS CONTRACT BEYOND THE TERMINATION DATE WHEN MUTUALLY AGREEABLE TO THE VENDOR/CONTRACTOR AND THE STATE OF NEBRASKA.

Original/Bid Document 6660 Z1

Contract to supply and deliver Prepaid Card Service to the State of Nebraska for the contract period July 1, 2023 through June 30, 2031. The contract may be renewed for two (2) additional one (1) year periods when mutually agreeable to the vendor and the State of Nebraska.

Vendor Contact: Tyler Vickery

Phone: 904-470-1990

E-Mail: tyler.vickery@usbank.com

(4/12/2023 ch)

Line	Description	Quantity	Unit of Measure	Unit Price	Extended Price
1	STORED VALUE CARD SERVICE INITIAL CONTRACT PERIOD	1.0000	\$	0.0000	0.00
2	STORED VALUE CARD SERVICE FIRST OPTIONAL RENEWAL YEAR	1.0000	\$	0.0000	0.00
3	STORED VALUE CARD SERVICE SECOND OPTIONAL RENEWAL YEAR	1.0000	\$	0.0000	0.00
Total Order					0.00

DocuSigned by:

Connie Heinrichs

5E58C9A2CCD947A...

BUYER

DS

RT

DocuSigned by:

Amara Block

4CFF271162A4A2...

MATERIEL ADMINISTRATOR

ADDENDUM ONE to Contract Award
Terms and Conditions
Contract 104020 O4 Prepaid Card Service
Between
The State of Nebraska and US Bank

The following clauses, Addendum One of Contract 104020 O4 have been reviewed and agreed upon between US Bank "Contractor" and the State of Nebraska "State". This addendum will become part of the contract for Prepaid Card Service. The clauses of this Addendum shall supersede, prevail and govern in the case of any inconsistencies with the clauses indicated in Sections II - IV of the Request for Proposal.

By signing this Addendum the Contractor guarantees compliance with the provisions stated herein, agrees to the clauses and certifies Contractor maintains a drug free work place environment.

II. TERMS AND CONDITIONS
RESERVED

If a conflict or ambiguity arises after the Addendum to Contract Award have been negotiated and agreed to, the Addendum to Contract Award shall be interpreted as follows:

1. If only one Party has a particular clause, then that clause shall control;
2. If both Parties have a similar clause, but the clauses do not conflict, the clauses shall be read together;
3. If both Parties have a similar clause, but the clauses conflict, the State's clause shall control.

A. GENERAL

The contract resulting from this solicitation shall incorporate the following documents:

1. Request for Proposal and Addenda;
2. Amendments to the solicitation;
3. Questions and Answers;
4. Contractor's proposal (Solicitation and properly submitted documents);
5. The executed Contract and Addendum One to Contract, if applicable; and,
6. Amendments/Addendums to the Contract.

These documents constitute the entirety of the contract.

Unless otherwise specifically stated in a future contract amendment or addenda, in case of any conflict between the incorporated documents, the documents shall govern in the following order of preference with number one (1) receiving preference over all other documents and with each lower numbered document having preference over any higher numbered document: 1) Amendment to the executed Contract with the most recent dated amendment having the highest priority, 2) executed Contract and any attached Addenda, 3) Amendments to solicitation and any Questions and Answers, 4) the original solicitation document and any Addenda, and 5) the Contractor's submitted Proposal.

Any ambiguity or conflict in the contract discovered after its execution, not otherwise addressed herein, shall be resolved in accordance with the rules of contract interpretation as established in the State of Nebraska.

B. NOTIFICATION

Contractor and State shall identify the contract manager who shall serve as the point of contact for the executed contract.

Communications regarding the executed contract shall be in writing and shall be deemed to have been given if delivered personally, electronically or mailed, by U.S. Mail, postage prepaid, return receipt requested, to the parties at their respective addresses set forth below, or at such other addresses as may be specified in writing by either of the parties. All notices, requests, or communications shall be deemed effective upon personal delivery or five (5) calendar days following deposit in the mail.

Either party may change its address for notification purposes by giving notice of the change and setting forth the new address and an effective date.

C. PROCUREMENT CONTRACTS OFFICER'S (PCO) REPRESENTATIVE

The State reserves the right to appoint a PCO's Representative to manage [or assist the PCO in managing] the contract on behalf of the State. The PCO's Representative will be appointed in writing, and the appointment document will specify the extent of the PCO's Representative authority and responsibilities. If a PCO's Representative is appointed, the Contractor will be provided a copy of the appointment document and is expected to cooperate accordingly with the PCO's Representative. The PCO's Representative has no authority to bind the State to a contract, amendment, addendum, or other change or addition to the contract.

D. GOVERNING LAW (Statutory)

Notwithstanding any other provision of this contract, or any amendment or addendum(s) entered into contemporaneously or at a later time, the parties understand and agree that, (1) the State of Nebraska is a sovereign state and its authority to contract is therefore subject to limitation by the State's Constitution, statutes, common law, and regulation; (2) this contract will be interpreted and enforced under the laws of the State of Nebraska; (3) any action to enforce the provisions of this agreement must be brought in the State of Nebraska per state law; (4) the person signing this contract on behalf of the State of Nebraska does not have the authority to waive the State's sovereign immunity, statutes, common law, or regulations; (5) the indemnity, limitation of liability, remedy, and other similar provisions of the final contract, if any, are entered into subject to the State's Constitution, statutes, common law, regulations, and sovereign immunity; and, (6) all terms and conditions of the final contract, including but not limited to the clauses concerning third party use, licenses, warranties, limitations of liability, governing law and venue, usage verification, indemnity, liability, remedy or other similar provisions of the final contract are entered into specifically subject to the State's Constitution, statutes, common law, regulations, and sovereign immunity.

The Parties must comply with all applicable local, state, and federal laws, ordinances, rules, orders, and regulations.

E. BEGINNING OF WORK

The awarded contractor shall not commence any billable work until a valid contract has been fully executed by the State. The awarded contractor will be notified in writing when work may begin.

F. AMENDMENT

This Contract may be amended only in writing, within scope, upon the agreement of both parties.

G. CHANGE ORDERS OR SUBSTITUTIONS

The State and the Contractor, upon the written agreement, may make changes to the contract within the general scope of the solicitation. Changes may involve specifications, the quantity of work, or such other items as the State may find necessary or desirable. Corrections of any deliverable, service, or work required pursuant to the contract shall not be deemed a change. The Contractor may not claim forfeiture of the contract by reasons of such changes.

The Contractor shall prepare a written description of the work required due to the change and an itemized cost sheet for the change. Changes in work and the amount of compensation to be paid to the Contractor shall be determined in accordance with applicable unit prices if any, a pro-rated value, or through negotiations. The State shall not incur a price increase for changes that should have been included in the Contractor's proposal, were foreseeable, or result from difficulties with or failure of the Contractor's proposal or performance.

No change shall be implemented by the Contractor until approved by the State, and the Contract is amended to reflect the change and associated costs, if any. If there is a dispute regarding the cost, but both parties agree that immediate implementation is necessary, the change may be implemented, and cost negotiations may continue with both Parties retaining all remedies under the contract and law.

In the event any product is discontinued or replaced upon mutual consent during the contract period or prior to delivery, the State reserves the right to amend the contract or purchase order to include the alternate product at the same price.

*****Contractor will not substitute any item that has been awarded without prior written approval of SPB*****

H. VENDOR PERFORMANCE REPORT(S)

The State may document any instance(s) of products or services delivered or performed which exceed or fail to meet the terms of the purchase order, contract, and/or solicitation specifications. The State Purchasing Bureau may contact the Vendor regarding any such report. Vendor performance report(s) will become a part of the permanent record of the Vendor.

I. NOTICE OF POTENTIAL CONTRACTOR BREACH

If Contractor breaches the contract or anticipates breaching the contract, the Contractor shall promptly give written notice to the State. The notice shall explain the breach or potential breach, a proposed cure, and may include a request for a waiver of the breach if so desired. The State may, in its discretion, temporarily or permanently waive the breach. By granting a waiver, the State does not forfeit any rights or remedies to which the State is entitled by law or equity, or pursuant to the provisions of the contract. Failure to give prompt notice, however, may be grounds for denial of any request for a waiver of a breach.

J. BREACH

Either Party may terminate the contract, in whole or in part, if the other Party breaches its duty to perform its obligations under the contract in a timely and proper manner. Termination requires written notice of default and a thirty (30) calendar day (or longer at the non-breaching Party's discretion considering the gravity and nature of the default) cure period. Said notice shall be delivered by Certified Mail, Return Receipt Requested, or in person with proof of delivery. Notwithstanding any clause to the contrary, the State may also recover the contract price together with any incidental or consequential damages defined in UCC Section 2-715, but less expenses saved in consequence of Contractor's breach.

The State's failure to make payment shall not be a breach, and the Contractor shall retain all available statutory remedies and protections.

K. NON-WAIVER OF BREACH

Allowing time to cure or the acceptance of late performance with or without objection or reservation by a Party shall not waive any rights of the Party including, but not limited to the right to immediately terminate the contract for the same or a different breach or constitute a waiver of the requirement of timely performance of any obligations remaining to be performed.

L. SEVERABILITY

If any term or condition of the contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the provision held to be invalid or illegal.

M. INDEMNIFICATION

1. GENERAL

The Contractor agrees to defend, indemnify, and hold harmless the State and its employees, volunteers, agents, and its elected and appointed officials ("the indemnified parties") from and against any and all third party claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses ("the claims"), sustained or asserted against the State for personal injury, death, or property loss or damage, arising out of, resulting from, or attributable to the willful misconduct or gross negligence, of the Contractor, its employees, subcontractors, consultants, representatives, and agents, resulting from this contract, except to the extent such Contractor liability is attenuated by any action of the State which directly and proximately contributed to the claims.

2. INTELLECTUAL PROPERTY

The Contractor agrees it will, at its sole cost and expense, defend, indemnify, and hold harmless the indemnified parties from and against any and all claims, to the extent such claims arise out of, result from, or are attributable to, the actual or alleged infringement or misappropriation of any patent, copyright, trade secret, trademark, or confidential information of any third party by the Contractor or its employees, subcontractors, consultants, representatives, and agents; provided, however, the State gives the Contractor prompt notice in writing of the claim. The Contractor may not settle any infringement claim that will affect the State's use of the Licensed Software without the State's prior written consent, which consent may be withheld for any reason.

If a judgment or settlement is obtained or reasonably anticipated against the State's use of any intellectual property for which the Contractor has indemnified the State, the Contractor shall, at the Contractor's sole cost and expense, promptly modify the item or items which were determined to be infringing, acquire a license or licenses on the State's behalf to provide the necessary rights to the State to eliminate the infringement, or provide the State with a non-infringing substitute that provides the State the same functionality. At the State's election, the actual or anticipated judgment may be treated as a breach of warranty by the Contractor, and the State may receive the remedies provided under this solicitation.

3. **PERSONNEL**

The Contractor shall, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel, including subcontractor's and employees, provided by the Contractor.

4. **SELF-INSURANCE**

The State of Nebraska is self-insured for any loss and purchases excess insurance coverage pursuant to Neb. Rev. Stat. § 81-8,239.01 (Reissue 2008). If there is a presumed loss under the provisions of this agreement, Contractor may file a claim with the Office of Risk Management pursuant to Neb. Rev. Stat. §§ 81-8,829 – 81-8,306 for review by the State Claims Board. The State retains all rights and immunities under the State Miscellaneous (§81-8,294), Tort (§81-8,209), and Contract Claim Acts (§81-8,302), as outlined in Neb. Rev. Stat. § 81-8,209 et seq. and under any other provisions of law and accepts liability under this agreement to the extent provided by law.

5. The Parties acknowledge that Attorney General for the State of Nebraska is required by statute to represent the legal interests of the State, and that any provision of this indemnity clause is subject to the statutory authority of the Attorney General.

N. **ATTORNEY'S FEES**

In the event of any litigation, appeal, or other legal action to enforce any provision of the contract, the Parties agree to pay all expenses of such action, as permitted by law and if ordered by the court, including attorney's fees and costs, if the other Party prevails.

O. **PERFORMANCE BOND**

The Contractor will be required to supply a bond executed by a corporation authorized to contract surety in the State of Nebraska, payable to the State of Nebraska, which shall be valid for the life of the contract to include any renewal and/or extension periods. The amount of the bond must be for \$250,000. The bond will guarantee that the Contractor will faithfully perform all requirements, terms and conditions of the contract. Failure to comply shall be grounds for forfeiture of the bond as liquidated damages. Amount of forfeiture will be determined by the agency based on loss to the State. The bond will be returned when the contract has been satisfactorily completed as solely determined by the State, after termination or expiration of the contract.

P. **LIQUIDATED DAMAGES**

The State and the contractor agree that actual damages from failure to perform certain requirements in any contract executed pursuant to this RFP are difficult to accurately estimate, there has been a reasonable effort by parties to fix the amount of compensation that is due under the contract, and that it is possible to identify an amount of liquidated damages for the failure to perform those requirements that is proportionate to the actual damages that the State would anticipate as a result of the failure.

In lieu of actual damages, the State and the contractor shall agree to a schedule of fees for failure to perform certain requirements in any contract executed pursuant to this RFP.

The following is the required schedule of liquated damages in the form of fees for failure to perform certain requirements.

These fees are categorized as follows:

Standard	\$ 1,000 per 24 hours
High	\$ 2,500 per 24 hours
Critical	\$ 5,000 per 24 hours

1. **Unresolved Requirements:**

- a. All Standard and High category requirements will move to Critical level of liquidated damages if not resolved within 48 hours after notification to the contractor.
- b. All Critical category requirements will double in liquidated damages payment if not resolved within 24 hours after notification to the contractor.

2. **File Transmission:**

A file for batch enrollment is typically returned to the sender between 30 and 90 minutes of receipt of the file. The file will include identical information that was sent by the State, a card enrollment report, and a rejected card report. Upon being notified by the Program Lead or the State Treasurer's Office that a file has not been received within two hours of transmission of the file, contractor will resolve the situation within one business day by transmitting the file or pay liquidated damages to the affected programs.

Category: Standard

3. **Monthly/Annual Reporting**

Within three business days of contractor being notified by the State that a monthly/annual report has not been provided as required under Business Requirements of the RFP, contractor will resolve the situation by providing the required reporting or pay the liquidated damages to the State.

Category: Standard

4. **"Go Live" Date:**

Contractor will be ready to issue cards on behalf of the State by the close of the business day mutually agreed upon as the go live date of services under this RFP, unless either party provides at least a three working day notice that "go live" date shall be delayed.

For existing card programs, outlined in this RFP, the contractor will implement the card programs and deliver services at transition time on or before the "go live" date or pay liquidated damages to the program(s).

For new programs implemented under this RFP, the contractor will only be entitled to one extension per program before liquidated damages may be imposed.

If the State requests any changes to the scope of work, service offering, or functionality of the card program during the implementation process, contractor will notify the program lead and the State Treasurer's Office if the requested changes will delay the "go live" date.

Category: Standard

5. Card Issuance:

Upon being notified by the Program Lead or the State Treasurer's Office that a card or batch of cards was not issued within two business days of the program submitting an enrollment file to the contractor no later than 5:00 PM prevailing Central Time, contractor will pay to have the affected cards expedited to the cardholders. If the cards are not expedited to the cardholders within two business days after the initial notice by the State that the cards were not issued, contractor will pay liquidated damages for each day one or more cards remains unissued to the affected program(s).

Category: Standard

6. Customer Service – Availability:

Customer service availability will be 99% each month as measured by a mutually agreed upon Contractor Performance Monitoring Tool. Availability is defined as the network infrastructure at the Contractor Data Center for ARU and IVR services. Monthly availability is calculated for 24x7 x the number of days in the month less scheduled hours of maintenance.

Scheduled hours of availability shall exclude (1) scheduled outages for which the Contractor needs to perform, regular technical maintenance, other planned outages up to one (1) per month, or if equipment maintenance meets pre-arranged agreement or during upgrades.

In the event the Contractor provides customer service under the contract through a different provider, comparable availability will be maintained. Any change in the scheduled hours of availability needs to be approved by the State, approval will not be unreasonably withheld.

Contractor will pay liquidated damages to the State for each month that the monthly Customer Service availability (with exceptions provided above) was not met.

Category: High

7. Customer Service – Average Speed of Answer

85% of inbound calls for participating program cardholders shall be answered within 30 seconds. Average speed of answer will be calculated based on total calls for the month, less calls that abandon before 15 seconds. Contractor will pay liquidated damage to the State Treasurer's Office for each month that the Average Speed of Answer threshold was not met.

Category: High

8. Daily Reporting:

Report of new cards issued or rejected, newly activated accounts, name and address changes made by contractor, reconciliation, and rejection reports for ACH transactions, and undeliverable cards, are due daily on a business day basis not later than one business day after the day of the activity reported. Within one business day of being notified by the State that a daily report was not provided when it was due, contractor will resolve the situation by making the report available or pay liquidated damages.

Category: High

9. **Acceptance of File Transmissions/Acceptance of Web Enrollment:**

If the contractor's system was not available to accept file transmissions or enrollment via the contractor run website, contractor will resolve the situation within one business day after notification by the State or pay liquidated damages to the affected program(s).

Category: Critical

10. **ACH Posting:**

Contractor will post funds to cards prior to 8:00 AM prevailing in Central Time on the ACH effective date. If the contractor has received a file originated by the State and delivered through the banking network and notified that funds were not posted to the cards by 8:00 AM on the ACH effective date, contractor will make funds available by the close of business day on the ACH effective date (6:00 PM prevailing Central Time) or pay liquidated damages to the affected program(s).

Category: Critical

11. **Turnover File:**

A file of active cardholders for each program will be made available to the State, by a secure website, in Microsoft Excel spreadsheet format by the close of the fifteenth business day after the contractor receives a written request from State to provide the report to the State.

Information to be included in the file includes cardholder name, SSN, address, unique cardholder identifier, mother's maiden name (if any), and current card status. If a file is not provided to the State within 15 business days of written request from the State, and provided the State notified contractor of intent to terminate the contract in accordance with language in the Agreement between the parties, contractor will pay liquidated damages.

Category: Critical

As to any liquidated damages owing hereunder, contractor will pay liquidated damages to the State by the tenth (10th) business day of the month following the month that they damages were reported to the contractor. The State has 60 days after the incident to contact the contractor to pay liquidated damages.

The State Treasurer, at his/her discretion, may waive a liquidated damage payment.

Q. **ASSIGNMENT, SALE, OR MERGER**

Either Party may assign the contract upon mutual written agreement of the other Party. Such agreement shall not be unreasonably withheld.

The Contractor retains the right to enter into a sale, merger, acquisition, internal reorganization, or similar transaction involving Contractor's business. Contractor agrees to cooperate with the State in executing amendments to the contract to allow for the transaction. If a third party or entity is involved in the transaction, the Contractor will remain responsible for performance of the contract until such time as the person or entity involved in the transaction agrees in writing to be contractually bound by this contract and perform all obligations of the contract.

R. CONTRACTING WITH OTHER NEBRASKA POLITICAL SUB-DIVISIONS OF THE STATE OR ANOTHER STATE

The Contractor may, but shall not be required to, allow any state agency, board, commission, the University of Nebraska, the Nebraska State colleges, the courts, the Legislature, or any other office or agency established by the Constitution of Nebraska to use this contract. The terms and conditions, including price, of the contract may not be amended. The State shall not be contractually obligated or liable for any contract entered into pursuant to this clause. A listing of Nebraska political subdivisions may be found at the website of the Nebraska Auditor of Public Accounts.

The Contractor may, but shall not be required to, allow other states, agencies or divisions of other states, or political subdivisions of other states to use this contract. The terms and conditions, including price, of this contract shall apply to any such contract, but may be amended upon mutual consent of the Parties. The State of Nebraska shall not be contractually or otherwise obligated or liable under any contract entered into pursuant to this clause. The State shall be notified if a contract is executed based upon this contract.

S. FORCE MAJEURE

Neither Party shall be liable for any costs or damages, or for default resulting from its inability to perform any of its obligations under the contract due to a natural or manmade event outside the control and not the fault of the affected Party ("Force Majeure Event"). The Party so affected shall promptly make a written request for relief to the other Party and shall have the burden of proof to justify the request. The other Party may grant the relief requested; relief may not be unreasonably withheld. Labor disputes with the impacted Party's own employees will not be considered a Force Majeure Event.

T. CONFIDENTIALITY

All materials and information provided by the Parties or acquired by a Party on behalf of the other Party shall be regarded as confidential information. All materials and information provided or acquired shall be handled in accordance with federal and state law, and ethical standards. Should said confidentiality be breached by a Party, the Party shall notify the other Party promptly of said breach and take prompt corrective action.

It is incumbent upon the Parties to inform their officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a (i)(1), which is made applicable by 5 U.S.C. 552a (m)(1), provides that any officer or employee, who by virtue of his/her employment or official position has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

U. EARLY TERMINATION

The contract may be terminated as follows:

1. The State and the Contractor, by mutual written agreement, may terminate the contract at any time.
2. The State, in its sole discretion, may terminate the contract for any reason upon thirty (30) calendar day's written notice to the Contractor. Such termination shall not relieve the Contractor of warranty or other service obligations incurred under the terms of the

contract. In the event of termination, the Contractor shall be entitled to payment, determined on a pro rata basis, for products or services satisfactorily performed or provided.

3. The State may terminate the contract immediately for the following reasons:
 - a. if directed to do so by statute;
 - b. Contractor has made an assignment for the benefit of creditors, has admitted in writing its inability to pay debts as they mature, or has ceased operating in the normal course of business;
 - c. a trustee or receiver of the Contractor or of any substantial part of the Contractor's assets has been appointed by a court;
 - d. fraud, misappropriation, embezzlement, malfeasance, misfeasance, or illegal conduct pertaining to performance under the contract by its Contractor, its employees, officers, directors, or shareholders;
 - e. an involuntary proceeding has been commenced by any Party against the Contractor under any one of the chapters of Title 11 of the United States Code and (i) the proceeding has been pending for at least sixty (60) calendar days; or (ii) the Contractor has consented, either expressly or by operation of law, to the entry of an order for relief; or (iii) the Contractor has been decreed or adjudged a debtor;
 - f. a voluntary petition has been filed by the Contractor under any of the chapters of Title 11 of the United States Code;
 - g. Contractor intentionally discloses confidential information;
 - h. Contractor has or announces it will discontinue support of the deliverable; and,
 - i. In the event funding is no longer available.

V. **CONTRACT CLOSEOUT**

Upon contract closeout for any reason the Contractor shall within 30 days, unless stated otherwise herein:

1. Transfer all completed or partially completed deliverables to the State;
2. Transfer ownership and title to all completed or partially completed deliverables to the State;
3. Return to the State all information and data unless the Contractor is permitted to keep the information or data by contract or rule of law. Contractor may retain one copy of any information or data as required to comply with applicable work product documentation standards or as are automatically retained in the course of Contractor's routine back up procedures;
4. Cooperate with any successor Contractor, person or entity in the assumption of any or all of the obligations of this contract;
5. Cooperate with any successor Contractor, person or entity with the transfer of information or data related to this contract;
6. Return or vacate any state owned real or personal property; and,
7. Return all data in a mutually acceptable format and manner.

Nothing in this Section should be construed to require the Contractor to surrender intellectual property, real or personal property, or information or data owned by the Contractor for which the State has no legal claim.

III. **CONTRACTOR DUTIES**

A. INDEPENDENT CONTRACTOR / OBLIGATIONS

It is agreed that the Contractor is an independent contractor and that nothing contained herein is intended or should be construed as creating or establishing a relationship of employment, agency, or a partnership.

The Contractor is solely responsible for fulfilling the contract. The Contractor or the Contractor's representative shall be the sole point of contact regarding all contractual matters.

The Contractor shall secure, at its own expense, all personnel required to perform the services under the contract. The personnel the Contractor uses to fulfill the contract shall have no contractual or other legal relationship with the State; they shall not be considered employees of the State and shall not be entitled to any compensation, rights, or benefits from the State, including but not limited to, tenure rights, medical and hospital care, sick and vacation leave, severance pay, or retirement benefits.

By-name personnel commitments made in the Contractor's proposal shall not be changed without the prior written approval of the State. Replacement of these personnel, if approved by the State, shall be with personnel of equal or greater ability and qualifications.

All personnel assigned by the Contractor to the contract shall be employees of the Contractor or a subcontractor and shall be fully qualified to perform the work required herein. Personnel employed by the Contractor or a subcontractor to fulfill the terms of the contract shall remain under the sole direction and control of the Contractor or the subcontractor respectively.

With respect to its employees, the Contractor agrees to be solely responsible for the following:

1. Any and all pay, benefits, and employment taxes and/or other payroll withholding;
2. Any and all vehicles used by the Contractor's employees, including all insurance required by state law;
3. Damages incurred by Contractor's employees within the scope of duties under the contract;
4. Maintaining Workers' Compensation and health insurance that complies with state and federal law and submitting any reports on such insurance to the extent required by governing law;
5. Determining the hours to be worked and the duties to be performed by the Contractor's employees; and,
6. All claims on behalf of any person arising out of employment or alleged employment (including without limit claims of discrimination alleged against the Contractor, its officers, agents, or subcontractors or subcontractor's employees)

If the Contractor intends to utilize any subcontractor, the subcontractor's level of effort, tasks, and time allocation should be clearly defined in the contractor's proposal. The Contractor shall agree that it will not utilize any subcontractors not specifically included in its proposal in the performance of the contract without the prior written authorization of the State.

The State reserves the right to require the Contractor to reassign or remove from the project any Contractor or subcontractor's employees.

Contractor shall insure that the terms and conditions contained in any contract with a subcontractor does not conflict with the terms and conditions of this contract.

The Contractor shall include a similar provision, for the protection of the State, in the contract with any subcontractor engaged to perform work on this contract.

B. EMPLOYEE WORK ELIGIBILITY STATUS

The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of an employee.

If the Contractor is an individual or sole proprietorship, the following applies:

1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at <http://das.nebraska.gov/materiel/purchasing.html>
2. The completed United States Attestation Form should be submitted with the solicitation response.
3. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the US Citizenship and Immigration Services documentation required to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
4. The Contractor understands and agrees that lawful presence in the United States is required, and the Contractor may be disqualified, or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

C. COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION (Statutory)

The Contractor shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act prohibits Contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensation, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin (Neb. Rev. Stat. §§48-1101 to 48-1125). The Contractor guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of contract. The Contractor shall insert a similar provision in all Subcontracts for goods and services to be covered by any contract resulting from this solicitation.

D. COOPERATION WITH OTHER CONTRACTORS

Deleted.

E. PERMITS, REGULATIONS, LAWS

The contract price shall include the cost of all royalties, licenses, permits, and approvals, whether arising from patents, trademarks, copyrights or otherwise, that are in any way involved in the contract. The Contractor shall obtain and pay for all royalties, licenses, and permits, and approvals necessary for the execution of the contract. The Contractor must guarantee that it

has the full legal right to the materials, supplies, equipment, software, and other items used to execute this contract.

F. OWNERSHIP OF INFORMATION AND DATA / DELIVERABLES

The State shall have the unlimited right to publish, duplicate, use, and disclose all information and data developed or obtained by the Contractor on behalf of the State pursuant to this contract.

The State shall own and hold exclusive title to any deliverable developed as a result of this contract. Contractor shall have no ownership interest or title, and shall not patent, license, or copyright, duplicate, transfer, sell, or exchange, the design, specifications, concept, or deliverable. Notwithstanding the foregoing, the parties understand and agree that records pertaining to the ownership, transactions, and activity relating to an individual's prepaid card accounts represent bank records belonging to Contractor, and Contractor retains all right, title and interest related thereto.

G. INSURANCE REQUIREMENTS

The Contractor shall throughout the term of the contract maintain insurance as specified herein and provide the State a current Certificate of Insurance/Acord Form (COI) verifying the coverage. The Contractor shall not commence work on the contract until the insurance is in place. If Contractor subcontracts any portion of the Contract the Contractor must, throughout the term of the contract, either:

1. Provide equivalent insurance for each subcontractor and provide a COI verifying the coverage for the subcontractor;
2. Require each subcontractor to have equivalent insurance and provide written notice to the State that the Contractor has verified that each subcontractor has the required coverage; or,
3. Provide the State with copies of each subcontractor's Certificate of Insurance evidencing the required coverage.

The Contractor shall not allow any Subcontractor to commence work until the Subcontractor has equivalent insurance. The failure of the State to require a COI, or the failure of the Contractor to provide a COI or require subcontractor insurance shall not limit, relieve, or decrease the liability of the Contractor hereunder.

In the event that any policy written on a claims-made basis terminates or is canceled during the term of the contract or within ninety (90) days of termination or expiration of the contract, the contractor shall obtain an extended discovery or reporting period, or a new insurance policy, providing coverage required by this contract for the term of the contract and ninety (90) days following termination or expiration of the contract.

If by the terms of any insurance a mandatory deductible is required, or if the Contractor elects to increase the mandatory deductible amount, the Contractor shall be responsible for payment of the amount of the deductible in the event of a paid claim.

Notwithstanding any other clause in this Contract, the State may recover up to the liability limits of the insurance policies required herein.

1. WORKERS' COMPENSATION INSURANCE

The Contractor shall take out and maintain during the life of this contract the statutory Workers' Compensation and Employer's Liability Insurance for all of the contractors'

employees to be engaged in work on the project under this contract and, in case any such work is sublet, the Contractor shall require the subcontractor similarly to provide Worker's Compensation and Employer's Liability Insurance for all of the subcontractor's employees to be engaged in such work. This policy shall be written to meet the statutory requirements for the state in which the work is to be performed, including Occupational Disease. **The policy shall include a waiver of subrogation in favor of the State. The COI shall contain the mandatory COI subrogation waiver language found hereinafter.** The amounts of such insurance shall not be less than the limits stated hereinafter. For employees working in the State of Nebraska, the policy must be written by an entity authorized by the State of Nebraska Department of Insurance to write Workers' Compensation and Employer's Liability Insurance for Nebraska employees.

2. **COMMERCIAL GENERAL LIABILITY INSURANCE AND COMMERCIAL AUTOMOBILE LIABILITY INSURANCE**

The Contractor shall maintain during the life of this contract such Commercial General Liability Insurance and Commercial Automobile Liability Insurance as shall protect Contractor and any subcontractor performing work covered by this contract from claims for damages for bodily injury, including death, as well as from claims for property damage, which may arise from operations under this contract, whether such operation be by the Contractor or by any subcontractor or by anyone directly or indirectly employed by either of them, and the amounts of such insurance shall not be less than limits stated hereinafter.

The Commercial General Liability Insurance shall be written on an **occurrence basis**, and provide Premises/Operations, Products/Completed Operations, Independent Contractors, Personal Injury, and Contractual Liability coverage. **The policy shall include the State, and others as required by the contract documents, as Additional Insured(s). This policy shall be primary, and any insurance or self-insurance carried by the State shall be considered secondary and non-contributory. The COI shall contain the mandatory COI liability waiver language found hereinafter.** The Commercial Automobile Liability Insurance shall be written to cover all Owned, Non-owned, and Hired vehicles.

REQUIRED INSURANCE COVERAGE	
COMMERCIAL GENERAL LIABILITY	
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal/Advertising Injury	\$1,000,000 per occurrence
Bodily Injury/Property Damage	\$1,000,000 per occurrence
Damage to Rented Premises (Fire)	\$300,000 each occurrence
Contractual	Included
Independent Contractors	Included
<i>If higher limits are required, the Umbrella/Excess Liability limits are allowed to satisfy the higher limit.</i>	
WORKER'S COMPENSATION	
Employers Liability Limits	\$500K/\$500K/\$500K
Statutory Limits- All States	Statutory - State of Nebraska
Voluntary Compensation	Statutory
COMMERCIAL AUTOMOBILE LIABILITY	
Bodily Injury/Property Damage	\$1,000,000 combined single limit
Include All Owned, Hired & Non-Owned Automobile liability	Included
UMBRELLA/EXCESS LIABILITY	
Over Primary Insurance	\$5,000,000 per occurrence
PROFESSIONAL LIABILITY	
All Other Professional Liability (Errors & Omissions)	\$1,000,000 Per Claim / Aggregate
COMMERCIAL CRIME	
Crime/Employee Dishonesty Including 3rd Party Fidelity	\$1,000,000 Aggregate
CYBER LIABILITY	
Breach of Privacy, Security Breach, Denial of Service, Remediation, Fines and Penalties	\$10,000,000 Aggregate
MANDATORY COI SUBROGATION WAIVER LANGUAGE	
"Workers' Compensation policy shall include a waiver of subrogation in favor of the State of Nebraska."	
MANDATORY COI LIABILITY WAIVER LANGUAGE	
"Commercial General Liability & Commercial Automobile Liability policies shall name the State of Nebraska as an Additional Insured and the policies shall be primary and any insurance or self-insurance carried by the State shall be considered secondary and non-contributory as additionally insured."	

3. EVIDENCE OF COVERAGE

The Contractor shall furnish the Contract Manager, with a certificate of insurance coverage complying with the above requirements prior to beginning work at:

Agency Nebraska State Purchasing Bureau
Attn: Connie Heinrichs
Solicitation Number 6660 Z1 / Contract 104020 O4
Email address: connie.heinrichs@nebraska.gov

These certificates or the cover sheet shall reference the RFP number, and the certificates shall include the name of the company, policy numbers, effective dates, dates of expiration, and amounts and types of coverage afforded. If the State is damaged by the failure of the Contractor to maintain such insurance, then the Contractor shall be responsible for all reasonable costs properly attributable thereto.

Reasonable notice of cancellation of any required General Liability, Automobile Liability, or Workers Compensation insurance policy must be submitted to the contract manager as listed above when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

4. DEVIATIONS

The insurance requirements are subject to limited negotiation. Negotiation typically includes, but is not necessarily limited to, the correct type of coverage, necessity for Workers' Compensation, and the type of automobile coverage carried by the Contractor.

H. ANTITRUST

The Contractor hereby assigns to the State any and all claims for overcharges as to goods and/or services provided in connection with this contract resulting from antitrust violations which arise under antitrust laws of the United States and the antitrust laws of the State.

I. CONFLICT OF INTEREST

By submitting a proposal, contractor certifies that no relationship exists between the contractor and any person or entity which either is, or gives the appearance of, a conflict of interest related to this RFP or project.

Contractor further certifies that contractor will not employ any individual known by contractor to have a conflict of interest nor shall contractor take any action or acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its contractual obligations hereunder or which creates an actual or appearance of conflict of interest.

If there is an actual or perceived conflict of interest, contractor shall provide with its proposal a full disclosure of the facts describing such actual or perceived conflict of interest and a proposed mitigation plan for consideration. The State will then consider such disclosure and proposed mitigation plan and either approve or reject as part of the overall bid evaluation.

J. ADVERTISING

The Contractor agrees not to refer to the contract award in advertising in such a manner as to state or imply that the company or its goods or services are endorsed or preferred by the State. Any publicity releases pertaining to the project shall not be issued without prior written approval from the State.

K. NEBRASKA TECHNOLOGY ACCESS STANDARDS (Statutory)

Contractor shall review the Nebraska Technology Access Standards, found at https://das.nebraska.gov/materiel/purchase_bureau/vendor-info.html and ensure that products and/or services provided under the contract are in compliance or will comply with the applicable standards to the greatest degree possible. In the event such standards change during the Contractor's performance, the State may create an amendment to the contract to request the contract comply with the changed standard at a cost mutually acceptable to the parties.

L. DISASTER RECOVERY/BACK UP PLAN

The Contractor shall have a disaster recovery and back-up plan, which includes, but is not limited to equipment, personnel, facilities, and transportation, in order to continue delivery of goods and services as specified under the specifications in the contract in the event of a disaster. The Contractor shall provide an ISO 22301 providing additional disaster recovery information.

M. DRUG POLICY

Contractor certifies it maintains a drug free workplace environment to ensure worker safety and workplace integrity. Contractor agrees to provide a copy of its drug free workplace policy at any time upon request by the State.

N. WARRANTY

Despite any clause to the contrary, the Contractor represents and warrants that its services hereunder shall be performed by competent personnel and shall be of professional quality consistent with generally accepted industry standards for the performance of such services and shall comply in all respects with the requirements of this Agreement. For any breach of this warranty, the Contractor shall, for a period of ninety (90) days from performance of the service, perform the services again, at no cost to the State, or if Contractor is unable to perform the services as warranted, Contractor shall reimburse the State all the fees paid to Contractor for the unsatisfactory services. The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

IV. PAYMENT**A. PROHIBITION AGAINST ADVANCE PAYMENT (Statutory)**

Neb. Rev. Stat. §§81-2403 states, "[n]o goods or services shall be deemed to be received by an agency until all such goods or services are completely delivered and finally accepted by the agency."

B. TAXES (Statutory)

The State is not required to pay taxes and assumes no such liability as a result of this solicitation. The Contractor may request a copy of the Nebraska Department of Revenue, Nebraska Resale or Exempt Sale Certificate for Sales Tax Exemption, Form 13 for their records. Any property tax payable on the Contractor's equipment which may be installed in a state-owned facility is the responsibility of the Contractor

C. INSPECTION AND APPROVAL

Final inspection and approval of all work required under the contract shall be performed by the designated State officials.

D. PAYMENT (Statutory)

Payment will be made by the responsible agency in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. §81-2403). The State may require the Contractor to accept payment by electronic means such as ACH deposit. In no event shall the State be responsible or liable to pay for any goods and services provided by the Contractor prior to the Effective Date of the contract, and the Contractor hereby waives any claim or cause of action for any such services.

E. LATE PAYMENT (Statutory)

The Contractor may charge the responsible agency interest for late payment in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. §81-2401 through 81-2408).

F. SUBJECT TO FUNDING / FUNDING OUT CLAUSE FOR LOSS OF APPROPRIATIONS (Statutory)

The State's obligation to pay amounts due on the Contract for a fiscal years following the current fiscal year is contingent upon legislative appropriation of funds. Should said funds not be appropriated, the State may terminate the contract with respect to those payments for the fiscal year(s) for which such funds are not appropriated. The State will give the Contractor written notice 30 calendar days prior to the effective date of termination. All obligations of the State to make payments after the termination date will cease. The Contractor shall be entitled to receive just and equitable compensation for any authorized work which has been satisfactorily completed as of the termination date. In no event shall the Contractor be paid for a loss of anticipated profit.

G. RIGHT TO AUDIT (First Paragraph is Statutory)

The State shall have the right to audit the Contractor's performance of this contract upon a 30 days' written notice. Contractor shall utilize generally accepted accounting principles, and shall maintain the accounting records, and other records and information relevant to the contract to enable the State to audit the contract. (Neb. Rev. Stat. §84-304 et seq.) The State may audit, and the Contractor shall maintain, the Information during the term of the contract and for a period of seven years from the date of origination. The Contractor shall make the Information available to the State at Contractor's place of business or a location acceptable to both Parties during normal business hours. If this is not practical or the Contractor so elects, the Contractor may provide electronic or paper copies of the Information. The State reserves the right to examine, make copies of, and take notes on any Information relevant to this contract, regardless of the form or the Information, how it is stored, or who possesses the Information. Under no circumstance will the Contractor be required to create or maintain documents not kept in the ordinary course of contractor's business operations, nor will contractor be required to disclose any information, including but not limited to product cost data, which is confidential or proprietary to contractor.

No more than once per calendar year, the State shall have the right to assess the policies, standards, and practices of Contractor with respect to the Services provided under this Agreement, to the extent reasonably necessary to verify Contractor's compliance with the terms of this Agreement. The State acknowledges that information which Contractor deems confidential or proprietary may not be considered reasonably necessary to verify Contractor's compliance.

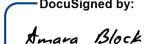
This Addendum and any attachments hereto will become part of the Contract. Except as set forth in this Addendum, the Contract is unaffected and shall continue in full force and effect in accordance with

its terms. If there is conflict between this Addendum and the Contract or any earlier addendum, the terms of this Addendum will prevail.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

State of Nebraska

Contractor: US Bank

By: 
DocuSigned by:
4CFF2711162A4A2...

By: 
DocuSigned by:
C91DABCE0662486...

Name: Amara Block

Name: Peter Klukken

Title: Materiel Administrator

Title: SVP

Date: 5/30/2023

Date: 5/23/2023



Strategic leadership.
Superior solutions.
Trusted partnership.

Proposal for Prepaid Card Services



PRESENTED TO
State of Nebraska
Annette Walton and
Connie Heinrichs
Procurement Contract Officers

SUBMITTED BY
Tyler Vickery
Sales Manager
904.470.1990
tyler.vickery@usbank.com

Kelli Keller
Relationship Manager
612.849.7684
kelli.keller@usbank.com

Anna Milbach
Relationship Manager
507.316.4656
anna.milbach@usbank.com

Technical Proposal
April 12, 2022
RFP # 6660 Z1



Prepaid Cards
200 South 6th Street
Minneapolis, MN 55402
usbankprepaid.com

April 12, 2022

Annette Walton and Connie Heinrichs
Procurement Contract Officers
State of Nebraska
1526 K Street, Suite 130
Lincoln, NE 68508

Dear Ms. Walton and Ms. Heinrichs,

We recognize the provider of your prepaid cards is an important business decision for the State, and we realize how it impacts people across your state. From the outset, we want you to know that the U.S. Bank team is here to help every step of the way. We appreciate the trust you place in us as a partner.

With U.S. Bank, you have the benefit of a prepaid card program pioneer and the unprecedented expertise that comes from a provider who supports numerous state agencies. Your account team has decades of state agency experience that offers unique understanding of your specific needs and realities. The State can count on them for insights, assistance and a true commitment to delivering the efficiency, control and continuous improvement that a market-leading prepaid card program offers you. The State also gains efficiencies by continuing to have multiple services provided by U.S. Bank.

Our payment solutions combine transparency and compliance advantages with measurable savings to help you responsibly run your operations. We are always here to help make sure your card program advantages are realized throughout our relationship. With our ongoing investment in optimizing your programs, you can see combined savings and revenue impact on your bottom line.

Our team is excited about the opportunity to grow your programs and we would like to personally share our offering with you as we continue our conversation.

Looking forward together,

Tyler Vickery

Tyler Vickery
Assistant Vice President, Prepaid Sales Manager

Kelli Keller

Kelli Keller
Assistant Vice President, Prepaid Relationship Manager

Anna Milbach

Anna Milbach
Vice President, Government Banking Relationship Manager

Table of contents

Executive summary	1
1. CORPORATE OVERVIEW	3
a. BIDDER IDENTIFICATION AND INFORMATION	3
b. FINANCIAL STATEMENTS	3
c. CHANGE OF OWNERSHIP	4
d. OFFICE LOCATION	4
e. RELATIONSHIPS WITH THE STATE	4
f. BIDDER'S EMPLOYEE RELATIONS TO STATE	5
g. CONTRACT PERFORMANCE	5
h. SUMMARY OF BIDDER'S CORPORATE EXPERIENCE	5
i. SUMMARY OF BIDDER'S PROPOSED PERSONNEL/MANAGEMENT APPROACH	8
j. SUBCONTRACTORS	12
2. TECHNICAL APPROACH	14
PROJECT DESCRIPTION AND SCOPE OF WORK	15
A. PROJECT OVERVIEW	15
B. PROJECT ENVIRONMENT	16
C. PROJECT AND BUSINESS REQUIREMENTS	17
1. Agreed Upon Scheduled Conference Calls/Webinars	17
2. Monthly Reporting	17
3. Annual Report	19
D. SCOPE OF WORK	20
1. BASIC REQUIREMENTS FOR PREPAID CARDS	20
2. REWARD CARDS FOR UNIVERSITY OF NEBRASKA MEDICAL CENTER (UNMC)	30
E. TECHNICAL REQUIREMENTS	30
Attachment A - Statutory Project Requirements Request for Proposal 6660 Z1	31
Attachment B - Technical Requirements Level 4 - Baseline Technical Requirements Request for Proposal 6660 Z1	32
Technical Requirement 1 – Card Features	32
Technical Requirement 2 – Card Enrollment	39
Technical Requirement 3 – Card Production, Distribution, and Issuance	50
Technical Requirement 4 – Card Program Administration and Reporting	51
Technical Requirement 5 – Card Usage and Cash Access	53
Technical Requirement 6 – Card Loads and Funds Availability	60
Technical Requirement 7 – Cardholder Demographic Updates, Account Maintenance & Account Closure	63
Technical Requirement 8 – Customer Service & Cardholder Website	64
Technical Requirement 9 – Marketing and Training	71
Technical Requirement 10 – Testing, Implementation and Post Implementation	73
Technical Requirement 11 – System, Card and Account Enhancements	79
Technical Requirement 12 – Other	81
Agency-Specific Technical Requirements Nebraska Child Support Payment Center (NCSPC)	84
Agency-Specific Technical Requirements Department of Health & Human Services (DHHS)	86
Agency-Specific Technical Requirements NE Department of Labor (DOL) – Unemployment Insurance	89

Agency-Specific Technical Requirements University of Nebraska - Stipends.....	91
Agency-Specific Technical Requirements NE Department of Correctional Services (NDCS) – Community Correctional.....	93
Agency-Specific Technical Requirements NE Public Employees Retirement System (NPERS).....	97
Agency-Specific Technical Requirements NE Workers' Compensation Court (NWCC).....	99
Agency-Specific Technical Requirements Office of Public Guardianship (OPG).....	102
Agency-Specific Technical Requirements NE Department of Administrative Services (DAS) – Payroll	104
Agency-Specific Technical Requirements Nebraska University (NU) & Nebraska State College System (NSCS)- Payrolls.....	107
Agency-Specific Technical Requirements University OF Nebraska Medical Center (UNMC)	110
Request for Proposal for Contractual Services.....	111

Exhibits

1. Exhibit A - Terms and Conditions Sections II - IV
2. Exhibit B - Key Personnel Resumes
3. Exhibit C - Standard Reports
4. Exhibit D - In-network ATM Locations
5. Exhibit E - Sample Cardholder Materials
6. Exhibit F – Sample Administrator Training Guide

Notice

The U.S. Bank-prepared RFP documents represent a snapshot of U.S. Bank's prepaid program operations and functionality as of the specific time those RFP documents were drafted. Changes may occur over the term of this Agreement due to forces within or beyond the control of parties, including, but not limited to regulation changes, changes in industry, personnel changes, technological changes, and others. Except where terms, provisions or services (and levels) from the RFP documents are explicitly restated in contract resulting from this RFP, such changes do not constitute a breach of contract, nor necessitate contract amendments.



Executive summary

Providing government benefit recipients and employees with a flexible, reliable payment option

Having had the privilege to partner with the State of Nebraska (the State) for prepaid card programs since 2004, U.S. Bank looks forward to continuing our partnership for the disbursement of funds for payroll, retirement, inmate release, unemployment insurance, child support, workers compensation and other state benefit payments. With card programs to cover all purposes, the State can continue to achieve their electronic payment distribution goals with just one vendor. And as a result, help ensure your cardholders are receiving secure, reliable payments in a timely manner.

Over the past 20 years, we have provided a safe, secure payment option for recipients to receive disbursements via a prepaid card that provides the convenience of easily withdrawing cash, using the card for daily shopping needs and easily avoiding unnecessary fees.

In support of your Prepaid Card Services requirements outlined in RFP 6660 Z1, U.S. Bank intends to continue to support your programs with the U.S. Bank ReliaCard, Focus Card and Elan Prepaid Card programs. Continuing to offer ReliaCard provides a reliable, timely, well-accepted card program for receipts of State benefit payments. Continued use of the Focus Card program provides State employees with a trusted electronic payment option as an alternative to traditional direct deposit. The Elan Prepaid Card provides inmates with flexible purchasing options while allowing the State to maintain required card usage restrictions. Additionally, the State can continue using the U.S. Bank Rewards Card for clinical trial and research participant payments.

With U.S. Bank, you have the benefit from our commitment to state government programs, the unprecedented expertise that comes from being a pioneer in prepaid card programs that have supported government programs since 2001. Our account team has always been and will continue to be readily accessible and has decades of public-sector experience that offers unique understanding of your specific needs and realities.

By continuing with U.S. Bank as your prepaid card provider, the State will have **no interruption in your business operations or service** to your recipients. Your program will continue as is. Any changes required as part of this procurement can be easily and efficiently implemented without interruption to current cardholders and no additional stress or time requirement from your team.

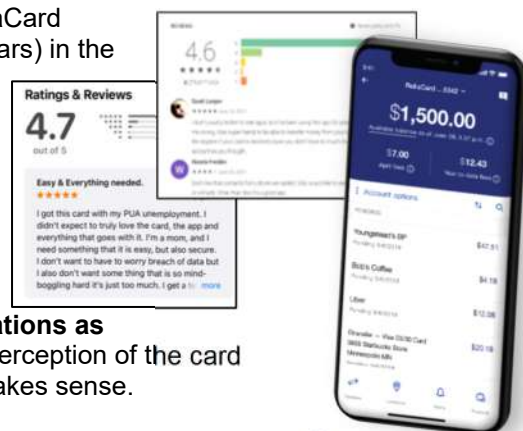
Providing cardholders with consistent, fair, responsive service

When selecting a U.S. Bank prepaid card, your cardholders will continue to have access to the industry-leading tools to access their funds, monitor card transactions, check the card's balance, and request assistance when they need it. They can use their prepaid cards anywhere Visa or Mastercard is accepted—including more than 275,500 merchant locations in Nebraska. Your cardholders appreciate the wide range of free cash access options. In Nebraska alone, our surcharge-free network includes 760 U.S. Bank and MoneyPass ATM locations and 1,081 Visa affiliated financial institutions for teller cash withdrawals—**this provides easy, fee-free cash access across the state.**

They will also have the resources they need to keep track of their funds at their convenience. If cardholders have questions, they have multiple avenues to access their account information. With our informative, secure and easily accessed website and mobile app, cardholders have immediate access to their account information and can track spending. Plus, they have the option to call our 24/7 customer service center to gain assistance with balance information or contact a customer service representative (CSR). To stay abreast of their account, they can also enroll in text or email alerts to access their account

balance or transaction information. Our well received ReliaCard mobile application is highly rated with 4.7 stars (out of 5 stars) in the Apple app store and 4.6 stars (out of 5) in the Google Play store (Android).

The ReliaCard solution has been widely accepted and well-received by more than 2 million cardholders. We consistently obtain high satisfaction ratings. In our most recent cardholder survey, 92% of cardholders rated themselves as satisfied with their ReliaCard. **They cite the no/low usage fees, and email and text alert notifications as significant value-added services.** With such a positive perception of the card program by cardholders, continuing with U.S. Bank just makes sense.



Through the information communicated in this response, we sincerely hope you see the level of expertise and commitment we have to the government prepaid industry. We are a trusted national bank who is so fully invested in prepaid that we own our own prepaid processing platform. Additionally, we understand the State's interest in delivering quality electronic payment and banking services for your agencies and recipients. By continuing your programs with U.S. Bank, you can achieve this goal and feel confident that your cardholders will not only receive the funds they need on the day you specify, but also have exceptional flexibility in use and support of their card. Should the State make the decision to continue with U.S. Bank as your partner, we welcome any discussions/negotiations to the agreement, resulting in continual mutually beneficial and sustainable long-term partnership between U.S. Bank and Nebraska. We are committed to supporting your cardholders and administrative team's business activities with our expertise.

Our payment solutions combine transparency and compliance advantages with measurable savings to help you responsibly run your operations. We are always here to help make sure your card program advantages are realized throughout our relationship. With our ongoing investment in optimizing your program, you can see combined savings and revenue impact on your bottom line.

1. CORPORATE OVERVIEW

The Corporate Overview section of the Technical Proposal should consist of the following subdivisions:

a. BIDDER IDENTIFICATION AND INFORMATION

The bidder should provide the full company or corporate name, address of the company's headquarters, entity organization (corporation, partnership, proprietorship), state in which the bidder is incorporated or otherwise organized to do business, year in which the bidder first organized to do business and whether the name and form of organization has changed since first organized.

U.S. Bank National Association (U.S. Bank®) is a subsidiary of U.S. Bancorp, a publicly traded corporation on the NYSE under the ticker symbol USB. U. S. Bank National Association, the lead bank of U.S. Bancorp, is organized in Ohio – Charter No. 24. The original charter is the second oldest (still in effect) in the nation, dating back to July 13, 1863. U.S. Bancorp is incorporated in the State of Delaware.

Our rich history shapes our present and positions us for a strong future. Since 1863, our company has expanded through organic growth and through numerous acquisitions, managing through times of prosperity and hardship. Throughout the past 150 years, hundreds of banks, whose customers, branches, expertise and assets combined with key ancestor banks, helped to make us a strong, sound company. In 2001, Firststar and U.S. Bancorp became the new U.S. Bancorp, building a strong and forward-looking foundation on which we continue to grow.

U.S. Bank is the nation's fifth-largest commercial bank. Our more than 65,000 U.S. Bancorp employees come together to serve 18.8 million consumer, business and institutional customers through our four core lines of business: Payment Services, Consumer and Business Banking, Corporate & Commercial Banking, and Wealth Management and Investment Services. Through these lines of business, we offer a comprehensive suite of banking, investment, mortgage, trust and payments products. The Prepaid division is part of the Payment Services group.

Corporate Headquarter Address:
U.S. Bancorp
800 Nicollet Mall
Minneapolis, Minnesota 55402

b. FINANCIAL STATEMENTS

The bidder should provide financial statements applicable to the firm. If publicly held, the bidder should provide a copy of the corporation's most recent audited financial reports and statements, and the name, address, and telephone number of the fiscally responsible representative of the bidder's financial or banking organization.

If the bidder is not a publicly held corporation, either the reports and statements required of a publicly held corporation, or a description of the organization, including size, longevity, client base, areas of specialization and expertise, and any other pertinent information, should be submitted in such a manner that proposal evaluators may reasonably formulate a determination about the stability and financial strength of the organization. Additionally, a non-publicly held firm should provide a banking reference.

The bidder must disclose any and all judgments, pending or expected litigation, or other real or potential financial reversals, which might materially affect the viability or stability of the organization, or state that

no such condition is known to exist. | The State may elect to use a third party to conduct credit checks as part of the corporate overview evaluation.

The U.S. Bancorp Annual Report, which includes three years of audited financial statements, is included as a separate attachment. Additional Annual Reports are available at ir.usbank.com/investor-relations/financial-information/annual-reports.

We are a leader in the banking industry. Our outstanding track record of financial performance coupled with our sound ethical business practices have earned us the honor of being named a 2022 World's Most Ethical Company® by the Ethisphere Institute, a leading international think tank dedicated to the advancement of best practices in business. This is our eighth consecutive year on this list. We were also named Fortune's 2022 "most admired superregional bank" for the 12th consecutive year and ranked in the top 10 among 680 companies across all industries.

U.S. Bank continues to outpace peers across all key financial performance metrics – such as return on assets, return on equity and efficiency ratio – year over. In addition, we maintain exceptional capital ratios and remain among the world's best in debt ratings across the industry.

U.S. Bank is involved in disputes and litigation which normally occur in banking operations, however, there is no pending litigation that we believe would have a material adverse effect on the financial position of the firm nor impact the delivery of services to the State.



Among superregional banks,
**Fortune ranked
U.S. Bank as No. 1**
in eight of the nine key
attributes of reputation:

1. Quality of management
2. Community responsibility
3. Innovation
4. Quality of products/services
5. People management
6. Use of corporate assets
7. Financial soundness
8. Long-term investment value

c. CHANGE OF OWNERSHIP

If any change in ownership or control of the company is anticipated during the twelve (12) months following the proposal due date, the bidder should describe the circumstances of such change and indicate when the change will likely occur. Any change of ownership to an awarded bidder(s) will require notification to the State.

U.S. Bancorp is a Delaware corporation and the parent company to U.S. Bank, is a diversified financial holding company, traded on the New York Stock Exchange under ticker symbol. USB. Presently, there are no stated plans to change this ownership status.

d. OFFICE LOCATION

The bidder's office location responsible for performance pursuant to an award of a contract with the State of Nebraska should be identified.

The Prepaid division is part of the U.S. Bank Payment Services group and currently provides the proposed services for the State. The Prepaid division's main location is 200 South 6th Street, Minneapolis, MN 55402.

e. RELATIONSHIPS WITH THE STATE

The bidder should describe any dealings with the State over the previous five (5) years. If the organization, its predecessor, or any Party named in the bidder's proposal response has contracted with the State, the bidder should identify the contract number(s) and/or any other information available to identify such contract(s). If no such contracts exist, so declare.

U.S. Bank has been providing prepaid card services to the State since 2004. The most recent contract was executed with the State as a result of the RFP award to U.S. Bank in 2014 to continue providing

prepaid card services: **contract number 68856 O4**. Amendments to this contract were made in November 2015, January 2019 and January 2022, with a one-year extension granted in 2020 and again in 2021, which included an amendment with information specific to the DOL program. During the pandemic in 2020, the State approved the use of additional subcontractors for call center and web services.

If U.S. Bank is selected to continue as the State's prepaid card services provider, we intend to include our card program standard agreements as part of the overall contract with the State. We also reserve the right to negotiate contract terms and have provided our proposed redlines to the State's terms and conditions in Sections II - IV in Exhibit A.

f. BIDDER'S EMPLOYEE RELATIONS TO STATE

If any Party named in the bidder's proposal response is or was an employee of the State within the past twelve (12) months, identify the individual(s) by name, State agency with whom employed, job title or position held with the State, and separation date. If no such relationship exists or has existed, so declare.

If any employee of any agency of the State of Nebraska is employed by the bidder or is a Subcontractor to the bidder, as of the due date for proposal submission, identify all such persons by name, position held with the bidder, and position held with the State (including job title and agency). Describe the responsibilities of such persons within the proposing organization. If, after review of this information by the State, it is determined that a conflict of interest exists or may exist, the contractor may be disqualified from further consideration in this proposal. If no such relationship exists, so declare.

No such relationship currently exists or has existed between any U.S. Bank employee and the State.

g. CONTRACT PERFORMANCE

If the bidder or any proposed Subcontractor has had a contract terminated for default during the past five (5) years, all such instances must be described as required below. Termination for default is defined as a notice to stop performance delivery due to the bidder's non-performance or poor performance, and the issue was either not litigated due to inaction on the part of the contractor or litigated and such litigation determined the contractor to be in default.

It is mandatory that the bidder submit full details of all termination for default experienced during the past five (5) years, including the other Party's name, address, and telephone number. The response to this section must present the bidder's position on the matter. The State will evaluate the facts and will score the bidder's proposal accordingly. If no such termination for default has been experienced by the bidder in the past five (5) years, so declare.

If at any time during the past five (5) years, the bidder has had a contract terminated for convenience, non-performance, non-allocation of funds, or any other reason, describe fully all circumstances surrounding such termination, including the name and address of the other contracting Party.

U.S. Bank has not had a contract terminated for in the past five (5) years for the following reasons:

- Default
- Convenience
- Non-performance
- Non-allocation of funds

h. SUMMARY OF BIDDER'S CORPORATE EXPERIENCE

The bidder should provide a summary matrix listing the bidder's previous projects like this solicitation in size, scope, and complexity. The State will use no more than three (3) narrative project descriptions submitted by the bidder during its evaluation of the proposal.

The contractor should address the following:

- i. Provide narrative descriptions to highlight the similarities between the bidder's experience and this solicitation. These descriptions should include:
 - a) The time period of the project;
 - b) The scheduled and actual completion dates;
 - c) The Bidder's responsibilities;
 - d) For reference purposes, a customer name (including the name of a contact person, a current telephone number, a facsimile number, and e-mail address); and
 - e) Each project description should identify whether the work was performed as the prime contractor or as a subcontractor. If a contractor performed as the prime contractor, the description should provide the originally scheduled completion date and budget, as well as the actual (or currently planned) completion date and actual (or currently planned) budget.
- ii. Contractor and subcontractor(s) experience should be listed separately. Narrative descriptions submitted for subcontractors should be specifically identified as subcontractor projects.
- iii. If the work was performed as a subcontractor, the narrative description should identify the same information as requested for the contractors above. In addition, subcontractors should identify what share of contract costs, project responsibilities, and time period were performed as a subcontractor.

Extensive experience helping government agencies implement prepaid card programs

Having served government prepaid needs for more than 20 years, our programs meet the needs of cardholders across the country and internationally. U.S. Bank has led the way in meeting the needs of our prepaid card clients for two decades. In 2001, we became the first prepaid card provider in the nation to successfully implement a direct deposit prepaid card solution for the disbursement of government payments with the ReliaCard program for Child Support programs in Colorado and Washington. Those programs still function today as the original model for government prepaid card solutions in the U.S.

We are the issuing bank for **24 state/district unemployment insurance programs** and **15 state child support agencies**. We also issue payroll cards for 123 government agencies. For these programs, we issue some with the Visa brand and some with Mastercard, establishing evidence of our affiliation with both national brand associations. As a leading bank, U.S. Bank has had a long-standing relationship with all major national brand networks. Our prepaid card programs can carry either the Visa and Mastercard brand, allowing our cards to be widely accepted and easy to use for daily expenses.

The extensive number of governmental agencies that have select us as their card provider positions U.S. Bank as the clear leader and expert in supporting unemployment, child support and payroll programs.

U.S. Bank Prepaid Government & Tribal Agency Footprint
337 Agency Programs in 43 States/Districts
State-by-State Client List



Current U.S. Bank Prepaid Government Partners – All Programs 348								
Unemployment (24)								
Alaska Maine Texas	Arkansas Massachusetts Utah	Colorado Michigan Washington	Delaware Minnesota Washington DC	Idaho Nebraska Wisconsin	Iowa North Carolina Wyoming	Kansas Ohio	Kentucky Oregon	Louisiana Pennsylvania
Child Support (15)		Workers Comp (7)	Payroll (123)		TANF (1)	Housing Authorities (107)		
Arkansas Delaware Hawaii Idaho Iowa Louisiana Maine Massachusetts	Minnesota Montana Nebraska Nevada Oregon Vermont Washington	California Idaho Oregon Pennsylvania Nebraska Washington Wyoming	Arizona (5) Arkansas California (6) Colorado (3) Idaho Illinois (2) Iowa Kansas (5) Kentucky (2) Maryland (3) Michigan (7) Minnesota (6) Missouri (5)	Nebraska (6) New Mexico Ohio (8) Oregon (9) Pennsylvania Tennessee Texas (4) Washington (32) Wash D.C. (5) West Virginia Wisconsin (6) Wyoming (3)	Nebraska	Alabama Arizona Arkansas (2) California (7) Colorado (5) Delaware District of Columbia Florida (3) Georgia (6) Hawaii Illinois Indiana (3) Kentucky Louisiana (2) Maryland Minnesota (3)	Missouri (2) New Jersey (2) New Mexico Nevada Ohio (23) Oklahoma Oregon (4) Pennsylvania (11) South Carolina Tennessee (3) Texas (9) Utah (2) Virginia (3) Washington (2) West Virginia (2) Washington, D.C.	
Child Care (5)		Health & Human Services (3)	Lottery (3)		Pension Payments (7)	Other (45)		
Nebraska (4) Washington D.C.	Nebraska Minnesota Oregon	Maine Michigan Oregon			Alabama California Georgia Michigan Nebraska Texas West Virginia	Arkansas Colorado Delaware Florida Idaho Iowa Massachusetts Missouri	Nebraska Oregon South Dakota Tennessee Utah Washington D.C. Wisconsin	
Tribes (9)								
Blackfeet Nation Salt River Pima-Maricopa Indian Community Tuolumne Me Wuk Tribal			Confederated Tribe of Siletz Indians Shoshone Bannock Tribes (2) Winnebago Tribe of Nebraska (4)			Lummi Nation Spokane Tribe of Indians Zuni Tribe		

Currently, we work with 348 government agencies across 45 states/districts, making us one of the largest prepaid providers in the nation and our programs continue to grow. Despite our significant growth, the State can be assured that we have maintained our core focus on government prepaid. We feel that we can service our clients with greater control and expertise by focusing on the industry we are most familiar with, state governments.

The ReliaCard and Focus Card solutions have been widely accepted and well-received by more than 2 million cardholders in recent years. We consistently obtain high satisfaction ratings from our cardholders. In our most recent cardholder survey, 92 percent of cardholders rated themselves as satisfied with their ReliaCard provided by U.S. Bank. They cite the no/low usage fees, savings account feature, and email and text alert notifications as significant value-added services.

We have invested in the right infrastructure to bring the first fully integrated prepaid card program to the marketplace. U.S. Bank provides the only unified prepaid solution. We own/manage the entire prepaid value chain of issuing bank, program manager, processor and all other specialty functions under one management team and set of guiding principles—allowing us to maintain direct oversight of all aspects of the program. This provides our team with a greater degree of information exchange, which helps us maintain better fraud control, confidently support federal and industry compliance standards and federal/state regulatory oversight efforts—all of which are aimed at protecting the State and supporting cardholders. Our end to end data security ensures benefit recipient, employee and client data is stored within an environment that is strictly controlled by U.S. Bank. And, unlike others, our solution provides the State with transparency as to who owns the processing and support functions, the product's technology and other program

features. In return, our integrated approach results in lower costs and greater stability for the State programs. By selecting U.S. Bank, all of the State's programs will remain on U.S. Bank systems.

With a trusted brand like U.S. Bank, both you and your cardholders can feel confident that their funds are safe, and their personal information is safeguarded by an extensive data security program

U.S. Bank has the knowledge, expertise and experience to successfully continue to manage your government programs. We welcome the opportunity for the State to speak to our other current clients. We have selected three clients for which we currently provide prepaid card services that are of similar size and scope of the services as those outlined in this proposal. Each individual listed can speak to their prepaid card experience with U.S. Bank and have agreed to speak with you regarding our services.

	Reference 1	Reference 2	Reference 3
Client name	Washington Office of the State Treasurer	Delaware Office of the State Treasurer	Idaho Department of Health and Welfare
Contract administrator name and title	Lesa Williams ACH and Deposits Manager	Fiah Kwesseau Director of Operations and Fund Management	Eileen Emory EBT/ePayment Operations Supervisor
Address	DSHS 712 Pear Street SE PO Box 9162 Olympia, WA 98504	820 Silver Lake Blvd. Suite 100 Dover, DE 19904	317 W. Main Street Boise, ID 83735
Contact email address	Lesa.Williams@tre.wa.gov	fiah.kwesseau@delaware.gov	Eileen.Emory@dhw.idaho.gov
Contact phone number	360.902.8911	302.672.6708	208.334.5820
Scope of services	ReliaCard - Labor & Industries (L&I) and Paid Family & Medical Leave (PFML) payments Focus Payroll Card - 22 programs	ReliaCard - Child Support, Unemployment and Foster Care payments	ReliaCard - Child Support payments
Duration	Client since July 2014	Client since March 2019	Client since October 2015

i. SUMMARY OF BIDDER'S PROPOSED PERSONNEL/MANAGEMENT APPROACH

The bidder should present a detailed description of its proposed approach to the management of the project.

The bidder should identify the specific professionals who will work on the State's project if their company is awarded the contract resulting from this solicitation. The names and titles of the team proposed for assignment to the State project should be identified in full, with a description of the team

leadership, interface, and support functions, and reporting relationships. The primary work assigned to each person should also be identified.

The bidder should provide resumes for all personnel proposed by the bidder to work on the project. The State will consider the resumes as a key indicator of the contractor's understanding of the skill mixes required to carry out the requirements of the solicitation in addition to assessing the experience of specific individuals.

Resumes should not be longer than three (3) pages. Resumes should include, at a minimum, academic background and degrees, professional certifications, understanding of the process, and at least three (3) references (name, address, and telephone number) who can attest to the competence and skill level of the individual. Any changes in proposed personnel shall only be implemented after written approval from the State.

Supporting the State with an integrated, team approach

Accurate communication with the State is a fundamental aspect of our program management philosophy. Therefore, we use an integrated approach to support all of your teams. You will continue to work directly with our dedicated relationship management team of Kelli Keller and Anna Milbach who are your main points of contact. Both are subject matter experts for their respective areas and are well supported by technical and operations specialists. Kelli is responsible for handling all of the State's concerns related to prepaid programs including addressing information system matters after implementation, financial reporting issues after implementation and customer service matters. She is assisted by our client support team, led by Ron Pollock, who are also readily available to assist with information systems matters after implementation and customer service matters. If any new program implementation is required, Kelli will be supported by Abby Kutschied and her onboarding team to lead and manage the implementation process.

By taking a team approach to your program, we ensure our relationship managers have the right information and resources to manage and guide you through all aspects of implementation, information system matters, financial reporting and customer service matters throughout the contract period. All the resources assigned to the State have significant expertise with supporting your programs and other public sector programs and are well-versed in proactively addressing the complexities of government agencies. They work collaboratively with your team—and with each other—to make sure you have what you need, and all program tasks are completed within mutually-agreed upon timeframes. Our primary support team is outlined below.

Relationship Management Team

- Kelli Keller, Relationship Manager
- Anna Milbach, Government Banking
- Gretchen Anderson, Senior Relationship Manager

Prepaid Sales Account Team

- Tyler Vickery, Sales Manager, Government Prepaid Products
- James Homer, National Sales and Relationship Management
- Dave Smith, Head of National Sales and Relationship Management

Focused Technical Team

This team of technical program experts is at the disposal of the State for implementation of any new prepaid program or revisions to your existing programs, including product, marketing, system and operations. Specialists include:

- Ron Pollock, Client Support Operations
- Abby Kutschied, Head of Client Onboarding

- Diane Gard, Senior Product Manager
- Jerry Anderson, Group Product Manager
- Lisa Alessandro, Director of Marketing

Qualifications for our highly experienced team is summarized below. Resumes of key support personnel, along with references, have been provided in Exhibit B.

Kelli Keller, Relationship Manager



Kelli serves as your primary point of contact for strategic program issues, including but not limited to strategic planning, project communication development and program monitoring. She has more than 10 years of experience working in the financial services industry with experience in implementation project management, technology development, training and relationship management. Kelli has been a relationship manager since January of 2016.

In her current role as relationship manager, Kelli is responsible for overseeing program development and ongoing management of her assigned portfolio. Her depth and breadth of experience has given her the skills and knowledge of the public sector to help you continue to successfully manage your program. She has overseen 48 programs across six states, ranging from child support and unemployment to retirement and worker's compensation, and she has developed a positive reputation among her clients. Kelli serves as the primary contact and escalation channel for clients, serves as a client advocate responsible for prompt resolution of issues, provides program support and training and partners with clients on growth opportunities. She holds a bachelor's degree in psychology.

Anna Milbach - Vice President, Government Banking



Anna Milbach will continue to be your government banking relationship manager, supporting all products and services that we provide to the State and all state agencies. Because Anna serves as relationship manager exclusively for large government clients in the Midwest, she can provide best practices on what other states are doing to streamline process and gain efficiencies with current technologies available to the State. Anna has been with U.S. Bank since 2013 and brings a wealth of experience in providing exceptional service to our government clients.

Gretchen Anderson - Vice President, Senior Relationship Manager



Gretchen has more than 24 years of professional experience in providing solution-based prepaid services for corporate and commercial customers and prospects. Gretchen has been with U.S. Bank Prepaid sales and relationship management since 2012 developing strategic campaigns and managing relationship strategies for the delivery and maintenance of a full portfolio of financial instruments. Gretchen is a 2016 winner of the U.S. Bank Pinnacle Award for Performance Excellence, one of our highest achievements for bank employees. She holds bachelor degrees in marketing and

business administration.

James Homer - Vice President, National Sales Manager



James supports Gretchen Anderson by acting as a backup contact to the State as necessary. He is a results-oriented professional with more than 20 years of experience in both government and *Fortune* 500 corporations. James is a subject matter expert in marketing, business development, team leadership and administration. In his current role as a national sales manager, he oversees contract negotiations, driving new growth, team alignment and forecasting. He holds a bachelor's degree in public relations and a master's degree in business administration.

Tyler Vickery – Assistant Vice President, Sales Manager



Tyler serves as the State's primary contact through the procurement and contract process. He has more than seven years of professional experience in providing solution-based prepaid services for corporate and commercial customers and prospects. He has been with U.S. Bank Prepaid since 2017, developing strategic campaigns and managing relationship strategies for the delivery and maintenance of a full portfolio of financial instruments. He holds a bachelor's degree in sport administration.

Dave Smith - Senior Vice President, National Sales and Relationship Management



As senior vice president of the prepaid national sales and relationship management team, Dave establishes strategic direction for the entire sales and relationship management team, overseeing contracting administration, drives revenue growth and client engagement. Dave has 20 years' experience in prepaid card services in both retail and banking services. He has worked with government agencies for the past 11 years. Key areas of focus over his career have included driving revenue growth during times of economic instability, overseeing the development and marketing of industry-leading prepaid products and leading new business development. He holds a bachelor's degree in political science.

Ron Pollock - Assistant Vice President, Client Support Operational Manager



Ron manages and coordinates operational activities including technical support for the prepaid client support team. He ensures quality service and effective client support for all internal and external customers, defines group objectives and implements processes to support these objectives. He has more than 15 years of team management, client support management and banking experience. Ron holds a bachelor's degree in accounting and has successfully completed additional courses in marketing, management decision science and management information systems.

Abby Kutschied – Assistant Vice President, Head of Client Onboarding



As vice president and head of client onboarding, Dan manages and supports the team's work with all clients who are engaged in the onboarding process, ensuring each client experience occurs at the highest level of service and efficiency to have new programs up and running quickly. Abby has worked with more than 150 clients to implement their prepaid card programs in her six years in this role. Prior to her role as an onboarding manager, Abby held positions as an administrative assistant in banking and consulting, a commercial interior designer and a Realtor. Abby holds a bachelor's degree in interior design and an associate degree in business.

Jerry Anderson – Vice President, Group Product Manager



Jerry acts as Kelli's primary contact for any inquiries regarding product information management, features and functionality. With more than 30 years of overall banking experience, Jerry leads our product management and product development, marketing, strategic planning and execution of business plans. Jerry has more than 10 years of specific prepaid experience and has launched numerous prepaid products including payroll, consumer incentives, corporate disbursements and government benefits. Jerry holds a bachelor's degree in business administration and an MBA in finance and an advanced degree in marketing management.

Lisa Alessandro, APR – Vice President, Director of Marketing



Lisa sets the marketing direction for the ReliaCard programs and develops marketing communications needed. She has more than 20 years' experience in corporate and non-profit marketing and communications, specializing in financial services for the past decade. She holds a bachelor's degree in journalism and is Accredited in Public Relations (APR)

j. SUBCONTRACTORS

If the bidder intends to subcontract any part of its performance hereunder, the bidder should provide:

- i. name, address, and telephone number of the subcontractor(s);
- ii. specific tasks for each subcontractor(s);
- iii. percentage of performance hours intended for each subcontract; and
- iv. total percentage of subcontractor(s) performance hours.

Our subcontractors are long-standing partners who work alongside us to provide you and your recipients with the highest levels of customer service. They are held to the same standards as internal U.S. Bank resources, are well-vetted and provide reliable, responsive services to our operational team. We are completely transparent about who we partner with to provide the full range of services you require, and we work with our partner, listed below, to ensure they understand and fully support all aspects of your program, including flowing down applicable portions of the contract and monitoring daily activities.

All subcontractors are utilized on an on-demand basis which is dictated by cardholder inquiries and demand. We plan to continue utilizing the following third-party subcontractors:

Enacomm, Inc. – IVR Support Provider

Enacomm is privately-owned and based at 5800 East Skelly Drive, Penthouse Suite, Tulsa, OK 74135. They provide innovative, interactive and intelligent IVR customer self-service applications to a variety of industries including prepaid/cash card, financial, health care and utilities. Utilizing web, mobile, SMS texts, email, voice and other communication technology channels, Enacomm helps organizations provide customers with a superior, multi-modal self-service experience.

Alorica, Inc. – Call Center Support Provider

A privately-owned call center company headquartered at 5 Park Plaza, Suite 1100, Irvine, CA 92614. With 73 locations and 48,000 associates worldwide, Alorica has the infrastructure, the deep knowledge and proven capabilities to accommodate a wide range of customer-related needs on behalf of our clients. Three of the largest card issuers in the world have worked with Alorica for more than 10 years and experienced a high level of performance with excellent customer satisfaction, even in the midst of evolving technologies and new government standards.

DialAmerica – Call Center Support Provider

DialAmerica brings more than 50 years of expertise in providing call center outsourcing services. They offer a full range of B2B and B2C services via 19 state-of-the-art U.S.-based call centers. DialAmerica's headquarters is 960 Macarthur Blvd, Mahwah, NJ 07430.

Fiserv Output Solutions – Card Fulfillment Provider

U.S. Bank partners with Fiserv Output Solutions (FOS) as our card fulfillment provider for the prepaid programs. They manufacture and ship more than five million cards a year for the Prepaid division. U.S. Bank utilizes FOS' Indianapolis hub, located at 2307 Directors Row, Indianapolis, IN 46241, to expedite card shipping across the country. FOS is a division of Fiserv, Inc. (NASDAQ: FISV), a leading global provider of information management and electronic commerce systems for the financial services.

FSV Payment Systems – Prepaid Processing Provider

In addition to the subcontractors listed above, we also use FSV, a U.S. Bank wholly owned subsidiary, as the prepaid processor for all transactions. Having purchased FSV in 2012, we own the core of our prepaid operation, including the issuing bank function, the program manager function and the transaction processing function. We have full control of and manage all core components in-house, giving us superior control, greater data security and flexibility with our programs. FSV Payment Systems' address is 6410 Southpoint Parkway, Jacksonville, FL 32216.

2. TECHNICAL APPROACH

The technical approach section of the Technical Proposal should consist of the following subsections:

a. Technical considerations, including Attachments A and B;

We have included our responses to the technical requirements in Attachments A and B in response to Section E. TECHNICAL REQUIREMENTS located in the following PROJECT DESCRIPTION AND SCOPE OF WORK section of our proposal.

PROJECT DESCRIPTION AND SCOPE OF WORK

The contractor should provide the following information in response to this solicitation.

A. PROJECT OVERVIEW

The Nebraska State Treasurer's Office is requesting proposals for Prepaid Card Services/Stored Value Cards. We will reference as Prepaid Card Services throughout this proposal. Either MasterCard or Visa brands will be accepted. State Agencies including governmental entities and political subdivisions are eligible to participate.

The Contractor must be able to provide branded prepaid card services to entities with varying types of clientele. Program clientele may include, but are not limited to, employees, child support recipients, unemployment claimants, retirees, workers' compensation, athletic stipends, individual providers, cash grant recipients and other recurring consumer payees of programs eligible to participate.

The State has approximately 54,600 active Visa branded prepaid cards used by State clients under the current contract as shown on Exhibit 1. The bidder is required to examine the current program information and technical requirements as described in Attachments A and B, using the format provided to respond to each question.

All figures listed in the RFP represent a historical count of transactions processed by the State under the current State contract. These figures are provided for the benefit of bidders in the development of their proposal and is not a guarantee of future transaction counts.

U.S. Bank Presents a Comprehensive Prepaid Solution

With a U.S. Bank prepaid solution, State cardholders get wide-ranging access to the largest merchant, banking and ATM networks in the prepaid industry. State recipients can use the card as they see fit, wherever Visa or Mastercard debit cards are accepted – at nearly 200 million locations worldwide. U.S. Bank prepaid cardholders can also withdraw cash at over 2.7 million ATMs worldwide and over 97,000 Visa and Mastercard branded national banks and credit unions. Plus, cardholders can withdraw cash for NO FEE at any of our more than 45,000 surcharge-free, in-network U.S. Bank and MoneyPass ATM locations in the United States.

To meet the prepaid needs outlined in RFP 6660 Z1, U.S. Bank recommends the continued use of our proven Visa and Mastercard branded prepaid solutions, highlighted by our flagship products below:

ReliaCard for Government Disbursements

For the State's government disbursement programs, U.S. Bank will continue to use the ReliaCard prepaid solution – the same solution currently utilized by the State currently for the following programs since 2004.

- Nebraska Department of Labor – Unemployment Insurance
- Nebraska Child Support Payment Center (NCSPC)
- Department of Health & Human Services (DHHS)
- Nebraska Public Employees Retirement Systems (NPERS)
- Nebraska Workers' Compensation Court (NWCC)



Focus Card for Payroll and Payments

For the State's payroll and payment programs, U.S. Bank will continue to utilize the Focus Card that offers your employees a flexible and easy-to-use (accepted almost everywhere) solution and provides them with a payment method they know and trust.

- University Of Nebraska – Stipends
- University Of Nebraska & State College (NSCS) – Payroll
- Nebraska Department of Administrative Services – Nebraska State Payroll



Elan Prepaid Card for DOC Applications

For the State's DOC work release program, U.S. Bank will continue to utilize our Elan Prepaid Card that provides inmates with flexible purchasing options while allowing the State to maintain required card usage restrictions.

- Department of Correctional Services (NDCS) – Community Center
- Department of Correctional Services (NDCS) – Inmate Release Card Program



B. PROJECT ENVIRONMENT

Exhibit 1 lists the agencies currently participating under the State's prepaid card program, including the monthly dollar amount, number of loads, and the number of active cards. The Nebraska State Treasurer's Office will be the point of contact for State agencies to coordinate services. Currently the City of Lincoln has a small Focus Payroll Program.

Each State agency using services under this contract will designate an agency Program Lead. Each agency Program Lead is responsible for coordinating services for their program, representing their program on conference calls with the Contractor, and working with the State Treasurer's Office to resolve issues relating to their specific program.

The bidder shall review and acknowledge the ability to work with all entities wishing to use the services under this RFP, including those listed in Exhibit 1 and other state agencies, boards, commissions, the University of Nebraska, the Nebraska State colleges, the courts, the Legislature, or any other office or agency established by the Constitution of Nebraska.

There will be no implementation or conversion costs charged to the State.

Since U.S. Bank has provided prepaid solutions to the State since 2004, we are well-equipped to fully support all State programs. We look forward to continuing our excellent relationship with State administrators into the foreseeable future. You and your agency program leads will continue to work directly with our dedicated relationship management team of Kelli Keller and Anna Milbach who are your main points of contact. Both have supported this program for many years and are subject matter experts for their respective areas. They are well supported by technical and operations specialists. Kelli will continue to be responsible for handling all of Treasury's concerns related to prepaid programs. She is assisted by our client support team, led by Ron Pollock, who are also readily available to assist with information systems matters and customer service matters. U.S. Bank does not charge the State for any program implementation or ongoing support.

C. PROJECT AND BUSINESS REQUIREMENTS

1. Agreed Upon Scheduled Conference Calls/Webinars

The Contractor will be required to hold conference calls to discuss any updates or concerns that relate to any program(s). Discussion topics will also include regulatory and industry changes affecting the card programs and changes to existing programs. Frequency will be determined after implementation.

Your program will continue to be managed by our dedicated relationship manager, Kelli Keller. Kelli will be available during business hours (8:00 a.m. to 5:00 p.m. CT) to answer any questions, provide updates on product development, conduct business reviews, education on industry trends and more. She will continue to be your primary point of contact and will manage and control all projects for the State. Kelli will also continue to have regular meetings with the State to discuss topics such as regulatory and industry changes.

Regardless of the situation, Kelli is always available to help. Serving as your key program advisor for strategic program support, Kelli is committed to advocating for you and providing you with the resources you need to help ensure your program's success. Primarily, she assists with:

- Discussing contractual concerns.
- Facilitating discussions around new business opportunities.
- Acting as the point person on escalations (either technical or service-related).
- Communicating new product developments and industry changes.
- Coordinating unique reporting needs.
- Conducting business reviews (at a minimum annually, more frequently as mutually-agreed upon).
- Maintaining an ongoing dialogue over issues and opportunities associated with the program.

2. Monthly Reporting

Monthly reports will be sent by the Contractor to the State Treasurer's Office and the agency Program Leads. These reports must be emailed or downloadable from the Contractor's website and must be provided to the State Treasurer's Office and the agency Program Leads by the 15th day of the month following month end. Report must include the item listed in Table 1:

Table 1. Required Monthly Reports

REQUIRED MONTHLY REPORTS		
	Type	Description
1.	Financial Activity	A summary of the total number of loads and amounts
2.	Financial Activity	A summary of the total number of ATM withdrawals and amounts
3.	Financial Activity	A summary of the total number and dollar amount of PIN based transactions, signature-based transactions, and POS with cash- back combination transactions
4.	Cardholder Account Activity	A summary of active, inactive, closed, and escheated accounts
5.	Card Issuance Activity	A summary of cards issued (initial or replacement), activated, not activated, cancelled or hot card

Through our secure administrative portal, your team will continue to have access to monthly reports and month-to-date program data that can be queried through the previous day's activity. Using this system, your team can export any report in Excel or Word formats for customization and consolidation of information. All report data is shown for the last 12 months. Data older than 12 months is archived and can be obtained by contacting your relationship manager. There are no fees associated with our standard reports. The only technical requirements for accessing our reporting system is a standard web browser.

Our standard report formats include a range of reports that allows your team to closely monitor your card program including those outlined in the chart below which meet the requirements of the required monthly reports listed above.

ReliaCard and Focus Card Reports Overview				
Report Name	Description	Available on Portal	Sent via SFTP	Sent via email
Card Order	Lists card IDs for instant issue card orders to allow you to verify that the card numbers assigned to cardholders are valid.	✓		
Card Load	Provides information regarding the loads and reversals made to/from cardholder accounts including ACH, batch and funding/adjustment, and account transfers.	✓		
Card Activity Summary	Provides a summary count of card registrations, activations, loads and the dollar amount of loads.	✓		
Card Activity Detailed	Provides a summary count of card registrations, activations, loads, ATM, POS, card-to-card transactions and product enrollments, along with the dollar amounts for applicable transactions	✓		
Card Status	Provides a summary of the card count, card status, upgrades, downgrades and replacement requests for a program.	✓		
Funding Reject	Lists cardholder accounts where loads have been rejected.	✓		
Card Account Detail	Provides a summary of location(s), inventory points and cardholder information such as account and routing numbers, card ID, name, address, card status, mail date, fulfillment date, registration date, activation date and last load date.	✓		
Card Activation Government Report	Lists cardholder accounts that have been activated. (ReliaCard only)	✓	✓	
Indicative Data Change Report	Summary of all cardholder accounts which had demographic data changes within a specific program. (ReliaCard only)	✓	✓	
Cardholder Information Exception	Lists cardholder accounts with incomplete or incorrect cardholder data, such as cardholder accounts with P.O. boxes as the legal/physical addresses, or invalid Social Security Numbers, dates of birth or ZIP codes.	✓		
Account Reconciliation	Provides the beginning and ending balances for your funding and adjustment accounts and all debits and credits within the period for batch and online manual payments.	✓		
Monthly Program Metric Report	Summary of card usage/program statistics on a monthly basis, cumulative throughout a calendar year. (Sent by relationship manager)			✓

3. Annual Report

The Contractor is required to provide an annual report for the calendar year for all programs participating in this contract. Annual reports must be provided to the State Treasurer's Office and agency Program Leads by February 28 of each year. Reports shall include information for all State agencies and any entities using this contract and must be detailed by month and program and include at a minimum the items listed in Table 2:

Table 2. Required Monthly Reports

REQUIRED MONTHLY REPORTS		
	Type	Description
1.	Financial Activity	A summary of the total number of loads and amounts
2.	Financial Activity	A summary of the total number of ATM withdrawals and amounts
3.	Financial Activity	A summary of the total number and dollar amount of PIN based transactions, signature-based transactions, and POS with cash- back combination transactions
4.	Cardholder Account Activity	A summary of active, inactive, closed, and escheated accounts
5.	Card Issuance Activity	A summary of cards issued (initial or replacement), activated, not activated, cancelled or hot card

As the State's current prepaid card provider, U.S. Bank has provided this report in conjunction with our annual business review with the State for more than 16 years. We will continue to provide annual reporting meeting the requirements listed above.

D. SCOPE OF WORK

The following information provides a description of the project based on current services and are being provided to assist bidders in preparing a quality response. The Contractor must work with current Agency Program Leads and discuss any difficulties, issues, or concerns that might arise during transition or implementation.

1. BASIC REQUIREMENTS FOR PREPAID CARDS

a. Card Features:

U.S. Bank Prepaid Cards

All the prepaid cards offered in our solution (ReliaCard, Focus Card, Elan Prepaid Card) are reloadable, Visa or Mastercard-branded prepaid debit cards that operate within the Visa Interlink and Maestro merchant networks for signature-based, PIN-based and cash back transactions (where applicable). Additional details about how our cards meet the State's requirements are noted in the responses below.

i. Check-less Checking Account

Prepaid cards act as "checkless checking accounts" by allowing cardholders to receive deposits to the card account and use the card as the instrument for accessing and withdrawing funds rather than using a check.

Note: Our Focus Card payroll product does provide the option of convenience checks. While these check instruments assist cardholders with access to their funds, convenience checks DO NOT function like regular checks. Convenience checks can only be made out to the cardholder for the full balance of the card.

ii. Universal eligibility – no application or credit check

All recipients are eligible to enroll in the program and do not have to undergo a credit check or have a bank account to get the prepaid card. In order to comply with the Bank Secrecy Act, USA PATRIOT Act and the Office of Foreign Assets Control (OFAC) standards, each cardholder will be put through an OFAC screening. In very rare cases, a claimant might appear on Office of Foreign Assets Control (OFAC) database. If this were to happen, U.S. Bank is bound by federal law and cannot allow them access to the prepaid card program.

iii. No line of credit associated with the card

Our prepaid cards do not offer a line of credit so cardholders cannot purposely overdraw their card. Cards are configured so that any attempted transaction that may exceed the available card balance, or the balance plus any applicable preauthorization offset (e.g., restaurant tip), will decline.

iv. Does not affect cardholder's credit history

U.S. Bank prepaid cards do not incorporate a line of credit or have any ties to credit products or functionality. Therefore, the use of the card will not affect the cardholder's credit history in any way.

v. FDIC insured up to \$250,000

U.S. Bank extends FDIC insurance to all of our reloadable debit card accounts including all Focus Card accounts up to an aggregate total of \$250,000 per account. The U.S. Bank FDIC certificate number is 6548. The coverage is individual.

vi. Card color and design close to existing card programs see Exhibit 2 for current design

Because U.S. Bank is the incumbent provider, we will continue to utilize the current program card designs, including our new standard ReliaCard, Focus Card and Elan Prepaid Card designs shown below. However, due to the State's long-term partnership with us, we'll be more than happy to entertain other custom card design options, if interested.



vii. No cost to the State or the cardholders for card issuance

The U.S. Bank prepaid card programs will continue to be provided at no cost to the State. Our end-to-end solution, from operational and technical support to reporting and online access, provides the State with all the resources and information you need to successfully manage your programs and meet the requirements set forth in this RFP. Additionally, experienced relationship manager, Kelli Keller, along with our client support team, provide ongoing support and training to the State administrators at no cost.

We do not charge fees to the State for card issuance or adding funds to cards. Your current ACH originating financial institution will charge processing fees as determined by your current arrangement.

viii. Activation number must be a toll-free number with no cost to the State or the cardholders

Cards can be activated 24/7 by calling the toll-free number provided in the card packet materials. Additionally, cardholders can activate their cards using the cardholder website or mobile app. Our new activation sticker promotes quick and easy card activation by including a scannable QR code. Scanning this code takes the cardholder directly to our web activation process where they set their initial PIN. This eliminates the need for the cardholder to call a toll-free number to activate their card and is faster and easier for the cardholder. For cardholders who are not able or do not want to use

the QR code, our card carrier also prominently displays the card activation procedures and other disclosures. We do not charge the cardholder or the State for any method of card activation.

ix. Only available funds may be withdrawn from the account tied to the card

Our prepaid card programs are configured so that any transaction attempt(s) that would exceed the available card balance will always decline. If a pre-authorization (such as at a gas station or for tips left at a restaurant) causes the account to go negative, the overdraft amount will be recouped by U.S. Bank when additional funds are deposited to the cardholder's account. If no further funds are deposited, U.S. Bank will absorb the loss.

b. Merchant Category Codes (MCC):

x. MCC's will be blocked as required by each program.

As the incumbent provider of the State's prepaid card programs, U.S. Bank already has restrictions in place for several programs and will continue to block the MCCs as required by each program. If additional restrictions are required, we will work with the State to implement the necessary MCC blocks.

xi. Visa and Mastercard requires that MCCs for gambling be blocked.

Per Visa and Mastercard regulations, prepaid cards are restricted from gambling transactions as disclosed in the cardholder agreement.

xii. Exhibit 3 shows the MCCs blocked for NDCS.

As the incumbent provider of the Nebraska Community Inmate Release prepaid card program (NDCS), U.S. Bank already has these restrictions in place and will continue to block the MCCs listed in Exhibit 3.

xiii. Some agencies restrict MCC 5542 – Automated Fuel Dispensers – however cardholders must go inside to pay for fuel.

U.S. Bank already restricts automated fuel dispenser (AFD) transactions for several State agency programs. Cardholders may pre-pay for fuel using their card inside the merchant location.

xiv. Exhibit 4 indicates pre-authorization and holds policy for NDCS

As the incumbent provider of the State's DOC card program, U.S. Bank already has the pre-authorization holds listed in Exhibit 4 set up for the NDCS program and they will remain in place unless the State wishes to change them.

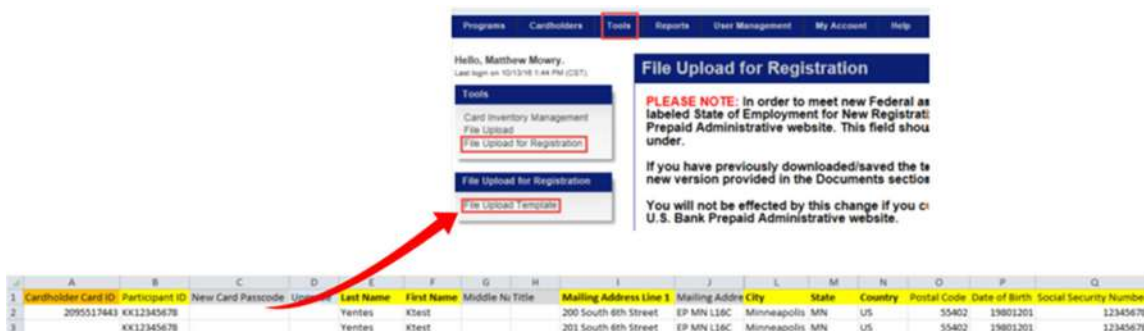
c. Enrollment Process:

i. Each program has the choice to set up a new account online or send an electronic file to the Contractor each workday as needed or the ability to do both.

U.S. Bank will continue to accept enrollment details from each program using the established methods. Once the enrollment information is collected, your team can easily enroll all card program participants using one of the following options:

- **SFTP connection** – Batch enrollment files can be sent to us via SFTP, helping the State automate the enrollment process.
- **Administrative portal**

- **Manual data entry** – Wards can be individually enrolled directly on the administrative portal, allowing for near real-time enrollments.
- **Batch file upload**– Multiple wards can be enrolled at one time by uploading a CSV file containing all required information. Once the file is processed, the card account is created, allowing cards to be funded immediately.



- ii. Contractor creates an account for any new cardholders. Information needed for the cardholder could be, but not limited to: First name, middle initial, last name, address, city, state, zip code, phone number, date of birth, social security number, and optional mother's maiden name and email address.

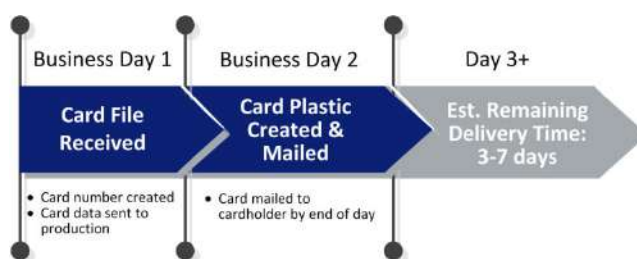
Information required for cardholder enrollment includes first and last name, date of birth (DOB) and physical address. Social Security Number (SSN) or other unique identification number, such as Individual Taxpayer Identification Number (ITIN), may also be provided. For Focus payroll card enrollment, we also require state of employment. We also request that the State provides us with mobile phone number and email address, which helps us improve the customer experience. Additional elements may be incorporated if the State requires.

Information	Required
Legal name	Yes
Physical address	Varies by product; Yes (Focus Card only)
Date of birth	Yes
SSN / ITIN	Varies by product
Telephone number	No (recommended)
Email address	No (recommended)
State of Employment	Yes (Focus Card only)
Other	Optional

iii. Contractor sends a new card package to the new account holder within two days of receipt of a valid file or the application and will include the following information:

- a) Debit card in the appropriate color and design for the program,
- b) Schedule of fees,
- c) Terms and conditions
- d) Information on where and how to use the card

A new card package is sent to all new account holders. Upon processing of the enrollment file or manual enrollment via the administrative portal automatically triggers card production. We produce and ship a personalized card to each recipient the next business day after receiving the enrollment data file, provided we received the file by 5:00 a.m. CT with the relevant information on the first business day. Cards are shipped first-class mail via the U.S. Postal Service. Our card fulfillment provider is a USPS hub, which helps to ensure prompt delivery of cards.



Cardholders are mailed a welcome packet, which includes their new card in the appropriate color and design for the program and various educational materials. The card package currently includes a How to Use brochure, a privacy pledge, a cardholder agreement (T&Cs) and a card carrier that provides key information on ATMs, fee schedules, customer service details and more. All materials are designed to be easily read and understood by the new cardholders.

iv. Cardholder activates the card by dialing the Contractor's toll-free customer service number

Cards can be by the cardholder activated 24/7 via the toll-free customer service number, secure cardholder website or mobile app. Our activation sticker promotes quick and easy card activation by including a scannable QR code. Scanning this code takes the cardholder directly to our web activation process where they set their initial PIN. This eliminates the need for the cardholder to call a toll-free number to activate their card and is faster and easier for the cardholder. For cardholders who are not able or do not want to use the QR code, our card carrier also prominently displays the card activation procedures and other disclosures.

The card activation and PIN selection process for each method is described in the charts below.

Prepaid Card Activation and PIN Creation Process – Phone	
Step	Description
Step 1	Cardholder calls the secure program IVR by dialing our number on the back of their card.
Step 2	As a security measure, cardholders must enter a pre-defined activation code, which could include the last four digits of their Social Security number, date of birth or ZIP code. In addition, the cardholder must enter the CVV code from the back of their card. The card carrier (distributed with the new prepaid card) will detail what type of information is needed to activate the card.
Step 3	Once validated, the cardholder will be prompted to select a 4-digit Personal Identification Number (PIN) for future information security.

Card Activation & PIN Creation — Web	
Step	Description
Step 1	Cardholder scans the QR code on the activation sticker or goes to the cardholder website and selects First Time Login.
Step 2	The 16-digit card account number will launch the activation and PIN selection process.
Step 3	Once validated, the cardholder will be prompted to select a Personal Identification Number (PIN) for future information security.
Step 4	All other account holder profile information can be set up as well.

Card Activation & PIN Creation — Mobile App	
Step	Description
Step 1	Go to mobile app store and install mobile application, accept mobile app requirements and open mobile application.
Step 2	Enter the 16-digit card account number to launch the card activation and PIN selection process.
Step 3	Once validated, the cardholder will be prompted to select a Personal Identification Number (PIN) for future information security.
Step 4	All other account holder profile information can be set up as well.

v. Cardholder activation is not required prior to loading payments.

The State can continue to load payments prior to card activation. Once a new account enrollment file is received from the State, a new card account is created for each record immediately upon processing the file. Individual funding account numbers are created and provided back to the State in the enrollment acknowledgment file that is returned within two hours or less of processing the file. The State can begin funding the card accounts immediately upon receipt of the acknowledgement file, even the same day on newly established accounts, and prior to card activation.

d. Demographic Updates:

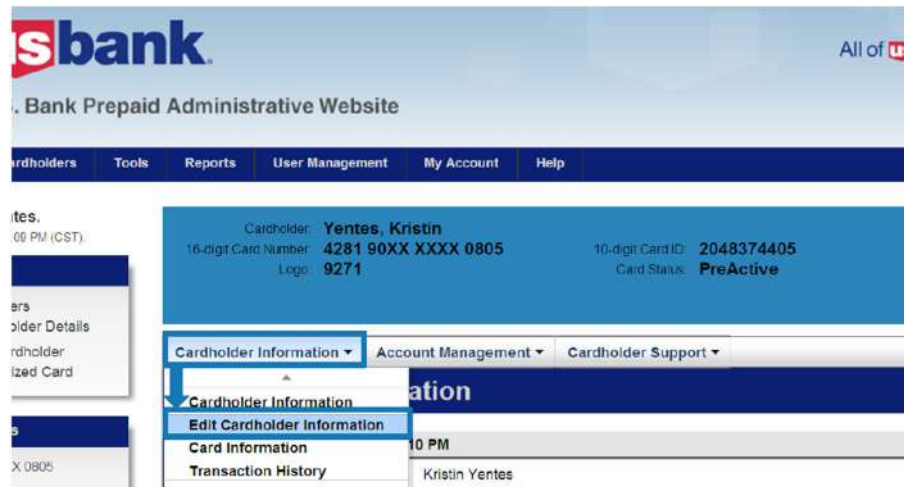
i. Each participating program will have the option on how cardholder addresses will be changed and/or exchanged.

U.S. Bank will continue to accept and process cardholder demographic updates using the established methods for each program. For some programs, cardholders update their address and other information via the cardholder website or by calling customer service. For other programs, we maintain address updates and other account information between your system and ours using the daily Indicative Change report. This report is updated nightly and exchanged in the daily batch file exchange to synchronize our cardholder databases.

ii. State program staff must have access to an online solution to update cardholder information.

Authorized state administrators will continue to have 24/7 access to the U.S. Bank administrative portal to access and update cardholder information. The administrator simply logs in, searches for

the cardholder by name and/or unique identifier (i.e., 10-digit card ID, Social Security number), then selects "Edit Cardholder Information" (shown below) to update the information.



- iii. Cardholders must have access to a website to update information, with the permission of the Program Leads.

Cardholders can continue to utilize the cardholder website to update certain demographic information, such as physical address, mailing address, phone numbers and email address.

e. Card Loads:

- iv. Contractor will receive an ACH transaction for loads to the cardholder's card.

The State can continue to fund cards using standard ACH payment processes. Using each cardholder's routing and account number, your team can direct ACH payments as either a direct deposit to individual cards or you can process as batch ACH files using your current payments platform/software. Funds are available to cardholders immediately upon posting. ACH are processed within standard Federal Reserve timeframes, usually two days.

- v. Contractor will receive an email for loads to the cardholders.

The Nebraska Community Inmate card program will continue to manually fund the adjustment account instead of traditional ACH funding using the process outlined below:

1. NDCS sends an email to FSV Processing each Tuesday (Wednesday during holiday weeks) and copies DCS Accounting Debit and Kelli Keller. The email includes the date for funds movement and total dollar amount that needs to be credited to the NE CI adjustment account.
2. The FSV Processing financial operations team processes the debit to the client's U.S. Bank account and credits the NE CI adjustment account.
3. The financial operations team sends a confirmation email that the funds have been processed. If the transfer is not completed by Wednesday early afternoon, NDCS follows up with them directly.

- vi. Funds must be available to the cardholders prior to 8:00 AM in Central Time on the ACH effective date.

Our processing system checks for incoming ACH/funding files multiple times per day according to the funding windows below, ensuring that payments are processed daily, except for bank holidays and Sundays. All files are processed according to Federal Reserve standards. All funds sent to the

card account will be posted to the cardholder's account as directed. U.S. Bank will not withhold or intercept the funds. Newly deposited funds are available to the cardholder immediately upon being processed and posted to the card account.

Current ACH Funding Windows		
Date ACH File Received	Time ACH File Received	Funds Processed
Sunday	No Transmissions	
Monday	5:00 a.m. CT	5:30 a.m. CT
	8:00 a.m. CT	8:30 a.m. CT
	4:00 p.m. CT	4:30 p.m. CT
Tuesday – Friday	1:00 a.m. CT	1:30 a.m. CT
	2:00 a.m. CT	3:00 a.m. CT
	5:00 a.m. CT	5:30 a.m. CT
	8:00 a.m. CT	8:30 a.m. CT
	4:00 p.m. CT	4:30 p.m. CT
Saturday	1:00 a.m. CT	1:30 a.m. CT
	2:00 a.m. CT	3:00 a.m. CT
* FSV (a wholly owned subsidiary of U.S. Bank) must receive the funding file from U.S. Bank/the Federal Reserve 15 minutes prior to the time listed in the Date and Time column to ensure funds are process and posted to the card account by times listed in the right-hand column.		

f. File Transmissions:

The State of Nebraska's Chief Information Security Officer has established a mandatory requirement that all file transmissions to and from the State of Nebraska be secured at both sides of the file transmission. Some of the suggested file transmission protocols to meet this requirement are as follow:

- i. Connect Direct software
- ii. SFTP server with public key authentication
- iii. FTP TLS 1.2 minimum server
- iv. FTP client utilizing VPN

U.S. Bank will continue to provide the State with a secure file transfer connection for automated enrollments, demographic changes, and exchange synchronization files directly to our secure server, eliminating the need for manual entry. The U.S. Bank preferred format that the State currently uses is comma-delimited using PGP encryption and sent via Secured FTP (SFTP). The State can also continue to utilize our secure administrative portal to upload and exchange enrollment and funding information directly with U.S. Bank.

g. Reports or Files:

Reports will be different for each program, but common fields are listed below

i. Activation Report includes:

Program Name, Program ID, Cardholder last name, Cardholder first name, Card ID, PTAN, Participant ID (Social Security Number) Registration date, Activation date, and new enrollment.

U.S. Bank will continue to provide the daily activation report containing program name, program ID, cardholder first and last name, card ID, PTAN, participant ID (Social Security Number), registration date, activation date, and new enrollment indicator.

ii. Enrollment File includes:

Name, Participant ID, Address, DOB, SSN, Phone number and Email address.

U.S. Bank will continue to accept enrollment files in the format(s) established for the State's programs. Information included in the cardholder enrollment file can include first and last name, participant ID, address, date of birth (DOB), Social Security Number (SSN) or other unique identification number, such as Individual Taxpayer Identification Number (ITIN), phone number and email address. For Focus payroll card enrollment, we also require state of employment. Additional elements may be incorporated if the State requires.

iii. Acceptance File includes:

Output of the enrollment file confirming whether the enrollment file contained successful or rejected records. It shows what was provided in the enrollment file and if the record contained any errors and if so, the error code.

A new cardholder account will continue to be set up for each participant in the enrollment file that is sent by the State. Once the enrollment file is received, a new card account is created for each record and that information is sent back via the enrollment acknowledgment file. Within the acknowledgement file, we denote if the record was successful or rejected. For all reject records, a code is included that indicates the issue encountered.

iv. Demographic File includes:

Program Name, Program ID, Customer ID, Card ID, Account Number, PTAN, Change Code, Change Type, Old Value, New Value, Change Date.

U.S. Bank will continue to accept and exchange demographic files in the format(s) established for the State's programs. Information included in the demographic file includes program name, program ID, customer ID, card ID, account number, PTAN, change code, change type, old value, new value and change date.

h. Customer Service:

i. Contractor will supply a toll-free number for customer service calls for both the cardholders and State program staff.

The State's existing U.S. Bank ReliaCard programs have dedicated toll-free numbers for each program. We also provide a universal ReliaCard toll-free number on the website and mobile app which many cardholders use to report a lost or stolen card. The State's Focus Card and DOC programs use the general toll-free customer service numbers.

Our client support team can be easily reached by toll-free phone number or email, Monday through Friday 7:00 a.m. - 7:00 p.m. CT. And for assistance with urgent issues after-hours, our on-call

manager is available to respond to your message. State program staff may also continue to reach out to your relationship manager, Kelli Keller, by phone or email for assistance.

- ii. Customer service staff should be available to the cardholders 24 hours a day, 7 days a week, 365 days per year.

Cardholders will continue to have easy access to our customer service center at any time, year around by calling our 24/7 customer service line printed on the back of the card.

- iii. Customer service staff should be able to:
 - a) Access cardholder account balance and funds availability;
 - b) Assist with transaction inquiries;
 - c) Provide assistance with lost/damaged/stolen cards;
 - d) Handle disputed transactions;
 - e) Assist with PIN selection/change; and,
 - f) Provide transaction history information for up to 12 months.

Regardless of the time of day that cardholders contact us, our friendly, knowledgeable CSRs are available to help them with their questions, including card balance and transaction inquiries (up to 12 months of history), assisting with reporting a lost or stolen card, requesting a replacement card, handling disputes, updating demographic information, obtaining transaction history and balance information, and other more complex issues. For security reasons, PIN changes are performed only by the cardholder via the IVR, website or mobile app.

All CSRs are thoroughly trained to answer cardholder questions pertaining to your programs, helping to ensure cardholder satisfaction. They are aided by our online database, called the Knowledge Base, that summarizes detailed information about each of the State's programs. This database provides the facts needed to accurately assist cardholders, including details on program fees, ATM networks, program type, etc. After the CSR identifies the cardholder's account, they are trained to go immediately to the Cardholder Information Page that provides detailed information needed to assist the cardholder with their request.

i. Secondary Card:

Each program has the option to permit the cardholder to request a secondary card. The secondary card will access the primary cardholder's account. The primary cardholder is always liable and responsible for all transactions, fees, balances, and all other activity with the primary and secondary card. The holder of a secondary card may report the secondary card as lost or stolen, but all other account maintenance must only be performed by the primary cardholder. The secondary card shall be governed by the terms and conditions of the primary card.

If the Primary Cardholder desires to terminate the authority of the holder of the Secondary Card to access the Primary Cardholder's Account, the Primary Cardholder must recover the Secondary Card from that person, destroy the Secondary Card, and call the Contractor to provide notice that there is no longer a Secondary Card. The Primary Cardholder will continue to be liable and responsible for all transactions, fees, balances, and other activity resulting from continued use of the Secondary Card unless the Primary Cardholder requests the Contractor to cancel all the Primary Cardholder's Cards and issue a replacement Card. In addition, if the Primary Cardholder notifies the Contractor that a Secondary Card is terminated, Contractor may elect to cancel all the Primary Cardholder's Cards and issue a replacement Card.

ReliaCard cardholders have the option to request a "companion card" for a secondary cardholder (e.g., second card for a spouse or other family member) that is issued in that person's name. The

secondary card has a different card account number, although both the primary and companion cards are tied to the same account and access the same pool of funds.

For the Focus Card program, the “Add-a-Card” feature allows the main account holder to order free joint-account cards for a spouse, family member or anyone else. The secondary card will be established with a completely separate identity with a different card account number. Both cardholders will access the same account balance and have the same features and benefits.

All secondary cardholders are subject to Know Your Customer (KYC) processes. The KYC process will be completed by U.S. Bank. Any additional information required will be requested directly between U.S. Bank and the applicant requesting the card.

The primary cardholder is responsible for initiating issuance of the additional card and cancelling that card’s access privileges.

2. REWARD CARDS FOR UNIVERISTY OF NEBRASKA MEDICAL CENTER (UNMC)

Exhibit 5 shows the number of reward cards that have been received since May 2019. UNMC will request cards for specific denominations for delivery.

U.S. Bank will continue to accept orders for Rewards Cards from UNMC using the established process. The UNMC administrator will fill out the Rewards Card Corporate Order Form and send it via email to your relationship manager, Kelli Keller. Upon receipt of the order form, U.S. Bank will process the order and send the requested cards to UNMC at the designated address.



E. TECHNICAL REQUIREMENTS

Bidder must respond to all requirements and provide data detailing their ability to meet technical requirements of the project and each State agency’s specific requirements described in Attachments A and B.

U.S. Bank has provided our responses to all requirements in Attachments A and B detailing our ability to continue to meet the requirements of the State and each agency.

Attachment A - Statutory Project Requirements Request for Proposal 6660 Z1

Bidder Name: U.S. Bank National Association

Article I. Bidders are responsible to research Nebraska Revised Statutes for legal responsibilities when doing business with the State. References to certain State statutes and the Nebraska Constitution are listed below but are not all inclusive to the legal requirements of the Contractor.

- a. Neb. Rev. Stat § 48-1122—Prohibition of Discrimination
- b. Neb. Rev. Stat § 48-1229(5) – Stored value card issued by or on behalf of a federally insured financial institution that provides and employee with immediate access to cash.
- c. Neb. Rev. Stat § 69-1302 Property held or owing by a banking or financial organization or business association; presumed abandoned: when
- d. Neb. Rev. Stat § 73-205(3) Technology Access Standards
- e. Neb. Rev. Stat § 73-401 Contract with state agency; Public Counsel; jurisdiction
- f. Neb. Rev. Stat § 73-506(1)—The State cannot pay for deliverables not received
- g. Neb. Rev. Stat § 73-506(2)—Service contracts with unspecified or unlimited duration
- h. Neb. Rev. Stat § 81-118.01-Electronic Payment; acceptance; conditions
- i. Neb. Rev. Stat § 81-2401 to 81-2408—Prompt Payment Act
- j. Nebraska State Constitution, Article XIII, § 3—Prohibits indemnification and limitations of liability

Yes X No ____ Has the bidder reviewed the above statutes at a minimum?

Article II. Please answer the following questions with a check mark after the appropriate response. Any “No” answer may eliminate the bidder from further evaluations.

Yes X No ____ Is the bidder a member of Visa or MasterCard Association?

Yes X No ____ Does the bidder have at least 3 years’ experience providing Prepaid cards?

NOTE: If U.S. Bank is selected to continue as the State’s prepaid card services provider, we intend to include our card program standard agreements as part of the overall contract with the State. We also reserve the right to negotiate contract terms and have provided our proposed redlines to the State's terms and conditions in Sections II - IV in Exhibit A.

Attachment B - Technical Requirements

Level 4 - Baseline Technical Requirements

Request for Proposal 6660 Z1

Each bidder must use this format to respond in a detailed manner and explain how the bidder will comply with the following statements.

Technical Requirement 1 – Card Features

a. Describe the ability to provide a Visa or MasterCard branded card.

Our prepaid card programs can carry either the Visa and Mastercard brand, allowing our cards to be widely accepted and easy to use for daily expenses. Currently, the State utilizes Visa-branded ReliaCards and Mastercard-branded Focus Cards.

b. Detail the cards EMV capabilities.

Our prepaid cards primarily use standard cards with magnetic strip technology, although EMV is available for some programs. Both EMV and magnetic strip technology protect the cardholder and enable them to use their cards at the point of sale and for merchants to process transactions. U.S. Bank closely monitors fraud activity. Through our constant proactive monitoring, we have seen no significant difference in fraud on our programs when an EMV card is used. Our approach is to proactively prevent fraud by using advanced real-time tools to actively monitor activity and remediating customers quickly when fraud does occur. U.S. Bank uses system-wide tools and settings to deter, detect, mitigate and prevent fraud. All transactions pass through multiple real-time fraud checks before approval.

We are happy to discuss card technology best practices with the State and provide a high-quality solution for your program.

c. Cardholders must not be able to negotiate checks against the card, except for home bill payment(s). Please describe bidder's process to support this policy.

The ReliaCard and DOC Card programs do not incorporate the use of paper checks. Cardholders will not be able to negotiate checks against the card account.

The Focus Card payroll card program offers free ChekToday convenience checks through which cardholders can withdraw the entire card balance at one time by writing a check to themselves and cashing it free of charge at any U.S. Bank branch or Walmart Money Center location. ChekToday checks cannot be made payable to or endorsed to any other party.

d. Detail if an application and credit check will be required to enroll.

All applicants are eligible to enroll in the program and do not have to undergo a credit check or have a bank account to get the ReliaCard, DOC Card or Focus Card. In order to comply with the Bank Secrecy Act, USA PATRIOT Act and the Office of Foreign Assets Control (OFAC) standards, each cardholder will be put through an OFAC screening. In very rare cases, a claimant might appear on Office of Foreign Assets Control (OFAC) database. If this were to happen, U.S. Bank is bound by federal law and cannot allow them access to the prepaid program.

e. Detail whether or not a credit line will be associated with the card.

Prepaid card programs do not offer a line of credit so cardholders cannot purposely overdraw their card. Cards are configured so that any attempted transaction that may exceed the available card balance, or the balance plus any applicable preauthorization offset (e.g., restaurant tip), will decline.

While our cards do not offer a line of credit, the card programs offer the flexibility of hospitality and rental purchases, which include the slight risk of the cardholder exceeding their available balance. This risk is due to the “preauthorization” component of certain transaction types that are left open until the final total is determined by the consumer. To manage these transactions, cardholders can enroll in text and email alerts via the cardholder website, which includes an alert for pre-authorized transactions when they are posted to the card account (includes the new available balance).

Examples of pre-authorized transactions include:

- **Pay-at-the-pump automated fuel dispensers (AFDs)** – If cardholders use their card at an AFD, U.S. Bank may hold \$75 (or \$100 for Mastercard) from the account to initiate the transaction. This hold may take up to four days to clear. If cardholders do not want funds held or do not have enough money in their account, they are advised to pay the cashier inside for their gasoline purchase.
- **Hospitality establishments (hotels, restaurants, etc.)** – Depending upon the policy of the establishment, an amount equal to the transaction total plus as much as an additional 20% may be suspended until actual settlement is processed again. This may take up to 48 hours.
- **Rentals** – When the final amount is not known at the start of the transaction and a pre-authorization amount is suspended against the account balance. There is also the possibility of an additional charge after drop-off due to damage.
- **Merchant forced post** – A transaction posted to the account after the original, sometimes to correct an error or to add for damage (i.e., rental establishment).

The State is not responsible for overdrafts that may occur. If an overdraft occurs, the account will go negative and that deficit amount will be applied to the account balance when additional funds are deposited to the cardholder’s account. If no further funds are deposited, U.S. Bank will absorb the loss.

f. Describe what impact, the prepaid card will have on the cardholder’s credit history.

U.S. Bank prepaid cards do not incorporate a line of credit or have any other ties to credit products or functionality. Therefore, their use will not affect the cardholder’s credit history in any way.

g. Describe how each cardholder account balance will be FDIC insured up to \$250,000.

U.S. Bank extends FDIC insurance to all of our reloadable debit card accounts up to an aggregate total of \$250,000 per account. The U.S. Bank FDIC certificate number is 6548. The coverage is individual.

h. Describe how a “zero liability” policy will be provided to both the cardholder and the State.

Our prepaid cards are backed with vigilant security oversight by the U.S. Bank Fraud Prevention Team who closely monitor prepaid card activity. ReliaCard and Focus prepaid cards feature Zero Liability Fraud Protection security features, including:

- **Zero Liability** – Should someone use a card fraudulently to make signature-based purchases, neither the cardholder nor the State would be responsible.
- **Purchase Security** – Under this benefit, personal property purchased entirely with an eligible transaction is protected in the event of theft, damage due to fire, vandalism, accidentally discharged water or weather.

i. Describe how the bidder will allow each program different card designs, which could include agency logos and different colors at no additional cost. The State prefers to maintain the existing card designs and colors as approved by the agency program leads. Detail any additional identifying features, for example, card number series.

Your card programs will continue to utilize several different card designs as they do today, including our new standard ReliaCard and Focus Card designs shown below. Our standard card design and different color options will continue to be provided at no cost. Due to the State's long-term partnership with us, we'll be more than happy to add the State Agency's logo to the card and/or discuss other custom card design choices, if you're interested in those options.



j. Describe how the bidder will work with State programs on card design and allow for final approval, understanding that additional approval may be required by the card association brands.

Should the State prefer a custom card design, U.S. Bank will work collaboratively on developing a new design for your program that meets with the State's approval. All costs associated with a custom card design will be absorbed by U.S. Bank. All custom card designs must follow proper U.S. Bank and Visa or Mastercard brand guidelines and approval processes. The U.S. Bank marketing team will secure all necessary approvals of the card design.

k. Detail the bidder's ability to provide a reloadable, non-portable card.

The ReliaCard, Focus and DOC programs are non-portable, only allowing the State to add funds to the card.

l. Detail how the bidder can provide a portable card or a card that can be funded by multiple programs. Describe if the card can be funded outside State programs.

The State's existing ReliaCard and Focus Card programs only allow funds from the State to be added to the card. However, we offer portability-on-demand which could be enabled for the State's programs if desired. Portability-on-demand allows the cardholder to add funds from another source free of charge at any time. If the cardholder never proactively requests portability or never receives an external third-party load, the card will remain non-portable (loads from the State only).

Enrollment in portability-on-demand is simple and can be easily completed on the Focus cardholder website by completing the various Know Your Customer (KYC) requirements (such as name, address, date of birth, and Social Security number). This verification process is completed between the cardholder and U.S. Bank – relieving the State of any involvement in the tracking or collection and passing of KYC data.

With portability-on-demand, cardholders may add or deposit:

- Funds of their own (cash)
- Peer to Peer (P2P) payments from a family member, friend or from another personal card (e.g., PayPal, Venmo, Cash App, etc.)
- Funds from a different employer (current or future)
- Funds from a government agency such as child support, tax return, etc.
- Funds from a check by utilizing our mobile check deposit feature to take a snapshot

If portability is enabled, the State would no longer have access to view the card balance and fund reversals would be limited to ACH reversals since the State cannot have access to funds from other sources.

Due to differences in federal regulations for different types of government programs, funds from multiple programs cannot be comingled onto a single card.

m. Detail if the bidder can provide both non-portable and portable cards under one contract depending on program needs.

Yes. U.S. Bank can provide both non-portable and portable card programs under one contract for the State. Portability is set by state program and can be applied to the ReliaCard or Focus Card program. If portability is enabled, the State not have access to view the card balance and fund reversals would be limited to ACH reversals since the State cannot access funds from other sources.

n. Describe what information is required by the cardholder to have outside funds loaded to their card.

Enrollment in portability-on-demand is simple and can be easily completed on the cardholder website by completing the various Know Your Customer (KYC) requirements (such as name, address, date of birth, and Social Security number). This verification process is completed between the cardholder and U.S. Bank – relieving the Port of any involvement in the tracking or collection and passing of KYC data.

o. If funds can be loaded from alternate/outside sources detail how they can be pulled from cards and reissued by other means.

Funds loaded to the card are simply added to the current card balance and are accessed and used in the same manner as funds loaded by the State. This includes:

- Signature and PIN-based purchases.
- Cash withdrawals at an ATM or bank teller.

- Bill pay transactions.
- Peer-to-peer (P2P) payments.
- ChekToday convenience checks (Focus Card only).

p. Describe security features applied during card activation, including, but not limited to counterfeit cards, and other fraud prevention tools.

Secure card activation

To maintain the security of the State's prepaid card programs, we follow industry-leading security procedures and protocols, including only distributing cards as inactive and requiring cardholders to activate the card and select a unique PIN once they receive it. The cardholder can activate the card by scanning the QR code on the activation sticker to activate the card via the cardholder website, using the mobile app or calling our customer service center.

As part of the card activation and registration process for both the website and the mobile app, cardholders must verify their identity by submitting the following pieces of identification information:

- 16-digit card number.

Then they need to enter:

- Last four digits of the Social Security number (or other State-approved unique ID number such as date of birth).
- CVV number from the back of the card.
- On the website CAPTCHA text is presented to the cardholder to key in prior to moving to the next step in the validation process. On the mobile app, a one-time passcode sent to the cardholder's phone for use in moving to the next step in the validation process.




Once they have identified themselves, the cardholder will choose a user ID and password for continued use of the website or mobile app. For security purposes, passwords must be between eight and 30 characters, and include at least one upper case letter, one lower case letter, and one number or special character. Additionally, passwords cannot be the same as the user ID. The cardholder will then be required to select a PIN.

Likewise, ID security is enforced when using IVR for card activation. When using the secure IVR, the cardholder calls the toll-free customer service number printed on the card. The cardholder must enter the card's 16-digit number and verify their identity by entering the last four digits of their Social Security number (or other the State-approved unique ID number such as date of birth) and the CVV code from the back of their card. Once validated, the cardholder will be prompted to select a Personal Identification Number (PIN) for future information security.

Counterfeit Prevention

Our programs and plastics have been found to meet, and in some cases, exceed compliance standards. Some of the compliant features of our card plastics include:

- **Unique, Never-Duplicated PANs** – In compliance with PCI standards, each card uses a completely unique, never duplicated personalized account number (PAN) associated with the card.
- **Displayed Toll-Free Customer Service Number** – The back of the card fully displays a toll-free customer service number for cardholder support, including lost/stolen card issues.

- **Highly-Coercive Magnetic Strip** – In compliance with PCI standards, the back of the card contains a highly-coercive magnetic strip to aid cardholders in swiping their cards and processing transactions.
 - **Track 2 Maximums Enforced** – Track 2 of the magnetic strip on our card product is used as an authentication tool for debit card transaction approvals. We also enforce a 40-character limit on the track, including the control characters.
 - **Tamper-Evident Signature Panel** – In compliance with PCI standards, all cards contain a tamper-evident signature panel on the reverse side of the card.
 - **Displayed Website Address** – The back of the card fully displays the program website address for cardholder support, balance inquiries, transaction history and other online features.
 - **Terms & Agreement Disclosure on Card** – All card plastics include a disclosure that indicates by using the card, the cardholder acknowledges and agrees to be held to the terms and conditions of the card program.
 - **Terms & Agreement Disclosure on Carrier** – All card carriers include fee schedule and transaction limits pertaining to card usage.
 - **Four-Color Printing** – The obverse side of the card is printed with a four-color printing process.
 - **PAN Embossed with Contrasting Color** – All cards incorporate a silver colored embossing to provide adequate color contrast and readability of the card.
 - **Cardholder Personalization** – All shipped cards are personalized with the claimant's name embossed on the card.
 - **Ultraviolet Ink** – If needed, cards can incorporate ultraviolet ink into the card design and printing of the plastic.
 - **Fine-Line Printing** – If needed, cards can incorporate fine-line printing into the card design and printing of the plastic.
- 
- The image shows the back of a credit card. At the top, it says 'AUTHORIZED SIGNATURE - NOT VALID UNLESS SIGNED'. Below that is a line for the signature. To the right of the signature line is a small box. Below the signature line is a small image of a card. To the right of the image is text: 'This card is not a credit card. Use of this card is subject to the cardholder agreement. This card is issued by U.S. Bank National Association pursuant to license by Visa U.S.A. Inc. ©2009 U.S. Bank'. At the bottom right is the cardholder's name 'The cardholder's name is visible on the card' and the phone number '866-282-6161' and the website 'www.usbank.com'. The card is white with black text and a small image of a card.



Fraud prevention

U.S. Bank has a robust fraud prevention program that includes continuous monitoring and investigating in order to control the inherent risk fraud produces. Our industry leading fraud prevention team monitors prepaid card activity, allowing them to identify trends that are specific to our prepaid cards. They use both proactive and reactive monitoring to help ensure early detection to limit losses—reducing any negative impact on the lives of our cardholders.

q. Provide details regarding information printed/embossed on the back of the card.

Important elements appearing on the back of prepaid cards include:

- High-coercive magnetic strip
- Tamper-evident signature panel
- Hologram
- Terms and agreement disclosure
- Issuing bank statement
- Card ID
- Displayed toll-free service number
- Displayed website address



r. The Contractor will block Merchant Category Codes (MCC) as required by each program as described in Exhibit 3. Describe bidder's methodology to meet this requirement.

As the incumbent provider of the Nebraska Community Inmate Release prepaid card program, U.S. Bank already has these restrictions in place and will continue to block the MCCs listed in Exhibit 3. Should additional restrictions for NDCS or other agency programs be required, we will work with the State to implement the necessary MCC blocks.

s. Explain card association requirements related to issuance of cards and provide links to those requirements.

Our prepaid card solution has a strong security infrastructure that includes PCI and SOC certifications and vigilant security oversight by our Information Systems Security team. In our efforts to maintain PCI-compliance, we adhere to Visa's and Mastercard's standard security guidelines, protocols and procedures. The U.S. Bank Information Security Services team works closely with the major card associations and our subcontractors to ensure that we have protected our resources in accordance with the PCI DSS.



Confirmation of our certification status and card association requirements can be found at <https://www.visa.com/splisting/searchGrsp.doc>.

The screenshot shows the Visa Service Provider Search Results page. At the top is the Visa logo. Below it are navigation links: Home, Learn More, and Search Service Providers. The main content area displays the search results for "US Bank Corporate Payment Systems". It includes the company name, location (FARGO ND, U.S.A.), website, and email. A map shows the location of the company. Below the map is a disclaimer. At the bottom, there is a section for "Validation Details" which includes a table with the following information:

Service Provider Type	Validation Type	Valid Through Date	Assessor
VISANET PROCESSOR	PCI DSS	Jul 31, 2022	MCI Communications, Inc. dba Verizon Business Services

Below the table, it says "REGISTRY LAST UPDATE: February 08, 2022".

t. The bidder must detail the ability to provide sample cards for testing purposes.

U.S. Bank will provide test cards for all State programs for your administrators to test card functionality. In order to test funding transactions or to make purchases and cash withdrawals, test cards will need to be funded by the State.

Technical Requirement 2 – Card Enrollment

a. Detail all potential information needed to issue a card, that may include first name, last name, address, city, state, zip code, phone number, date of birth, social security number, mother's maiden name, and email address. Please indicate what is required and what is optional.

Information required for cardholder enrollment includes first and last name, date of birth (DOB) and physical address. Social Security Number (SSN) or other unique identification number, such as Individual Taxpayer Identification Number (ITIN), may also be provided. For Focus payroll card enrollment, we also require state of employment. We also request that the State provides us with mobile phone number and email address, which helps us improve the customer experience. Additional elements may be incorporated if the State requires.

Information	Required
Legal name	Yes
Physical address	Varies by product; Yes (Focus Card only)
Date of birth	Yes
SSN / ITIN	Varies by product
Telephone number	No (recommended)
Email address	No (recommended)
State of employment	Yes (Focus Card only)
Other	Optional

b. Describe the online solution for new card enrollment and provide print screens. Identify all security features for the online solution.

U.S. Bank offers online enrollment via our secure administrative portal. The following options may be used to transmit enrollment data to us:

- **Manual data entry** – Participants can be individually enrolled directly on the administrative portal, allowing for near real-time enrollment.

- **Enrollment file upload**– Multiple participants can be enrolled at one time by uploading a CSV file containing all required information. Once the file is processed, the card account is created, allowing cards to be funded immediately.

Cardholder Card ID	Participant ID	New Card Password	Last Name	First Name	Middle Initial	Mailing Address Line 1	Mailing Address Line 2	City	State	Country	Postal Code	Date of Birth	Social Security Number
2095517443	KX12345678		Yentes	Khest		200 South 6th Street	EP MN L36C	Minneapolis	MN	US	55402	19801201	123456789
2095517443	KX12345678		Yentes	Khest		201 South 6th Street	EP MN L36C	Minneapolis	MN	US	55402	19801201	123456789

Once a new account enrollment file is received from the State, a new card account is created for each record immediately upon processing the file. Depending on program parameters, individual funding account numbers are either included within enrollment record from state agency or are created and provided back to the State in the enrollment acknowledgment file that is sent to the State within two hours or less of processing the file. The state can begin funding the card accounts immediately upon receipt of the acknowledgement file, even the same day on newly established accounts.

Card issuance process



The card order is then sent to our card provider who will produce and ship personalized cards the next business day after receiving the enrollment data file (provided we received the file by 5:00 a.m. CT with the relevant information on the first business day). Cards are shipped first-class mail via the U.S. Postal Service. This process allows for us to process enrollments and mail completed card the next business day.

Security features

Access to the administrative portal is secure and controlled through the use of unique user names and passwords. For added security and to ensure only authorized individuals are able to load cards and view sensitive information, your administrators are assigned user roles and permissions enabling them to complete only the necessary tasks related to their job description. Different role and permission configurations are assigned to each user and drive different access levels and functionality, such as viewing data, running reports and funding cards. The State will continue to determine how the roles and permissions are assigned to their administrators, giving you control over who has access to varying levels of information and functionality within the portal.

U.S. Bancorp's encryption standards support the interoperability of diverse communication systems that handle the storage and transmission of information assets across the distributed environment. Standards apply acceptable protocols to meet compliance objectives for PCI standards and Information Security policies.

	Role Group 1	Role Group 1.1	Role Group 1.2	Role Group 1.3	Role Group 4	Role Group 4.1	Role Group 4.2	Role Group 5
Select one Role Group								
View program and card information	X	X	X	X	X	X	X	X
View load history		X	X	X	X	X	X	X
View card balance					X	X	X	X
Edit cardholder information			X	X	X	X		X
Support Administrative Users				X				X
Register and order cards					X	X		X
Access Adjustment Account					X		X	X

Add on Features:

<input type="checkbox"/> Instant Issue Card	Register instant issue cards and access the Instant Issue Card Issuance Management System (Must have Role Group 4, 4.1, or 5 access permissions)
<input type="checkbox"/> Funding File Upload	File funding to cardholder account via file upload
<input type="checkbox"/> Report Viewer - Financial	View adjustment account reconciliation report
<input type="checkbox"/> Report Viewer - Government	View card details and funding report

Company Administrator: By signing this form, Company acknowledges and agrees that (i) the above employee should have access to the U.S. Bank Prepaid Administrative Website, (ii) the above employee has been vetted by Company as a commercially reasonable member and (iii) Company shall be responsible for the actions and omissions of the above employee, per the terms of contract between Company and U.S. Bank.

Printed Name and Title: _____
 Signature: _____ Date: _____

c. Describe the batch enrollment process. Include, at a minimum, what information is required and identify compatible formats.

A new cardholder account will continue to be set up for each participant in the enrollment file that is sent by the State via SFTP. The State can continue using the U.S. Bank CSV file format to use when exporting cardholder information for sending us enrollment information. Using this daily enrollment file transfer process allows the State to compile new account information for as many cards as necessary and to transmit the information in one file. Once the enrollment file is received, a new card account is created for each record and that information is sent back via the enrollment acknowledgment file. Within the acknowledgement file, we denote if the record was successful or rejected. For all reject records, a code is included that indicates the issue encountered.

Since the funding account number we set up is different than the 16-digit number printed on the card, there is no maintenance needed on the part of the State when a replacement card is issued. Processing of the enrollment file automatically triggers card production.

We reserve the right to conduct ID verification checks when potential fraud issues are encountered on ReliaCard enrollments. This may affect the timing of card production, in which case any SLAs for card production will begin after the additional ID verification has been completed.

d. Detail requirements for an electronic enrollment file. Provide accepted file transmission protocols, which should, at a minimum, include: - Connect Direct software - SFTP service with public key authentication FTPS TLS 1.2 minimum server - FTP client utilizing VPN

U.S. Bank will continue to provide the State with a secure file transfer connection for automated enrollments, demographic changes, and exchange synchronization files directly to our secure server, eliminating the need for manual entry. The U.S. Bank preferred format that the State currently uses is comma-delimited using PGP encryption and sent via Secured FTP (SFTP). The State can also continue to utilize our secure administrative portal to upload and exchange enrollment and funding information directly with U.S. Bank.

e. Describe if both single card enrollment and batch enrollment options are available for each program.

Yes. Individual and batch enrollment is available for all ReliaCard, Focus Card and DOC Card programs.

f. Describe the options available for agency program leads to confirm enrollment files were received by the bidder.

All data provided using the SFTP batch file process is returned in the same format and location. Within the returned file, each line item within the file will have a confirmation or failure message appended to the line item to provide the State with confirmation of what transpired on the processing platform.

Your agency program leads will also have two additional ways to confirm that the enrollment file uploaded via the administrative portal has been processed and to locate the card's funding account number, if needed:

1. File upload history (real-time confirmation).
2. Card account detail report (next day confirmation).

Within the administrative portal, the file upload history provides a summary of the time each file was processed and if the file was processed successfully or posted any errors during processing. This summary includes activity for the past 14 days.

File Upload History

Below is the status of files uploaded and processed in the past 14 days. Click on the Success and Error buttons to access success and error file contents with codes and descriptions for processed records.

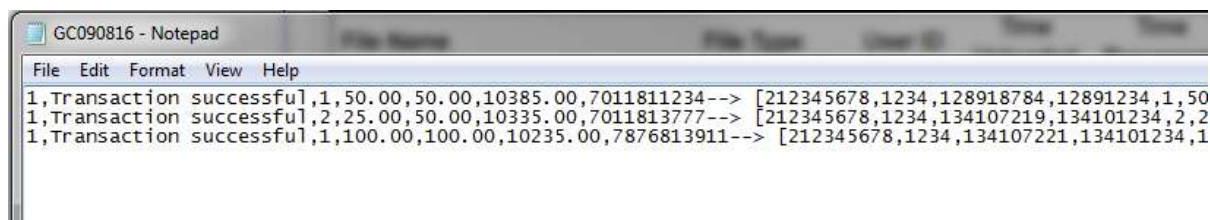
You can view, save and print success and error file contents.

Display

Viewing 1 - 10 records of Total 2037 records

File Name	File Type	User ID	Time Uploaded	Time Processed	Success count	Error count
ABC Company__02132020		joe.user@abcco.com	02/13/20 14:03	Pending	Success	0 Error 0
ABC Company__A__02132020		jane.user@abcco.com	02/13/20 14:01	02/13/20 14:01	Success	Error 0
ABC Company__02122020		joe.user@abcco.com	02/13/20 13:54	02/13/20 13:58	Success	40 Error 1
ABC Company__R__021320	Card Registration or Order Personalized Card	joe.user@abcco.com	02/13/20 13:49	02/13/20 13:59	Success	1 Error 0
ABC Company__021120		jane.user@abcco.com	02/13/20 13:48	02/13/20 13:50	Success	18 Error 0
ABC Company__R__021020		jane.user@abcco.com	02/13/20 13:46	02/13/20 13:47	Success	2 Error 0
ABC Company__A__021120		joe.user@abcco.com	02/13/20 13:46	02/13/20 13:47	Success	5 Error 0
ABC Company__B__021320		jane.user@abcco.com	02/13/20 13:44	Pending	Success	0 Error 0
ABC Company__B__021020		jane.user@abcco.com	02/13/20 13:43	02/13/20 13:43	Success	17 Error 0
ABC Company__02112020		joe.user@abcco.com	02/13/20 13:42	Pending	Success	0 Error 0

Full details of the file posting can be viewed by clicking on the “Success” or “Error” link in the summary section. For enrollment files, this link includes the enrollment data you provided and is amended with the employee’s card funding account number and an indication if the record was successful or if an error occurred (including an error code). This file can be copied and pasted into Excel, if real-time data exports are required.



Your agency program leads will also continue to have access to a Card Account Detail report, which is one of our standard report offerings. This report makes the account number available to your team the next business day after uploading/processing the enrollment file. This Card Account Detail report summarizes cardholder information such as, card ID, name, address, account and routing numbers, card status (active, inactive, etc.), mail date, fulfillment date, registration date, activation date and last load date. A recap of this summary report format is illustrated below.

Card Account Detail Report

Card Account Detail Report																	
Reporting Period: from 10/1/2019 to 10/25/2019																	
Client/Program Name	Client Program ID	Location Name	Location ID	Inventory Point	Routing Number	Account Number	Current Card ID	ATMID	Pay To Acct Num	Client Define ID	Last Name	First Name	Mailing Address	City	State	Zip Code	Card Status
Program Name: ReliaCard - Core ProgramID: 100 Bank Demo	100000000	10 Bank Demo	104201100	Personalize Card	111111111	000000000000	0000000000	111111111			10 Bank Demo	ReliaCard - Core	200 South 1st Street EP 500 LINC	Minneapolis	MN	55402	AC
					111111111	000000000000	0000000000	111111111			10 Bank Demo	ReliaCard - Core	200 South 1st Street EP 500 LINC	Minneapolis	MN	55402	AC
					111111111	000000000000	0000000000	111111111			Consumer	Jonathan	200 South 1st Street EP 500 LINC	Minneapolis	FL	33216	IA
					111111111	000000000000	0000000000	111111111			Consumer	Jonathan	200 South 1st Street EP 500 LINC	Minneapolis	PA	20402	PA
					111111111	000000000000	0000000000	111111111			Consumer	Jonathan	200 South 1st Street EP 500 LINC	Minneapolis	FL	33216	IA
					111111111	000000000000	0000000000	111111111			Consumer	Jonathan	200 South 1st Street EP 500 LINC	Minneapolis	FL	33216	IA
					111111111	000000000000	0000000000	111111111			Consumer	Jonathan	200 South 1st Street EP 500 LINC	Minneapolis	FL	33216	IA

g. Provide details for what notification options are available to the program when an enrollment file fails to process.

When batch files are sent, our system will provide a completion report that is posted to your SFTP site upon processing of the file. This return file includes an indication of records being successfully posted and records any exception (failed) records including reason codes.

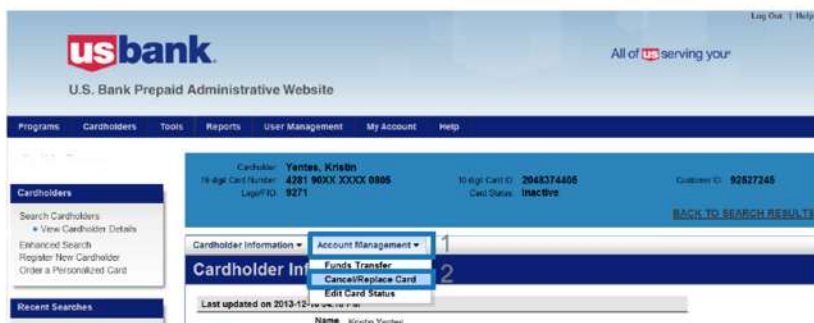
h. Describe the processes for the functions listed below using the bidder provided online solution for program staff. Include print screens of each process.

Issue replacement cards,

Cardholders are advised to notify the State's administrator or our customer service center immediately if their card is lost, stolen or they identify unauthorized use. The State's program administrator will be able to assist cardholders with card replacements and change card status (i.e., card lost or stolen). Program administrators are able to restrict the card from further use and issue a new personalized card to be sent to the cardholder. Any balance on the card at time of reporting will automatically be transferred to the new card upon activation.

To report a card lost/stolen and replace with a new card:

1. Click on the "Account Management" tab
2. Select "Cancel/Replace Card"



3. Select "Cancel Card and Order a New Personalized Card"

The screenshot shows the U.S. Bank Prepaid Administrative Website. The user is logged in as Kelli Jewell. The main content area displays the 'Cancel/Replace Card' section. Under the heading 'Please select one of the options below:', there are two links: 'Cancel Card and Order a New Personalized Card' (highlighted with a blue box and labeled '3') and 'Replace Card with a New Client Issued Card'.

4. Select Lost, Stolen, or Other for Replacement Reason

5. Select "Submit"

The screenshot shows the 'Cancel Card' section. A dropdown menu for 'Reason:' is open, showing options: 'Expired', 'Lost', 'Stolen', and 'Other'. The 'Lost' option is highlighted with a blue box and labeled '4'. Below the dropdown, there are 'Submit' and 'Close' buttons. The 'Submit' button is highlighted with a blue box and labeled '5'.

6. Select "Yes" to proceed with cancelling card

7. Select "Submit"

The screenshot shows the 'Cancel/Replace Card' section. It asks 'Do you want to proceed with canceling this card?'. There are two radio buttons: 'Yes' (highlighted with a blue box and labeled '6') and 'No'. Below the 'Yes' radio button is a 'Submit' button, which is highlighted with a blue box and labeled '7'.

8. Select "Yes"
9. Select "Submit"

Reopen existing accounts that have been closed,

When a card account has been closed and the State wishes to have it reopened, our client support team can facilitate that process. Client support is readily available by phone or email.

Close an account.

If the State wishes to close a card account, our client support team can facilitate that process. Client support is readily available by phone or email and are able to quickly assist with this task.

i. Detail the security levels in the online solution. The bidder should include information on the ability to limit user access by specific state program, cardholder data, and user functionality levels available to program staff.

Access to the administrative portal is secure and controlled through the use of unique user names and passwords. For added security and to ensure only authorized individuals are able to load cards and view sensitive information, your administrators are assigned user roles and permissions enabling them to complete only the necessary tasks related to their job description.

Different role and permission configurations are assigned to each user and drive different access levels and functionality, such as viewing data, running reports and funding cards. The State will determine which programs administrators will be able to access and how the roles and permissions are assigned to your administrators within each program, giving you control over who has access to varying levels of information and functionality within the portal.

Prepaid Administrative Website User Request Form
(Focus programs - External Users)

Today's Date: _____ Client Program Name: _____

☐ New User ☐ Modify ☐ Delete

User First & Last Name: _____

User Email Address: _____

User Telephone Number: _____

	Role Group 1	Role Group 1.1	Role Group 1.2	Role Group 1.3	Role Group 2.1	Role Group 2.2	Role Group 2.3
Select <input checked="" type="checkbox"/> one Role Group							
View program and card information View routing number, account numbers, and cardholder info	X	X	X	X	X	X	X
View load history View ACH loads from your organization		X	X	X	X	X	X
Edit cardholder information Change fields such as cardholder address			X	X	X	X	X
Support Administrative Users Reset passwords for other Administrative Website Users			X				X
Register and order cards Register instant issue cards and/or order personalized cards					X	X	X
Access Adjustment Account Add/remove funds from cards real-time					X		X
Manage Card Inventory Change instant issue card quantity and address information					X	X	X

☒ Add-on Features:

Funding File Upload Add funds to cardholder account via file upload
Report Viewer - Standard Reports View reports for the following: card load, card order, card activity, card status, cardholder information exception, cardholder ID verification status, inventory points, card account, and funding report
Report Viewer - Financial Reports View adjustment account reconciliation report

Company Administrator: By signing this form, Company acknowledges and agrees that (i) the above employee should have access to the U.S. Bank Prepaid Administrative Website, (ii) the above employee has been verified by Company in a commercially reasonable manner and (iii) Company shall be responsible for the actions and omissions of the above employee, per the terms of contract between Company and U.S. Bank.

Printed Name and Title: _____

Signature: _____ Date: _____

Page 2 (Rev 022018 v5)

j. When a new card is mailed, Contractor is required to provide, at a minimum, a schedule of fees, terms and conditions, instructions on how to use the card and where the card can be used. Detail bidders card issuance process.

U.S. Bank will continue to provide the required pre-acquisition disclosure documents to the State including the CFPB Pre-Acquisition Disclosure and Fee Schedule and the applicable Cardholder Agreement, in English and Spanish. In addition, cardholders will continue to receive a welcome packet with their card, which includes their new card and various educational materials. The card package currently includes a How To Use brochure, a privacy pledge, a cardholder agreement and a card carrier that provides key information on ATMs, fee schedules, customer service details and more. All materials are designed to be easily read and understood by the new cardholders.





k. Bidder should describe all reasons a cardholder could be denied enrollment.

All participants are eligible to enroll in the program and do not have to undergo a credit check or have a bank account to get the ReliaCard, Focus Card or DOC Card. In order to comply with the Bank Secrecy Act, USA PATRIOT Act and the Office of Foreign Assets Control (OFAC) standards, each cardholder will be put through an OFAC screening. In very rare cases, a claimant might appear on Office of Foreign Assets Control (OFAC) database. If this were to happen, U.S. Bank is bound by federal law and cannot allow them access to the prepaid card program.

l. Describe the card activation process(es).

The card can be activated 24/7 via the IVR, secure cardholder website or mobile app. Our activation sticker promotes quick and easy card activation by including a scannable QR code. Scanning this code takes the cardholder directly to our web activation process where they set their initial PIN. This eliminates the need for the cardholder to call a toll-free number to activate their card and is faster and easier for the cardholder. For cardholders who are not able or do not want to use the QR code, our card carrier also prominently displays the card activation procedures and other disclosures.

The card activation and PIN selection process for each method is described in the charts below.

Prepaid Card Activation and PIN Creation Process – Phone	
Step	Description
Step 1	Cardholder calls the secure program IVR by dialing our number on the back of their card.
Step 2	As a security measure, cardholders must enter a pre-defined activation code, which could include the last four digits of their Social Security number, date of birth or ZIP code. In addition, the cardholder must enter the CVV code from the back of their card. The card carrier (distributed with the new prepaid card) will detail what type of information is needed to activate the card.
Step 3	Once validated, the cardholder will be prompted to select a 4-digit Personal Identification Number (PIN) for future information security.

Card Activation & PIN Creation — Web	
Step	Description
Step 1	Cardholder scans the QR code on the activation sticker or goes to the website address printed on the card carrier and selects First Time Login.
Step 2	The 16-digit card account number will launch the activation and PIN selection process.
Step 3	Once validated, the cardholder will be prompted to select a Personal Identification Number (PIN) for future information security.
Step 4	All other account holder profile information can be set up as well.

Card Activation & PIN Creation — Mobile App	
Step	Description
Step 1	Go to mobile app store and install ReliaCard or Focus Card mobile application, accept mobile app requirements and open mobile application.
Step 2	Enter the 16-digit card account number to launch the card activation and PIN selection process.
Step 3	Once validated, the cardholder will be prompted to select a Personal Identification Number (PIN) for future information security.
Step 4	All other account holder profile information can be set up as well.

m. Describe options available for the program to receive an acceptance file and detail the information in that file.

Enrollment acknowledgement files

When an enrollment file is received via SFTP and processed, a new card account is created for each record and that information is sent back via SFTP in the enrollment acknowledgment file. Within the acknowledgment file, we denote if the record was successful or rejected. For all reject records, a code is included that indicates the issue encountered.

As described above, for enrollments submitted via the administrative portal, your administrator has two ways to confirm that the enrollment file has been processed and to locate the card's funding account number, if needed:

- File upload history (real-time confirmation).
- Card account detail report (next day confirmation).

Within the administrative portal, the file upload history provides a summary of the time each file was processed and if the file was processed successfully or posted any errors during processing. This summary includes activity for the past 14 days.

Full details of the file posting can be viewed by clicking on the "Success" or "Error" link in the summary section. For enrollment files, this link includes the enrollment data you provided and is amended with the employee's card funding account number and an indication if the record was successful or if an error occurred (including an error code). This file can be copied and pasted into Excel if real-time data exports are required.


```

GC090816 - Notepad
File Edit Format View Help
1,Transaction successful,1,50.00,50.00,10385.00,7011811234--> [212345678,1234,128918784,12891234,1,50
1,Transaction successful,2,25.00,50.00,10335.00,7011813777--> [212345678,1234,134107219,134101234,2,2
1,Transaction successful,1,100.00,100.00,10235.00,7876813911--> [212345678,1234,134107221,134101234,1

```

Your program administrators will also continue to have access to the cardholder account and routing numbers by running a Card Account Detail report, which is one of our standard report offerings. This report makes the account number available to your team the next business day after uploading and processing the enrollment file. This Card Account Detail report summarizes cardholder information such as, card ID, name, address, account and routing numbers, card status (active, inactive, etc.), mail date, fulfillment date, registration date, activation date and last load date.

Funding acknowledgement files

When batch funding files are sent, our system will provide a completion report that is posted to your SFTP site upon processing of the file. This return file includes an indication of record being successfully posted and records any exception (failed) records including reason codes. Additionally, our standard report formats (Account Reconciliation and Funding Reject reports) also provide this level of detail on successful and rejected loads.

Account Reconciliation Report

Account Reconciliation Report

Program: USB Demo (123456789)

Funding Card: 1112223333

Reporting Period: 11/01/2019 to 11/08/2019

Report Totals:

Total Debits: (\$32.89)

Total Credits: \$32.89

Funding Card	Program	Client Program	Location	Funding Trans Date	Debit \$ Transaction	Credit \$ Transaction	Acct Ending Balance	Trans Code	Trans Code Desc	Transaction Detail	User ID	To Cust ID	To Emp ID	To Cardholder Last Name
1112223333	USB Focus VISA POD USB/MP/AP-	116067663				Beginning Balance	\$500.00							
1112223333	123456789	987654321	987654321	11/08/2019 08:00:00	\$0.00	\$32.89		2831	Funds Transfer Reversal by CardID	Debit cardholder Credit \$32.89 to funding account - Funds Transfer from Joe Cardholder 5554446655	111111111	222222222	333333	Cardholder
				11/08/2019 13:41:13	(\$32.89)	\$0.00		2731	2721 - Operation Pre-auth (1102) Debit	[Orig TransID = 2731] CS#00012345 REMOVED FUNDS PER JOHN SMITH_FT11.08				
				Total	(\$32.89)	\$32.89								
						Ending	\$500.00							

!

Funding Reject Report

Reporting Period: 01/01/2021 to 01/25/2021

Client Program Name	Client Program ID	Account Number	Card ID	Last Name	First Name	Load Date/Time	Load Amount	Reject Reason	Employee ID
U.S. Bank	555555555	123456*****0000	123456789	SMITH	JOE	1/20/21 2:23 AM	\$500.00	ACH Load Amount exceeds the limit.	

!

n. Detail the contractor's ability to provide an alpha/numeric account number used to identify the program of the card being loaded.

The State will continue to identify their U.S. Bank prepaid programs using the unique 9-digit client program ID assigned to each state agency program. This number is displayed on the administrative portal and in our standard reports.

Additionally, upon processing of the enrollment file, our system automatically generates a 13-digit funding account number for each cardholder unless the agency is choosing to provide their own alpha numeric funding account number. The card number and the account number are linked but not identical. The cardholder's funding account number will continue to be used by the State to fund the card and allows us to easily replace the card (if lost, stolen or expiring) without affecting the funding workflow. With the use of a funding account number, we eliminate the need for account maintenance to support continuous funding by the State.

o. Describe if any limits exist on the number of enrollment records that can be submitted per program per day.

There are no limits on the number of enrollment records that can be submitted by the State per program per day.

Technical Requirement 3 – Card Production, Distribution, and Issuance

a. Is card production handled in-house or outsourced? Please describe.

U.S. Bank currently partners with Fiserv Output Solutions (FOS) as our card fulfillment provider for the prepaid programs. They manufacture and ship more than five million cards a year for the Prepaid division. FOS has partnered with our in-house processor, FSV Payment Systems (a wholly owned subsidiary of U.S. Bank), since 2003 and with U.S. Bank since our acquisition of FSV in 2012. FOS is a division of Fiserv, Inc. (NASDAQ: FISV), a leading global provider of information management and electronic commerce systems for the financial services industry. Established in 1984, FOS is publicly-traded on the NASDAQ Global Select Market and part of the S&P 500 Index. U.S. Bank utilizes FOS' Indianapolis hub to ensure prompt card shipping across the country.

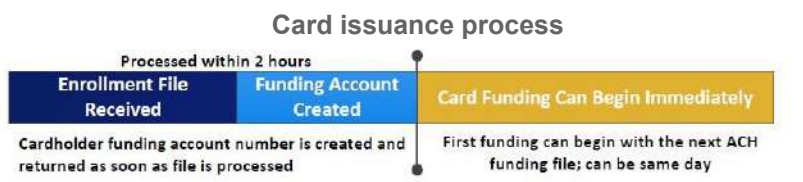
b. Describe if initial cards and replacement cards will be provided to the cardholder at no cost to the State.

For all programs, there is no fee to the State or the cardholder for initial card issuance or to replace a card that is upgraded from an instant issue card or expiring.

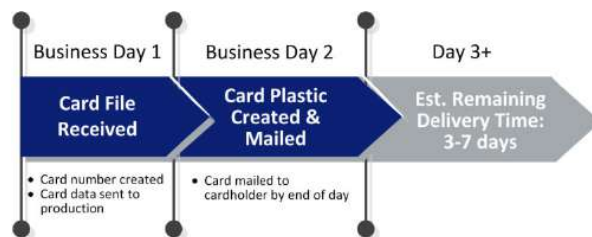
All ReliaCard replacement cards are provided at no cost. We provide one free replacement for a lost or stolen Focus Card per each rolling 12-month period. Additional replacement cards during the same 12-month period will incur a fee to the cardholder. For personalized replacement cards, cardholders have the option to request expedited delivery for a nominal fee. Replacement cards for the DOC Elan Prepaid Card program are charged to the cardholder. Please see our cost proposal for details on all cardholder fees.

c. Provide a detailed timeline of events from cardholder enrollment to card mailing.

Once a new account enrollment file is received from the State, a new card account is created for each record immediately upon processing the file. Individual funding account numbers are created or client created funding accounts are provided back to the State in the enrollment acknowledgment file that is returned within two hours or less of processing the file. The State can begin funding the card accounts immediately upon receipt of the acknowledgement file, even the same day on newly established accounts.



The card order is then sent to our card provider who will produce and ship personalized cards the next business day after receiving the enrollment data file (provided we received the file by 5:00 a.m. CT with the relevant information on the first business day). Cards are shipped first-class mail via the U.S. Postal Service. This process allows for us to process enrollments and mail completed card the next business day. Our card fulfillment provider is a USPS hub, which helps to ensure prompt delivery of cards, which are typically received by cardholders within 3-7+ days of mailing.



d. Provide details regarding how program leads are notified when issued cards are returned by the United States Postal Service as undeliverable. Detail all notification methods available.

If a card is returned to us as undeliverable, the card is canceled but not the underlying account. Our card production staff scans, processes and records the returned mailing in our central database. All processed return mail is reported on the next day's Card Account Detail Report, which is available on the administrative portal for your agency program leads to view or download at their convenience. The Card Account Detail report provides a summary of cardholder information such as account and routing numbers, card ID, name, address, card status, mail date, fulfillment date, registration date, activation date and last load date.

Based on our security and red flag validation check policies, our card production staff does not auto correct the address information and re-send the card, since it would by-pass these security requirements. In addition, following this process helps ensure the address change creates a long-term correction to the database instead of for a single mailing, which would occur if the address was adjusted only at the point of card production. Cardholders are asked to update their address by contacting customer service directly and requesting a new card be sent to them.

All funds associated with this account remain posted to the underlying card account. When a new card is issued, the new card's 16-digit card number will be linked to that card's base funding account number.

Technical Requirement 4 – Card Program Administration and Reporting

a. Describe how the bidder will provide at least a 60-day advance written notice to program leads and the State Treasurer's Office of changes affecting cardholders.

Your relationship manager, Kelli Keller, will notify the program leads and the State Treasurer's Office of changes affecting cardholders as far in advance as possible. We will strive to provide a 60-day advance written notice to the state agencies.

b. Describe the ability to provide monthly statistical reports to program leads and the State Treasurer's Office as listed in section V.C.2 by email. Provide examples of all summary and detail reports. The State does not require access to individual cardholder financial activity.

We will continue to provide monthly reporting as listed in Section V.C.2. As needed, your relationship manager, Kelli Keller, will continue to provide the State any necessary reporting required – either manually via email or through our comprehensive prepaid administrative website. Samples of our summary and detail reports are provided in Exhibit C.

c. Describe how card inventory is managed for new cards and for card re-issuance.

The U.S. Bank product and marketing teams closely monitor current and projected usage of our card plastic inventory and order all required materials to last for a significant time period. This ensures ample

inventory is available and prevents a shortage of cards until a new order arrives. Inventory usage is reviewed frequently, compared to our current usage, and forecasted to ensure we are appropriately stocked.

As an example of our inventory planning and management expertise, we worked diligently to adapt to the sudden increase in unemployment claims brought on last year by the COVID-19 pandemic. We were able to react quickly and work with our long-standing card production vendor to increase card production capacity, ensuring we did not run out of cards.

Instant issue Focus Cards can be kept at your locations for immediate issuance to employees and for re-issuance in the case of a lost or stolen card. U.S. Bank provides an inventory management system that is accessed via the administrative portal. The inventory management system tracks inventory of instant issue cards at each location and automatically ships cards when levels reach a pre-defined minimum, ensuring locations never run out of card inventory. Additionally, card inventories exchanged between the State's locations are automatically updated in the system upon card registration.

d. Detail the necessary lead time and the process if a card program is switched from voluntary to mandatory enrollment to ensure the Contractor would have adequate time to secure cards for increased distribution.

If the State were to implement mandatory enrollment in the prepaid card program(s), we would require two to three months lead time to ensure an adequate supply of cards is available. This lead time could vary by program and would depend on existing supply, market conditions and the anticipated number of new cards needed. Your relationship manager, Kelli Keller, will work with the State to implement the change to mandatory enrollment for any of your programs.

e. Detail the length of time a card is valid.

The State's existing ReliaCard and Focus Cards expire every three years and are automatically reissued to all actively used accounts. Child support program (NCSPC) ReliaCards expire every four years. New cards are mailed to the cardholder's address of record approximately 45 days prior to the card expiration date and have a new three or four-year expiration timeframe.

f. Describe the card replacement process.

Cardholders report damaged, lost or stolen cards directly to us by calling the toll-free, 24/7 customer service line printed on the back of the card and provided on the card carrier, website and mobile app. We have found that cardholders prefer speaking to a live representative to request a new card due to the sensitive nature of the information gathering required and also to ensure no unauthorized transactions have been made. As is our standard security practice, the customer service representative (CSR) will first verify the cardholder's identity and then disable the current card to prevent unauthorized use and order a replacement card. Replacement cards are mailed to the cardholder in two business days. If a dispute is filed, a provisional credit for the lost amount will be applied in accordance with Regulation E.

As described above, expiring cards are automatically reissued to all active accounts and replacement cards are mailed to the cardholder's address of record approximately 45 days prior to the card expiration date.

Replacement cards are sent via first class mail within two business days of the cardholder's request. When the recipient receives and activates their new card, the balance is automatically transferred from the old card, making it available as soon as the new card is placed into service.

Technical Requirement 5 – Card Usage and Cash Access

a. Describe common situations when a transaction may be declined.

Prepaid card programs are configured so that any transaction attempt that exceeds the available card balance will be declined. Additionally, per Visa and Mastercard regulations, prepaid cards are restricted from gambling transactions as disclosed in the cardholder agreement. The State's current DOC program with U.S. Bank is restricted from making transactions at numerous MCCs, as described in Exhibit 3. Any attempt to make a restricted transaction will be declined. ATM withdrawals and point-of-sale debit purchases will be declined if the cardholder enters an incorrect PIN.

b. Describe the type of purchases the cardholder can make, examples: PIN-based, MO/TO, signature based, debit purchase, mobile payments, contactless, etc.

Prepaid cards are accepted for both signature and PIN-based purchases and for purchases online or by phone. Cardholders will soon be able to use an electronic device or mobile application for making purchases digitally without presenting a physical payment card using applications like Apple® Wallet, Samsung® Pay and/or Google® Wallet. We are in the process of adding enhanced security features and controls for the protection of cardholders and anticipate launching mobile wallet in Q4 2022.

c. Detail how a cardholder can receive cash at bidder's bank branch locations. Explain if fees are assessed and provide a list of associated fees.

Over-the-counter teller withdrawal is available for ReliaCard and Focus Card programs as a free and unlimited service at more than 97,000 locations. Cardholders can get cash "to the penny" up to the available card balance or teller limit at any Visa or Mastercard-affiliated bank or credit union branch. Cardholders will need to know the exact balance of their card and present a valid photo ID to withdraw their funds.

d. Nationwide as well as international ATM access must be available for withdrawal of cash through a standard ATM transaction. Detail how dollar limits are set for withdrawals and what those limits are.

Our extensive listing of In-network ATMs are fee and surcharge free and will continue to provide for unlimited usage per month. Your cardholders can continue to obtain cash through our 760 in-network U.S. Bank and MoneyPass ATM locations throughout Nebraska and more than 45,000 ATMs in the U.S. and Puerto Rico. This network provides optimum coverage throughout the State and nationwide. Cardholders can also use more than 68,800 domestic and 2,700,000 international out-of-network Visa ATMs to access cash, for a minimal charge. ATM withdrawal limits are provided below in response e.

The following chart highlights the number of ATM locations currently available for your cardholders.

Current U.S. Bank ATM Network				
	Network	Nebraska	U.S.	World
Fee-free Transactions				
ATM Cash Withdrawals (In-Network)	U.S. Bank MoneyPass	760	45,000	45,000
Fee-based Transactions				
ATM Cash Withdrawals (Out-of-Network)	VisaPLUS	4,314	680,800	2,700,000
Total Access Points		5,074	725,800	2,745,000

To reduce the likelihood of fraud on cards, we set daily transaction dollar limits at POS, ATMs and bank tellers. Transaction limits are set per program. Current transaction limits are noted in the charts below.

ReliaCard Transaction Limits – Unemployment Insurance

For security reasons, there are limitations on the number and amount of transactions that you may perform with your Card. There may be additional limits on the amount, number or types of transactions you can make using your Card and for security reasons we do not disclose these limits. Daily limits are based on a rolling 24-hour period. Limits are subject to change from time to time. You will receive prior notice of such changes to the extent required by applicable law.

Maximum Card Balance at any time	\$40,000
Maximum Daily Debits	20 transactions and \$2,050 per day
ATM Withdrawals	10 transactions and \$1,025 per day
Purchases at the Point of Sale (including cash over the amount of purchase)	20 transactions and \$2,050 per transaction
Teller Cash Withdrawals (at Visa member banks) (Financial Institutions may have lower limits)	2 transactions and \$1,525 per day
Maximum Daily Credits	50 transactions and \$20,000 per day
Returns and Refunds	May not exceed 4 transactions per day
Bill Pay Transactions	10 transactions and \$2,000 per day 10 transactions and \$3,000 per week 20 transactions and \$5,000 per month

ReliaCard Transaction Limits – Child Support, State Employee Workers Comp, Nebraska Workers Comp

For security reasons, there are limitations on the number and amount of transactions that you may perform with your Card. There may be additional limits on the amount, number or types of transactions you can make using your Card and for security reasons we do not disclose these limits. Daily limits are based on a rolling 24-hour period. Limits are subject to change from time to time. You will receive prior notice of such changes to the extent required by applicable law.

Maximum Card Balance at any time	\$40,000
Maximum Daily Debits	20 transactions and \$6,050 per day
ATM Withdrawals	10 transactions and \$1,025 per day
Purchases at the Point of Sale (including cash over the amount of purchase)	20 transactions and \$4,000 per transaction
Teller Cash Withdrawals (at Visa member banks) (Financial Institutions may have lower limits)	2 transactions and \$1,025 per day
Maximum Daily Credits	50 transactions and \$20,000 per day
Returns and Refunds	May not exceed 4 transactions per day
Bill Pay Transactions	10 transactions and \$2,000 per day 10 transactions and \$3,000 per week 20 transactions and \$5,000 per month

ReliaCard Transaction Limits – DHHS

For security reasons, there are limitations on the number and amount of transactions that you may perform with your Card. There may be additional limits on the amount, number or types of transactions you can make using your Card and for security reasons we do not disclose these limits. Daily limits are based on a rolling 24-hour period. Limits are subject to change from time to time. You will receive prior notice of such changes to the extent required by applicable law.

Maximum Card Balance at any time	\$40,000
Maximum Daily Debits	20 transactions and \$7,050 per day
ATM Withdrawals	10 transactions and \$1,525 per day
Purchases at the Point of Sale (including cash over the amount of purchase)	20 transactions and \$4,000 per transaction
Teller Cash Withdrawals (at Visa member banks) (Financial Institutions may have lower limits)	2 transactions and \$1,525 per day
Maximum Daily Credits	50 transactions and \$20,000 per day
Returns and Refunds	May not exceed 4 transactions per day
Bill Pay Transactions	10 transactions and \$2,000 per day 10 transactions and \$3,000 per week 20 transactions and \$5,000 per month

ReliaCard Transaction Limits – Retirement

For security reasons, there are limitations on the number and amount of transactions that you may perform with your Card. There may be additional limits on the amount, number or types of transactions you can make using your Card and for security reasons we do not disclose these limits. Daily limits are based on a rolling 24-hour period. Limits are subject to change from time to time. You will receive prior notice of such changes to the extent required by applicable law.

Maximum Card Balance at any time	\$40,000
Maximum Daily Debits	20 transactions and \$10,050 per day
ATM Withdrawals	10 transactions and \$3,025 per day
Purchases at the Point of Sale (including cash over the amount of purchase)	20 transactions and \$4,000 per transaction
Teller Cash Withdrawals (at Visa member banks) (Financial Institutions may have lower limits)	2 transactions and \$3,025 per day
Maximum Daily Credits	50 transactions and \$20,000 per day
Returns and Refunds	May not exceed 4 transactions per day
Bill Pay Transactions	10 transactions and \$2,000 per day 10 transactions and \$3,000 per week 20 transactions and \$5,000 per month

ReliaCard Transaction Limits – Office of Public Guardian

For security reasons, there are limitations on the number and amount of transactions that you may perform with your Card. There may be additional limits on the amount, number or types of transactions you can make using your Card and for security reasons we do not disclose these limits. Daily limits are based on a rolling 24-hour period. Limits are subject to change from time to time. You will receive prior notice of such changes to the extent required by applicable law.

Maximum Card Balance at any time	\$40,000
Maximum Daily Debits	20 transactions and \$4,000 per day
ATM Withdrawals	1 transaction and \$25 per day
Purchases at the Point of Sale (including cash over the amount of purchase)	20 transactions and \$4,000 per transaction
Teller Cash Withdrawals (at Visa member banks) (Financial Institutions may have lower limits)	1 transaction and \$20 per day
Maximum Daily Credits	50 transactions and \$20,000 per day
Returns and Refunds	May not exceed 4 transactions per day

Focus Card Transaction Limits - State Payroll, University Payroll, Athletics

For security reasons, there are limitations on the number and amount of transactions that you may perform with your Card. There may be additional limits on the amount, number or types of transactions you can make using your Card and for security reasons we do not disclose these limits. Daily limits are based on a rolling 24-hour period. Limits are subject to change from time to time. You will receive prior notice of such changes to the extent required by applicable law.

Maximum Card Balance at any time	\$40,000
Maximum Daily Debits	20 transactions and \$ 8,025 per day
ATM Withdrawals	5 transactions and \$1,525 per day
Purchases at the Point of Sale (including cash over the amount of purchase)	20 transactions and \$4,000 per transaction
Teller Cash Withdrawals (at Visa member banks) (Financial Institutions may have lower limits)	5 transactions and \$5,000 per day
Maximum Daily Credits	10 transactions and \$20,000 per day
Returns and Refunds	May not exceed 4 transactions per day

Elan Prepaid Card Transaction Limits – Community Correctional Center

For security reasons, there are limitations on the number and amount of transactions that you may perform with your Card. There may be additional limits on the amount, number or types of transactions you can make using your Card and for security reasons we do not disclose these limits. Daily limits are based on a rolling 24-hour period. Limits are subject to change from time to time. You will receive prior notice of such changes to the extent required by applicable law.

Maximum Card Balance at any time	\$5,000
Maximum Daily Debits	5 transactions and \$640 per day
ATM Withdrawals	1 transaction and \$85 per day
Purchases at the Point of Sale (including cash over the amount of purchase)	5 transactions and \$300 per transaction/\$600 per day
Maximum Daily Credits	10 transactions and \$5,000 per day
Returns and Refunds	May not exceed 4 transactions per day

e. Describe if there is a limit to the number of free ATM withdrawals each month per card.

Cardholders can make cash withdrawals at any in-network U.S. Bank or MoneyPass ATM at no cost as needed. We do not set any limits on the number of free withdrawals allowed. The only limits imposed are noted in the transaction limit charts and cannot exceed the card's current balance.

Provide a list of participating ATM networks providing free withdrawals.

Your cardholders can continue to obtain cash through our 760 in-network U.S. Bank and MoneyPass ATM locations throughout Nebraska. A listing of the current in-network ATMs is provided in Exhibit D.

f. Describe daily and monthly transaction limits that can be set.

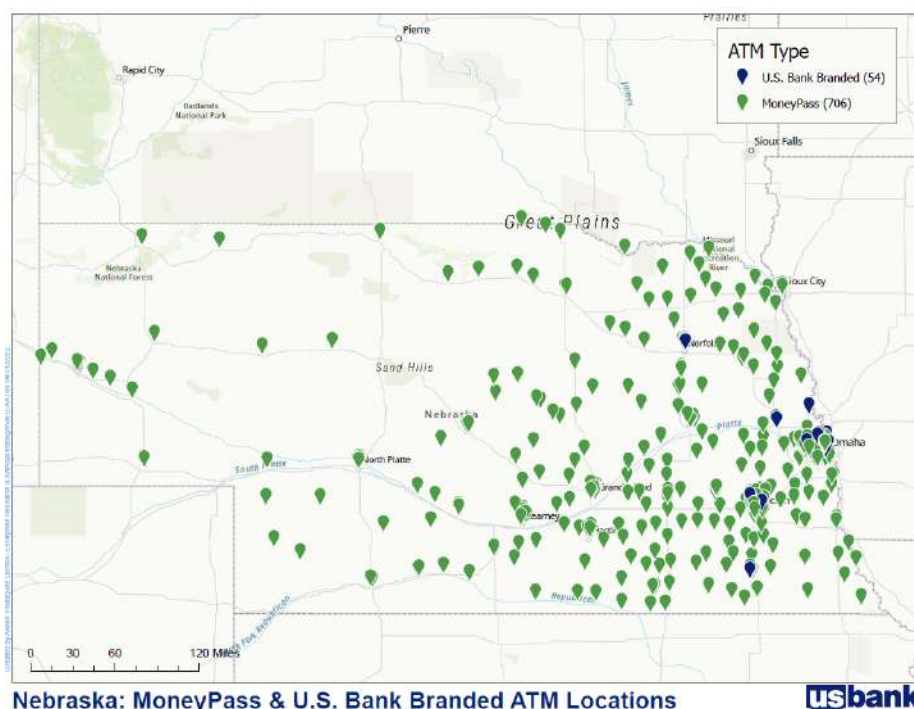
Daily and monthly transaction limits are set based on a number of factors including current fraud trends and are set by program. Please refer to the transaction limits listed above in response item 5.d. for our current transaction limits.

g. Describe any spending limits, including if they are daily, weekly, or monthly, as well as a dollar amount per transaction, dollar amount with multiple transactions, and any limits on types of transactions.

A detailed listing of all spending limits for each program are outlined in the charts provided in response item 5.d. above.

h. Provide locations in Nebraska (by city) of all the in-network (non-surcharge) ATMs and bank branches available for use by the cardholder.

There are 760 surcharge-free, in-network U.S. Bank and MoneyPass ATMs in Nebraska, as shown in the map below. A list of all in-network ATM locations in Nebraska is provided in Exhibit D. Additionally, cardholders can withdraw cash for no fee at any of the 1,081 Visa-branded bank branches state-wide. This information is available to cardholder via our websites or the ReliaCard or Focus mobile apps.



i. Describe any costs and/or surcharges imposed for use of non-network ATMs that would be passed to the cardholder.

ReliaCard and Focus cardholders may withdraw cash from an out-of-network or international ATM for a nominal fee. Out-of-network refers to all the ATMs outside of the U.S. Bank or MoneyPass ATM networks. Cardholders may also be charged a fee or surcharge by the ATM operator, even if they do not complete a transaction. Please see our cost proposal for details on all cardholder fees.

j. Describe the ability to provide home bill payment as a service available to cardholders.

U.S. Bank offers a free of charge, optional online bill pay service for the ReliaCard where cardholders can setup and authorize their payments to any payee. For the Focus Card, U.S. Bank offers an online biller directory to assist in online bill payment with more than 20,000 billers and other bill payment services. Bill pay is free for cardholders. To expand payment options, cardholders can also set up direct debit payments directly with utility companies, cable companies, cell phone service providers, etc. to pay bills using their card.

k. Detail any limits on the number of loads accepted daily and/or monthly.

The daily load limits are noted in the transaction limit charts provided in response item 5.d. above.

l. Detail if a card can be in an overdraft status. Provide information on how to include tips to prevent an overdraft status. If the card can be in an overdraft status, detail the process to handle the overdraft(s). Describe if a program can elect to prevent the cardholder from an overdraft status.

Prepaid card programs do not offer a line of credit so cardholders cannot purposely overdraw their card. Cards are configured so that any attempted transaction that may exceed the available card balance, or the balance plus any applicable preauthorization offset (e.g., restaurant tip), will decline.

While our cards do not offer a line of credit, the card program offers the flexibility of hospitality and rental purchases, which include the slight risk of the cardholder exceeding their available balance. This risk is due to the "preauthorization" component of certain transaction types that are left open until the final total is determined by the consumer. To manage these transactions, cardholders can enroll in text and email alerts via the cardholder website, which includes an alert for pre-authorized transactions when they are posted to the card account (includes the new available balance).

Examples of pre-authorized transactions include:

- **Pay-at-the-pump automated fuel dispensers (AFDs)** – If cardholders use their card at an AFD, U.S. Bank may hold \$75 (\$100 for Mastercard) from the account to initiate the transaction. This hold may take up to four days to clear. If cardholders do not want funds held or do not have enough money in their account, they are advised to pay the cashier inside for their gasoline purchase. The State may choose to block AFD transactions to help prevent an overdraft status.
- **Hospitality establishments (hotels, restaurants, etc.)** – Depending upon the policy of the establishment, an amount equal to the transaction total plus as much as an additional 20% may be suspended until actual settlement is processed again. This may take up to 48 hours.
- **Rentals** – Where the final amount is not known at the start of the transaction and a pre-authorization amount is suspended against the account balance. There is also the possibility of an additional charge after drop-off due to damage.
- **Merchant forced post** – A transaction posted to the account after the original, sometimes to correct an error or to add for damage (i.e., rental establishment).

The State is not responsible for overdrafts that may occur. If an overdraft occurs, the account will go negative and that deficit amount will be applied to the account balance when additional funds are deposited to the cardholder's account. If no further funds are deposited, U.S. Bank will absorb the loss.

m. Detail how chargebacks would affect the cardholder.

As noted above, if a merchant charges the card for an additional amount after the original pre-authorized transaction (forced post), it could cause a negative balance. If this occurs, the deficit amount will be applied to the account balance when additional funds are deposited to the cardholder's account. If no further funds are deposited, U.S. Bank will absorb the loss.

In the case of a cardholder disputed merchant charge, U.S. Bank follows Regulation E to process cardholder-initiated disputes relating to prepaid cards. When the cardholder initiates a dispute, an experienced customer service representative handles the dispute call. During the initial call, we collect the data elements that are required to be submitted in writing (the "written confirmation"). As a convenience, we send this form to the cardholder to finish completing, and then sign and return it to the processing facility via fax or mail. When a dispute is filed, a provisional credit for the lost amount will be applied in accordance with Regulation E.

n. Describe all methods available to cardholders to retrieve a card balance.

We equip your cardholders with the tools they need to allow them to easily obtain account information such as card balance 24/7. We offer a wide range of options to the cardholders including:

- **24/7 Customer service center**
 - **Live agent support** – Support is provided 24/7 in English and Spanish. We also provide 24/7 support in more than 200 languages via a language line interpreter service.
 - **IVR support** – Provides cardholders toll-free, 24/7 automated access in both English and Spanish. The IVR system allows the cardholder to obtain account information, complete routine service requests and transfer to a live customer service representative (CSR), if needed.
- **24/7 Cardholder website** – Using the cardholder website, cardholders can activate their card, view their transaction history, obtain their balance, print monthly statements and manage text and email alerts. They can also access additional documentation such as the cardholder agreement, FAQs or the toll-free customer service number.
- **Mobile app** – For convenient access at any time, the mobile app provides the cardholder the ability to proactively check their account balance, receive automatic alerts and view mini-statements on-the-go. In fact, they can opt to have their balance viewable on the login screen, so they don't have to login to check their balance.
- **Email and text alerts** – Cardholders can enroll in 11 automated alerts for a variety of notices via our cardholder website or mobile app. They can use alerts to receive a variety of updates, including but not limited to low balance alerts, immediate notice of transactions or deposits, etc.
- **Two-way text alerts** – Cardholders can check the status of their account at any time by texting a short code to receive their current balance, recent transactions, savings account balance and the customer service number.

o. Detail the training procedures used to inform all bank branch management of the requirements of this contract to ensure bank personnel are aware of and trained to deliver the services available under this contract.

U.S. Bank has an extensive branch communication network which we utilize to keep all branch employees up to date on how to assist prepaid customers.

Technical Requirement 6 – Card Loads and Funds Availability

a. Detail if funds can be loaded to a card prior to activation or if card must be active.

Yes. The State can begin funding card accounts immediately upon receipt of the acknowledgement file. Since the card account is established as soon as the enrollment file is processed the card can be funded immediately and prior to card activation. The card does not have to be active for funding purposes. It does have to be active in order for the cardholder to access the funds.

b. Describe the methods available to receive payment transactions to load card accounts, which can include, but are not limited to:

- Using a standard NACHA formatted PPD ACH transaction for each payment to each card.
- Through a file transfer of individual payment transactions for cardholders between the State and the Contractor accompanied by an electronic funds transfer of the total amount of transactions in the file.
- Allowing an immediate load through transfer of funds from a reserve account (or in the case where the state maintains a current bank relationship, the Contractor will be authorized to debit a state bank account. In the case where the State does not maintain a bank account with the Contractor, the State will wire the funds).

Funding options to suit timing and process needs

We designed the funding options for our prepaid cards to make funding as flexible as possible, meeting standard payroll and disbursement processes as well as immediate real-time funding options. Funding options for card accounts include:

- **ACH funding** (posted according to effective date in ACH)
 - **Direct deposit ACH or batch file ACH** – the State can continue funding using standard ACH payment processes. Using each cardholder's routing and account number, your team can direct ACH payments as either a direct deposit to individual cards or you can process as batch ACH files using your currently payments platform/software. Funds are available to cardholders immediately upon posting. ACH are processed within standard Federal Reserve timeframes, usually two days.
- **Real-time funding** via prefunded adjustment account (within U.S. Bank prepaid administrative portal)
 - **Direct account-to-account transfer** – Funds can be transferred to individual cards in real-time from the prefunded adjustment account to the card account using the administrative portal.
 - **Batch file funding** – Using this option, the State sends U.S. Bank an encrypted file via SFTP instructing us on how much money to load to each card. Funds are then pulled from the prefunded adjustment and posting to the card account on the date/time designated.

Note: The adjustment account is prefunded using a standard ACH deposit or transfer. All funds are available to the cardholder immediately upon posting to the card account. The adjustment account must be funded prior to transferring funds to card accounts.

The Nebraska Community Inmate card program can continue to manually fund the adjustment account as noted below instead of traditional ACH funding using the process outlined below:

1. NDCS sends an email to FSV Processing each Tuesday (Wednesday during holiday weeks) and copies DCS Accounting Debit and Kelli Keller. The email includes the date for funds movement and total dollar amount that needs to be credited to the NE CI adjustment account.

2. The FSV Processing financial operations team processes the debit to the client's U.S. Bank account and credits the NE CI adjustment account.
3. The financial operations team sends a confirmation email that the funds have been processed. If the transfer is not completed by Wednesday early afternoon, NDCS follows up with them directly.

c. Funds must be made available to cardholders at the open of business on settlement day if loaded via ACH. Describe bidder's process of making funds available.

Card accounts will continue to be funded using a NACHA-approved ACH file processing. All files are processed according to Federal Reserve standards. Our FSV processing system receives incoming ACH/funding files multiple times per day according to the ACH funding windows below, ensuring that payments are processed daily, except for bank holidays and Sundays. All files present at that time are processed. . This means that if the effective date contained in the ACH file is equal to or prior to today's date, the file is processed and posted to the card account. If the processing time stamp on the file is in the future, the file will be moved to a separate folder to be processed at the specified time. Newly deposited funds are available to the cardholder immediately upon being processed and posted to the card account.

We provide a file processing confirmation via a file receipt confirmation and standard report. This process allows us to deposit funds into individual accounts on the effective date provided by the State and supports prompt processing of ACH files.

Current ACH Funding Windows		
Date ACH File Received	Time ACH File Received	Funds Processed
Sunday	No Transmissions	
Monday	5:00 a.m. CT	5:30 a.m. CT
	8:00 a.m. CT	8:30 a.m. CT
	4:00 p.m. CT	4:30 p.m. CT
Tuesday – Friday	1:00 a.m. CT	1:30 a.m. CT
	2:00 a.m. CT	3:00 a.m. CT
	5:00 a.m. CT	5:30 a.m. CT
	8:00 a.m. CT	8:30 a.m. CT
	4:00 p.m. CT	4:30 p.m. CT
Saturday	1:00 a.m. CT	1:30 a.m. CT
	2:00 a.m. CT	3:00 a.m. CT
* FSV (a wholly owned subsidiary of U.S. Bank) must receive the funding file from U.S. Bank/the Federal Reserve 15 minutes prior to the time listed in the Date and Time column to ensure funds are process and posted to the card account by times listed in the right-hand column.		

d. Currently card loads are transmitted via an ACH credit, each program is a separate batch, the COMPANY ENTRY DESCRIPTION field and/or the COMPANY IDENTIFICATION field within the batch header record will differentiate between the programs. Detail available options to separate program loads including, but not limited to, the current process.

The State will continue to transmit ACH funding information to U.S. Bank using the established methods and current process which uses COMPANY ENTRY DESCRIPTION field and/or the COMPANY IDENTIFICATION field within the batch header record to separate loads between programs.

e. Detail the ability to accept a file in conjunction with a wire transfer/account debit for same day funding of cards.

The State can continue to use the current ACH funding process for all programs, except the Community Inmate program which is manually funded via email requested account transfer. If the State requires same day funding, funds can be transferred in real-time from a prefunded adjustment account to the card account using the administrative portal. The adjustment account is prefunded using a standard ACH deposit. All funds are available to the cardholder immediately upon posting to the card account.

f. Participating programs may require the bidder provide an acknowledgement of the number of loads and amounts received, to confirm successful transmissions, and meet reconciliation requirements. Describe how these acknowledgements will be provided including the timeframe after receipt of the payment file, and the method for providing the acknowledgement. Detail what information would be acknowledged, and if the information is customizable by program.

Funding Acknowledgement Files and Transmission Failure Notifications

When batch files are sent, our system will provide a completion report that is posted to your SFTP site upon processing of the file. This return file includes an indication of record being successfully posted and records any exception (failed) records including reason codes. Additionally, our standard report formats (Card Load and Funding Reject reports) also provide this level of detail on successful and rejected loads.

Card Load Report

Reporting Period: 01/01/2021 to 01/25/2021

Report Totals:

Total Number of Loads 3
Total Value of Loads \$1,500.00

Client Program	Location	Card ID	Last Name	First Name	Employee ID	Registration Date	Load Date	Load Amount	Trans Type	Trans Desc
Program Name:										
123456789	123456789	1234567890	SMITH	JOE		03/12/2020	01/01/2021	\$500.00	2163	U.S. Bank: ACH from Known Remitter
		1234599999	DOE	JANE		10/01/2020	01/01/2021	\$500.00	2163	U.S. Bank: ACH from Known Remitter
		1234588888	JONES	MICHAEL		03/12/2020	01/01/2021	\$500.00	2163	U.S. Bank: ACH from Known Remitter

Funding Reject Report

Reporting Period: 01/01/2021 to 01/25/2021

Client Program Name	Client Program ID	Account Number	Card ID	Last Name	First Name	Load Date/Time	Load Amount	Reject Reason	Employee ID
U.S. Bank	55555555	123456*****0000	123456789	SMITH	JOE	1/20/21 2:23 AM	\$500.00	ACH Load Amount exceeds the limit.	

g. Describe what type of formal notification will be provided to affected programs in the event the contractor experiences an ACH transmission failure. Please provide a timeline that details when each affected program will be notified.

All notifications regarding issues or scenarios that could adversely affect the State's prepaid program will continue to come from your dedicated relationship manager, Kelli Keller. Kelli will be your primary contact for all matters regarding your prepaid programs, generally providing a response within one business day or less on all program matters. Our client support team will also continue to provide notification of any system issues or outages, along with an explanation of how we are working towards a resolution. An ACH transmission failure is considered an urgent issue and initial notice will be provided within two hours with ongoing updates provided every 30 minutes.

h. Detail the notification process including the timeframe for late file processing.

Your relationship manager, Kelli Keller, along with the client support team will continue to notify the State via email of any late file processing and anticipated timeframes.

i. Describe the ability to intercept or reverse a payment made to a cardholder in error. Include how funds will be returned, and the time it takes to return funds back into the State's bank account.

Funding reversals

If the State discovers that funds were sent to the incorrect account number or in the incorrect amount, the State's administrators will be responsible for initiating reversals. Actual reversal times vary by the method used to reverse the funds.

- **ACH reversals** – The State will initiate an ACH reversal with your originating financial depository institution (ODFI). Once U.S. Bank receives the ACH file, it is processed according to our standard ACH processing timeline. Reversals are debited from the account according to the effective date on the file.
- **Adjustment account reversals** – A real time reversal can be initiated through the administrative portal. State administrators can use the adjustment account to make a card-to-account transfer to correct an over or under-payment payment.
- **Client support assisted reversals** – Reversals initiated by calling our client support team who can process a reversal on your behalf. This type of reversal is processed within 24 hours and is effective immediately upon processing.

U.S. Bank's technical support team is available to assist your administrators with questions related to reversals. Please note that we can only remove funds if they are available on the card at time of reversal processing.

Technical Requirement 7 – Cardholder Demographic Updates, Account Maintenance & Account Closure

a. Describe how the Contractor will work with each program to develop demographic change procedures.

U.S. Bank will continue to provide the State with a secure file transfer connection for automated enrollments, demographic changes and exchanging synchronization files directly to our secure server, eliminating the need for manual entry. We will also continue to provide reporting to the State via SFTP featuring information on all demographic changes received via the daily Indicative Change report. This report enables the State to keep accurate records by incorporating any demographic changes which are directed to U.S. Bank.

For all new addresses received by customer service or by the State, our systems will be updated via an automated nightly synchronization file (the daily Indicative Change report). Demographic changes are also reported on the next day's Card Account Detail report, which is available on the administrative portal for administrators to view at their convenience.

b. Some State programs allow either the cardholder or program staff to close an account.

The State may continue to notify U.S. Bank of card accounts that need to be closed and/or deactivated by contacting our relationship manager, Kelli Keller, or our client support team. U.S. Bank can accommodate a card deactivation within one business day of notification. Cardholders may close their account at any time by contacting customer service.

c. Some State programs require that each cardholder account remain available for loads until the program that requested creation of that account advises that it no longer intends to make loads to that account. Describe the process required for closing an account/card.

All funds deposited to the card account are deemed to be consumer-owned funds. It is U.S. Bank's policy for card accounts to remain open indefinitely for as long as funds remain, or until those remaining funds are escheated.

d. Bidder shall detail how it will satisfy the State of Nebraska escheatment laws (Neb. Rev. Stat. § 69-1302 through 69-1310) (Unclaimed Property laws) relating to accounts closed due to inactivity.

U.S. Bank retains 100 percent responsibility for escheatment, removing the burden from the State. In the event funds on any card go unused and reach the threshold of escheatable, U.S. Bank will abide by the unclaimed property laws of the State or State of last known residence of the subject cardholder.

The aging (inactivity or unclaimed) escheatment requirement for prepaid debit cards in most states is three years but can be as short as two or as long as five. Any prepaid card account that reaches the age of escheatment is automatically loaded to the U.S. Bank abandoned property database.

Following the prescribed waiting period, and after completion of all state-mandated compliance tasks, U.S. Bank will automatically escheat back to that state or commonwealth, all remaining unclaimed funds from the account. the State will not be responsible for escheatment compliance on any deposits made to prepaid cards.

e. Describe the method(s) to notify program leads when funds will begin the escheatment process.

The State's relationship manager, Kelli Keller, will continue to send a report to all impacted ReliaCard program leads when due diligence letters are mailed and after funds are escheated.

Technical Requirement 8 – Customer Service & Cardholder Website

a. Describe how the bidder can provide a toll-free customer service number for cardholders and State program staff. Detail if a different toll-free number will be provided per program or if a universal toll-free number will be provided. Describe how many lines are available, and if staff is available 24 hours a day, 7 days a week, 365 days a year.

The State's existing U.S. Bank ReliaCard programs have dedicated toll-free numbers for each program. We also provide a universal ReliaCard toll-free number on the website and mobile app which many cardholders use to report a lost or stolen card. The State's Focus Card and DOC programs use the general toll-free customer service number. Our best practice is to set up dedicated toll-free numbers for large programs with high call volumes in order to provide meaningful call metrics and reporting to the State.

Providing Personal Support

Cardholders will continue to have easy access to our customer service center at any time, year around by calling our 24/7 customer service line printed on the back of the card. For many people calling the customer service line is the simplest and easiest way to get answers to their questions. Most often they want to know their balance, the amount of their last transaction(s), or they may need to activate their card or reset their PIN. We are committed to providing all cardholders with a pleasant experience by helping to ensure their needs are met quickly and effectively. U.S. Bank's comprehensive customer service center addresses the needs of the vast majority of callers immediately through our easy-to-use interactive voice

response (IVR) system. And for those callers with more extensive questions or who would rather talk with a live customer service representative (CSR), we provide direct personal support.

Customer service for your programs is provided 24/7, 365 days a year, in English and Spanish. When cardholders call the toll-free number on the back of their card, their call is answered immediately by our responsive IVR system. Our IVR system currently supports more than 4,500 lines/ports for simultaneous calls per IVR server. In the event that additional capacity is required to support call volume, the system can add additional ports as a temporary measure.

More than 90% of all cardholder inquiries are currently resolved within the IVR system, ensuring prompt, accurate responses with **no hold time**. The remaining 10% are directly routed to our friendly and courteous CSRs to address their questions and assist in completing requests. If the cardholder is having difficulty in navigating the IVR system or entering information, they will be transferred to a CSR for assistance after no more than three attempts.

To speed up the process for future calls, our IVR recognizes the phone number the caller is using and ties it to their card account. When the cardholder calls the IVR from that phone number in the future, they will not have to enter their full card number and can go straight to identity verification. If a phone number has multiple card accounts tied to it, the cardholder will be asked to enter the last four digits of the specific card they are calling about.



If the cardholder needs assistance, they will be routed to the next available CSR, selected based on availability from any one of our call centers. Cardholders will not have to dial a separate number to reach a live agent for help and will not be charged for this personal service.

State program staff may continue to reach out to your relationship manager, Kelli Keller, by phone or email for assistance. Our client support team can also be easily reached by toll-free phone number or email, Monday through Friday 7:00 a.m. - 7:00 p.m. CT. And for assistance with urgent issues after-hours, our on-call manager is available to respond to your message.

b. Examples of customer service functions required include, but are not limited to, access to account balances, funds availability, transaction inquiries, reporting a lost/damaged/stolen card, ability to dispute transactions, PIN selection or change, and transaction history information. Bidder shall detail current customer service functions available.

Regardless of the time of day that cardholders contact us, our friendly, knowledgeable CSRs are available to help them with their questions, including assisting with reporting a lost or stolen card, requesting a replacement card, handling disputes, updating demographic information, obtaining transaction history and balance information, and other more complex issues. For security reasons, PIN changes are performed only by the cardholder via the IVR, website or mobile app.

All CSRs are thoroughly trained to answer cardholder questions pertaining to your programs, helping to ensure cardholder satisfaction. They are aided by our online database, called the Knowledge Base, that summarizes detailed information about each of the State's programs. This database provides the facts needed to accurately assist cardholders, including details on program fees, ATM networks, program type, etc. After the CSR identifies the cardholder's account, they are trained to go immediately to the Cardholder Information Page that provides detailed information needed to assist the cardholder with their request.

c. Detail the functions cardholders may complete with an Automated Response Unit (ARU) or on the bidder's website.

U.S. Bank's comprehensive customer service center addresses the needs of the vast majority of callers immediately through our easy-to-use interactive voice response (IVR) system. We find that more than 92% of callers are able to obtain the information required via the IVR system. Cardholders have the option to speak to a CSR at any time by pressing "0" (zero). Cardholder inquiries handled through the IVR include:

- Card account balance
- Transaction history
- PIN change
- Bill payment
- Enroll in or manage text/email alerts
- Request paper statement

d. Detail the number of months cardholder transaction history is retained and accessible by customer service.

CSRs have access to data for the last 12 months. Data older than 12-months is archived in the system and can be obtained by contacting your relationship manager.

e. Identify whether customer services will be performed by Contractor staff or sub-contracted, the city/cities where the call center(s) are located, and the call center functions performed at each listed location.

U.S. Bank call center management team are located primarily in Jacksonville, FL. We plan to continue utilizing the following third-party subcontractors for cardholder customer service for the majority of our customer service needs:

- Enacomm, Inc. – IVR provider (an Oklahoma-based company)
- Alorica, Inc. – Services provided by call centers (based in California with centers located in several cities in the U.S.—varies by program)
- DialAmerica – Services provided by call centers (based in New Jersey with centers located in up to 13 cities across the U.S.—varies by program)

Our subcontractors are long-standing partners who work alongside us to provide you and your recipients with the highest levels of customer service. They are held to the same standards as internal U.S. Bank resources, are well-vetted and provide reliable, responsive services to our operational team. We are completely transparent about who we partner with to provide the full range of services you require, and we work with our partners, listed above, to ensure they understand and fully support all aspects of your program, including flowing down applicable portions of the contract and monitoring daily activities.

f. Describe procedures to verify the identity of the cardholder when accepting changes via customer service or online. Describe if the bidder can accept a portion of the cardholder social security as identity verification instead of the complete number.

When cardholders call customer service, after being given the option to continue in either English or Spanish, they will be asked to verify their identity at the beginning of the call. For security purposes, they will be required to enter one or a combination of the following options before accessing confidential information:

- Last four digits of their SSN.

- Date of birth.
- ZIP code.
- CVV number (located on the back of their card).

Once they verify their identity, cardholders have direct access to their card balance and transaction information. Cardholders can also activate their card and change/update their PIN via the IVR as an alternative to logging into the cardholder website or using the mobile app using their unique user ID and password.

g. Bidder should provide a copy, in English, of the proposed scripts that the CSRs and ARU operators will use. The script shall clearly show which steps the caller will follow in using the system and or communication with CSRs. The bidder should detail how often the ARU script is updated, what notification the State programs will receive regarding the changes, and any input/approval the Program leads will have regarding changes made to scripts that affect State programs.

We will continue to use our current IVR (ARU) menu and CSR scripts. If the State would like to review a copy, we can provide it in English. The exact script your cardholders will hear can be customized to fit your programs using a dedicated toll-free number. Updates to our IVR scripts are updated for functionality and clarity as needed. Our relationship manager, Kelli Keller, will discuss any proposed changes to the State's programs' IVR scripts or CSR scripts to ensure input and approval is received prior to implementation.

When cardholders call the toll-free number on the back of their card, their call is answered immediately by our responsive IVR system. The IVR system allows cardholders to obtain account information, complete routine service requests and speak to a live customer service agent, if needed. Our IVR script allows for callers with more extensive questions or who would rather talk with a live CSR to be directly routed to a CSR for personal support. Outlined below is a typical IVR script a cardholder would hear when contacting us.

Sample IVR Flow



From the IVR system, cardholders have access to their account using our Visual IVR option – an exclusive, innovative service from U.S. Bank. It allows the cardholder to obtain a text containing a link to

view the requested information on their smartphone. This feature allows cardholders to view multiple transactions and scroll through them to verify each transaction, offering a fast, visual way to monitor transactions. If a cardholder needs additional assistance, they simply text back 1 to quickly re-enter the IVR system and request to speak to a CSR if needed.

h. Describe the methodology used to determine when a customer service call is monitored and/or recorded.

In order to provide our clients and their cardholders with a market-leading customer service experience, we invested in a dedicated, call center quality assurance (QA) team. Our in-house call center management team establishes quality benchmarks for all of our call center sites. We follow a balanced approach to interaction monitoring, focusing on two different types of quality:

- **Conformance Monitoring (Type 1):** This type of call monitoring is performed by the QA team and focuses on the agent's ability to consistently conform to the process of effectively managing the call.
- **Developmental Monitoring (Type 2):** This type of call monitoring is performed by the call center supervisors and focuses on improvement areas of the agent's development.

Quality Strategy and Approach

Our monitoring and audit strategy embraces a development needs-based philosophy, allowing us to rank agents according to their QA results. In this fashion, we're able to focus monitoring and training efforts on those that need it – the agents in the lower buckets. Calibration sessions are completed on a regular weekly basis and the business intelligence gathered through these sessions is used directly to improve call center management and generate continuous improvement initiatives. Monitoring sessions are completed at all sites and recorded on an agent, team, site and system level.

i. Describe the ability to provide a toll-free number and a representative the State programs can contact outside normal business hours to increase cardholder daily withdraw limits, one-time transaction limits, etc. Include if these changes can be real-time. *This will only apply to certain state selected programs.

To ensure you receive the utmost in quality client service for all of your programs, the State will continue to be supported by your assigned relationship manager, Kelli Keller. Additionally, our experienced client support team will continue to be a front-line solution to help you resolve any issue. They specialize in assisting with:

- | | |
|--|--|
| ▪ Card reissuance requests | ▪ Funding – confirmation, rejected entry, error message resolution |
| ▪ Funds transfer inquiries | ▪ Card status changes |
| ▪ Administrative portal support – new user setup or deactivations. password resets | ▪ Subpoena requests |
| ▪ Demographic updates | ▪ Data transmission support |
| ▪ Enrollment questions | ▪ Report inquiries and ad hoc report requests |
| | ▪ Velocity limit changes |

With access to our processing platform and operational staff, they can see and track records to resolve concerns quickly and accurately—an advantage our team has over all other competitors by being the only fully integrated provider. Most temporary limit increases can be processed in real-time.

Our client support team can be easily reached by toll-free phone or email, Monday through Friday 7:00 a.m. - 7:00 p.m. CT. And for assistance with urgent issues after-hours, our on-call manager is available to respond to your message.

Monthly statements are available online via the cardholder website. See sample statements below. Within the cardholder website, cardholders can view current month activity plus the prior 24 (closed) months, allowing them to access 25 months in total. Cardholders have the option to select a range of dates, up to three months in duration, for sorting and printing special reports. Monthly statements are posted at the beginning of each month, by approximately the third day of each month. In addition, the cardholder has access to daily transaction history for any month to date transactions via the website, mobile app, text/email alerts, IVR and two-way texting, giving them up-to-the-minute access to account transaction activity.



AIRIT XXXX XXXX (154)
Select a Reporting Period: February 2017 Get Statement

Cardholder Services
P.O.Box 551617
Jacksonville, FL 32255

Your Card
200 S. 9th Street EFL-MNL-502
Minneapolis, Minnesota 55402

Monthly Statement

Card ID: 287595341
Card Number: 4912 XXXX XXXX 0154

Beginning Balance:	02/01/2017	\$0.00	
Ending Balance:	02/28/2017	\$0.00	

It is very important that you contact Customer Service to report any changes in your address or account status. You may obtain information on the remaining balance in your account at any time by calling the number on the back of your card.

[Go To Payments and Credits](#)

Date	Description	Reference	Amount
2017-02-27 02:50 PM	2721 - Operation Pre-auth (1102) credit	[Orig TransID = 2721] WQ48555-B Test funds	\$40.00
Total Payments and Credits			\$40.00

[Go To Payments and Withdrawals](#)

Date	Description	Reference	Amount
2017-02-20 02:27 PM	2721 - Operation Pre-auth (1102) Debit	[Orig TransID = 2731] WQ48555-B Renewal Reinstating Test Funds	-\$60.00
2017-02-20 06:13 AM	ATM Cash Withdrawal - US\$ (Domestic)	SUS45665 U.S. BANK US BANK PLAZA OFFICE MINNEAPOLIS MN US [USD-dom]	-\$20.00
2017-02-27 04:12 PM	ATM Cash Withdrawal - US\$ (Domestic)	SUS145666 U.S. BANK US BANK PLAZA OFFICE MINNEAPOLIS MN US [USD-dom]	-\$20.00
Total Payments and Withdrawals			\$40.00

[Go To Fees](#)

There were no Fees charged during the specified date range.

Total Fees Current Period	\$0.00
Total Fees Prior Month	\$0.00
Total Fees Year to Date	\$0.00

[Go To Holds and Releases](#)

There were no Holds or Releases during the specified date range.

Information about your Account Statement:

Fee Summary: Total Fees are based on the end date of the Reporting Period selected and include fees incurred during your current card and all related cards. If your reporting period includes the current month, total fee calculations includes fees posted prior to midnight local 12/31/2017.

In Case of Errors or Questions About Your Electronic Transfer—Call us at 855-282-6151 or write us at Cardholder Services, P.O. Box 551617, Jacksonville, FL 32255 as soon as you can. If you think an error has occurred (or your payment) and if you need more information about your transactions, We must allow you to report an error until 60 days after the date of the take you electronically access your account. If the error could be viewed in your electronic history, or the date we sent the FIRST written history on which the error appeared. Alternatively, we may require you to report an unauthorized transaction(s) within 120 days after the transfer or transaction allegedly in error was credited or debited to your account. You will need to tell us:

- Your name and card ID number or other information that identifies your account
- Why you believe there is an error, and the dollar amount involved.
- Approximately when the error took place.

If you tell us nothing, we may require that you send us your complaint or questions in writing within 90 business days. We will investigate your complaint and will correct any error promptly. If we have more than 120 business days to complete our investigation, we will credit your account for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive a letter within 30 business days, we may not credit your account until the investigation is complete.

The Bank Card is issued by U.S. Bank National Association pursuant to a license from Visa U.S.A. Inc. or MasterCard International Incorporated. Mastercard is a registered trademark of Mastercard International Incorporated, Member FDIC.

Other Options

[Request a One-Time Mailed Statement](#)

[Print Date Range](#)

[View Statement Options](#)

Totals for Statement for Period Ending February 2021	
Credits	\$20.00
Purchases and Withdrawals	-\$54.33
Fees	\$0.00
Total Fees Current Period	\$0.00

Monthly and Year-to-Date Fees	
Total Fees Year to Date:	\$0.00
Total Fees Prior Month:	\$0.00

Information about your Account Statement

Fee Summaries: Total Fees are based on the end date of the Reporting Period selected and include fees incurred using your current card and all related cards. If your reporting period includes the current month, total fees calculations includes fees posted prior to midnight central 02/28/2021.

In Case of Errors or Questions About Your Electronic Transfers-- Call us at 877-474-0010 or write us at Cardholder Services, P.O. Box 551617, Jacksonville, FL 32255 as soon as you can, if you think an error has occurred in your prepaid account or if you need more information about your transactions. We must allow you to report an error until 60 days after the earlier of the date you electronically access your account, if the error could be viewed in your electronic history, or the date we sent the FIRST written history on which the error appeared. Alternatively, we may require you to report an unauthorized transaction(s) within 120 days after the transfer or transaction allegedly in error was credited or debited to your account. You will need to tell us:

- Your name and card ID number or other information that identifies your account.
- Why you believe there is an error, and the dollar amount involved.
- Approximately when the error took place.

If you tell us orally, we may require that you send us your complaint or questions in writing within 10 business days. We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to complete our investigation, we will credit your account for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account until the investigation is complete.

[Print Month](#)

Print Options:

Go Paperless

Request a Mailed Statement

Print a 3-Month Range

k. Detail what account functions are available for the cardholder on the bidder's website. Examples: balance inquiry, monthly statement, etc.

All cardholders will have free and unlimited access to the ReliaCard or Focus Card website to manage their card account 24/7. Our cardholder websites are built with responsive web technology, which supports viewing on all device formats (computer, tablet, smartphone, etc.). They are available in both English and Spanish (in their entirety). Using the website, cardholders have direct access to their account and program resources including:

- Transaction history
- Balance inquiries
- Card activation
- PIN selection and PIN change
- Email and text alert registration
- In-network ATM locator
- Information on how to initiate a dispute
- Profile management
- Monthly statements
- Bill pay
- Card to account transfer (ReliaCard only)
- FAQs
- Cardholder agreement
- Usage instructions
- Fee disclosure

The image displays two screenshots of US Bank cardholder websites. The top screenshot is for the ReliaCard website, featuring a login section with fields for User ID and Password, and links for 'Forgot User ID' and 'Forgot Password'. Below the login section, there are links for 'Card tracker', 'FAQs', 'Mobile app', and 'Card inquiry'. The bottom screenshot is for the Focus Card website, showing a similar login section and a prominent banner for 'The all-new U.S. Bank Mobile App is here.' with a download link.

Technical Requirement 9 – Marketing and Training

a. Provide sample brochures and marketing materials for evaluation.

This change in contract period gives us the opportunity to review your program in-depth with you. We welcome the opportunity to discuss what's working well and where we can make some update to ensure you and potential and new cardholders have the information needed. We will continue to provide cardholder education in several ways including:

- Card welcome packet
- CFPB long and short forms
- FAQ document
- Informational flyers (product flyers, banner ads, etc.)
- Access to Financial IQ website.

Educating cardholders on features of the card program

As part of our ongoing communication efforts, the State can also elect to have cardholders receive introductory educational emails. These attractive and informational emails are sent for four weeks after a cardholder enrolls in the program. As listed below, each is designed to educate cardholders on program features, usage tips and other helpful hints. At the end of the email campaign, the cardholder is invited to complete a customer satisfaction survey and provide feedback on their experience with the card up to that point.

The topics for the emails include:

- **Welcome** – Introduces cardholders to the ReliaCard or Focus Card and provides an overview of automatic funds deposits.
- **Use of the card** – Gives details on lost/stolen card protections, how to keep track of deposits/purchases and tools to help manage your card.
- **Enroll in alerts** – Instructs the cardholder how to enroll in text or email alerts.
- **Mobile app** – Presents the U.S. Bank ReliaCard or Focus mobile app as a tool to manage everything at your fingertips, including balance and transactions.

Samples of current State materials are provided in Exhibit E.

b. Submit a proposed (or draft) Marketing/Public Relations Plan, which outlines the materials and plans to expand the programs.

Our team will continue to work with the State to develop any necessary communications needed for claimants/recipients enrolling in the ReliaCard and Focus Card programs. We will continue to provide a wide range of marketing material that may include:

- **Letters to claimants/recipients/employees** – Letters to inform them that they can receive payment via a prepaid card.
- **Product flyer** – A flyer that provides an overview of the card's features and benefits can be included with claimant/recipient/employee materials.
- **Web text/content** – Text explaining what the card is and how it works.
- **FAQ** – Answers to common questions about the card.
- **Calendar/timeline** – Timing announcements of communication plans and key program dates.
- **Miscellaneous** – We will work with the State to provide content, materials, or guidance on any other communication methods you may have.



If your current materials (i.e., announcements on the State's website, CFPB disclosure and other information needed as part of the initial benefits application, FAQs or another materials) require updating during the course of the contract period, we will work with you to help keep them current. All materials will be submitted to the State for review and approval prior to use.

c. Contractor shall work with State programs to develop enrollment forms, FAQ sheets, program literature, marketing tools, and training information for program staff promoting the cards/answering cardholder inquiries. Please provide sample documents in English. Provide a list of other languages available.

As we move forward into the next contract period, we are committed to working with you in the ways you need to ensure success for your program. We have built a foundation of trust with your agencies by providing marketing materials that support your communication needs and provide essential program information to your claimants/recipients. Our program provides full-service options to your cardholders, we have provided you with consistent, reliable solutions that have included:

- **Assisting with the development of marketing materials** to expand your cardholders' awareness of the availability of prepaid cards to receive disbursements.
- **Communication campaigns when implementing new technologies for your cardholders** such as launching a new mobile app, expanding website functionality with card lookup and inquiry links from the login page and enabling text/email alerts to allow instant access to account information on-the-go.



Our standard ReliaCard and Focus Card cardholder materials are provided in English and Spanish. Currently, the State's custom materials are in English only. We would be happy to discuss translation into other languages if required. Samples of current State materials are provided in Exhibit E.

d. Contractor must include instructional material for state staff on the use of the online enrollment functionality. Materials must be written in both English and Spanish at a reading level no higher than the 7th grade. Bidder should provide sample documents in English and list any other languages currently available.

U.S. Bank will continue to provide administrator training materials to the State, along with tutorials on the administrative website that explain the tools and functionality available. These materials are offered in English only. A sample of the ReliaCard administrator training guide is provided in Exhibit F.

We will continue to provide the required pre-acquisition disclosure documents to the State including the CFPB Pre-Acquisition Disclosure and Fee Schedule and the applicable Cardholder Agreement in English

and Spanish. In addition, cardholders will continue to receive a welcome packet with their card, which includes their new card and various educational materials. The card package currently includes a How To Use brochure, a privacy pledge, a cardholder agreement and a card carrier that provides key information on ATMs, fee schedules, customer service details and more. All materials are provided in English and Spanish and are designed to be easily read and understood by the new cardholders (at the 7th grade reading level).

e. Describe how the bidder will allow the State final approval of marketing materials mailed or used for State programs. The participating State programs understand that the marketing materials may require additional approval by Visa or MasterCard depending on the card brand.

Our marketing team will continue to work with the State to develop any necessary communications needed for claimants/recipients/employees enrolling in the card programs. If your current materials (i.e., announcements on the State's website, CFPB disclosure and other information needed as part of the initial benefits application, FAQs or another documents) require updating during the course of the next contract period, we will work with you to help keep them current. All materials will be submitted to the State for review and approval prior to use. Our marketing team will also ensure any required bank or Visa or Mastercard approvals are also obtained.

Technical Requirement 10 – Testing, Implementation and Post Implementation

a. Detail the periods of time testing is shut down and not available for new programs/additional programs or changes to existing programs.

Planned system maintenance is typically scheduled for approximately two hours per quarter and occurs during non-peak times (i.e., nights and weekends) to avoid user disruptions. In the event of a scheduled system outage, your relationship manager will notify the State as far in advance as possible, typically via email.

b. Bidder shall provide a detailed conversion plan of the existing programs, including a detailed test plan and implementation schedule. Describe how the conversion and implementation of multiple programs will be handled; all at once or staggered. Details should include, but not be limited to, the transitioning of all active and inactive cardholder data to the new contractor. This could consist of the status of active and inactive accounts, status of funding accounts, and the timeframe and methodology of the disposal of account information.

Since your programs are currently set up and active within our systems, program conversion is not necessary. Although for all new programs the State may add, our onboarding manager and our internal IT implementations team will work with the State to ensure all program communications and file transfers are set up and tested. This team will troubleshoot any issues and ensure a solution is obtained.

For all new programs, our implementation process takes into consideration all the aspects of your program that will help ensure a smooth introduction for your staff and cardholders and incorporates best practices defined by our experience and industry best practices. From the very beginning of the implementation process, we rely on careful documentation to create the core framework and foundation of our implementation process. We use this structure to build out the appropriate action items for all aspects of the implementation: technical integration, communications and training. The steps involved in each of these areas are outlined below.

Customizing the Implementation Framework and Clear Communication Helps Ensure Success



Customizing to Suit Your Program: Defining Integration Needs and Executing on the Plan

Through our implementation discussions, we establish the framework for program development and allow us to put all the necessary administration pieces into place, including our formal project plan documentation that outlines the logistics and scheduling of each step in the implementation. This project plan will be used as our guide to track progress during the rest of implementation. The project plan provides a big-picture illustration of key project milestones and timeframes, roles and responsibilities for both our team and yours, and the completion status of individual project tasks. As a living document, individual tasks can be adjusted during implementation as mutually agreed upon.

Our implementation process includes all the steps necessary in transitioning your program. As an industry best practice and to support an optimum cardholder experience, we use a cutover process in which all existing active and inactive cardholders are allowed to retain their existing cards and when the new card program is ready, the State begins issuing payment to the new card. This allows the cardholder to use their existing card until it reaches a zero balance and eliminates any “on-hold” period in which their funds are not available to them. Our implementation process includes the timeframe and methodology of the disposal of account information required to support the newly implemented prepaid card program.

Sample ReliaCard Implementation Plan

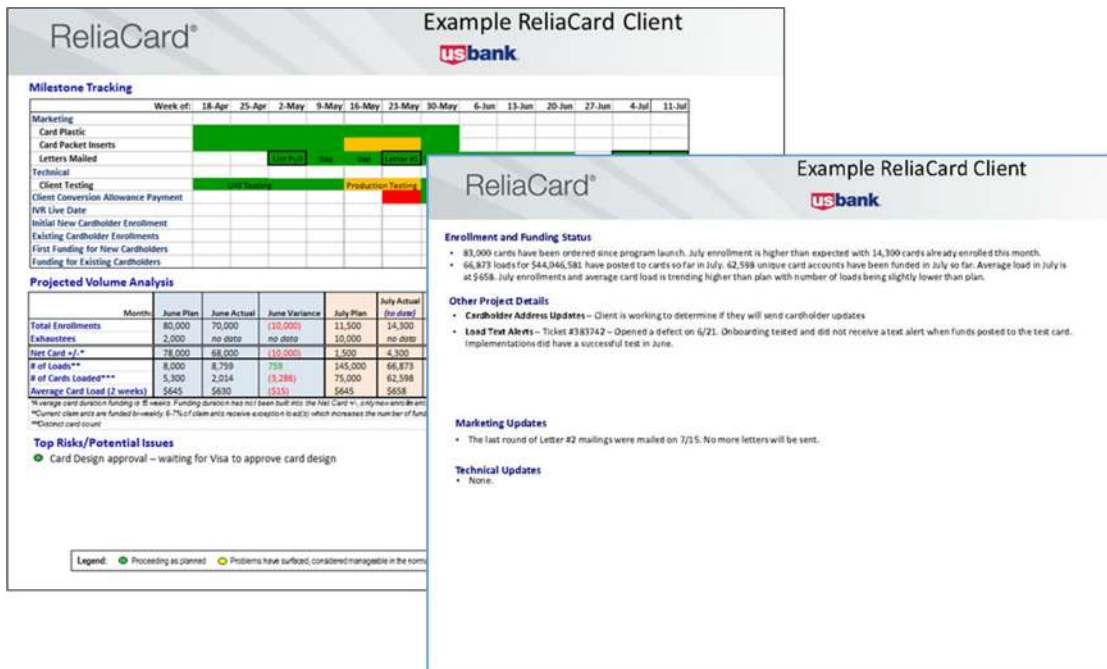
usbank						
ReliaCard Project Plan						
Client Program Name						
Launch Date						
Task #	Task Name	Start Date	End Date	Assigned To	% Complete	Comments
1. Pre-Implementation						
1	Send signed Agreement and RPS Prepaid New Year Customer (NYC) Form (if applicable) to Request One Implementation One address to US			USB Sales		KYOCG AC processing uncommon for ReliaCard Client programs
2	Complete Program Implementation Worksheet and Change Order Request (COR) and submit to USB			USB Product		
3	Acct Program Implementation Worksheet and Change Order Request, with distribution as needed			USB Tech		
4	Schedule internal kickoff call with Sales, Product, Marketing, RPS, and USB NY Implementation			USB Sales		
5	Complete KYOCG AC assignments, if applicable			USB RPS		
2. Client-Related Information						
6	Final kickoff call with Client to discuss technical specifications, required data elements to implement process and submit			USB RPS		
7	Schedule recurring weekly project team meetings			USB RPS		
8	Client User ID Setup			USB RPS		
9	Email Client addressable website User Request Form			USB RPS		
10	Provide Client email address to initial to ensure email was received on an ongoing basis			USB RPS		Client ID and temporary password sent from Mail Services/Marketing and Tech team
11	Client returns completed User Request Form with individual need access to the system			USB RPS		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
12	Create User ID request form			USB RPS		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
13	Provide Client email address to initial to ensure email was received on an ongoing basis			USB RPS		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
14	Schedule administrative and training sessions with Client			USB Client		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
15	Email Client link to addressable website and training guide			USB RPS		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
16	Website and app are used to process a new User ID immediately upon following start time			USB RPS		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
17	Conduct addressable website launch session with Client			USB Client		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
18	Begin marketing materials with Client			USB Marketing		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
19	Client to provide agency name for return address on distribution envelope			Client		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
20	Marketing materials and return address submitted to USB for approval			USB Marketing		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
21	Approved card name and agency name for return address submitted to USB for approval			USB RPS		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
22	Card name and return address submitted to production vendor			USB Tech		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
23	Create return marketing materials, if applicable			USB Marketing		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
24	Client review of approved marketing materials			Client		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
25	Email Client electronic return marketing materials			USB Marketing		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
26	Ship materials to Client			USB Marketing		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
27	Confirm Client received marketing materials			USB Marketing		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
28	Client update and validate return address, telephone number, etc., on any of the program materials, etc.			Client		USB RPS batch processing and processing will be sent from Mail Services/Marketing and Tech team
3. Implementation						
29	IT system setup & internal testing			Client		Only one address for email distribution, from address IP address to PGF from Client
30	Client completes and returns ReliaCard NY NYC company one address for email distribution, from address IP address to PGF from Client			Client		Only one address for email distribution, from address IP address to PGF from Client

Page 1

Knowing that regular communication is critical to implementation success, we don't stop once the initial project plan is in place. We recommend that you follow our best practice of scheduling regular weekly meetings with your team. These regular touch points help ensure that our teams remain in sync and keep you informed each step of the way. The onboarding project manager will discuss what is occurring each week and who is responsible for completing each upcoming task. We also schedule supplemental meetings with additional working teams from technology, marketing, etc., to ensure all aspects of the program are being addressed and are well prepared for the program launch.

To ensure everyone is kept up-to-date, we distribute a weekly summary document after each core team meeting. This high-level snapshot of the project's status is sent to anyone involved in the implementation, from IT to marketing, so they can see at-a-glance how the project is progressing, even if they are not directly involved in a particular stage of the implementation. Our clients have found that this type of documentation to be highly informative for key stakeholders, as it helps maintain consistency and communication across the project working teams, and it helps identify and address any areas of potential risk more effectively.

Weekly Communications – Implementation Status Summary



c. Describe the resources that the bidder will provide during conversion and/or implementation, including training (in person, over the phone, user manuals, or web based), technical support, or on-site visits.

As the incumbent prepaid card program provider for the State, there will be no program conversion needed to remain with U.S. Bank. If the State chooses to implement any new programs, we will follow our full program implementation process outlined below in response d.

This change in contract period gives us the opportunity to review your program in-depth with you. We welcome the opportunity to provide any additional training required by your staff, discuss what's working well and where we can make some updates to ensure you have the information and tools you need to continue managing your programs successfully. If needed, your relationship manager will schedule web-based training sessions with our onboarding manager to walk your team through all aspects of the prepaid card operations. We will also provide copies of our onboarding training guides to ensure your staff has the latest documentation on our systems.

If additional training, marketing and educational materials are needed by the State and its cardholders, we will work with the State Agencies and provide as needed. Educational materials including a usage guide to cardholders and other content for cardholders will be updated and point cardholders to the cardholder website.

We will continue to provide cardholder education in several ways including:

- Card welcome packet.
- FAQ document.
- Informational flyers (product flyers, banner ads, etc.).
- Access to Financial IQ website.

d. Detail the implementation process for a new program.

Full program implementation process

If any additional agencies/programs are added, we will follow our full program implementation process. When initiating a new agency, our number one goal during implementation is to make sure you and your team have the resources needed to successfully transition your program in a streamlined, efficient manner.

During implementation, you will be guided through the onboarding process by an experienced onboarding project manager who will work closely with you to understand the complexities of each program, manage regular project meetings, provide updates to your entire team through calls and email, and manage the end-to-end process internally. We follow industry-leading Project Management Institute (PMI) principals and are vigilant in continually monitoring all aspects of the implementation process such as assigning responsibilities, setting deadlines, tracking task status and identifying risks quickly to help ensure the ultimate success of your implementation.

U.S. Bank works collaboratively with the State to integrate with your prepaid program. We generally allow approximately 12 to 16 weeks to implement the ReliaCard program and 4 to 6 weeks to implement a standard Focus Card program (card customization and technical integration may require additional time). Implementation is divided into five phases designed to individually address the specific components required for successful card program deployment.

Overview of the implementation process

Stage 1: Discovery

During the initial discovery phase, we hold a kickoff call and subsequent planning meetings to allow team members from both sides to get to know each other, share their goals for implementation and gain a thorough understanding of your program. These meetings address all the preliminary necessities involved in transitioning your program, including:

- Contract discussions and negotiations.
- Program discovery/review of requirements and approvals.
- Collaboratively assess and analyze program transition (if needed):
 - Considerations based on any unique state requirements.
 - Explore payment workflows and information exchange for integration.

Stage 2: Administration

With the essential data exchange workflows and other key points discussed, we take that information and transfer it to our internal IT implementation team who will develop the necessary interfaces, including establishing a client ID, setting up the administrative portal and developing the file formats and data exchange systems. We will explore the following data points to facilitate the user testing and auditing required, which occurs in the final stages of implementation:

- Connectivity systems.
- Enrollment method.
- Funding method(s).
- Demographic changes file.

At this time, we also develop the formal project plan to use as our guide and tracker during the rest of implementation. The dates and complete task list will be adjusted as we begin discussions with you and determine areas that may require more or less time.

Stage 3: Training your staff – setting the stage for success

As one of the most critical components of your onboarding process, the State will experience a streamlined approach to training that equips your administrators with the resources they need for effective program management. Our onboarding manager will schedule training sessions where we walk your team through all aspects of the prepaid card operations. This training focuses on:

- Understanding and navigating the administrative portal
 - Establishing system users and defining permissions/roles.
 - Enrollment process.
 - Using the portal on a daily basis.
- Funding process.
- Reporting process.



We also focus on your marketing needs. Our experienced marketing team joins the implementation team to develop and optimize the roll-out and awareness strategy. We will identify and develop the necessary collateral to deliver a successful marketing and educational campaign. We also work with your team to design the informational collateral needed to drive higher adoption rates and ultimately save you money.

Stage 4: Programming and testing

During this phase we audit and methodically test all fundamental aspects of the program, from system integration and card orders, to production verification and operations preparation. Both enrollment files and account maintenance files are tested in the production environment before a program goes live to help ensure superior program stability. Our procedures include:

- **Client set up and testing** – In this phase of testing, U.S. Bank prepaid specialists provide program administrators with the tools necessary to begin setup of the program.
- **User acceptance testing** – This part of the testing phase incorporates actual admin users to “beta test” the program systems (in a test environment) to make sure they can perform required tasks in real-world scenarios, according to specifications.
- **Production verification testing** – Production verification testing is the end-to-end, final opportunity to determine if the program is ready for launch. It serves as a “dress rehearsal” to simulate the production cutover as closely as possible and for a period of time simulate real business activity.

Stage 5: Launch

After all testing and integration has been completed, we conduct final checks and balances with client support functions like our customer service package. First enrollment files are sent by the State and the first cards are issued to cardholders. This phase concludes with the official launch of the program.

e. Describe any on-going training that will be made available as upgrades or system changes occur.

As one of the most critical components of your onboarding process, the State will continue to experience a streamlined approach to training that equips your administrators with the resources they need for effective program management. Kelli Keller will continue to coordinate training sessions with your administrators as needed for system changes and any additional situations where training is required. In addition, our administrative portal has built-in online “How to” summaries for each major task in the system. These self-service training guides are available on a variety of topics to assist your administrator in understanding how to manage their programs better. Additional training is readily available as needed throughout the relationship.

Technical Requirement 11 – System, Card and Account Enhancements

a. Detail bidder's ability to send an email, text message, phone message, or paper notice as communication to cardholders. Information or notifications the State programs are interested in includes, but is not limited to:

- A deposit has been loaded to your card and is now available.
- A transaction on your card has exceeded an established limit (this applies to the contractor preset limits).
- A transaction on your card caused you to exceed an established limit on the number of transactions within a timeframe (this applies to the contractor preset limits).
- A transaction for (\$) has been deducted from your card amount.
- You have overdrawn your card and are being assessed an overdraft fee.
- You are nearing the timeframe when you will be assessed an inactivity fee. You may wish to use your card to avoid an inactivity fee.
- We do not have a current address for you. Your recent statement was returned as non-deliverable. Please contact (program name) or the contractor with your new demographic information.
- The reissued card sent to you has not yet been activated; please call the customer service number on the back of the new card to confirm receipt of the card and to activate it.
- Your monthly statement is available at the following (website link).

The bidder should detail all other notifications or information that can be relayed to the cardholder and include details in the fee schedule for any cost the cardholder would incur for using these services.

Text and email alerts are an extremely popular feature among our current cardholders. Cardholders can enroll in up to 11 different alerts to keep them up-to-date and well-informed of card activity. These options can be made from the IVR, cardholder website or mobile app. **In December 2021, cardholders received more than 6.7 million text alerts and nearly 2.7 million email alerts.**

On average, 7.5 text and 3 email alerts are sent per active card per month

Automated Text and Email Alerts			
Alert Type	Description	Text	Email
Welcome Alert	When the cardholder has successfully enrolled in alerts.	✓	✓
Deposit Alert	When funds are loaded to the card (includes the new available balance).	✓	✓
Transaction Alert (any debit)	When a point-of-sale (POS) transaction is posted to their account (includes the new available balance).	✓	✓
Low Balance	When the available balance on the card falls below a set minimum.	✓	✓
Purchase Alert	When each point-of-sale (POS) pre-authorization transaction is posted to the card account (includes the new available balance)	✓	✓

Automated Text and Email Alerts			
Alert Type	Description	Text	Email
Purchase Decline	When the card is declined at ATM or POS (includes the new available balance and any applicable fees).	✓	✓
Pre-Authorized Transaction	When a debit, such as an POS transaction, has occurred that meets the minimum amount entered by cardholder	✓	✓
Card Not Present Purchase	When you make a purchase has been made without physically swiping/ inserting the card.	✓	✓
International Transaction	When the card is used outside the 50 United States.	✓	✓
Card Shipped Alert	When the card has been shipped.	✓	✓
Informational Alerts	Informs cardholders about new features and benefits associated with their card accounts.	✓	✓

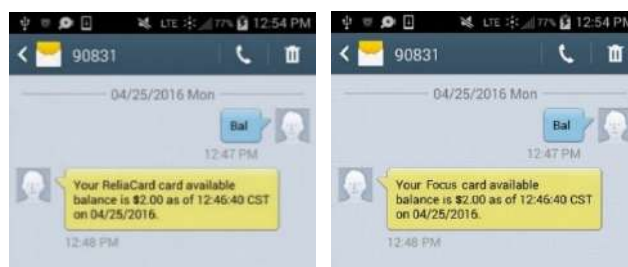
b. Detail how the cardholder would sign up for emails, text messaging or any other communications available.

Cardholders enroll in text and email alerts via the customer service IVR, cardholder website or mobile app. To enroll, the cardholder simply provides their mobile phone number and/or email address, selects their language preference (English or Spanish), then selects the alerts they wish to receive. They can change the settings at any time using the IVR, website or mobile app. To discontinue text alerts, cardholders may text "STOP" to our two-way number (90831).

c. Detail the ability to answer text message inquiries from cardholders seeking their current balance.

We offer two-way text alerts. Cardholders can text a short code to receive the following alerts in real time:

- Card balance.
- Recent transactions.
- Savings account balance (optional feature).
- Customer service number.



d. Detail the process for cardholders to transfer funds between individual State program cards or any other personal bank accounts. Identify fees for the cardholder.

ReliaCard allows funds to be transferred from the card to their own personal bank account via the cardholder web for a fee of \$2.00 per transaction.

The Durbin Amendment prohibits large, high-asset banks from using prepaid cards for ACH transactions (card to bank account) from the Focus Card. However, Peer-to-Peer (P2P) transactions are allowed (e.g., Venmo, Cash App and PayPal) to send money to friends or family, pay rent to a landlord, etc. Cardholders may also transfer funds from their card to another card within the same Focus Card program. There are no fees charged to the cardholder for these services

In addition, cardholders can open an interest-bearing savings account on the cardholder website. This feature allows the cardholder to establish a separate, interest-bearing savings account to manage their assets and make easy, free transfers to and from the account. Transfers can be made online as well as via the mobile app and can be conducted as one-time, manual transfers or automatic, recurring transfers. There is no fee to open a savings account or perform transfers.

Technical Requirement 12 – Other

a. The State requires the Contractor meet all federal laws and regulations and card association industry standards, rules, and regulations. Cards offered under these programs must be compliant with 12 CFR 205 Regulation E: Electronic Funds Transfers, and as such the Contractor will assume all responsibility for the product. Detail the types of information pertaining to individual accounts bidder will share with authorized State program staff when requested.

All U.S. Bank prepaid card accounts comply with Title 12 (12 CFR Part 1005/205), Federal Regulations issued by the Board of Governors of the Federal Reserve System pursuant to the Electronic Funds Transfer Act, more commonly referred to as Regulation E. Protections provided for consumers under Regulation E and prepaid compliance include:

- **Initial disclosures** – Regulation E information is included as part of the card materials mailed to cardholders with their prepaid card, including all fee schedule disclosures required under the new CFPB regulations.
- **Notice of change of terms** – Provided to cardholders in writing a minimum of 21 days prior to change.
- **Receipts and periodic statements** – Receipts are provided at the point of sale. Monthly statements are provided via the web or mailed to cardholder's home address upon request.
- **Limitations on consumer liability for unauthorized transfers** – Provided by U.S. Bank at 100%.
- **Error resolution procedures** – Provided by U.S. Bank via customer service or client management, depending upon the type of error.

b. Describe the method(s) the bidder will use to keep the State updated on all rules and regulation changes.

Your relationship manager, Kelli Keller, will continue to keep the State informed of any changes in rules and regulations. Our regular communication efforts (regular meetings, phone and email availability, and our annual review meetings) are aimed at providing open communications about upcoming changes, program performance and industry trends. The State can also reach out to Kelli and the management team at any time with questions about rules and regulations that affect your programs.

c. Participating programs understand that some Federal and State laws, banking regulations and card association requirements are necessary for mailer and instructional materials. Describe how the bidder will work with the program to review, edit, and give final written approval of the card mailer and instructional materials associated with the disbursement of cards.

U.S. Bank will continue to provide the required pre-acquisition disclosure documents to the State for all of your programs, including the CFPB Pre-Acquisition Disclosure and Fee Schedule and the applicable Cardholder Agreement, in English and Spanish. In addition, cardholders will continue to receive a welcome packet with their card, which includes their new card and various educational materials. The U.S. Bank marketing team will ensure that all materials have the required bank and card association approvals. All materials will also be submitted to the State for review and approval prior to use.

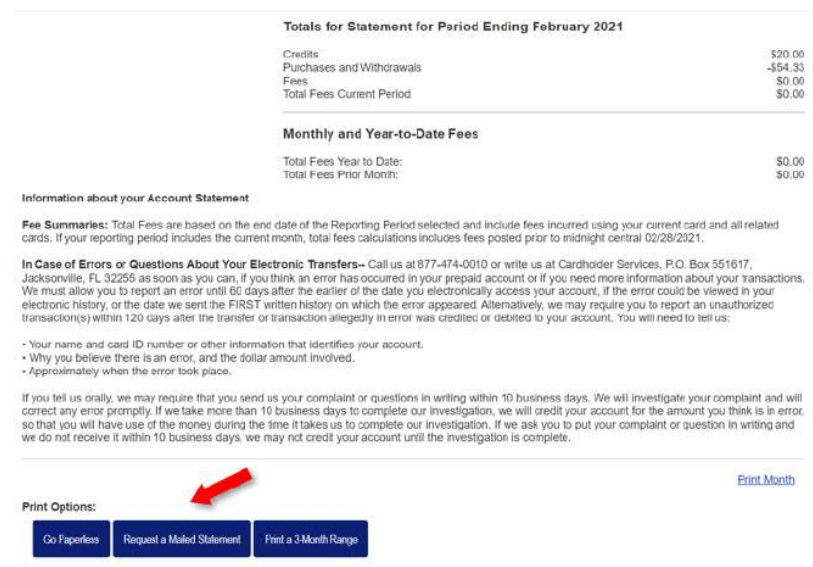
d. Describe how account statements and online account access complies with all applicable State and Federal laws, card association rules and regulations as well as banking regulations.

U.S. Bank is fully compliant with all state and federal banking regulations and we have designed all our prepaid cards so implementation and daily operations fully comply with the regulatory requirements by

which we, as a financial institution must abide. They are also set up to enable our clients to be compliant with applicable laws regarding the issuance and use of prepaid cards.

In accordance with Regulation E, monthly statements are available online via the cardholder website or mailed to the cardholder's address upon request. Within the cardholder website, cardholders can view current month activity plus the prior 24 (closed) months, allowing them to access 25 months in total. Cardholders have the option to select a range of dates, up to three months in duration, for sorting and printing special reports. Monthly statements are posted at the beginning of each month, by approximately the third day of each month.

If mailed statements are desired, cardholders can select mailed statements via the cardholder website or IVR. From the Monthly Statement tab/page, the cardholder can scroll down to the "Print Options". They are then asked to confirm request and statement(s) will be produced.



Totals for Statement for Period Ending February 2021

Credits	\$20.00
Purchases and Withdrawals	-\$54.35
Fees	\$0.00
Total Fees Current Period	\$0.00

Monthly and Year-to-Date Fees

Total Fees Year to Date:	\$0.00
Total Fees Prior Month:	\$0.00

Information about your Account Statement

Fee Summaries: Total Fees are based on the end date of the Reporting Period selected and include fees incurred using your current card and all related cards. If your reporting period includes the current month, total fees calculations includes fees posted prior to midnight central 02/28/2021.

In Case of Errors or Questions About Your Electronic Transfers-- Call us at 877-474-0010 or write us at Cardholder Services, P.O. Box 551617, Jacksonville, FL 32255 as soon as you can, if you think an error has occurred in your prepaid account or if you need more information about your transactions. We must allow you to report an error until 60 days after the earlier of the date you electronically access your account, if the error could be viewed in your electronic history, or the date we sent the FIRST written history on which the error appeared. Alternatively, we may require you to report an unauthorized transaction(s) within 120 days after the transfer or transaction allegedly in error was credited or debited to your account. You will need to tell us:

- Your name and card ID number or other information that identifies your account.
- Why you believe there is an error, and the dollar amount involved.
- Approximately when the error took place.

If you tell us orally, we may require that you send us your complaint or questions in writing within 10 business days. We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to complete our investigation, we will credit your account for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account until the investigation is complete.

Print Options:

[Go Paperless](#) [Request a Mailed Statement](#) [Print a 3-Month Range](#) [Print Month](#)

Monthly statements include detailed information about all transactions made during the statement period, including any fees charged to the cardholder. Statements also include the mandatory error resolution statement and instructions on how to report an unauthorized transaction, as shown below.

In Case of Errors or Questions About Your Electronic Transfers -- Call us at 877-474-0010 or write us at Cardholder Services, P.O. Box 551617, Jacksonville, FL 32255 as soon as you can, if you think an error has occurred in your prepaid account or if you need more information about your transactions. We must allow you to report an error until 60 days after the earlier of the date you electronically access your account, if the error could be viewed in your electronic history, or the date we sent the FIRST written history on which the error appeared. Alternatively, we may require you to report an unauthorized transaction(s) or other error(s) within 120 days after the transfer or transaction allegedly in error was credited or debited to your account. You will need to tell us:

- Your name and card ID number or other information that identifies your account.
- Why you believe there is an error, and the dollar amount involved.
- Approximately when the error took place.

If you tell us orally, we may require that you send us your complaint or questions in writing within 10 business days. We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to complete our investigation, we will credit your account for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account until the investigation is complete.

e. Detail if bidder provides a newsletter or email covering industry issues, rules and regulations updates and how often does the newsletter get distributed/published.

During the pandemic in 2020, we implemented regular "Keeping in Touch" notifications to provide updates on enhancements being made to our systems and processes to keep up with the increase in volume due to high unemployment claims. We will continue to send email notifications to the State

periodically, although communications are now centered more around product features and enhancements.

f. Detail any instance bidder has been fined by any card association for a violation of rules or regulations not caused by a card program or card client.

U.S. Bank has not been fined by Visa or Mastercard for a violation of rules or regulations.

g. Detail how contractor maintains a mechanism to track requested changes by source/reason and any modifications made to its system during the life of the contract. Change management procedures shall include, but not be limited to, proper testing of all changes prior to being introduced into the production environment and provision of documentation of such upon request. The contractor shall, within ten (10) business days of the date of the receipt of the change order, notify the program whether any such change can be completed and if there will be a charge for the change order. The State may then withdraw the change order, authorize work under the change order, or negotiate a contract amendment if necessary.

U.S. Bank has a well-documented change control process for all client requested changes. Your relationship manager, Kelli Keller, will continue to work with the State to submit and manage all change requests and ensure they are scoped, approved, prioritized, and implemented according to the change control procedure, including proper testing prior to production.

h. Detail how fees charged to the cardholder for services under the contract are following applicable laws, regulations, and standards.

U.S. Bank is fully compliant with all state and federal banking regulations. We have designed all our prepaid cards so implementation and daily operations fully comply with the regulatory requirements by which we, as a financial institution must abide, including how fees are charged to the cardholder.

i. Detail methods and timeliness for notification of Visa or MasterCard changes affecting cardholders.

U.S. Bank communicates changes in policy or terms falling under Regulation E requirements to the cardholder in writing within a minimum of 21 days in advance of the change. We also utilize the cardholder website, text and email alerts to notify cardholders of product enhancements or upgrades that do not fall under Regulation E and do not negatively impact the cardholder.

j. Detail how monthly calls to address issues and questions will be handled.

Regular touchpoints ensure high-quality service

We take an active role in daily communication to ensure your program is operating as expected. In addition to day-to-day conversations, your relationship manager, Kelli Keller, will continue to meet with the State monthly to review the program.

We will also continue to hold annual business review meetings, where we come together with the State to specifically discuss your satisfaction and the direction of your program. The information presented at these meetings will provide insight into ongoing cardholder activity and will help to identify trends in each program. We will continue to address the State's issues and concerns and present program updates and review upcoming changes. These discussions will be tailored to the State's needs and scheduled to meet your timing requirements.

The State can also reach out to your relationship manager and management team at any time other than these scheduled touchpoints to provide feedback to us.

Agency-Specific Technical Requirements Nebraska Child Support Payment Center (NCSPC)

Current Process for NCSPC:

Program Description: The NCSPC working with the Nebraska Department of Health and Human Services (DHHS) disburses child support and spousal support payments for the State of Nebraska. Payments are receipted in from employers, paying parents, other State Disbursement Units, financial institutions, government agencies to include the IRS, Nebraska Department of Labor, Nebraska Unclaimed Property, Nebraska Lottery, and others. Federal guidelines require allocation and disbursement of these monies within two business days. Disbursements are made Monday through Friday excluding holidays.

Provider enrollment process:

The parent receiving payments is requested to enroll for direct deposit or an electronic payment card. The NCSPC has a web application which reviews the daily disbursements to see if there are items which can be converted to an electronic disbursement. The parents receiving payments can at any time voluntarily enroll via mail-in form or online at the NCSPC website. The NCSPC is working on a text message enrollment process along with an IVR automated enrollment without the need of a live representative.

State to Contractor enrollment process:

An electronic file of the cardholder information is sent daily to the contractor. The NCSPC also has access to a contractor operated website where enrollment can be made manually in case there are file transmission problems.

Once the enrollment file is received by the contractor, a card package is mailed to the parent receiving payments (Custodial Parent (CP)). The CP receiving payments activates the card by dialing the contractor's toll-free customer service number. Upon card activation, an acceptance file is sent from the contractor to the NCSPC, and payments begin being loaded to the card.

Bidder must respond in a detailed manner to the following agency-specific requirements for NCSPC.

a. Describe bidder's ability to provide enrollment details based on information provided.

Enrollment in the NCSPC program will continue to be achieved with our simple file transfer system. By using daily enrollment files sent via SFTP or manual enrollments via the administrative portal, we are able to issue cards to new enrollees promptly. This allows the State to continue to distribute payments with ease.

A new cardholder account will continue to be set up for each recipient in the enrollment file that is sent by the State via SFTP. Using this enrollment file transfer process allows the State to compile new account information for as many cards as necessary and to transmit the information automatically. Once the enrollment file is received and processed, a new card account is created for each record and that information is sent back via the enrollment acknowledgment file. Within the acknowledgement file, we denote if the record was successful or rejected. For all reject records, a code is included that indicates the issue encountered.

Processing of the enrollment file automatically triggers card production. We will produce and ship a personalized ReliaCard to each recipient the next business day after receiving the enrollment data file, provided we received the file by 5:00 a.m. CT with the relevant information on the first business day.

Cards are shipped first-class mail via the U.S. Postal Service. Our card fulfillment provider is a USPS hub, which helps to ensure prompt delivery of cards. Cardholders are instructed to activate their cards upon receipt.

U.S. Bank sends a daily activation report to notify NCSPC which cards have been activated by the PC and can begin receiving funds.

b. The NCSPC sends an outgoing demographic file to the contractor to update address changes received from Child Support Enforcement (CSE) or the NCSPC. The NCSPC requires the contractor to supply an incoming demographic file to update CSE and the NCSPC of any demographic changes received by the contractor from the CP. Provide details on how bidder will provide an acceptance file to NCSPC.

We will continue to provide reporting to the State via SFTP featuring information on all demographic changes received via the daily Indicative Change report. This report enables the State to keep accurate records by incorporating any demographic changes which are directed to U.S. Bank.

For all new addresses received by customer service or by the State, our systems will be updated via an automated nightly synchronization file (the daily Indicative Change report). Demographic changes are also reported on the next day's Card Account Detail report, which is available on the administrative portal for administrators to view at their convenience.

c. Describe how the bidder can accept the file formats that are documented on Exhibit 6.

As the incumbent prepaid card provider for the NCSPC program, U.S. Bank currently accepts the file formats described in Exhibit 6.

d. Describe payment technology the card is compatible with. (i.e., Google Pay, Apple Pay, Samsung pay etc.)

Provision card to wallet (mobile wallet) is on our short-term roadmap. It will enable the cardholder to use an electronic device or mobile application for making purchases digitally without presenting a physical payment card. This is expected to be supported using applications like Apple® Wallet, Samsung® Pay and/or Google® Wallet. We are in the process of adding enhanced security features and controls for the protection of cardholders and anticipate launching mobile wallet in Q4 2022.

e. Detail funding options: for example: Venmo, SquareCash, Zelle and/or other push to card payment methods.

The State's current ReliaCard programs are non-portable, so funds may not be deposited to the card through person to person (P2P) channels. However, the cardholder may use P2P merchants such as Venmo, PayPal, Cash App and others to initiate a movement of funds from their card to another person. Should NCSPC wish to pursue portability, that would enable the cardholder to receive funds via P2P services.

Agency-Specific Technical Requirements

Department of Health & Human Services (DHHS)

Current Process for Providers:

Program Description: Individual providers have the option to receive payments by direct deposit or Prepaid cards. Providers may provide childcare, escort service, chore service, respite care, transportations, etc. for qualifying DHHS clients.

Enrollment process for Providers:

There are two scenarios:

1. A local DHHS employee offers the payment options to provider as they are enrolled. The provider completes an authorization form and submits it to DHHS. A DHHS employee enters the information in the contractor's website which then generates an enrollment file with the Contractor.
2. If the provider does not select direct deposit or the Prepaid card by the time they are scheduled to receive their first payment, NFOCUS defaults to the Prepaid card as the payment method. A file is sent to the Contractor with the appropriate demographic information and the Contractor mails a Prepaid card to the payee. A second file provides payment information. Payee will have to activate the Prepaid card once received.

State to Contractor enrollment process:

DHHS sends a daily electronic file to the Contractor. Contractor creates an account and mails a Prepaid card to the enrollee, who must call the toll-free number to activate the card. The Contractor sends DHHS a daily electronic file containing information on cards activated. Any payments DHHS generates for that recipient will be applied to the Prepaid card regardless if the card is activated or not.

Current Process for Grant Recipients:

Program Description: The purpose of Aid to Dependent Children (ADC) program is to maintain dependent children in their own homes if possible and to assist parents to provide care essential to healthy growth and development of their children. Assistance through ADC provides financial aid to needy dependent children and to needy parents or relatives who the children are living with. The purpose of this assistance is to strengthen family life and help parents to reach and maintain self-sufficiency and independence.

The Aid to the Aged, Blind, or Disabled (AABD) program was established to provide financial aid and medical assistance to persons in need who are age 65 and older, or who are age 64 and younger and blind or disabled according to the Retirement, Survivors, and Disabled Insurance (RSDI) Supplemental Security Income (SSI) Program definition of blindness or disability (see 469 NAC 2-007.02).

The State Disability Program was established to provide financial aid and medical assistance to persons who are blind or disabled and who meet the program definition of blindness or disability (see 469 NAC 2-007.02) but do not meet the durational requirements.

The purpose of the Child Welfare Payment and Medical Services Program is to provide payments and/or medical assistance for wards, former wards, children who are being adopted with subsidies, families of wards or children at risk of becoming wards, foster parents, and families receiving guardianship subsidies.

Independent Living provides payment for a DHHS ward age 16 or older. A DHHS employee and the ward develop a plan involving education or a training program.

The Low-Income Energy Assistance Program (LIHEAP) helps people with limited incomes offset the cost of heating and cooling their homes. In most instances the LIHEAP payment is sent to the utility providers however in certain situations, the payment is made directly to the client. Some of these payments are made to the EPC.

Program Client enrollment process:

Local office DHHS caseworkers of ACCESSNebraska staff will determine eligibility for one or more of the programs listed above. Cash grant recipients have the option of receiving payments via direct deposit or EPC. DHHS staff updates NFOCUS with requests for the EPC and retains a record of the request in the cash file. Payments are then generated to the recipient.

If the client does not select direct deposit or Prepaid card before the first payment, NFOCUS defaults to Prepaid card as the payment method. A file is sent to the contractor with the appropriate demographic information and the contractor mails a Prepaid card to the recipient. An additional file provides payment information. Payee will need to activate the EPC once received.

State to Contractor enrollment process:

DHHS sends a daily electronic file to the contractor. Contractor creates an account and mails a card to the enrollee, who must call the toll-free number to activate the card. The contractor sends DHHS an electronic file notifying of the card activation.

Bidder must respond in a detailed manner to the following agency-specific requirements for DHHS.

- a. Detail bidder's ability to provide enrollment details for DHHS based on the above information.

Enrollment in the DHHS program will continue to be achieved using our simple file transfer system. By using daily enrollment files sent via SFTP, we are able to issue cards to new enrollees promptly. This allows the State to continue to distribute payments with ease.

A new cardholder account will continue to be set up for each recipient in the enrollment file that is sent by the State via SFTP. Using this enrollment file transfer process allows the State to compile new account information for as many cards as necessary and to transmit the information automatically. Once the enrollment file is received and processed, a new card account is created for each record and that information is sent back via the enrollment acknowledgment file. Within the acknowledgement file, we denote if the record was successful or rejected. For all reject records, a code is included that indicates the issue encountered. As soon as the enrollment file is processed, the cards can be funded.

Processing of the enrollment file automatically triggers card production. We will produce and ship a personalized ReliaCard to each recipient the next business day after receiving the enrollment data file, provided we received the file by 5:00 a.m. CT with the relevant information on the first business day. Cards are shipped first-class mail via the U.S. Postal Service. Our card fulfillment provider is a USPS hub, which helps to ensure prompt delivery of cards.

b. Cardholder is responsible to notify contractor and DHHS of address changes. DHHS and the contractor will not exchange computer files containing any demographic updates. Detail bidder's method of processing address changes.

Cardholders will continue to have the ability to update their address via the ReliaCard website or by calling customer service and speaking with a representative.

c. Describe the procedures to change the process to exchange information noted in question b if the program decides they want the demographic information shared.

We have the ability to provide reporting to DHHS via SFTP featuring information on all demographic changes received via the daily Indicative Change report. This report enables DHHS to keep accurate records by incorporating any demographic changes which are directed to U.S. Bank.

For all new addresses received by customer service or by DHHS, our systems will be updated via an automated nightly synchronization file (the daily Indicative Change report). Demographic changes are also reported on the next day's Card Account Detail report, which is available on the administrative portal for administrators to view at their convenience.

Your relationship manager, Kelli Keller, will work with DHHS to set up the automatic file transfer if DHHS decides to implement this process.

d. Describe the level of detail the bidder can provide in response to queries by DHHS staff regarding debits to the cardholder's account, cancellations and other card-related actions taken by the contractor.

Cardholder account usage information is provided in aggregate reports available from this portal. Due to cardholder privacy laws, we cannot provide information about individual cardholder transactions. U.S. Bank will provide details about DHHS loads to cards, card status and card accounts that are closed, either by the cardholder or by U.S. Bank. Authorized DHHS staff will continue to have access to pertinent information via the administrative portal.

e. The Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96) enacted on February 22, 2012 requires states receiving Federal TANF funds "to prevent assistance provided under the State program funded under this part from being used in any electronic benefit transaction in any liquor store; any casino, gambling casino or gaming establishment; or any retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment." The bidder shall describe actions it will take, upon approval by DHHS, to assist in complying with this law. These actions may include, but are not limited to, blocking the Prepaid card's MCC at certain types of merchants and/or ATMs, producing and mailing notices to EPC cardholders and other actions.

The existing DHHS ReliaCard program with U.S. Bank is already restricted from transactions at several MCCs, including liquor stores, casinos, bars, lounges and gambling transactions. We would be happy to work with DHHS should any additional MCC blocks be required.

f. Describe bidder's ability to accept file formats as established in Exhibit 7.

As the incumbent prepaid card provider for the DHHS program, U.S. Bank currently accepts the file formats described in Exhibit 7.

Agency-Specific Technical Requirements NE Department of Labor (DOL) – Unemployment Insurance

Current Process for DOL:

Program Description: Unemployment Insurance pays benefits to those unemployed and underemployed individuals who meet monetary and other eligibility criteria. Nebraska pays benefits on a weekly basis. Payments are currently about 35% debit cards and 65% direct deposits. Payments increase in the winter months when seasonal companies experience layoffs.

Provider enrollment process:

Claimant files a claim and selects a method of payment through an automated phone system or a website. Claimant can change method of payment while the claim is active unlimited times. If a claimant selects a prepaid card at any time for payment, and switches between payment types in the same claim year, the original prepaid card will be used as opposed to reissuing a new card. If the claimant does not have their card, they will be told to contact the contractor directly to obtain a replacement card.

State to Contractor enrollment process:

An electronic file is sent daily with cardholder information. A new claim means a new card enrollment and a new card will be sent to the claimant. An enrollment for a prepaid card is sent when the claimant meets the first week of eligibility or is in a pay status. DOL will only send one enrollment per the life of a claim (no more than a 52-week period). There may be exceptions with Trade and Extended Unemployment Compensation (EUC) claims which may allow payments to be made on a claim beyond a 52-week period.

Bidder must respond in a detailed manner to the following agency-specific requirements for NE Department of Labor (DOL).

a. Detail ability to receive the electronic files with enrollment data from DOL based on the above information.

Enrollment in the Unemployment Insurance (UI) program will continue to be achieved using our simple file transfer system. By using daily enrollment files sent via SFTP, we are able to issue cards to new enrollees promptly. This allows the State to continue to distribute payments with ease.

A new cardholder account will continue to be set up for each recipient in the enrollment file that is sent by the State via SFTP. Using this enrollment file transfer process allows the State to compile new account information for as many cards as necessary and to transmit the information automatically. Once the enrollment file is received and processed, a new card account is created for each record and that information is sent back via the enrollment acknowledgment file. Within the acknowledgement file, we denote if the record was successful or rejected. For all reject records, a code is included that indicates the issue encountered. As soon as the enrollment file is processed, the cards can be funded.

Processing of the enrollment file automatically triggers card production. We will produce and ship a personalized ReliaCard to each recipient the next business day after receiving the enrollment data file, provided we received the file by 5:00 a.m. CT with the relevant information on the first business day. Cards are shipped first-class mail via the U.S. Postal Service. Our card fulfillment provider is a USPS hub, which helps to ensure prompt delivery of cards.

b. Cardholder must provide address changes directly to the contractor and DOL. DOL will not send address updates to the contractor and DOL does not request address changes from the contractor. Describe bidder's methods of processing address changes.

Cardholders will continue to have the ability to update their address via the ReliaCard website or by calling customer service and speaking with a representative.

c. Describe bidder's ability to accept file formats as established in Exhibit 8.

As the incumbent prepaid card provider for the Unemployment Insurance program, U.S. Bank currently accepts the file formats described in Exhibit 8.

Agency-Specific Technical Requirements

University of Nebraska - Stipends

Current Process for University of Nebraska - Stipends:

Program Description: The Athletic Department began using the Card program in August 2010 to load payments to student athletes on a debit card. The program was used to eliminate the need for State warrants. The program is mandatory for all University student athletes. Scholarship monthly stipends for international student athletes, reimbursement for books and supplies, team travel money and any other payments/reimbursements are all “loaded” on their card.

Provider enrollment process:

The Athletic Compliance Office gathers the information required to enroll each athlete in the card program. The information is submitted to the contractor via a spreadsheet for high volume periods and entered on the contractor’s website for individual enrollments. Due to students changing addresses frequently, the contractor must mail all cards to the Athletic Compliance Office. Student athletes are responsible to update the Athletic Compliance Office with their permanent address.

Bidder must respond in a detailed manner to the following agency-specific requirements for University of Nebraska - Stipends.

a. Detail bidder’s ability to accept enrollment details from the University – Stipends program based on the above information.

U.S. Bank will continue to accept enrollment details for the University of Nebraska – Stipends (Lincoln Athletics) Focus Card program using the established methods. Once the enrollment information is collected, your team can easily enroll all card program participants using one of the following options:

■ Administrative portal

- **Manual data entry** – Athletes can be individually enrolled directly on the administrative portal, allowing for near real-time enrollments.
- **Batch file upload** – Multiple athletes can be enrolled at one time by uploading a CSV file containing all required information. Once the file is processed, the card account is created, allowing cards to be funded immediately.

Cardholder Card ID	Participant ID	New Card Password	Last Name	First Name	Middle Initial	Mailing Address Line 1	Mailing Address Line 2	City	State	Country	Postal Code	Date of Birth	Social Security Number
2090317443	KX12345678		Yentes	Krist		200 South 8th Street	SP MN L38C	Minneapolis, MN	US		55402	19801201	123456789
6X12345678			Yentes	Krist		201 South 8th Street	SP MN L38C	Minneapolis, MN	US		55402	19801201	123456789

Once a new account enrollment file is received from Lincoln Athletics, a new card account is created for each record immediately upon processing the file. Individual funding account numbers are created and provided back to Lincoln Athletics in the enrollment acknowledgment file that is sent to Lincoln Athletics within two hours or less of processing the file. Lincoln Athletics can begin funding the card accounts immediately upon receipt of the acknowledgement file, even the same day on newly established accounts.

b. Student Athletes must provide address changes directly to the contractor and Athletic Compliance Office. The Athletic Compliance Office will not send address updates to the contractor and does not request address changes from the contractor. Describe bidder's methods of processing address changes.

Student athletes will continue to have the ability to update their address via the Focus Card website or by calling customer service and speaking with a representative.

Agency-Specific Technical Requirements NE Department of Correctional Services (NDCS) – Community Correctional

Centers Current Process for NDCS – Community Correctional Centers:

Location of Program Recipients: Community Correctional Center Omaha, – average population 174 including furloughs Community Correctional Center Lincoln, – average population 602 including furloughs

Program Description: NDCS provides inmates housed in two Community Correctional Centers a branded prepaid card to help them transition back to living in society. A prepaid card is used for making purchases or obtaining cash via an ATM. The Community Correctional Centers allow inmates a limited amount of cash via ATM at the facility or ATMs in the community.

NDCS will load cards once per week in amounts ranging from \$5 - \$1500 per inmate. At times circumstances will exist that require an emergency load of funds for immediate need, so a method must be provided for this to occur. A load file will be transferred from NDCS to the contractor. The load file will be sent via email along with a request to transfer the file balance from the NDCS bank account.

NDCS will require the cards issued under this program to have certain MCC blocked to restrict access to purchases that inmates are not allowed to make while living in Community Correctional Centers.

Inmates living in Community Correctional Centers are responsible to manage their cash/purchases within NDCS rules and regulations. To regulate these purchases, NDCS requires certain staff to be able to access online, real time transaction information. Available information must include vendor, transaction amount, and date of transaction. Both staff and inmates must have access to account balances. NDCS staff track inmate purchases to ensure transactions purchased are within NDCS guidelines. NDCS also requires a limit to daily withdrawals and daily point of sale transactions. The bidder should provide information on the possible type of account restrictions available.

Following are current restrictions:

- One (1) ATM withdrawal per day based on NDCS's limit, currently set at \$80 with the ability to request to change that amount by NDCS
- Five (5) PIN-Based Point of Sale (POS) transactions per day not to exceed \$300 in total, with the ability to request a change to the amount by NDCS
- Five (5) Signature Based POS transactions per day not to exceed \$300 in total requests, with the ability to request a change to the amount by NDCS
- No cash withdrawals at any bank via a teller
- No pay-at-the-pump use
- No website access.

Provider enrollment process:

NDCS employee enters inmate information and an electronic file from the NDCS mainframe is sent to the contractor to enroll new cardholders.

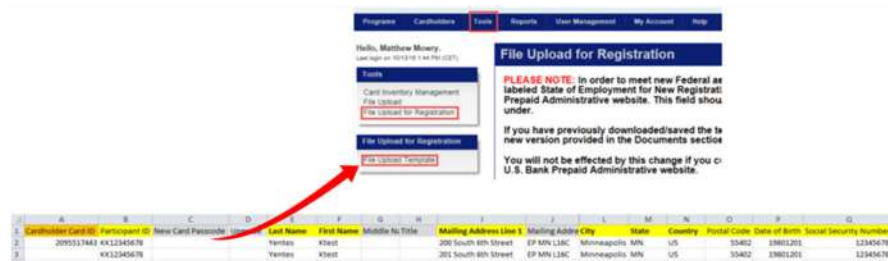
Bidder must respond in a detailed manner to the following agency-specific requirements for NDCS.

a. Detail the bidder's ability to accept enrollment details from NDCS based on the above information.

U.S. Bank will continue to accept enrollment details for the NDCS Elan Prepaid Card program using the established methods. Once the enrollment information is collected, your team can easily enroll all card program participants using one of the following options:

■ Administrative portal

- **Manual data entry** – Inmates can be individually enrolled directly on the administrative portal, allowing for near real-time enrollments.
- **Batch file upload** – Multiple inmates can be enrolled at one time by uploading a CSV file containing all required information. Once the file is processed, the card account is created, allowing cards to be funded immediately.



Once a new account enrollment file is received from NDCS, a new card account is created for each record immediately upon processing the file. Individual funding account numbers are created and provided back to NDCS in the enrollment acknowledgment file that is sent to NDCS within two hours or less of processing the file. NDCS can begin funding the card accounts immediately upon receipt of the acknowledgement file, even the same day on newly established accounts.

b. NDCS has circumstances where an emergency load of funds needs to occur. Detail the process(es) to load the cards. After the file is received, how quickly can funds be loaded to a card?

By continuing to maintain a balance in the virtual adjustment account, NDCS can ensure funds are available for emergency card funding in real time via the administrative portal.

c. Describe the bidder's ability to allow NDCS staff to be able to access real-time transaction information on the cards issued under this program online, this is a requirement. Information must include vendor, transaction amount, and date of transaction.

NDCS staff will continue to have the ability to view individual card transaction details via the administrative portal, including vendor, transaction amount and date of transaction.

d. Detail all methods available for NDCS staff and inmates to obtain card balances.

NDCS staff will continue to have the ability to view card balances via the administrative portal. Additionally, NDCS staff can be given access to our new card balance and transaction reports available via the administrative portal.

Cardholders can call the toll-free customer service number to obtain card balance information via the IVR or by speaking to a customer service representative.

e. NDSC has restrictions for inmate cards. Describe how the bidder can set limitations including, but not limited to the following:

- One (1) ATM withdrawal per day ranging from \$80 to \$150
- Five (5) PIN Based Point of Sale (POS) transactions per day not to exceed \$300 in total
- Five (5) Signature Based POS transactions per day not to exceed \$300 in total
- No withdrawals of cash at a bank via a teller
- No pay at the pump use
- No website access for inmates

The transaction limits currently in place on the NCDS Elan Prepaid Card program are noted in the chart below. The program is also restricted from cash withdrawals at a bank teller, automated fuel dispenser transactions and website access for inmates. If additional restrictions or changes to transaction limits are required, U.S. Bank will work with NCDS to ensure the necessary settings are implemented.

Elan Prepaid Card Transaction Limits – Community Correctional Center	
For security reasons, there are limitations on the number and amount of transactions that you may perform with your Card. There may be additional limits on the amount, number or types of transactions you can make using your Card and for security reasons we do not disclose these limits. Daily limits are based on a rolling 24-hour period. Limits are subject to change from time to time. You will receive prior notice of such changes to the extent required by applicable law.	
Maximum Card Balance at any time	\$5,000
Maximum Daily Debits	5 transactions and \$640 per day
ATM Withdrawals	1 transaction and \$85 per day
Purchases at the Point of Sale (including cash over the amount of purchase)	5 transactions and \$300 per transaction/\$600 per day
Maximum Daily Credits	10 transactions and \$5,000 per day
Returns and Refunds	May not exceed 4 transactions per day

f. Describe options available to restrict cash back with a vendor purchase.

The existing NCDS Elan Prepaid Card program is restricted to five PIN-based point-of-sale transactions per day not to exceed \$300 per transaction and \$600 per day, including any cash back with purchase.

g. Inmates are not always incarcerated under their legal name or sometimes change their legal name while in prison. Describe how the bidder can print both the incarcerated and legal name and the inmate identification number on the card.

Due to space limitations on the front of the card, we are only able to emboss a single name and the inmate identification number on the card. It is our preference to use the legal name for the recipient. If the individual changes their name legally while they are using the card, we can reissue the card in the new name using the standard change of name process. For other situations, we need to consider cardholder identification protocol and banking requirements/implications and will work with the State on a go forward basis to explore the available options.

h. NDCS accounting staff will need the ability to place debit cards in a hold status, update SSN, update mailing address, reset PIN lockout, and print statements. Detail the process NDCS staff will use to perform each of the requirements listed.

NDCS staff will continue to have the ability to place cards in a hold status, update Social Security number (SSN), update mailing address, reset PIN lockout, and print statements via the U.S. Bank administrative portal.

i. If an inmate is transferred out of the Community Correctional Center and returned to a secure institution, the contractor is required upon notification from NDCS to cancel the card and return the funds to NDCS. Detail the process NDCS should follow. Bidder must include the time frame for returning these funds.

NDCS staff will continue to contact our client support team via email when a card needs to be canceled and funds returned to the agency. Funds are returned to the State within one to two days after processing the card account closure.

j. Describe how all statements must be sent to NDCS accounting for distribution to the inmates with inmate identification number printed on the statement.

The current NDCS program is set up to automatically send recurring monthly statements to NDCS accounting for distribution to inmates. Monthly statements currently display inmate name and NDCS address, however, we would be happy to discuss options for displaying inmate identification number on the monthly statement if required by the State.

k. Describe options available for the bidder to provide an ATM in the facilities for inmate use.

U.S. Bank does not currently have the ability to provide an ATM in the facilities for inmates to use.

l. The bidder must reference Exhibit 9 and detail bidder's ability or inability to accept file formats in Exhibit 9.

U.S. Bank will continue to accept files in the formats provided in Exhibit 9.

Agency-Specific Technical Requirements NE Public Employees Retirement System (NPERS)

Current Process for NPERS:

Program Description: NPERS, under the direction of the Public Employees Retirement Board (PERB), administers five mandatory and one voluntary, statewide retirement systems for the State of Nebraska.

All retirement plans administered by NPERS are governmental plans as defined under Internal Revenue Code § 414(d), § 401(a), § 457 and 29 U.S.C. § 1002(32). The five mandatory plans NPERS administers are for State, County, School, Judges and Patrol employees. The sixth plan is the voluntary Deferred Compensation Plan (DCP). All plans are eligible to participate in the card program.

NPERS makes approximately 367,000 annuity payments annually, totaling \$764,357,000 to retirees.

NPERS offers a card program to retirees as an additional payment option for receiving retirement benefits. In 2020, there were approximately 1,865 new retirees enrolled between the five plans. The average monthly retiree payment is \$2,069. Retirees eligible for benefit payments under multiple programs currently receive separate payments. NPERS would be interested in having multiple retirement program payments loaded to the same card for individual retirees.

Provider enrollment process:

If a member elects a refund, a lump sum payout, a systematic withdrawal, or a benefit election, and they request payment via the prepaid card, information is entered on the Contractor's administrative website.

Bidder must respond in a detailed manner to the following agency-specific requirements for NPERS.

a. Detail bidder's ability to accept enrollment details for NPERS based on the above information.

U.S. Bank will continue to accept enrollment details for the NPERS ReliaCard program using the established methods. Once the enrollment information is collected, your team can easily enroll all card program participants using one of the following options:

Administrative portal

- **Manual data entry** – Retirees can be individually enrolled directly on the administrative portal, allowing for near real-time enrollments.
- **Batch file upload** – Multiple retirees can be enrolled at one time by uploading a CSV file containing all required information. Once the file is processed, the card account is created, allowing cards to be funded immediately.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
Cardholder Card ID	Participant ID	New Card Passcode	Last Name	First Name	Middle Initial	Mailing Address Line 1	Mailing Address Line 2	City	State	Country	Postal Code	Date of Birth	Social Security Number			
2095517443	4X12345678		Veritas	Ktest		200 South 6th Street	EP MN L18C	Minneapolis	MN	US	55402	2901201	123456789			
	XX12345678		Veritas	Ktest		201 South 6th Street	EP MN L18C	Minneapolis	MN	US	55402	2901201	123456789			

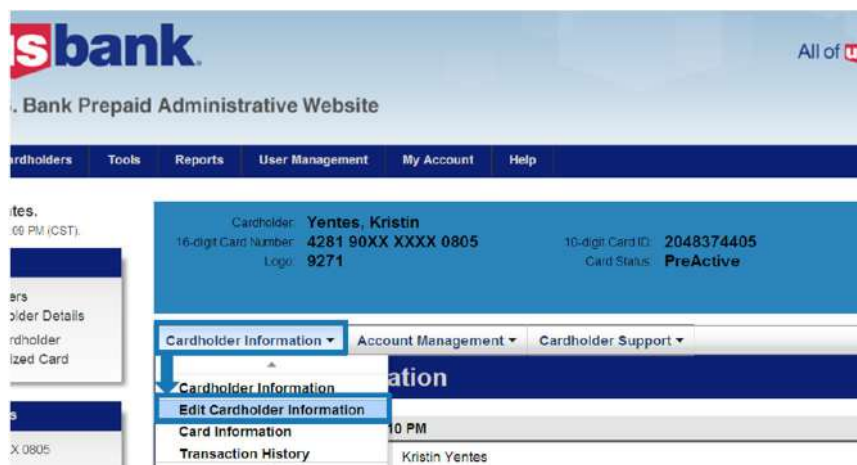
Once a new account enrollment file is received from NPERS, a new card account is created for each record immediately upon processing the file. Individual funding account numbers are created and provided back to NPERS in the enrollment acknowledgment file that is sent to NPERS within two hours or less of processing the file. NPERS can begin funding the ReliaCard accounts immediately upon receipt of the acknowledgment file, even the same day on newly established accounts. Payments from multiple programs may be loaded by NPERS to the same card.



The card order is then sent to our card provider who will produce and ship personalized cards the next business day after receiving the enrollment data file (provided we received the file by 5:00 a.m. CT with the relevant information on the first business day). Cards are shipped first-class mail via the U.S. Postal Service. This process allows for us to process enrollments and mail completed card the next business day.

b. The cardholder is required to contact NPERS of any address changes. NPERS will use the bidder's online solution to make the change. Describe the bidder's process for address changes.

Authorized NPERS administrators will continue to use the U.S. Bank administrative portal to update cardholders' addresses. The administrator simply logs in, searches for the cardholder by name and/or unique identifier (i.e., 10-digit card ID, Social Security number), then selects "Edit Cardholder Information" (shown below) to update the address.



Agency-Specific Technical Requirements NE Workers' Compensation Court (NWCC)

Current Process for NWCC:

Program Description: The mission of the NWCC is to administer and enforce all provision of the Nebraska Workers' Compensation Act, except those provisions that are committed to the courts of appellate jurisdiction or as otherwise provided by law.

The Vocational Rehabilitation Section is responsible for reviewing and approving proposed vocational rehabilitation plans, certifying vocational rehabilitation counselors and job placement specialists, and appointing a vocational rehabilitation counselor if the parties cannot agree on the selection. The progress of injured workers in an approved plan is monitored, and all payments from the Workers' Compensation Trust Fund for plan expenses must be approved by the vocation rehabilitation section.

Claimants eligible to participate in the Prepaid Card program are injured workers participating in approved vocational rehabilitation plans who are eligible for reimbursement of mileage, supplies, books, and other expenses. Payments are made upon request by claimants. Claimants participate in approved vocational rehabilitation plans that vary in length from 90 days up to four (4) years or more.

Provider enrollment process:

Two days after a vocational rehabilitation plan is approved, a letter with a direct deposit enrollment form and a Prepaid Card payment authorization form is sent to the claimant. The claimant has 30 days to return either the direct deposit form or the stored value card payment authorization form. If the NWCC does not receive either form, the claimant is automatically enrolled in the Prepaid Card program.

State to Contractor enrollment process:

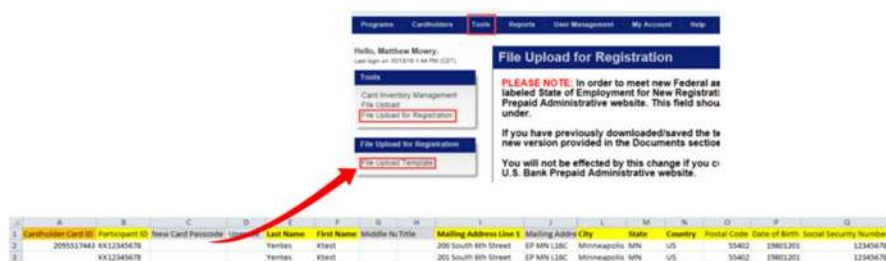
Once a payment authorization form is received by the NWCC accounting section, the information is logged into the contractor's Admin Site to enroll the claimant. This enrollment creates a cardholder account in the contractor's program. Once the account is created the vendor sends a Prepaid Card directly to the cardholder, who must activate the card.

Bidder must respond in a detailed manner to the following agency-specific requirements for NE WCC.

a. Detail the bidder's ability to accept enrollment details from NWCC based on the above information.

U.S. Bank will continue to accept enrollment details for the NWCC ReliaCard program using the established methods. Once the enrollment information is collected, your team can easily enroll all card program participants using one of the following options:

- **Administrative portal**
 - **Manual data entry** – Claimants can be individually enrolled directly on the administrative portal, allowing for near real-time enrollments.
 - **Batch file upload** – Multiple claimants can be enrolled at one time by uploading a CSV file containing all required information. Once the file is processed, the card account is created, allowing cards to be funded immediately.



Once a new account enrollment file is received from NWCC, a new card account is created for each record immediately upon processing the file. Individual funding account numbers are created and provided back to NWCC in the enrollment acknowledgment file that is sent to NWCC within two hours or less of processing the file. NWCC can begin funding the ReliaCard accounts immediately upon receipt of the acknowledgement file, even the same day on newly established accounts.

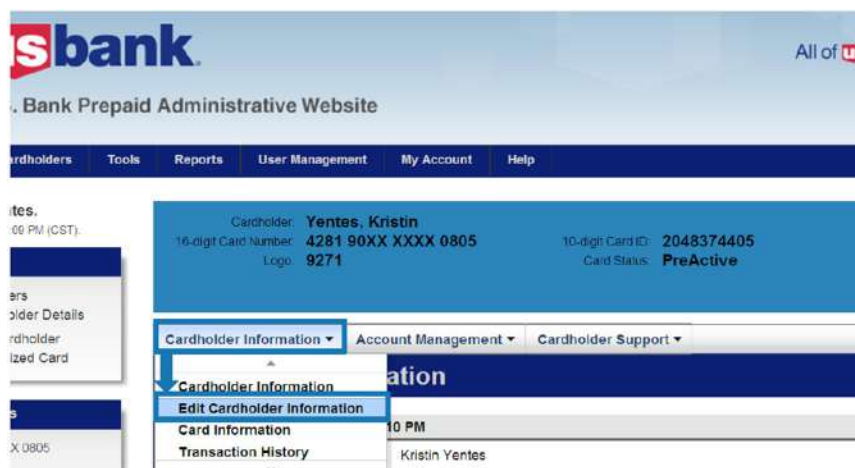
Card issuance process



The card order is then sent to our card provider who will produce and ship personalized cards the next business day after receiving the enrollment data file (provided we received the file by 5:00 a.m. CT with the relevant information on the first business day). Cards are shipped first-class mail via the U.S. Postal Service. This process allows for us to process enrollments and mail completed card the next business day. Cardholders are instructed to activate their card upon receipt.

b. The cardholder is required to contact NWCC of any address change. The NWCC is responsible for changing the claimant's address using the bidder's online solution. Describe the bidder's process for address changes.

NWCC administrators can use the Indicative Data Change report to synchronize cardholder records with updated addresses. They can also continue to use the U.S. Bank administrative portal to update cardholders' addresses. To update a cardholder address, the administrator simply logs in, searches for the cardholder by name and/or unique identifier (i.e., 10-digit card ID, Social Security number), then selects "Edit Cardholder Information" (shown below) to update the address.



c. Pay-at-the-pump is not allowed for fuel purchases; however, the cardholder may go inside to purchase fuel. Describe the bidder's ability to restrict pay at the pump purchases.

The existing NWCC ReliaCard program with U.S. Bank is already restricted from automated fuel dispenser (AFD) transactions. Cardholders may pre-pay for fuel using their card inside the merchant location. We would be happy to work with NWCC should any additional MCC blocks be required.

Agency-Specific Technical Requirements

Office of Public Guardianship (OPG)

Current Process for OPG:

Program Description: The Prepaid Card Program enables the OPG to provide forward expenditures in a safe and accountable manner. Wards who have the capability to manage some of their finances are assigned a Prepaid Card for specific expenditures. Individuals without capacity to engage in financial transactions for themselves can benefit from the guardian's use of a wards Prepaid Card to order, track and deliver ward purchases across Nebraska. The card allows for monitoring and documentation of ward finances, including monthly receipts of ward expenditures.

The OPG as fiduciary of ward funds provides unique services through the Prepaid Card in comparison to other state entities. The funds managed through the OPG Prepaid Card program are not state funds but are ward funds entrusted to the OPG as fiduciary to manage for the benefit of each ward. The OPG uses Prepaid Cards to provide funds and services to individual wards, from ward specific accounts. The OPG assigns the unique client number for ward cards. Individual ward funds are loaded by ACH transactions to specific ward Prepaid Cards that are available for ward purchases and services. The program provides centralized management of ward finances but is used at a multitude of vendors for purchases throughout the state.

The fiduciary role of the OPG requires additional administrative controls regarding the issuance and replacement of cards as compared to other programs. Separation of duties, by OPG staff, ensures the protection of ward funds through functional checks and balances unique to staff members. One staff member requisitions ward funds for expenditures within the OPG, a different OPG staff member loads ward funds from the ward account onto the Prepaid Card. The ward, or first staff member, can complete the purchase or expenditure. Receipts for deposits and disbursements with the Prepaid Card is recorded, saved, and the ward account is reconciled monthly.

The unique function of the Prepaid Card for OPG wards means the cards are loaded and utilized multiple times throughout a month for each ward. Depending on the level of fiduciary control required by the ward's incapacity, some wards have additional cards for tracking specific funds. Additionally, due to the chaos some wards experience, it is paramount OPG be able to expediently load Prepaid Cards for emergency housing, medical and food and be able to transfer funds between the wards' cards. The Prepaid Cards are an invaluable tool in the management of ward finances by the OPG.

Provider enrollment process: Once an enrollment form is received, OPG staff logs into the contractor's Admin Site and enrolls the ward. Enrollment creates a cardholder account in the contractor's program and a Prepaid Card is sent to the cardholder, who must activate the card.

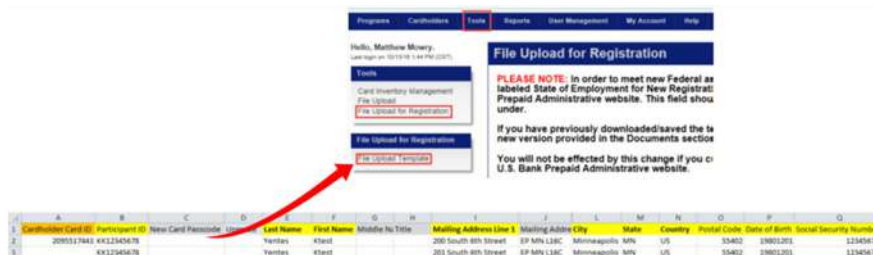
Bidder must respond in a detailed manner to the following agency-specific requirements for OPG

a. Detail bidder's ability to accept enrollment information from OPG based on the above information.

U.S. Bank will continue to accept enrollment details for the OPG ReliaCard program using the established methods. Once the enrollment information is collected, your team can easily enroll all card program participants using one of the following options:

- **Administrative portal**
 - **Manual data entry** – Wards can be individually enrolled directly on the administrative portal, allowing for near real-time enrollments.

- **Batch file upload** – Multiple wards can be enrolled at one time by uploading a CSV file containing all required information. Once the file is processed, the card account is created, allowing cards to be funded immediately.



Once a new account enrollment file is received from OPG, a new card account is created for each record immediately upon processing the file. Individual funding account numbers are created and provided back to OPG in the enrollment acknowledgment file that is sent to OPG within two hours or less of processing the file. OPG can begin funding the ReliaCard accounts immediately upon receipt of the acknowledgement file, even the same day on newly established accounts.

Card issuance process



The card order is then sent to our card provider who will produce and ship personalized cards the next business day after receiving the enrollment data file (provided we received the file by 5:00 a.m. CT with the relevant information on the first business day). Cards are shipped first-class mail via the U.S. Postal Service. This process allows for us to process enrollments and mail completed card the next business day. Cardholders are instructed to activate their card upon receipt.

Agency-Specific Technical Requirements NE Department of Administrative Services (DAS) – Payroll

Current Process for DAS - Payroll:

Program Description: This program is designed to allow state employees an alternative to the other two methods of receiving pay - receiving a direct deposit into their checking account or receiving a warrant (check) for their pay.

Currently over 95% of state employees receive their pay as a direct deposit. Our long-term goal is to eliminate warrants and the Prepaid card is a great boost to reaching that goal. One of the drawbacks to direct deposits is that the employee must establish a banking relationship, and some employees do not have a bank account. The payroll card eliminates this requirement. In addition, the payroll card offers much more security than the cash received from a cashed warrant. It also provides the ability to have the funds available to the employee the first thing on payday, so the employee does not have to wait until the warrant arrives in the mail the day after payday, or even later, depending on mail delivery times. Lost or undelivered warrants will become a thing of the past. Many employees who have direct deposit also have a payroll card as it allows them to have some of their pay deposited directly onto their payroll card to take advantage of the debit card feature.

Provider enrollment process:

DAS Payroll employees enter the application information for the Prepaid card directly into the account setup program supplied by the vendor. Account numbers generated for this payroll card use a static prefix supplied by the vendor to which DAS Payroll adds the employee's address book (or employee) number. The static prefix was prescribed by the vendor to denote a payroll account in Nebraska, thus the ending of the prefix is NE. (Any numbering system can be used if it includes the address book (employee number) to identify the employee). All other information required to create the account is supplied by the employee or gleaned from the State Accounting payroll system.

The contractor must provide DAS Payroll with the security to access the account setup process, directions, the ability to establish a new account, and the ability to review and change demographic information for the cardholder when required to do so. State Accounting needs to have access to employee accounts online to ensure direct deposit amounts were credited to employees. Contractor must provide DAS Payroll with a supply of cards. Once information is entered into the system; the card is mailed to the employee by DAS Payroll.

The supply of cards will also be used to reissue lost or stolen cards immediately to the employee by DAS Payroll. This process must include automatically loading the balance on a lost or stolen card onto the replacement card.

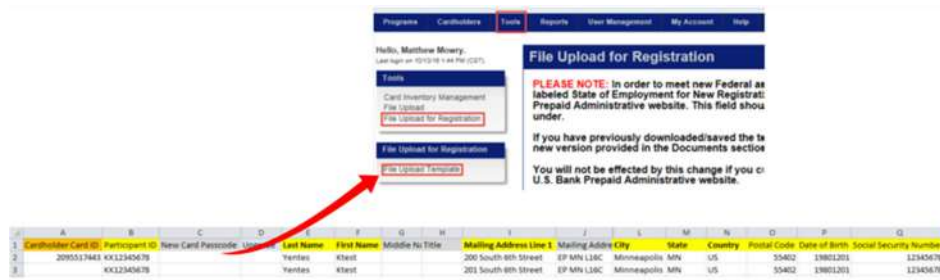
Bidder must respond in a detailed manner to the following agency-specific requirements for DAS.

a. Detail the Bidder's ability to accept enrollment information from DAS Payroll based on the above information.

U.S. Bank will continue to accept enrollment details for the DAS Focus Card program using the established methods. Once the enrollment information is collected, your team can easily enroll all card program participants using one of the following options:

▪ **Administrative portal**

- **Manual data entry** – Employees can be individually enrolled directly on the administrative portal, allowing for near real-time enrollments.
- **Batch file upload** – Multiple employees can be enrolled at one time by uploading a CSV file containing all required information. Once the file is processed, the card account is created, allowing cards to be funded immediately.



Once a new account enrollment file is received from DAS a new card account is created for each record immediately upon processing the file. Individual funding account numbers are created and provided back to DAS in the enrollment acknowledgment file that is sent to DAS within two hours or less of processing the file. DAS can begin funding the Focus Card accounts immediately upon receipt of the acknowledgement file, even the same day on newly established accounts.



The card order is then sent to our card provider who will produce and ship personalized cards the next business day after receiving the enrollment data file (provided we received the file by 5:00 a.m. CT with the relevant information on the first business day). Cards are shipped first-class mail via the U.S. Postal Service. This process allows for us to process enrollments and mail completed card the next business day. Cardholders are instructed to activate their card upon receipt.

b. Account numbers generated for the payroll card use a static prefix supplied by the vendor to which DAS Payroll adds the employee's address book (or employee) number. Detail the bidders account number generation process.

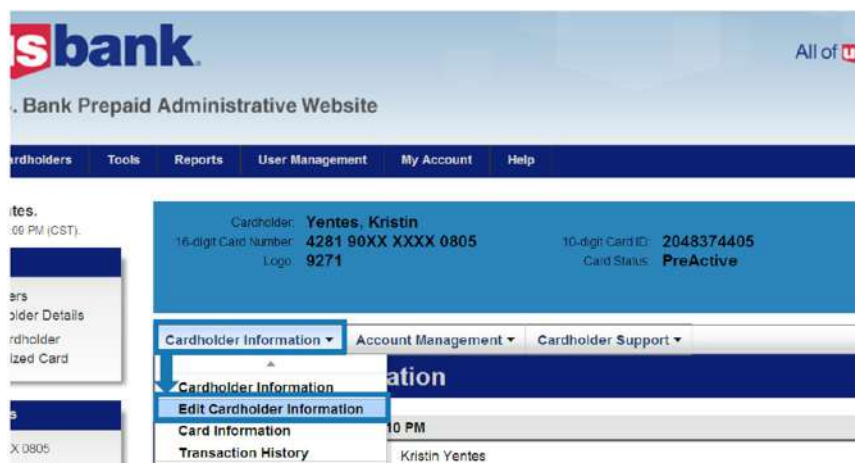
The funding account number for each employee will continue to consist of a 3-digit program leader code (defined by U.S. Bank) and a unique 10-digit card ID provided by DAS Payroll. The employee's account information is returned to the State in the acknowledgement file via the same method as it was received, SFTP or administrative portal reporting.

The card number and the account number are linked but not identical. The cardholder's 13-digit account number will be used by the State to fund the card and allows us to easily replace the card (if lost, stolen or expiring) without affecting the funding workflow. With the use of a funding account number, we

eliminate the need for account maintenance to support continuous funding by the State. Funds will automatically be loaded to the employee's most recent card in our system.

c. The cardholder is required to contact DAS payroll with any address changes. DAS Payroll will use the bidder's online solution to make the change. Describe bidder's online address change process.

Authorized DAS administrators will continue to use the U.S. Bank administrative portal to update cardholders' addresses. DAS administrators can access the Card Account Detail report to verify current cardholder addresses. Then, the administrator simply logs in, searches for the cardholder by name and/or unique identifier (i.e., 10-digit card ID, Social Security number), then selects "Edit Cardholder Information" (shown below) to update the address.



d. DAS payroll must have an inventory of prepaid cards available for initial enrollment and replacement cards. Describe bidder's ability to provide an inventory of blank cards to DAS payroll.

Instant issue cards can be kept at your locations for immediate issuance including distribution to first day employees. This will allow for the first paycheck to be placed on the card. The administrative portal allows for real-time access to new account enrollments and funding. Instant issue cards may also be issued as replacements for lost or stolen cards.

e. Describe the process to transfer funds from a lost or stolen card to a replacement card.

If a card is lost, stolen or damaged, cardholders report it at any time by calling the 24/7 customer service line. After the representative verifies the cardholder's identity, the missing card is deactivated, and the new card initiated. Reissued personalized cards are typically mailed within two business days. Upon receipt of the reissued card, the cardholder will be instructed activate the new card via IVR or the website.

Alternatively, if instant issue cards are used, an employee may obtain a replacement card from your administrator and then call our customer service center to link the new card to their existing account. The new instant issue card can be used permanently by the employee or they may request a personalized card be sent to them, at no cost, as a replacement.

Upon card activation, our platform will link the new card number to the existing card's funding account number. Funds are automatically transferred from the old card to the new card upon activation and are available for immediate use.

Agency-Specific Technical Requirements Nebraska University (NU) & Nebraska State College System (NSCS)- Payrolls

Current Process for NU and NSCS – Payrolls:

Program Description: The Payroll prepaid card program allows NU and NSCS to offer employees an alternative option for receiving pay should they not have an established checking or savings account for direct deposit.

Currently, NU has many employees receiving pay as direct deposit(s) and NSCS has 100% of employees receiving pay as direct deposit(s). On average NU has approximately 15 warrants per month. The payroll card has been an asset in reducing some of these recurring warrants. In addition, the payroll card offers the cardholders more personal control and security than a warrant.

Current Enrollment process:

Participating employee completes a single paper form at their campus/college payroll department. The enrollment/setup form is required to input information into payroll system and establish the payroll card with the contractor. Completed forms are remitted to centralized offices at NU & NSCS. Identified staff then utilize the contractor's website to request a card and build a profile. Once an employee is set up, the contractor sends the payroll card and applicable information directly to the employee.

Future enrollment process:

NU & NSCS is interested in an electronic method which would enable the enrollment data to flow to the contractor as well as properly set the employee up in the contractor's system. Once the payroll card is set-up, all communication relevant to the activation of the card and any other information regarding card usage, replacement, etc. would be the responsibility of the contractor. Employees must have access to update personal card information with the contractor.

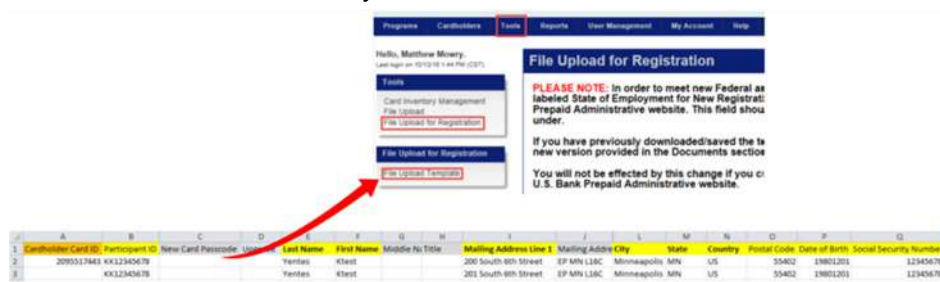
Bidder must respond in a detailed manner to the following agency-specific requirements for University of Nebraska.

a. Detail the bidder's ability to accept enrollment information from NU & NSCS based on the above information.

U.S. Bank will continue to accept enrollment details for the NU Focus Card program using the established methods, and for the NSCS program once it goes live. Once the enrollment information is collected, your team can easily enroll all card program participants using one of the following options:

- **Administrative portal**
 - **Manual data entry** – Employees can be individually enrolled directly on the administrative portal, allowing for near real-time enrollments.

- **Batch file upload** – Multiple employees can be enrolled at one time by uploading a CSV file containing all required information. Once the file is processed, the card account is created, allowing cards to be funded immediately.



Once a new account enrollment file is received from NU or NSCS, a new card account is created for each record immediately upon processing the file. Individual funding account numbers are created and provided back to NU or NSCS in the enrollment acknowledgment file that is sent to NU or NSCS within two hours or less of processing the file. NU or NSCS can begin funding the Focus Card accounts immediately upon receipt of the acknowledgement file, even the same day on newly established accounts.



The card order is then sent to our card provider who will produce and ship personalized cards the next business day after receiving the enrollment data file (provided we received the file by 5:00 a.m. CT with the relevant information on the first business day). Cards are shipped first-class mail via the U.S. Postal Service. This process allows for us to process enrollments and mail completed card the next business day. Cardholders are instructed to activate their card upon receipt.

We welcome the opportunity to discuss options for future enrollments and how we can help NU and NSCS automate the enrollment process.

b. NU and NSCS employees are responsible to update their card information with the contractor. Describe bidder's process to update card information.

NU and NSCS employees will continue to have the ability to update their card information such as address, phone number and email address via the Focus Card website or by calling customer service and speaking with a representative.

c. NU and NSCS requires a monthly demographic report electronically. Describe available reports and ad hoc reporting available.

NU and NSCS administrators will continue to have access to our full suite of standard reports via the administrative portal, along with our monthly metric report via email and ad reporting as needed. Demographic information is included in the Card Account Detail report.

Below is a list of our standard Focus Card reports:

Reporting Overview	
Report Name	Description
Card Order	Lists card IDs for Instant Issue card orders to allow you to verify that the card numbers assigned to cardholders are valid.
Card Load	Provides information regarding the loads and reversals made to/from cardholder accounts including ACH, batch and funding/adjustment, and account transfers.
Card Activity Summary	Provides a summary count of card registrations, activations, loads and the dollar amount of loads.
Card Activity Detailed	Provides a summary count of card loads, ATM, POS, card-to-card transactions and product enrollments, along with the dollar amounts for applicable transactions.
Card Status	Provides a summary of the card count, card status, upgrades, downgrades and replacement requests for a program.
Funding Reject	Lists cardholder accounts where loads have been rejected.
Card Account Detail	Provides a summary of location(s), inventory points and cardholder information such as account and routing numbers, card ID, name, address, card status, mail date, fulfillment date, registration date, activation date and last load date.
Cardholder Information Exception	Lists cardholder accounts with incomplete or incorrect cardholder data, such as cardholder accounts with P.O. boxes as the legal/physical addresses, or invalid Social Security numbers, dates of birth or ZIP codes.
Cardholder ID Verification Status	Lists cardholder accounts requiring additional information for the ID verification process.
Account Reconciliation	Provides the beginning and ending balances for your funding and adjustment accounts and all debits and credits within the period for batch and online manual payments.

Agency-Specific Technical Requirements

University OF Nebraska Medical Center (UNMC)

UNMC uses reward cards for clinical trials and research participants. An email is sent to the contractor to request cards in specific denominations.

a. Contractor must provide reward cards requested by UNMC in the correct denomination. Describe bidder's process for requesting cards.

U.S. Bank will continue to accept orders for Rewards Cards from UNMC using the established process. The UNMC administrator will fill out the Rewards Card Corporate Order Form and send it via email to your relationship manager, Kelli Keller. Upon receipt of the order form, U.S. Bank will process the order and send the requested cards to UNMC at the designated address.



b. Detail the timeline from when the contractor receives the request to when cards are shipped.

Rewards Cards are shipped within six business days of receipt of the card order; however, we typically process and mail cards to UNMC in less than six days.

c. Describe the activation process for the reward cards.

Recipients can begin using their Rewards Card immediately. They simply call our toll-free number or go online to activate the card and select a PIN (a security feature specifically designed to protect the card during shipment). The toll-free number and website address are printed on the card carrier included with the card.

d. Detail how the cardholder can request the card balance.

Cardholders can obtain the card balance by calling the toll-free customer service number or visiting the website, both of which are printed on the back of the card.

e. Detail how the cardholder can withdraw the balance off their card.

The Rewards Card can be used for signature-based and PIN-based point of sale (POS) purchases, including grocery stores, convenience stores and big box stores, and anywhere else Visa is accepted in the United States. For complete flexibility, cardholders can also use their cards to make online and mail order purchases. Rewards Card cannot be used to withdraw cash at an ATM or bank branch location.

Most POS systems will allow a specific amount to be tendered for credit/debit transactions, including "to the penny." In such a transaction, the Rewards Card is tendered first with the cashier entering the exact amount the cardholder specifies, up to the full card balance. The remaining balance of the sale is then finalized with another form of payment – cash, check or credit card.

Request for Proposal for Contractual Services

REQUEST FOR PROPOSAL FOR CONTRACTUAL SERVICES FORM

BIDDER MUST COMPLETE THE FOLLOWING

By signing this Request for Proposal for Contractual Services form, the bidder guarantees compliance with the procedures stated in this Solicitation and agrees to the terms and conditions unless otherwise indicated in writing and certifies that bidder maintains a drug free workplace.

Per Nebraska's Transparency in Government Procurement Act, Neb. Rev Stat § 73-603 DAS is required to collect statistical information regarding the number of contracts awarded to Nebraska Contractors. This information is for statistical purposes only and will not be considered for contract award purposes.

 X **NEBRASKA CONTRACTOR AFFIDAVIT:** Bidder hereby attests that bidder is a Nebraska Contractor. "Nebraska Contractor" shall mean any bidder who has maintained a bona fide place of business and at least one employee within this state for at least the six (6) months immediately preceding the posting date of this Solicitation.

 I hereby certify that I am a Resident disabled veteran or business located in a designated enterprise zone in accordance with Neb. Rev. Stat. § 73-107 and wish to have preference, if applicable, considered in the award of this contract.

 I hereby certify that I am a blind person licensed by the Commission for the Blind & Visually Impaired in accordance with Neb. Rev. Stat. §71-8611 and wish to have preference considered in the award of this contract.

FORM MUST BE SIGNED USING INK OR VIA DOCUSIGN

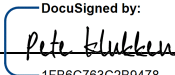
FIRM:	U.S. Bank National Association
COMPLETE ADDRESS:	200 South 6th Street, Minneapolis, MN 55402
TELEPHONE NUMBER:	904.470.1990
FAX NUMBER:	612.973.2918
DATE:	April 8, 2022
SIGNATURE:	<small>DocuSigned by:</small> 
TYPED NAME & TITLE OF SIGNER:	<small>1FB8C763C2B0478</small> Peter Klukken, Senior Vice President, General Manager

Exhibit A

Terms and Conditions Sections II - IV

II. TERMS AND CONDITIONS

Bidders should complete Sections II through VI as part of their proposal. Bidder is expected to read the Terms and Conditions and should initial either accept, reject, or reject and provide alternative language for each clause. The bidder should also provide an explanation of why the bidder rejected the clause or rejected the clause and provided alternate language. By signing the solicitation, bidder is agreeing to be legally bound by all the accepted terms and conditions, and any proposed alternative terms and conditions submitted with the proposal. The State reserves the right to negotiate rejected or proposed alternative language. If the State and bidder fail to agree on the final Terms and Conditions, the State reserves the right to reject the proposal. The State of Nebraska is soliciting proposals in response to this solicitation. The State of Nebraska reserves the right to reject proposals that attempt to substitute the bidder's commercial contracts and/or documents for this solicitation.

The bidder should submit with their proposal any license, user agreement, service level agreement, or similar documents that the bidder wants incorporated in the Contract. The State will not consider incorporation of any document not submitted with the bidder's proposal as the document will not have been included in the evaluation process. These documents shall be subject to negotiation and will be incorporated as addendums if agreed to by the Parties.

If a conflict or ambiguity arises after the Addendum to Contract Award have been negotiated and agreed to, the Addendum to Contract Award shall be interpreted as follows:

1. If only one Party has a particular clause, then that clause shall control;
2. If both Parties have a similar clause, but the clauses do not conflict, the clauses shall be read together;
3. If both Parties have a similar clause, but the clauses conflict, the State's clause shall control.

A. GENERAL

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

The contract resulting from this solicitation shall incorporate the following documents:

1. Request for Proposal and Addenda;
2. Amendments to the solicitation;
3. Questions and Answers;
4. Bidder's proposal (Solicitation and properly submitted documents);
5. The executed Contract and Addendum One to Contract, if applicable; and,
6. Amendments/Addendums to the Contract.

These documents constitute the entirety of the contract.

Unless otherwise specifically stated in a future contract amendment or addenda, in case of any conflict between the incorporated documents, the documents shall govern in the following order of preference with number one (1) receiving preference over all other documents and with each lower numbered document having preference over any higher numbered document: 1) Amendment to the executed Contract with the most recent dated amendment having the highest priority, 2) executed Contract and any attached Addenda, 3) Amendments to solicitation and any Questions and Answers, 4) the original solicitation document and any Addenda, and 5) the Contractor's submitted Proposal.

Any ambiguity or conflict in the contract discovered after its execution, not otherwise addressed herein, shall be resolved in accordance with the rules of contract interpretation as established in the State of Nebraska.

B. NOTIFICATION

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

Contractor and State shall identify the contract manager who shall serve as the point of contact for the executed contract.

Communications regarding the executed contract shall be in writing and shall be deemed to have been given if delivered personally, electronically or mailed, by U.S. Mail, postage prepaid, return receipt requested, to the parties at their respective addresses set forth below, or at such other addresses as may be specified in writing by either of the parties. All notices, requests, or communications shall be deemed effective upon personal delivery or five (5) calendar days following deposit in the mail.

Either party may change its address for notification purposes by giving notice of the change and setting forth the new address and an effective date.

C. PROCUREMENT CONTRACTS OFFICER'S (PCO) REPRESENTATIVE

The State reserves the right to appoint a PCO's Representative to manage [or assist the PCO in managing] the contract on behalf of the State. The PCO's Representative will be appointed in writing, and the appointment document will specify the extent of the PCO's Representative authority and responsibilities. If a PCO's Representative is appointed, the Contractor will be provided a copy of the appointment document and is expected to cooperate accordingly with the PCO's Representative. The PCO's Representative has no authority to bind the State to a contract, amendment, addendum, or other change or addition to the contract.

D. GOVERNING LAW (Statutory)

Notwithstanding any other provision of this contract, or any amendment or addendum(s) entered into contemporaneously or at a later time, the parties understand and agree that, (1) the State of Nebraska is a sovereign state and its authority to contract is therefore subject to limitation by the State's Constitution, statutes, common law, and regulation; (2) this contract will be interpreted and enforced under the laws of the State of Nebraska; (3) any action to enforce the provisions of this agreement must be brought in the State of Nebraska per state law; (4) the person signing this contract on behalf of the State of Nebraska does not have the authority to waive the State's sovereign immunity, statutes, common law, or regulations; (5) the indemnity, limitation of liability, remedy, and other similar provisions of the final contract, if any, are entered into subject to the State's Constitution, statutes, common law, regulations, and sovereign immunity; and, (6) all terms and conditions of the final contract, including but not limited to the clauses concerning third party use, licenses, warranties, limitations of liability, governing law and venue, usage verification, indemnity, liability, remedy or other similar provisions of the final contract are entered into specifically subject to the State's Constitution, statutes, common law, regulations, and sovereign immunity.

The Parties must comply with all applicable local, state, and federal laws, ordinances, rules, orders, and regulations.

E. BEGINNING OF WORK

The awarded bidder shall not commence any billable work until a valid contract has been fully executed by the State. The awarded bidder will be notified in writing when work may begin.

F. AMENDMENT

This Contract may be amended only in writing, within scope, upon the agreement of both parties.

G. CHANGE ORDERS OR SUBSTITUTIONS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

The State and the Contractor, upon the written agreement, may make changes to the contract within the general scope of the solicitation. Changes may involve specifications, the quantity of work, or such other items as the State may find necessary or desirable. Corrections of any deliverable, service, or work required pursuant to the contract shall not be deemed a change. The Contractor may not claim forfeiture of the contract by reasons of such changes.

The Contractor shall prepare a written description of the work required due to the change and an itemized cost sheet for the change. Changes in work and the amount of compensation to be paid to the Contractor shall be determined in accordance with applicable unit prices if any, a pro-rated value, or through negotiations. The State shall not incur a price increase for changes that should have been included in the Contractor's proposal, were foreseeable, or result from difficulties with or failure of the Contractor's proposal or performance.

No change shall be implemented by the Contractor until approved by the State, and the Contract is amended to reflect the change and associated costs, if any. If there is a dispute regarding the cost, but both parties agree that immediate implementation is necessary, the change may be implemented, and cost negotiations may continue with both Parties retaining all remedies under the contract and law.

In the event any product is discontinued or replaced upon mutual consent during the contract period or prior to delivery, the State reserves the right to amend the contract or purchase order to include the alternate product at the same price.

*****Contractor will not substitute any item that has been awarded without prior written approval of SPB*****

H. VENDOR PERFORMANCE REPORT(S)

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

The State may document any instance(s) of products or services delivered or performed which exceed or fail to meet the terms of the purchase order, contract, and/or solicitation specifications. The State Purchasing Bureau may contact the Vendor regarding any such report. Vendor performance report(s) will become a part of the permanent record of the Vendor.

I. NOTICE OF POTENTIAL CONTRACTOR BREACH

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
		JCJ	Request revision to replace 'immediate' with 'prompt' to allow Contractor a reasonable amount of time to assemble written notice.

If Contractor breaches the contract or anticipates breaching the contract, the Contractor shall ~~immediate~~^{promptly} give written notice to the State. The notice shall explain the breach or potential breach, a proposed cure, and may include a request for a waiver of the breach if so desired. The State may, in its discretion, temporarily or permanently waive the breach. By granting a waiver, the State does not forfeit any rights or remedies to which the

State is entitled by law or equity, or pursuant to the provisions of the contract. Failure to give immediate prompt notice, however, may be grounds for denial of any request for a waiver of a breach.

J. BREACH

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
		JCJ	Request discussion around this section to address a reasonable limitation on potential damages.

Either Party may terminate the contract, in whole or in part, if the other Party breaches its duty to perform its obligations under the contract in a timely and proper manner. Termination requires written notice of default and a thirty (30) calendar day (or longer at the non-breaching Party's discretion considering the gravity and nature of the default) cure period. Said notice shall be delivered by Certified Mail, Return Receipt Requested, or in person with proof of delivery. ~~In case of default of the Contractor, the State may contract the service from other sources and hold the Contractor responsible for any excess cost occasioned thereby. The State may recover from the Contractor as damages the difference between the costs of covering the breach.~~ Notwithstanding any clause to the contrary, the State may also recover the contract price together with any incidental or consequential damages defined in UCC Section 2-715, but less expenses saved in consequence of Contractor's breach.

The State's failure to make payment shall not be a breach, and the Contractor shall retain all available statutory remedies and protections.

K. NON-WAIVER OF BREACH

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

Allowing time to cure or the acceptance of late performance with or without objection or reservation by a Party shall not waive any rights of the Party including, but not limited to the right to immediately terminate the contract for the same or a different breach or constitute a waiver of the requirement of timely performance of any obligations remaining to be performed.

L. SEVERABILITY

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

If any term or condition of the contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the provision held to be invalid or illegal.

M. INDEMNIFICATION

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
		JCJ	A gross negligence standard is more appropriate for this type of relationship.

1. GENERAL

The Contractor agrees to defend, indemnify, and hold harmless the State and its employees, volunteers, agents, and its elected and appointed officials ("the indemnified parties") from and against any and all third party claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses ("the claims"), sustained or asserted against the State for personal injury, death, or property loss or damage, arising out of, resulting from, or attributable to the willful misconduct or gross negligence, ~~error, or omission~~ of the Contractor, its employees, subcontractors, consultants, representatives, and agents, resulting from this contract, except to the extent such Contractor liability is attenuated by any action of the State which directly and proximately contributed to the claims.

2. INTELLECTUAL PROPERTY

The Contractor agrees it will, at its sole cost and expense, defend, indemnify, and hold harmless the indemnified parties from and against any and all claims, to the extent such claims arise out of, result from, or are attributable to, the actual or alleged infringement or misappropriation of any patent, copyright, trade secret, trademark, or confidential information of any third party by the Contractor or its employees, subcontractors, consultants, representatives, and agents; provided, however, the State gives the Contractor prompt notice in writing of the claim. The Contractor may not settle any infringement claim that will affect the State's use of the Licensed Software without the State's prior written consent, which consent may be withheld for any reason.

If a judgment or settlement is obtained or reasonably anticipated against the State's use of any intellectual property for which the Contractor has indemnified the State, the Contractor shall, at the Contractor's sole cost and expense, promptly modify the item or items which were determined to be infringing, acquire a license or licenses on the State's behalf to provide the necessary rights to the State to eliminate the infringement, or provide the State with a non-infringing substitute that provides the State the same functionality. At the State's election, the actual or anticipated judgment may be treated as a breach of warranty by the Contractor, and the State may receive the remedies provided under this solicitation.

3. PERSONNEL

The Contractor shall, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel, including subcontractor's and employees, provided by the Contractor.

4. SELF-INSURANCE

The State of Nebraska is self-insured for any loss and purchases excess insurance coverage pursuant to Neb. Rev. Stat. § 81-8,239.01 (Reissue 2008). If there is a presumed loss under the provisions of this agreement, Contractor may file a claim with the Office of Risk Management pursuant to Neb. Rev. Stat. §§ 81-8,829 – 81-8,306 for review by the State Claims Board. The State retains all rights and immunities under the State Miscellaneous (§81-8,294), Tort (§81-8,209), and Contract Claim Acts (§81-8,302), as outlined in Neb. Rev. Stat. § 81-8,209 et seq. and under any other provisions of law and accepts liability under this agreement to the extent provided by law.

5. The Parties acknowledge that Attorney General for the State of Nebraska is required by statute to represent the legal interests of the State, and that any provision of this indemnity clause is subject to the statutory authority of the Attorney General.

N. ATTORNEY'S FEES

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

In the event of any litigation, appeal, or other legal action to enforce any provision of the contract, the Parties agree to pay all expenses of such action, as permitted by law and if ordered by the court, including attorney's fees and costs, if the other Party prevails.

O. PERFORMANCE BOND

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

The Contractor will be required to supply a bond executed by a corporation authorized to contract surety in the State of Nebraska, payable to the State of Nebraska, which shall be valid for the life of the contract to include any renewal and/or extension periods. The amount of the bond must be for \$250,000. The bond will guarantee that the Contractor will faithfully perform all requirements, terms and conditions of the contract. Failure to comply shall be grounds for forfeiture of the bond as liquidated damages. Amount of forfeiture will be determined by the agency based on loss to the State. The bond will be returned when the contract has been satisfactorily completed as solely determined by the State, after termination or expiration of the contract.

P. LIQUIDATED DAMAGES

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
	JCJ		USB is open to negotiating liquidated damages and performance criteria related thereto. An in-depth conversation is anticipated regarding this section P.

The State and the contractor agree that actual damages from failure to perform certain requirements in any contract executed pursuant to this RFP are difficult to accurately estimate, there has been a reasonable effort by parties to fix the amount of compensation that is due under the contract, and that it is possible to identify an amount of liquidated damages for the failure to perform those requirements that is proportionate to the actual damages that the State would anticipate as a result of the failure.

In lieu of actual damages, the State and the contractor shall agree to a schedule of fees for failure to perform certain requirements in any contract executed pursuant to this RFP.

The following is the required schedule of liquated damages in the form of fees for failure to perform certain requirements.

These fees are categorized as follows:

Standard	\$ 1,000 per 24 hours month
High	\$ 2,500 per 24 hours month
Critical	\$ 5,000 per 24 hours month

1. **Unresolved Requirements:**
 - a. All Standard and High category requirements will move to Critical level of liquidated damages if not resolved within ~~48 hours~~promptly after notification to the contractor.
 - b. All Critical category requirements will double in liquidated damages payment if not resolved within ~~24 hours~~promptly after notification to the contractor.

2. **File Transmission:**

A file for batch enrollment is typically returned to the sender between 30 and 90 minutes of receipt of the file. The file will include identical information that was sent by the State, a card enrollment report, and a rejected card report. Upon being notified by the Program Lead or the State Treasurer's Office that a file has not been received within two hours of transmission of the file, contractor will resolve the situation within one business day by transmitting the file or pay liquidated damages to the affected programs.

Category: Standard

3. **Monthly/Annual Reporting**

~~Within three business days of~~ If contractor ~~being is~~ notified by the State that a monthly/annual report has not been provided as required under Business Requirements of the RFP, contractor will promptly resolve the situation by providing the required reporting or pay the liquidated damages to the State.

Category: Standard

4. **"Go Live" Date:**

Contractor will be ready to issue cards on behalf of the State by the close of the business day mutually agreed upon as the go live date of services under this RFP, unless either party provides at least a three working day notice that "go live" date shall be delayed.

For existing card programs, outlined in this RFP, the contractor will implement the card programs and deliver services at transition time on or before the "go live" date or pay liquidated damages to the program(s).

For new programs implemented under this RFP, the contractor will only be entitled to one extension per program before liquidated damages may be imposed.

If the State requests any changes to the scope of work, service offering, or functionality of the card program during the implementation process, contractor will notify the program lead and the State Treasurer's Office if the requested changes will delay the "go live" date.

Category: Standard

5. **Card Issuance:**

Upon being notified by the Program Lead or the State Treasurer's Office that a card or batch of cards was not issued within two business days of the program submitting an enrollment file to the contractor no later than 5:00 PM prevailing Central Time, contractor will pay to have the affected cards expedited to the cardholders. If the cards are not expedited to the cardholders within two business days after the initial notice by the State that the cards were not issued, contractor will pay liquidated damages for each day-month one or more cards remains unissued to the affected program(s).

Category: Standard

6. **Customer Service – Availability:**

Customer service availability will be 99% each month as measured by a mutually agreed upon Contractor Performance Monitoring Tool. Availability is defined as the network infrastructure at the Contractor Data Center for ARU and IVR services. Monthly availability is calculated for 24x7 x the number of days in the month less scheduled hours of maintenance.

Scheduled hours of availability shall exclude (1) scheduled outages for which the Contractor needs to perform, regular technical maintenance, other planned outages up to one (1) per month, or if equipment maintenance meets pre-arranged agreement or during upgrades.

In the event the Contractor provides customer service under the contract through a different provide, comparable availability will be maintained. Any change in the scheduled hours of availability needs to be approved by the State, approval will not be unreasonably withheld.

Contractor will pay liquidated damages to the State for each month that the monthly Customer Service availability (with exceptions provided above) was not met.

Category: High

7. Customer Service – Average Speed of Answer

85% of inbound calls for participating program cardholders shall be answered within 30 seconds. Average speed of answer will be calculated based on total calls for the month, less cards that abandon before 15 seconds. Contractor will pay liquidated damage to the State Treasurer's Office for each month that the Average Speed of Answer threshold was not met.

Category: High

8. Daily Reporting:

Report of new cards issued or rejected, newly activated accounts, name and address changes made by contractor, reconciliation, and rejection reports for ACH transactions, and undeliverable cards, are due daily on a business day basis not later than one business day after the day of the activity reported. ~~Within one business day of being~~ notified by the State that a daily report was not provided when it was due, contractor will promptly resolve the situation by making the report available or pay liquidated damages.

Category: High

9. Acceptance of File Transmissions/Acceptance of Web Enrollment:

If the contractor's system was not available to accept file transmissions or enrollment via the contractor run website, contractor will promptly resolve the situation ~~within one business day~~ after notification by the State or pay liquidated damages to the affected program(s).

Category: Critical

10. ACH Posting:

Contractor will post funds to cards prior to 8:00 AM prevailing in Central Time on the ACH effective date. If the contractor has received a file originated by the State and delivered through the banking network and notified that funds were not posted to the cards by 8:00 AM on the ACH effective date, contractor will promptly make funds available ~~by the close of business day on the ACH effective date (6:00 PM prevailing Central Time)~~ or pay liquidated damages to the affected program(s).

Category: Critical

11. Turnover File:

A file of active cardholders for each program will be made available to the State, by a secure website, in Microsoft Excel spreadsheet format by the close of the fifteenth business day after the contractor receives a written request from State to provide the report to the State.

Information to be included in the file includes cardholder name, SSN, address, unique cardholder identifier, mother's maiden name (if any), and current card status. If a file is not provided to the State within 15 business days of written request from the State, and provided the State notified contractor of intent to terminate the contract in accordance with language in the Agreement between the parties, contractor will pay liquidated damages.

Category: Critical

As to any liquidated damages owing hereunder, contractor will pay liquidated damages to the State by the tenth (10th) business day of the month following the month that they damages were reported to the contractor. The State has 60 days after the incident to contact the contractor to pay liquidated damages.

The State Treasurer, at his/her discretion, may waive a liquidated damage payment.

Q. ASSIGNMENT, SALE, OR MERGER

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

Either Party may assign the contract upon mutual written agreement of the other Party. Such agreement shall not be unreasonably withheld.

The Contractor retains the right to enter into a sale, merger, acquisition, internal reorganization, or similar transaction involving Contractor's business. Contractor agrees to cooperate with the State in executing amendments to the contract to allow for the transaction. If a third party or entity is involved in the transaction, the Contractor will remain responsible for performance of the contract until such time as the person or entity involved in the transaction agrees in writing to be contractually bound by this contract and perform all obligations of the contract.

R. CONTRACTING WITH OTHER NEBRASKA POLITICAL SUB-DIVISIONS OF THE STATE OR ANOTHER STATE

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

The Contractor may, but shall not be required to, allow any state agency, board, commission, the University of Nebraska, the Nebraska State colleges, the courts, the Legislature, or any other office or agency established by the Constitution of Nebraska to use this contract. The terms and conditions, including price, of the contract may not be amended. The State shall not be contractually obligated or liable for any contract entered into pursuant to this clause. A listing of Nebraska political subdivisions may be found at the website of the Nebraska Auditor of Public Accounts.

The Contractor may, but shall not be required to, allow other states, agencies or divisions of other states, or political subdivisions of other states to use this contract. The terms and conditions, including price, of this contract shall apply to any such contract, but may be amended upon mutual consent of the Parties. The State of Nebraska shall not be contractually or otherwise obligated or liable under any contract entered into pursuant to this clause. The State shall be notified if a contract is executed based upon this contract.

S. FORCE MAJEURE

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
		JCJ	Request revision to replace 'immediate' with 'prompt' to allow Contractor a reasonable amount of time to assemble written notice.

Neither Party shall be liable for any costs or damages, or for default resulting from its inability to perform any of its obligations under the contract due to a natural or manmade event outside the control and not the fault of the affected Party ("Force Majeure Event"). The Party so affected shall ~~immediately~~ promptly make a written request for relief to the other Party and shall have the burden of proof to justify the request. The other Party may grant the relief requested; relief may not be unreasonably withheld. Labor disputes with the impacted Party's own employees will not be considered a Force Majeure Event.

T. CONFIDENTIALITY

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
		JCJ	Request revision to replace 'immediately' with 'prompt' to allow Contractor a reasonable amount of time to assemble written notice.

All materials and information provided by the Parties or acquired by a Party on behalf of the other Party shall be regarded as confidential information. All materials and information provided or acquired shall be handled in accordance with federal and state law, and ethical standards. Should said confidentiality be breached by a Party, the Party shall notify the other Party immediately-promptly of said breach and take immediate-prompt corrective action.

It is incumbent upon the Parties to inform their officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a (i)(1), which is made applicable by 5 U.S.C. 552a (m)(1), provides that any officer or employee, who by virtue of his/her employment or official position has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

U. EARLY TERMINATION

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

The contract may be terminated as follows:

1. The State and the Contractor, by mutual written agreement, may terminate the contract at any time.
2. The State, in its sole discretion, may terminate the contract for any reason upon thirty (30) calendar day's written notice to the Contractor. Such termination shall not relieve the Contractor of warranty or other service obligations incurred under the terms of the contract. In the event of termination, the Contractor shall be entitled to payment, determined on a pro rata basis, for products or services satisfactorily performed or provided.
3. The State may terminate the contract immediately for the following reasons:
 - a. if directed to do so by statute;
 - b. Contractor has made an assignment for the benefit of creditors, has admitted in writing its inability to pay debts as they mature, or has ceased operating in the normal course of business;
 - c. a trustee or receiver of the Contractor or of any substantial part of the Contractor's assets has been appointed by a court;
 - d. fraud, misappropriation, embezzlement, malfeasance, misfeasance, or illegal conduct pertaining to performance under the contract by its Contractor, its employees, officers, directors, or shareholders;
 - e. an involuntary proceeding has been commenced by any Party against the Contractor under any one of the chapters of Title 11 of the United States Code and (i) the proceeding has been pending for at least sixty (60) calendar days; or (ii) the Contractor has consented, either expressly or by operation of law, to the entry of an order for relief; or (iii) the Contractor has been decreed or adjudged a debtor;
 - f. a voluntary petition has been filed by the Contractor under any of the chapters of Title 11 of the United States Code;
 - g. Contractor intentionally discloses confidential information;
 - h. Contractor has or announces it will discontinue support of the deliverable; and,
 - i. In the event funding is no longer available.

V. CONTRACT CLOSEOUT

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

Upon contract closeout for any reason the Contractor shall within 30 days, unless stated otherwise herein:

1. Transfer all completed or partially completed deliverables to the State;
2. Transfer ownership and title to all completed or partially completed deliverables to the State;
3. Return to the State all information and data unless the Contractor is permitted to keep the information or data by contract or rule of law. Contractor may retain one copy of any information or data as required to comply with applicable work product documentation standards or as are automatically retained in the course of Contractor's routine back up procedures;
4. Cooperate with any successor Contractor, person or entity in the assumption of any or all of the obligations of this contract;
5. Cooperate with any successor Contractor, person or entity with the transfer of information or data related to this contract;
6. Return or vacate any state owned real or personal property; and,
7. Return all data in a mutually acceptable format and manner.

Nothing in this Section should be construed to require the Contractor to surrender intellectual property, real or personal property, or information or data owned by the Contractor for which the State has no legal claim.

III. CONTRACTOR DUTIES

A. INDEPENDENT CONTRACTOR / OBLIGATIONS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

It is agreed that the Contractor is an independent contractor and that nothing contained herein is intended or should be construed as creating or establishing a relationship of employment, agency, or a partnership.

The Contractor is solely responsible for fulfilling the contract. The Contractor or the Contractor's representative shall be the sole point of contact regarding all contractual matters.

The Contractor shall secure, at its own expense, all personnel required to perform the services under the contract. The personnel the Contractor uses to fulfill the contract shall have no contractual or other legal relationship with the State; they shall not be considered employees of the State and shall not be entitled to any compensation, rights, or benefits from the State, including but not limited to, tenure rights, medical and hospital care, sick and vacation leave, severance pay, or retirement benefits.

By-name personnel commitments made in the Contractor's proposal shall not be changed without the prior written approval of the State. Replacement of these personnel, if approved by the State, shall be with personnel of equal or greater ability and qualifications.

All personnel assigned by the Contractor to the contract shall be employees of the Contractor or a subcontractor and shall be fully qualified to perform the work required herein. Personnel employed by the Contractor or a subcontractor to fulfill the terms of the contract shall remain under the sole direction and control of the Contractor or the subcontractor respectively.

With respect to its employees, the Contractor agrees to be solely responsible for the following:

1. Any and all pay, benefits, and employment taxes and/or other payroll withholding;
2. Any and all vehicles used by the Contractor's employees, including all insurance required by state law;
3. Damages incurred by Contractor's employees within the scope of duties under the contract;
4. Maintaining Workers' Compensation and health insurance that complies with state and federal law and submitting any reports on such insurance to the extent required by governing law;
5. Determining the hours to be worked and the duties to be performed by the Contractor's employees; and,
6. All claims on behalf of any person arising out of employment or alleged employment (including without limit claims of discrimination alleged against the Contractor, its officers, agents, or subcontractors or subcontractor's employees)

If the Contractor intends to utilize any subcontractor, the subcontractor's level of effort, tasks, and time allocation should be clearly defined in the bidder's proposal. The Contractor shall agree that it will not utilize any subcontractors not specifically included in its proposal in the performance of the contract without the prior written authorization of the State.

The State reserves the right to require the Contractor to reassign or remove from the project any Contractor or subcontractor's employees.

Contractor shall insure that the terms and conditions contained in any contract with a subcontractor does not conflict with the terms and conditions of this contract.

The Contractor shall include a similar provision, for the protection of the State, in the contract with any subcontractor engaged to perform work on this contract.

B. EMPLOYEE WORK ELIGIBILITY STATUS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of an employee.

If the Contractor is an individual or sole proprietorship, the following applies:

1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at <http://das.nebraska.gov/materiel/purchasing.html>
2. The completed United States Attestation Form should be submitted with the solicitation response.
3. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the US Citizenship and Immigration Services documentation required to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
4. The Contractor understands and agrees that lawful presence in the United States is required, and the Contractor may be disqualified, or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

C. COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION (Statutory)

The Contractor shall comply with all applicable local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act prohibits Contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions, compensation, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin (Neb. Rev. Stat. §§48-1101 to 48-1125). The Contractor guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of contract. The Contractor shall insert a similar provision in all Subcontracts for goods and services to be covered by any contract resulting from this solicitation.

D. COOPERATION WITH OTHER CONTRACTORS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
	JCJ		Not Applicable

~~Contractor may be required to work with or in close proximity to other contractors or individuals that may be working on same or different projects. The Contractor shall agree to cooperate with such other contractors or individuals and shall not commit or permit any act which may interfere with the performance of work by any other contractor or individual. Contractor is not required to compromise Contractor's intellectual property or proprietary information unless expressly required to do so by this contract.~~

E. PERMITS, REGULATIONS, LAWS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

The contract price shall include the cost of all royalties, licenses, permits, and approvals, whether arising from patents, trademarks, copyrights or otherwise, that are in any way involved in the contract. The Contractor shall obtain and pay for all royalties, licenses, and permits, and approvals necessary for the execution of the contract. The Contractor must guarantee that it has the full legal right to the materials, supplies, equipment, software, and other items used to execute this contract.

F. OWNERSHIP OF INFORMATION AND DATA / DELIVERABLES

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
		JCJ	Provides clarification that certain information becomes bank records.

The State shall have the unlimited right to publish, duplicate, use, and disclose all information and data developed or obtained by the Contractor on behalf of the State pursuant to this contract.

The State shall own and hold exclusive title to any deliverable developed as a result of this contract. Contractor shall have no ownership interest or title, and shall not patent, license, or copyright, duplicate, transfer, sell, or exchange, the design, specifications, concept, or deliverable. Notwithstanding the foregoing, the parties understand and agree that records pertaining to the ownership, transactions, and activity relating to an individual's prepaid card accounts represent bank records belonging to Contractor, and Contractor retains all right, title and interest related thereto.

G. INSURANCE REQUIREMENTS

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
		JCJ	Clarification edits.

The Contractor shall throughout the term of the contract maintain insurance as specified herein and provide the State a current Certificate of Insurance/Acord Form (COI) verifying the coverage. The Contractor shall not commence work on the contract until the insurance is in place. If Contractor subcontracts any portion of the Contract the Contractor must, throughout the term of the contract, either:

1. Provide equivalent insurance for each subcontractor and provide a COI verifying the coverage for the subcontractor;
2. Require each subcontractor to have equivalent insurance and provide written notice to the State that the Contractor has verified that each subcontractor has the required coverage; or,
3. Provide the State with copies of each subcontractor's Certificate of Insurance evidencing the required coverage.

The Contractor shall not allow any Subcontractor to commence work until the Subcontractor has equivalent insurance. The failure of the State to require a COI, or the failure of the Contractor to provide a COI or require subcontractor insurance shall not limit, relieve, or decrease the liability of the Contractor hereunder.

In the event that any policy written on a claims-made basis terminates or is canceled during the term of the contract

or within ninety (90) days of termination or expiration of the contract, the contractor shall obtain an extended discovery or reporting period, or a new insurance policy, providing coverage required by this contract for the term of the contract and ninety (90) days following termination or expiration of the contract.

If by the terms of any insurance a mandatory deductible is required, or if the Contractor elects to increase the mandatory deductible amount, the Contractor shall be responsible for payment of the amount of the deductible in the event of a paid claim.

Notwithstanding any other clause in this Contract, the State may recover up to the liability limits of the insurance policies required herein.

1. WORKERS' COMPENSATION INSURANCE

The Contractor shall take out and maintain during the life of this contract the statutory Workers' Compensation and Employer's Liability Insurance for all of the contractors' employees to be engaged in work on the project under this contract and, in case any such work is sublet, the Contractor shall require the subcontractor similarly to provide Worker's Compensation and Employer's Liability Insurance for all of the subcontractor's employees to be engaged in such work. This policy shall be written to meet the statutory requirements for the state in which the work is to be performed, including Occupational Disease. **The policy shall include a waiver of subrogation in favor of the State. The COI shall contain the mandatory COI subrogation waiver language found hereinafter.** The amounts of such insurance shall not be less than the limits stated hereinafter. For employees working in the State of Nebraska, the policy must be written by an entity authorized by the State of Nebraska Department of Insurance to write Workers' Compensation and Employer's Liability Insurance for Nebraska employees.

2. COMMERCIAL GENERAL LIABILITY INSURANCE AND COMMERCIAL AUTOMOBILE LIABILITY INSURANCE

The Contractor shall ~~take out and~~ maintain during the life of this contract such Commercial General Liability Insurance and Commercial Automobile Liability Insurance as shall protect Contractor and any subcontractor performing work covered by this contract from claims for damages for bodily injury, including death, as well as from claims for property damage, which may arise from operations under this contract, whether such operation be by the Contractor or by any subcontractor or by anyone directly or indirectly employed by either of them, and the amounts of such insurance shall not be less than limits stated hereinafter.

The Commercial General Liability Insurance shall be written on an **occurrence basis**, and provide Premises/Operations, Products/Completed Operations, Independent Contractors, Personal Injury, and Contractual Liability coverage. **The policy shall include the State, and others as required by the contract documents, as Additional Insured(s). This policy shall be primary, and any insurance or self-insurance carried by the State shall be considered secondary and non-contributory. The COI shall contain the mandatory COI liability waiver language found hereinafter.** The Commercial Automobile Liability Insurance shall be written to cover all Owned, Non-owned, and Hired vehicles.

REQUIRED INSURANCE COVERAGE		
COMMERCIAL GENERAL LIABILITY		
General Aggregate		\$2,000,000
Products/Completed Operations Aggregate		\$2,000,000
Personal/Advertising Injury		\$1,000,000 per occurrence
Bodily Injury/Property Damage		\$1,000,000 per occurrence
Damage to Rented Premises (Fire)		\$300,000 each occurrence
Contractual		Included
Independent Contractors		Included
<i>If higher limits are required, the Umbrella/Excess Liability limits are allowed to satisfy the higher limit.</i>		
WORKER'S COMPENSATION		
Employers Liability Limits		\$500K/\$500K/\$500K
Statutory Limits- All States		Statutory - State of Nebraska
Voluntary Compensation		Statutory
COMMERCIAL AUTOMOBILE LIABILITY		
Bodily Injury/Property Damage		\$1,000,000 combined single limit
Include All Owned, Hired & Non-Owned Automobile liability		Included
UMBRELLA/EXCESS LIABILITY		
Over Primary Insurance		\$5,000,000 per occurrence
PROFESSIONAL LIABILITY		
All Other Professional Liability (Errors & Omissions)		\$1,000,000 Per Claim / Aggregate
COMMERCIAL CRIME		
Crime/Employee Dishonesty Including 3rd Party Fidelity		\$1,000,000 Aggregate
CYBER LIABILITY		
Breach of Privacy, Security Breach, Denial of Service, Remediation, Fines and Penalties		\$10,000,000 Aggregate
MANDATORY COI SUBROGATION WAIVER LANGUAGE		
"Workers' Compensation policy shall include a waiver of subrogation in favor of the State of Nebraska."		
MANDATORY COI LIABILITY WAIVER LANGUAGE		
"Commercial General Liability & Commercial Automobile Liability policies shall name the State of Nebraska as an Additional Insured and the policies shall be primary and any insurance or self-insurance carried by the State shall be considered secondary and non-contributory as additionally insured."		

3. EVIDENCE OF COVERAGE

The Contractor shall furnish the Contract Manager, with a certificate of insurance coverage complying with the above requirements prior to beginning work at:

Agency Nebraska State Purchasing Bureau
Attn: Annette Walton
Solicitation Number 6660 Z1 / Contract #
Email address: annette.walton@nebraska.gov

These certificates or the cover sheet shall reference the RFP number, and the certificates shall include the name of the company, policy numbers, effective dates, dates of expiration, and amounts and types of coverage afforded. If the State is damaged by the failure of the Contractor to maintain such insurance, then the Contractor shall be responsible for all reasonable costs properly attributable thereto.

Reasonable notice of cancellation of any required [General Liability, Automobile Liability, or Workers Compensation](#) insurance policy must be submitted to the contract manager as listed above when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

4. DEVIATIONS

The insurance requirements are subject to limited negotiation. Negotiation typically includes, but is not necessarily limited to, the correct type of coverage, necessity for Workers' Compensation, and the type of automobile coverage carried by the Contractor.

H. ANTITRUST

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

The Contractor hereby assigns to the State any and all claims for overcharges as to goods and/or services provided in connection with this contract resulting from antitrust violations which arise under antitrust laws of the United States and the antitrust laws of the State.

I. CONFLICT OF INTEREST

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

By submitting a proposal, bidder certifies that no relationship exists between the bidder and any person or entity which either is, or gives the appearance of, a conflict of interest related to this RFP or project.

Bidder further certifies that bidder will not employ any individual known by bidder to have a conflict of interest nor shall bidder take any action or acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its contractual obligations hereunder or which creates an actual or appearance of conflict of interest.

If there is an actual or perceived conflict of interest, bidder shall provide with its proposal a full disclosure of the facts describing such actual or perceived conflict of interest and a proposed mitigation plan for consideration. The State will then consider such disclosure and proposed mitigation plan and either approve or reject as part of the overall bid evaluation.

J. ADVERTISING

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

The Contractor agrees not to refer to the contract award in advertising in such a manner as to state or imply that the company or its goods or services are endorsed or preferred by the State. Any publicity releases pertaining to the project shall not be issued without prior written approval from the State.

K. NEBRASKA TECHNOLOGY ACCESS STANDARDS (Statutory)

Contractor shall review the Nebraska Technology Access Standards, found at https://das.nebraska.gov/materiel/purchase_bureau/vendor-info.html and ensure that products and/or services provided under the contract are in compliance or will comply with the applicable standards to the greatest degree possible. In the event such standards change during the Contractor's performance, the State may create an amendment to the contract to request the contract comply with the changed standard at a cost mutually acceptable to the parties.

L. DISASTER RECOVERY/BACK UP PLAN

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

The Contractor shall have a disaster recovery and back-up plan, which includes, but is not limited to equipment, personnel, facilities, and transportation, in order to continue delivery of goods and services as specified under the specifications in the contract in the event of a disaster. The Contractor shall provide an ISO 22301 providing additional disaster recovery information.

M. DRUG POLICY

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

Contractor certifies it maintains a drug free workplace environment to ensure worker safety and workplace integrity. Contractor agrees to provide a copy of its drug free workplace policy at any time upon request by the State.

N. WARRANTY

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
JCJ			

Despite any clause to the contrary, the Contractor represents and warrants that its services hereunder shall be performed by competent personnel and shall be of professional quality consistent with generally accepted industry standards for the performance of such services and shall comply in all respects with the requirements of this Agreement. For any breach of this warranty, the Contractor shall, for a period of ninety (90) days from performance of the service, perform the services again, at no cost to the State, or if Contractor is unable to perform the services as warranted, Contractor shall reimburse the State all the fees paid to Contractor for the unsatisfactory services. The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

IV. PAYMENT

A. PROHIBITION AGAINST ADVANCE PAYMENT (Statutory)

Neb. Rev. Stat. §§81-2403 states, “[n]o goods or services shall be deemed to be received by an agency until all such goods or services are completely delivered and finally accepted by the agency.”

B. TAXES (Statutory)

The State is not required to pay taxes and assumes no such liability as a result of this solicitation. The Contractor may request a copy of the Nebraska Department of Revenue, Nebraska Resale or Exempt Sale Certificate for Sales Tax Exemption, Form 13 for their records. Any property tax payable on the Contractor's equipment which may be installed in a state-owned facility is the responsibility of the Contractor

C. INSPECTION AND APPROVAL

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
		JCJ	Edited to align with Contractor's record retention policy.

Final inspection and approval of all work required under the contract shall be performed by the designated State officials.

D. PAYMENT (Statutory)

Payment will be made by the responsible agency in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. §81-2403). The State may require the Contractor to accept payment by electronic means such as ACH deposit. In no event shall the State be responsible or liable to pay for any goods and services provided by the Contractor prior to the Effective Date of the contract, and the Contractor hereby waives any claim or cause of action for any such services.

E. LATE PAYMENT (Statutory)

The Contractor may charge the responsible agency interest for late payment in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. §81-2401 through 81-2408).

F. SUBJECT TO FUNDING / FUNDING OUT CLAUSE FOR LOSS OF APPROPRIATIONS (Statutory)

The State's obligation to pay amounts due on the Contract for a fiscal years following the current fiscal year is contingent upon legislative appropriation of funds. Should said funds not be appropriated, the State may terminate the contract with respect to those payments for the fiscal year(s) for which such funds are not appropriated. The State will give the Contractor written notice 30 calendar days prior to the effective date of termination. All obligations of the State to make payments after the termination date will cease. The Contractor shall be entitled to receive just and equitable compensation for any authorized work which has been satisfactorily completed as of the termination date. In no event shall the Contractor be paid for a loss of anticipated profit.

G. RIGHT TO AUDIT (First Paragraph is Statutory)

The State shall have the right to audit the Contractor's performance of this contract upon a 30 days' written notice. Contractor shall utilize generally accepted accounting principles, and shall maintain the accounting records, and other records and information relevant to the contract to enable the State to audit the contract. (Neb. Rev. Stat. §84- 304 et seq.) The State may audit, and the Contractor shall maintain, the Information during the term of the contract and for a period of ~~five (5) years after the completion of this contract or until all issues or litigation are resolved, whichever is later~~ seven years from the date of origination. The Contractor shall make the Information available to the State at Contractor's place of business or a location acceptable to both Parties during normal business hours. If this is not practical or the Contractor so elects, the Contractor may provide electronic or paper copies of the Information. The State reserves the right to examine, make copies of, and take notes on any Information relevant to this contract, regardless of the form or the Information, how it is stored, or who possesses the Information. Under no circumstance will the Contractor be required to create or maintain documents not kept in the ordinary course of contractor's business operations, nor will contractor be required to disclose any information, including but not limited to product cost data, which is confidential or proprietary to contractor.

Accept (Initial)	Reject (Initial)	Reject & Provide Alternative within Solicitation Response (Initial)	NOTES/COMMENTS:
		JCJ	Timeframe edit for annual report and subcontractor definition.

No more than once per calendar year, the State shall have the right to assess the policies, standards, and practices of Contractor with respect to the Services provided under this Agreement, to the extent reasonably necessary to verify Contractor's compliance with the terms of this Agreement. The State acknowledges that information which Contractor deems confidential or proprietary may not be considered reasonably necessary to verify Contractor's compliance.

Exhibit B

Key Personnel Resumes

Kelli Keller, Assistant Vice President Prepaid Relationship Manager

Professional Experience

U.S. Bank N.A. 2011 – Present

Assistant Vice President, Relationship Manager, U.S. Bank, January 2016 – Present

- Responsible for overseeing program development and ongoing management of assigned portfolio.
- Serves as the primary contact, escalation channel for clients, and client advocate responsible for prompt resolution of issues.
- Provides program support, training and partners with clients on growth opportunities.
- Recipient of the 2020 Legends of Possible award.

Project Manager 2, U.S. Bank, February 2014 – January 2016

- Responsible for implementing prepaid card programs for numerous clients.
- Created training manuals and procedures that can be utilized by internal and external partners.
- Conducted training for new clients to ensure they had a thorough understanding of our product features and functionalities.
- Developed detailed project plans to monitor major milestones and keep projects on track.
- Easily adapted to dynamic client requirements and project timelines.
- Provided answers to client questions to ensure a smooth rollout and assisted the Relationship Management team in maintaining the overall relationship between the client and U.S. Bank.
- Successfully converted several large government agencies to an in-house platform.

Project Manager 1, U.S. Bank, February 2011 – February 2014

- Specialized in project management implementing prepaid card programs.
- Coordinated with clients on a day-to-day basis to address questions, concerns and training needs.

EDUCATION

- University of Wisconsin, River Falls, Bachelor's degree in Psychology

The following U.S. Bank prepaid card clients have agreed to be references who will attest to Kelli's abilities:

	Reference 1	Reference 2	Reference 3
Client name	Washington Office of the State Treasurer	Delaware Office of the State Treasurer	Idaho Department of Health and Welfare
Contact name and title	Lesa Williams ACH and Deposits Manager	Fiah Kwesseu Director of Operations and Fund Management	Eileen Emory EBT/ePayment Operations Supervisor
Address	DSHS 712 Pear Street SE PO Box 9162 Olympia, WA 98504	820 Silver Lake Blvd. Suite 100 Dover, DE 19904	317 W. Main Street Boise, ID 83735
Contact email address	Lesa.Williams@tre.wa.gov	fiah.kwesseu@delaware.gov	Eileen.Emory@dhw.idaho.gov
Contact phone number	360.902.8911	302.672.6708	208.334.5820

Anna Milbach, MBA, MMGT

Government Banking Relationship Manager

Professional Experience

U.S. Bank N.A., 2013 – Present

Vice President, Government Banking Relationship Manager (2021-present)

- Serve as Relationship Manager for exclusively large government clients in the Midwest.
- Work closely with internal partners to expand market share and provide an exceptional client experience.
- Proactively utilize industry-specific information as well as our talented team with diverse backgrounds to deliver a compelling value proposition.
- Receive and respond to customer and prospect RFP's, with a winning track record on clients with a calling history.

Vice President, Relationship Manager (2013-2021)

- Serve as primary contact for clients in multiple industries including government clients, education, healthcare, nonprofit and commercial clients.
- Effectively listen and anticipate clients' needs.
- Regularly represent U.S. Bank at community events.
- Co-facilitate a region-wide Women's Leadership Experience program.
- Helped hire and provide programming and direction for commercial summer interns.
- Foster strong, trusting relationships with internal and external partners.
- Serve as Government Champion for the Eastern Iowa Region, providing education and support to grow this business for U.S. Bank.
- Significantly grew existing state-wide CPS Consortium program and successfully assisted with attaining a second state-wide contract for merchant processing.
- Significantly grew overall portfolio revenue by expanding relationships and adding new ones.

Wells Fargo Business Banking, 2010 – 2013

Business Relationship Manager

- Maintained and grew a portfolio of business clients.
- Understood and anticipated client needs to recommend services to improve efficiencies, reduce expenses and grow client revenue.
- Created a network of internal and external advisors, partners and referral sources to help service existing clients and identify new opportunities.
- Grew loan and deposit portfolio 21% in 2012 alone by growing relationships and adding several new clients.

Wells Fargo Financial, 2006 – 2010

Store Manager

- Effectively recruited and transformed new hires into experts on cold calling, consumer lending, mortgage lending, complex credit, negotiation and finance.
- Continually promoted to roles with increased responsibility.
- Transformed an underperforming branch location to a top producer.

- 2006 Rookie of the Year, 2007 Top Five District Sales Producer, 2008 Top Manager Sales Producer Nationwide, 2009 Branch Top Three Finisher (six-state area).
- Consistently achieved top compliance ratings from internal reviews as well as state and federal regulators.

Education

University of Mary, Bismarck, ND

Bachelor of Arts in Accounting and Business Administration

Master of Business Administration and Master of Management

Awards and Recognition

- Actively involved in the community with roles including Women Lead Change (WLC) Board Member and Executive Board Member as Treasurer, Women United Steering Committee member, former Waypoint Board Member and Executive Board Member as Secretary, and two-year U.S. Bank United Way Company Coordinator
- Adjunct professor at Mt. Mercy University
- 2020 Iowa Women's Foundation Ovation Honoree
- 2016 Leadership for Five Seasons Graduate
- 2015 Waypoint Tribute to Women Honoree

The following U.S. Bank clients have agreed to be references who will attest to Anna's abilities

	Reference 1	Reference 2	Reference 3
Client name	Linn County	Douglas County School District (Omaha Schools)	City of Lincoln, NE
Contact name and title	Sharon Gonzalez Linn County Treasurer	Shane Rhian Controller	Tammy Wissing, City Treasurer
Address	935 2nd Street SW Cedar Rapids, IA 52404	3215 Cuming Street Omaha, NE 68131	233 S 10th St Fl 2 Lincoln, Nebraska 68508
Contact email address	sharon.gonzalez@linncounty.org	shane.rhian@ops.org	twissing@lincoln.ne.gov
Contact phone number	319.892.5515	531.299.9430	402.441.8304

Gretchen Anderson, Vice President Senior Relationship Manager, Government Prepaid Products

Professional Experience

U.S. Bank N.A., 2007 – present

Vice President – Senior Relationship Manager, Government Prepaid Products

- Leads relationship management team dedicated to supporting U.S. Bank prepaid customers in the Government space utilizing ReliaCard to replace checks in disbursing funds to their constituents.
- Supports business development / sales initiatives to successfully onboard new clients and expand program offering to meet client needs.
- Provides ongoing program management support to customers.
- Supports U.S. Bank's prepaid team dedicated to providing a best in class product and customer service to our clients.
- Received the 2014 Pinnacle Award for Performance Excellence.

Vice President, Sales Manager, Business Development Manager

- Responsible for external and organic growth within all Prepaid Payments products.
- Successfully formed strong internal and external partnerships within the bank and payment industry partners.
- Instrumental in launching and managing a broad portfolio of government prepaid programs for federal, state, and local clients across a portfolio for 27 states with more than \$500 million in annual revenue.
- Implemented, launched and managed more than 60 prepaid card programs. Helping states and local agencies save millions in check printing and operation costs.
- In 2013 and 2014, successfully secured year-to-date government prepaid RFPs awards and contract renewals extension for 10 state programs, resulting in more than \$70 million in revenue.
- Interfaces directly with program administrators and functions as the single point of contact for specific assigned agencies.
- Daily responsibilities include new sales growth, program implementation for new government agencies, maintaining smooth operations for existing clients, and providing liaison support for agencies regarding any issues relative to Operations, Customer Service, IT and Marketing.

Assistant Vice President, Prepaid Products, U. S. Bank (2012 – 2019)

Relationship Manager, Prepaid Products, U.S. Bank (2007 – 2012)

Account Executive – Personal PayDay, TCF Bank (2001 – 2007)

Branch Manager – Retail Banking, TCF Bank (1998 – 2001)

Marketing Executive – Direct Marketing Group, TCF Bank (1996 – 1998)

Education:

North Dakota State University, Bachelor's degree in Business Administration
Metropolitan State University, Bachelor of Arts in Marketing

The following U.S. Bank prepaid card clients have agreed to be references who will attest to Gretchen's abilities:

	Reference 1	Reference 2	Reference 3
Client name	Delaware Office of the State Treasurer	Winnebago Tribe of Nebraska	Washington Office of the State Treasurer
Contact name and title	Fiah Kwesseu Director of Operations and Fund Management	Alan Post CPA/CFO	Lesa Williams ACH and Deposits Manager
Address	820 Silver Lake Blvd. Suite 100 Dover, DE 19904	100 Bluff Ave PO Box 687 Winnebago, NE 68071	DSHS 712 Pear Street SE PO Box 9162 Olympia, WA 98504
Contact email address	fiah.kwesseu@delaware.gov	Alan.post@winnebagotribe.com	Lesa.Williams@tre.wa.gov
Contact phone number	302.672.6708	402.878.3144	360.902.8911

Abby Kutschied, Assistant Vice President Head of Onboarding

Professional Experience

U.S. Bank N.A., 2011 – Present

Assistant Vice President, Head of Onboarding (2020 – Present)

- Manage the team who implements government, payroll, and other prepaid card clients. In 2021, the onboarding team implemented almost 400 prepaid programs, including 21 ReliaCard programs.
- The team has a strong track record of implementing programs on time by identifying and mitigating risks early. As manager of the team, I serve as an escalation point, removing obstacles to ensure client timelines and expectations are met.

Assistant Vice President, Senior Onboarding Manager (2016 – 2020)

- Partnered with government agencies and corporate payroll clients to implement prepaid card programs.
- Developed detailed project plans to monitor milestones and identify risks to keep projects on track.
- Helped clients develop and implement communication strategies to increase card adoption.
- Led internal projects to ensure compliance with state and federal regulations, updated procedures, and assisted in implementing oversight processes.

Client Onboarding Manager (2014 – 2016)

- Implemented over 150 prepaid card client programs.
- Created training manuals used by internal and external partners.
- Conducted training for new clients to ensure they had a thorough understanding of our product features and functionality.

Administrative Assistant (2011 – 2014)

- Assisted the Senior Vice President and Business Line Leadership with reporting, presentations, scheduling, and special projects.

Education

Art Institute International Minnesota, Bachelor of Science, Interior Design
North Iowa Area Community College, Associate of Science in Business
North Iowa Area Community College, Associate of Arts

The following U.S. Bank prepaid card clients have agreed to be references who will attest to Abby's abilities:

	Reference 1	Reference 2	Reference 3
Client name	Delaware Office of the State Treasurer	FedEx Corporation	Target Corporation
Contact name and title	Fiah Kwesseu Director of Operations and Fund Management	Shawn Cipa Senior Payroll Analyst, Special Projects	Jacob Kaisershot Senior Business Partner, Finance Operations, Payroll
Address	820 Silver Lake Blvd. Suite 100 Dover, DE 19904	3610 Hacks Cross Road Memphis, TN 38125	1000 Nicollet Mall Minneapolis, MN 55403
Contact email address	fiah.kwessey@delaware.gov	shawn.cipa@fedex.com	Jacob.Kaisershot@target.com
Contact phone number	302.672.6708	412.813.6814	763.405.0717

Exhibit C

Standard Reports

U.S. Bank ReliaCard® Standard Online Reports

Feature overview

Conveniently manage card programs online with our robust collection of client reports providing you the tools you need to successfully implement and maintain your card program with ease.

All reports are available through the [U.S. Bank Prepaid Administrative Website](#) and access to specific reports is defined by your level of access. Reports are executed in real time and can be exported into Excel or Word for easy recording and analysis. “Current” data is defined as through the end of the previous day and you can customize your reports by daily, monthly or date range. Please note, the date range for any report is limited to 31 days.

Report Name	Description
Card Activation	Lists the cardholder account and date the cardholder activated their card.
Card Load	Provides information regarding the loads and reversals made to/from cardholder accounts including ACH, batch and funding/adjustment account transfers.
Card Activity Summary	Provides a summary count of card registrations, activations, loads and the dollar amount of loads.
Card Activity Detailed	Provides a summary count of card registrations, activations, loads, ATM, POS, card-to-card transactions and product enrollments, along with the dollar amounts for applicable transactions.
Card Status	Provides a summary of the card count, card statuses, upgrades, downgrades and replacement requests for a program.
Funding Reject	Lists cardholder accounts where loads have been rejected.
Card Account Detail	Provides a summary of location(s), inventory points and cardholder information such as account & routing numbers, card ID, name, address, card status, mail date, fulfillment date, registration date, activation date and last load date.
Cardholder Information Exception	Lists cardholder accounts with incomplete or incorrect cardholder data, such as cardholder accounts with P.O. boxes as the legal/physical addresses, or invalid Social Security Numbers, dates of birth or ZIP codes.
Indicative Data Change Report	Provides a list of name and address change updates made to cardholder accounts.
Account Reconciliation Report	Lists transactions made to/from the funding/adjustment account.

Card Activation

Reporting Period: 01/01/2021 to 01/25/2021

ProgramName	ProgramID	subcompanyname	ClientProgram	LocationName	LocationID	LastName	FirstName	CardID	PTAN	ParticipantID	RegistrationDate	ActivationDate	NewEnrollment
123456789	123456789	123456789	123456789	123456789	123456789	SMITH	JOE	111111111		111111111	1/1/21	1/15/21	N
	123456789				123459999	DOE	JANE	222222222		222222222	1/1/21	1/15/21	N
	123456789				123458888	JONES	MICHAEL	333333333		333333333	1/1/21	1/15/21	N

Card Load

Reporting Period: 01/01/2021 to 01/25/2021

Report Totals:

Total Number of Loads 3
Total Value of Loads \$1,500.00

Client Program	Location	Card ID	Last Name	First Name	Employee ID	Registration Date	Load Date	Load Amount	Trans Type	Trans Desc
Program Name:										
123456789	123456789	123456789	SMITH	JOE		03/12/2020	01/01/2021	\$500.00	2163	U.S. Bank: ACH from Known Remitter
		123459999	DOE	JANE		10/01/2020	01/01/2021	\$500.00	2163	U.S. Bank: ACH from Known Remitter
		123458888	JONES	MICHAEL		03/12/2020	01/01/2021	\$500.00	2163	U.S. Bank: ACH from Known Remitter

Card Activity Summary

Reporting Period: 01/01/2021 to 01/25/2021

Client Program	Location	Date	# Registrations	# Activations	# ACH Loads	ACH Loads	# Client Loads	Client Loads	# Client Portal Funds Transfers	Client Portal Funds Transfers
Program Name										
123456789	123456789	Friday, January 01, 2021	0	0	61	\$58,200.00	0	\$0.00	0	\$0.00
123456789	123456789	Saturday, January 02, 2021	0	1	0	\$0.00	0	\$0.00	0	\$0.00
123456789	123456789	Monday, January 04, 2021	19	11	4	\$766.19	0	\$0.00	0	\$0.00

Card Activity Detailed

Reporting Period 01/01/2021 to 01/25/2021

	Calendar Date: 1/25/2021			
	Count	Base Amount	Fees	Total
Program				
ACH Withdrawal	0	\$0.00	\$0.00	\$0.00
ATM Balance Inquiry	13	\$0.00	(\$3.00)	(\$3.00)
ATM Withdrawal - Allpoint	0	\$0.00	\$0.00	\$0.00
ATM Declines	4	\$0.00	\$0.00	\$0.00
ATM Withdrawal - MoneyPass	9	(\$800.00)	\$0.00	(\$800.00)
ATM Withdrawal - Other	70	(\$6,242.96)	(\$105.00)	(\$6,347.96)
Bill Pay	0	\$0.00	\$0.00	\$0.00
ChekToday Authorization	0	\$0.00	\$0.00	\$0.00
Load - ACH Known Remitter	0	\$0.00	\$0.00	\$0.00
Load - ACH Unknown Remitter	0	\$0.00	\$0.00	\$0.00
Load - Card-to-Card	0	\$0.00	\$0.00	\$0.00
Load - Client	0	\$0.00	\$0.00	\$0.00
Load - Client Portal	0	\$0.00	\$0.00	\$0.00
Load - Third Party	0	\$0.00	\$0.00	\$0.00
Load - Client (TIPS)	0	\$0.00	\$0.00	\$0.00
Money Order	0	\$0.00	\$0.00	\$0.00
Over-The-Counter Withdrawal	0	\$0.00	\$0.00	\$0.00
POS PIN Purchase - Domestic	476	(\$9,560.66)	\$0.00	(\$9,560.66)
POS PIN Purchase - International	0	\$0.00	\$0.00	\$0.00
POS Purchase - Decline	237	\$0.00	\$0.00	\$0.00
POS SIG Purchase - Domestic	730	(\$16,063.59)	\$0.00	(\$16,063.59)
POS SIG Purchase - International	2	(\$5.94)	(\$0.18)	(\$6.12)
Savings Deposit	0	\$0.00	\$0.00	\$0.00
Savings Enrollment	0	\$0.00	\$0.00	\$0.00
	1,541	(\$32,673.15)	(\$108.18)	(\$32,781.33)

Card Status

Reporting Period: 01/01/2021 to 01/25/2021

Program	Client Program	Report Date	# of Registrations	# of Client/Other Activations	# of IVR Activations	# of Web Activations	# of Card Upgrade/Replacement Requests	# of Card Downgrade Requests
123456789	123456789	01/01/2021	0	0	0	0	4	0
		01/02/2021	0	1	0	0	2	0
		01/04/2021	19	8	0	3	5	1
		Total	19	9	0	3	11	1

Funding Reject

Reporting Period: 01/01/2021 to 01/25/2021

Client Program Name	Client Program ID	Account Number	Card ID	Last Name	First Name	Load Date/Time	Load Amount	Reject Reason	Employee ID
U.S. Bank	55555555	123456*****0000	123456789	SMITH	JOE	1/20/21 2:23 AM	\$500.00	ACH Load Amount exceeds the limit.	

Card Account Detail

Reporting Period: from 1/1/2021 to 1/25/2021

Client Program Name	Client Program ID	Location Name	Location ID	Inventory Point	Routing Number	Account Number	Current Card ID	ATTMID	Last Name	First Name	Mailing Address	City	State	Zip Code	Card Status	Fulfillment Date	Mail Date
Program Name:																	
COMPANY NAME	123456789	Company Name	123456789	TEST	555555555	600888888888	88888888888	123456789	SMITH	JOE	1234 S. Bank Street	Minneapolis	MN	55402	AC	09/25/2019	09/30/2019

Cardholder Information Exception

Program:

Account Last Name	Mailing Address	Permanent Address	City	State	Zip Code	Card ID	Status	Employee ID	Last 4 - SSN	Tracking Number	Registration Date	KYC Status	PO Box	SSN	ZipCode	DOB
Client Program ID	123456789	Location ID	123456789													
SMITH	1234 S. Bank Street		Minneapolis	MN	55402	123456789	AC		1111		20200629			X		

Indicative Data Change Report

Program Name: ReliaCard - State Agency

Program Number: 756161720

Sub Program: ReliaCard - State Agency

Sub Program Number: 756161720

Program Name	Program ID	Client Program Name	Client Program ID	Client Location Name	Client Location ID	Customer ID	Card ID	Account Number	PTAN	Change Code	Change Type	Old Value	New Value	Change Date	User ID
ReliaCard - State Agency	756161720	ReliaCard - State Agency	756161720	ReliaCard - State Agency	486161721	581938107	9123456789	6019123456789	✓	0013	Mailing Address 2		APT 1	01/31/2022	Soap
ReliaCard - State Agency	756161720	ReliaCard - State Agency	756161720	ReliaCard - State Agency	486161721	581938189	9876546780	6019876546780	✓	0014	Mailing City	CEDAR RAPIDS	CEDAR FALLS	01/31/2022	Soap
ReliaCard - State Agency	756161720	ReliaCard - State Agency	756161720	ReliaCard - State Agency	486161721	581305773	9123456789	6019123456789	✓	0017	Mailing Postal Code	515445074	51573	01/13/2022	Soap
ReliaCard - State Agency	756161720	ReliaCard - State Agency	756161720	ReliaCard - State Agency	486161721	581305442	9133556788	6019133556788	✓	0017	Mailing Postal Code	515445074	51573	01/13/2022	Soap
ReliaCard - State Agency	756161720	ReliaCard - State Agency	756161720	ReliaCard - State Agency	486161721	581308914	9133454799	6019133454799	✓	0017	Mailing Postal Code	528062927	52806	01/22/2022	Soap
ReliaCard - State Agency	756161720	ReliaCard - State Agency	756161720	ReliaCard - State Agency	486161721	581841033	9123152729	6019123152729	✓	0014	Mailing City	WEST DES MOINES	DES MOINES	01/22/2022	Soap
ReliaCard - State Agency	756161720	ReliaCard - State Agency	756161720	ReliaCard - State Agency	486161721	606673992	9876536781	6019876536781	✓	0008	Date of Birth	19910101	19910102	01/21/2022	Soap
ReliaCard - State Agency	756161720	ReliaCard - State Agency	756161720	ReliaCard - State Agency	486161721	581304291	9123477783	6019123477783	✓	0027	Physical Postal Code	501302045	502302045	01/12/2022	Soap
ReliaCard - State Agency	756161720	ReliaCard - State Agency	756161720	ReliaCard - State Agency	486161721	581305295	8123356739	6018123356739	✓	0027	Physical Postal Code	501302045	502302045	01/12/2022	Soap
ReliaCard - State Agency	756161720	ReliaCard - State Agency	756161720	ReliaCard - State Agency	486161721	581303271	9123256724	6019123256724	✓	0027	Physical Postal Code	501302045	502302045	01/12/2022	Soap
ReliaCard - State Agency	756161720	ReliaCard - State Agency	756161720	ReliaCard - State Agency	486161721	581841943	8123796711	6018123756711	✓	0012	Mailing Address 1	1800 PASTURE RD APT	6110 Henry Ave	01/22/2022	Soap

Account Reconciliation Report

Program: ReliaCard - Government Agency (123456789)

Funding Card: xxxxxxxxxx

Reporting Period: 01/28/2023 to 01/28/2023

Report Totals:

Total Debits: (\$3,275.00)

Total Credits: \$0.00

Funding Card	Program	Client Program	Location	Funding Trans Date	Debit \$ Transaction	Credit \$ Transaction	Acct Ending	Trans Code	Trans Code Desc	Transaction Detail	User ID	To Cust ID	To Emp ID	To Cardholder Last Name
Program Name	ReliaCard - Government Agency-123456789					Beginning Balance	\$10,000.00							
987654321	123456789	123456789	123456789	01/28/2023 14:00:17	(\$500.00)	\$0.00		2836	Payroll Load: Funds Transfer by CardNumber or CardID.	Credit cardholder: xxxxxx		123456789	11111111	SMITH
				01/28/2023 14:00:20	(\$500.00)	\$0.00		2836	Payroll Load: Funds Transfer by CardNumber or CardID.	Credit cardholder: yyyyyy		234567891	22222222	JONES
				01/28/2023 14:00:21	(\$500.00)	\$0.00		2836	Payroll Load: Funds Transfer by CardNumber or CardID.	Credit cardholder: zzzzzz		345678912	33333333	RODGERS
				01/28/2023 14:00:25	(\$250.00)	\$0.00		2836	Payroll Load: Funds Transfer by CardNumber or CardID.	Credit cardholder: aaaaaa		456789123	44444444	BLACK
				01/28/2023 14:00:58	(\$500.00)	\$0.00		2836	Payroll Load: Funds Transfer by CardNumber or CardID.	Credit cardholder: bbbbbb		567891234	55555555	WHITE
				01/28/2023 14:00:58	(\$25.00)	\$0.00		2836	Payroll Load: Funds Transfer by CardNumber or CardID.	Credit cardholder: ccccc		678912345	66666666	BROWN
				01/28/2023 14:00:58	(\$1000.00)	\$0.00		2836	Payroll Load: Funds Transfer by CardNumber or CardID.	Credit cardholder: dddddd		789123456	77777777	GREEN
				Total	(\$3,275.00)	\$0.00								
				Ending Balance		\$13,275.00								

U.S. Bank Focus Card Standard Online Reports

Feature overview

Conveniently manage payroll card programs online with our robust collection of client reports providing you the tools you need to successfully implement and maintain your payroll card program with ease.

All reports are available through the [U.S. Bank Prepaid Administrative Website](#) and access to specific reports is defined by your level of access. Reports are executed in real time and can be exported into Excel or Word for easy recording and analysis. “Current” data is defined as through the end of the previous day and you can customize your reports by daily, monthly or date range. Please note, the date range for any report is limited to 31 days.

Report Name	Description
Card Order	Lists card IDs for Instant Issue card orders to allow you to verify that the card numbers assigned to cardholders are valid.
Card Load	Provides information regarding the loads and reversals made to/from cardholder accounts including ACH, batch and funding/adjustment account transfers.
Card Activity Summary	Provides a summary count of card registrations, activations, loads and the dollar amount of loads.
Card Activity Detailed	Provides a summary count of card registrations, activations, loads, ATM, POS, card-to-card transactions and product enrollments, along with the dollar amounts for applicable transactions.
Card Status	Provides a summary of the card count, card statuses, upgrades, downgrades and replacement requests for a program.
Funding Reject	Lists cardholder accounts where loads have been rejected.
Card Account Detail	Provides a summary of location(s), inventory points and cardholder information such as account & routing numbers, card ID, name, address, card status, mail date, fulfillment date, registration date, activation date and last load date.
Inventory Point Level	Lists location(s), inventory points and number of registrations.
Cardholder Information Exception	Lists cardholder accounts with incomplete or incorrect cardholder data, such as cardholder accounts with P.O. boxes as the legal/physical addresses, or invalid Social Security Numbers, dates of birth or ZIP codes.
Cardholder ID Verification Status	Lists cardholder accounts requiring additional information for the ID verification process.

Card Order

Reporting Period: 01/01/2021 to 01/25/2021

Program ID	Client Program	Location	Inventory Point	Card ID	Order Date/Time
Program Name	USB Focus				
123456789	123456789	123456789	Test Cards	1234567890	1/4/2021 10:34:17 PM
				9876543210	1/4/2021 10:34:17 PM
				5555544444	1/4/2021 10:34:17 PM

Card Load

Reporting Period: 01/01/2021 to 01/25/2021

Report Totals:

Total Number of Loads 3
Total Value of Loads \$1,500.00

Client Program	Location	Card ID	Last Name	First Name	Employee ID	Registration Date	Load Date	Load Amount	Trans Type	Trans Desc
Program Name:	USB Focus									
123456789	123456789	1234567890	SMITH	JOE		03/12/2020	01/01/2021	\$500.00	2163	U.S. Bank: ACH from Known Remitter
		1234599999	DOE	JANE		10/01/2020	01/01/2021	\$500.00	2163	U.S. Bank: ACH from Known Remitter
		1234588888	JONES	MICHAEL		03/12/2020	01/01/2021	\$500.00	2163	U.S. Bank: ACH from Known Remitter

Card Activity Summary

Reporting Period: 01/01/2021 to 01/25/2021

Client Program	Location	Date	# Registrations	# Activations	# ACH Loads	ACH Loads	# Client Loads	Client Loads	# Client Portal Funds Transfers	Client Portal Funds Transfers
Program Name	USB Focus									
123456789	123456789	Friday, January 01, 2021	0	0	61	\$58,200.00	0	\$0.00	0	\$0.00
123456789	123456789	Saturday, January 02, 2021	0	1	0	\$0.00	0	\$0.00	0	\$0.00
123456789	123456789	Monday, January 04, 2021	19	11	4	\$766.19	0	\$0.00	0	\$0.00

Card Activity Detailed

Reporting Period 01/01/2021 to 01/25/2021

Calendar Date: 1/25/2021				
	Count	Base Amount	Fees	Total
Program 123456789 USB Focus				
ACH Withdrawal	0	\$0.00	\$0.00	\$0.00
ATM Balance Inquiry	13	\$0.00	(\$3.00)	(\$3.00)
ATM Withdrawal - Allpoint	0	\$0.00	\$0.00	\$0.00
ATM Declines	4	\$0.00	\$0.00	\$0.00
ATM Withdrawal - MoneyPass	9	(\$800.00)	\$0.00	(\$800.00)
ATM Withdrawal - Other	70	(\$6,242.96)	(\$105.00)	(\$6,347.96)
Bill Pay	0	\$0.00	\$0.00	\$0.00
ChekToday Authorization	0	\$0.00	\$0.00	\$0.00
Load - ACH Known Remitter	0	\$0.00	\$0.00	\$0.00
Load - ACH Unknown Remitter	0	\$0.00	\$0.00	\$0.00
Load - Card-to-Card	0	\$0.00	\$0.00	\$0.00
Load - Client	0	\$0.00	\$0.00	\$0.00
Load - Client Portal	0	\$0.00	\$0.00	\$0.00
Load - Third Party	0	\$0.00	\$0.00	\$0.00
Load - Client (TIPS)	0	\$0.00	\$0.00	\$0.00
Money Order	0	\$0.00	\$0.00	\$0.00
Over-The-Counter Withdrawal	0	\$0.00	\$0.00	\$0.00
POS PIN Purchase - Domestic	476	(\$9,560.66)	\$0.00	(\$9,560.66)
POS PIN Purchase - International	0	\$0.00	\$0.00	\$0.00
POS Purchase - Decline	237	\$0.00	\$0.00	\$0.00
POS SIG Purchase - Domestic	730	(\$16,063.59)	\$0.00	(\$16,063.59)
POS SIG Purchase - International	2	(\$5.94)	(\$0.18)	(\$6.12)
Savings Deposit	0	\$0.00	\$0.00	\$0.00
Savings Enrollment	0	\$0.00	\$0.00	\$0.00
	1,541	(\$32,673.15)	(\$108.18)	(\$32,781.33)

Card Status

Reporting Period: 01/01/2021 to 01/25/2021

Program	Client Program	Report Date	# of Registrations	# of Client/Other Activations	# of IVR Activations	# of Web Activations	# of Card Upgrade/Replacement Requests	# of Card Downgrade Requests
123456789	123456789	01/01/2021	0	0	0	0	4	0
		01/02/2021	0	1	0	0	2	0
		01/04/2021	19	8	0	3	5	1
		Total	19	9	0	3	11	1

Funding Reject

Reporting Period: 01/01/2021 to 01/25/2021

Client Program Name	Client Program ID	Account Number	Card ID	Last Name	First Name	Load Date/Time	Load Amount	Reject Reason	Employee ID
USB Focus									
U.S. Bank	55555555	123456*****0000	123456789	SMITH	JOE	1/20/21 2:23 AM	\$500.00	ACH Load Amount exceeds the limit.	

Card Account Detail

Reporting Period: from 1/1/2021 to 1/25/2021

Client Program Name	Client Program ID	Location Name	Location ID	Inventory Point	Routing Number	Account Number	Current Card ID	ATTMID	Last Name	First Name	Mailing Address	City	State	Zip Code	Card Status	Fulfillment Date	Mail Date
Program Name: USB Focus COMPANY NAME	123456789	Company Name	123456789	TEST	55555555	600888888888	8888888888	123456789	SMITH	JOE	1234 S. Bank Street	Minneapolis	MN	55402	AC	09/25/2019	09/30/2019

Inventory Point Level

Reporting Period: from 1/1/2021 to 1/25/2021

Client Program Name	Client Program ID	Location Name	Location ID	Inventory Point	# of 1st Time Registrations	# of 1st Time Activations	# of Loads	Load Amount
Program Name: USB Focus COMPANY NAME	123456789	Company Name	123456789	TEST ONE	3	3	63	\$27,858.41
				TEST TWO	0	1	5	\$2,549.84
				Loc ID Subtotal	3	4	68	\$30,408.25
				TOTAL	3	4	68	\$30,408.25

Cardholder Information Exception

Program: USB Focus

Account Last Name	Mailing Address	Permanent Address	City	State	Zip Code	Card ID	Status	Employee ID	Last 4 - SSN	Tracking Number	Registration Date	KYC Status	PO Box	SSN	ZipCode	DOB
Client Program ID	123456789	Location ID	123456789													
SMITH	1234 S. Bank Street		Minneapolis	MN	55402	123456789	AC		1111		20200629			X		

Cardholder ID Verification Status

Program USB Focus

Client Program	Client Program Name	CIP Status	Num of Days Pending	Cust ID	Card ID	Tracking Number	First Name	Last Name	City	State	Zip	Phone	DOB	SSN	Card Status	Date ID Checked	Registration Date	KYC Status	IDV Notes
123456789	Company Name	ID Verification Pending	35	444444444	1234567890		SMITH	JOE	Minneapolis	MN	55402	1235551234	1/1/1980		AC	12/11/2020	12/13/2019	Complete	ID Verification Pending - 1 - Docs Needed SSN

Exhibit D

In-network ATM Locations

Nebraska ATM List

BRANDING	LOCATION NAME	ADDRESS	CITY	STATE	ZIP CODE
MoneyPass	ADAMS STATE BANK	633 MAIN STREET	ADAMS	NE	68301
MoneyPass	ADAMS STATE BANK	649 MAIN STREET	ADAMS	NE	68301
MoneyPass	UNION BANK AND TRUST 10	822 EAST 4TH STREET	AINSWORTH	NE	69210
MoneyPass	CORNERSTONE BANK 10	240 S 3RD AVE	ALBION	NE	68620
MoneyPass	SECURITY BANK 10	101 N NE-9	ALLEN	NE	68710
MoneyPass	GREAT WESTERN BANK	423 W 3RD ST	ALLIANCE	NE	69301
MoneyPass	PLATTE VALLEY BANK	304 BOX BUTTE	ALLIANCE	NE	69301
MoneyPass	FIRST CENTRAL BANK	641 CHESTNUT	ARAPAHOE	NE	68922
MoneyPass	UNION BANK AND TRUST 10	502 HIGHWAY 6	ASHLAND	NE	68003
MoneyPass	TRI-COUNTY BANK	807 E. ASH STREET	ATKINSON	NE	68713
MoneyPass	GREAT WESTERN BANK	118 E STATE ST	ATKINSON	NE	68713
MoneyPass	UNION BANK AND TRUST 10	1301 J STREET	AUBURN	NE	68305
MoneyPass	HERITAGE BANK	1110 L STREET	AURORA	NE	68818
MoneyPass	CORNERSTONE BANK 10	1609 Q ST	AURORA	NE	68818
MoneyPass	HEARTLAND BANK	901 Q ST	AURORA	NE	68818
MoneyPass	CORNERSTONE BANK 10	1206 13TH ST	AURORA	NE	68818
MoneyPass	FIRST BANK AND TRUST COMPANY	101 1ST AVENUE	AXTELL	NE	68924
MoneyPass	FIRST BANK OF BANCROFT	1988 HIGHWAY 16	BANCROFT	NE	68004
MoneyPass	CORNERSTONE BANK 10	RANDOLPH AND HWY 281	BARTLETT	NE	68622
MoneyPass	TRI-COUNTY BANK	103 W. HWY 20	BASSETT	NE	68714
MoneyPass	SANDHILLS STATE BANK 84	202 CLARK ST	BASSETT	NE	68714
MoneyPass	WESTERN STATES BANK	302 MAIN STREET	BAYARD	NE	69334
MoneyPass	MEMBERSOWN CREDIT UNION	2600 EASTSIDE BLVD	BEATRICE	NE	68310
MoneyPass	GREAT WESTERN BANK	1000 COURT ST	BEATRICE	NE	68310
MoneyPass	GREAT WESTERN BK	1000 COURT ST	BEATRICE	NE	68310
MoneyPass	UNION BANK AND TRUST 10	1300 COURT ST	BEATRICE	NE	68310
MoneyPass	FIRST STATE BANK NEBRASKA 10	560 SARGENT ST	BEATRICE	NE	68310
U.S. Bank Branded	U.S. Bank Beatrice	202 North 6th Street	Beatrice	NE	68310
MoneyPass	Farmers & Merchants Bank	900 Dimery Street	Beaver Crossing	NE	68313
MoneyPass	FIRST COMMUNITY BANK 84	201 MAIN ST	BEEMER	NE	68716
MoneyPass	FIRST COMMUNITY BANK 84	1128 COUNTY RIVER RD	BEEMER	NE	68716
MoneyPass	FIRST COMMUNITY BANK 84	111 S BLAINE ST	BEEMER	NE	68716
MoneyPass	FIRST COMMUNITY BANK 84	310 FRONT ST	BEEMER	NE	68716
U.S. Bank Branded	U.S. Bank Twin Creek - Baker's	3614 Twin Creek Drive	Bellevue	NE	68123
U.S. Bank Branded	U.S. Bank Bellevue Southroads	1001 Fort Crook Road North	Bellevue	NE	68005
U.S. Bank Branded	American Plaza Bakers	801 Galvin Road South	Bellevue	NE	68005
MoneyPass	GREAT WESTERN BANK	3705 TWINCREEK	BELLEVUE	NE	68123
MoneyPass	GREAT WESTERN BANK	919 GALVIN RD #100	BELLEVUE	NE	68005
MoneyPass	BANK OF THE VALLEY	404 STATE STREET	BELLWOOD	NE	68624
MoneyPass	BANK OF THE VALLEY	107 ESPLANDE/HWY 64	BELLWOOD	NE	68632
MoneyPass	CORNERSTONE BANK 10	222 SHERMAN ST	BENEDICT	NE	68319
MoneyPass	I3 BANK	12212 N 156TH STREET	BENNINGTON	NE	68007
U.S. Bank Branded	U.S. Bank Blair	1865 Washington Street	Blair	NE	68008
MoneyPass	BANK OF HARTINGTON	120 N BROADWAY	BLOOMFIELD	NE	68718
MoneyPass	BANK OF HARTINGTON	120 N BROADWAY	BLOOMFIELD	NE	68718
MoneyPass	HEARTLAND BANK	310 N WILSON STREET	BLUE HILL	NE	68930
MoneyPass	SOUTH CENTRAL STATE BANK	101 SOUTH WILLSON ST	BLUE HILL	NE	68967
MoneyPass	PLATTE VALLEY BANK	1003 MAIN STREET	BRIDGEPORT	NE	69336
MoneyPass	HERITAGE BANK	2525 HERITAGE DRIVE	BROKEN BOW	NE	68822
MoneyPass	GREAT WESTERN BANK	901 S D ST	BROKEN BOW	NE	68822
MoneyPass	Bruning Bank	803 SOUTH D STREET	BROKEN BOW	NE	68822
MoneyPass	NEBRASKA ENERGY FCU	72676 648A AVE	BROWNVILLE	NE	68321
MoneyPass	Bruning Bank	104 E MAIN STREET	BRUNING	NE	68822
MoneyPass	CORNERSTONE BANK 10	6206 SPUR 85C	BRUNING	NE	68322
MoneyPass	HEARTLAND BANK	82404 HIGHWAY 11	BURWELL	NE	68823
MoneyPass	Pathway Bank	805 G Street	Burwell	NE	68823
MoneyPass	Pathway Bank	270 S Hwy 11	Burwell	NE	68823
MoneyPass	GREAT WESTERN BANK	163 NW GRAND AVE	BURWELL	NE	68823
MoneyPass	BUTTE STATE BANK	510 THAYER ST	BUTTE	NE	68722
MoneyPass	WESTERN NATIONAL BANK	115 KANSAS AVE	BYRON	NE	68325
MoneyPass	Pathway Bank	306 S High Street	Cairo	NE	68824
MoneyPass	WESTERN NATIONAL BANK	415 S HIGH ST	CAIRO	NE	68824
MoneyPass	GREAT WESTERN BANK	101 E KIMBALL	CALLAWAY	NE	68825
MoneyPass	WAYPOINT BANK	707 PATTERSON	CAMBRIDGE	NE	69022
MoneyPass	FIRST CENTRAL BANK	41501 HARVEST DR	CAMBRIDGE	NE	69022
MoneyPass	CITIZENS STATE BANK OF CARLETON	209 3RD STREET	CARLETON	NE	68326
MoneyPass	COMMUNITY STATE BANK	127 W MAIN ST	CEDAR BLUFF	NE	68015
MoneyPass	ARCHER COOPERATIVE CREDIT UNION	510 G STREET	CENTRAL CITY	NE	68826
MoneyPass	CORNERSTONE BANK 10	1414 16TH ST	CENTRAL CITY	NE	68826

Nebraska ATM List

MoneyPass	FIRST NORTHEAST BANK OF NEBRASKA	362 COUNTY RD 18	CERESCO	NE	68017
MoneyPass	PLATTE VALLEY BANK	261 MAIN ST	CHADRON	NE	69337
MoneyPass	CHADRON FCU	126 EAST 3RD ST	CHADRON	NE	69337
MoneyPass	WESTERN NATIONAL BANK	523 THAYER AVE	CHESTER	NE	68327
MoneyPass	BANK OF CLARKS	106 W HIGHWAY 30	CLARKS	NE	68628
MoneyPass	CORNERSTONE BANK 10	103 S. BROWN AVE	CLAY CENTER	NE	68933
MoneyPass	WAYPOINT BANK	116 S ALEXANDER	CLAY CENTER	NE	68933
MoneyPass	HEARTLAND BANK	404 N CENTER	CLAY CENTER	NE	68933
MoneyPass	CORNERSTONE BANK 10	303 HIGHWAY 275	CLEARWATER	NE	68726
MoneyPass	CORNERSTONE BANK 10	604 MAIN STREET	CLEARWATER	NE	68726
MoneyPass	SECURITY BANK 10	101 W BROADWAY	COLERIDGE	NE	68727
MoneyPass	COMMUNITY STATE BANK	104 SPRUCE STREET	COLON	NE	68018
MoneyPass	Dale Employee Federal CU	2759 33rd Ave	Columbus	NE	68601
MoneyPass	COLUMBUS BANK AND TRUST COMPANY	118 23RD ST.SUITE 100	COLUMBUS	NE	68601
MoneyPass	COLUMBUS BANK AND TRUST COMPANY	220 23RD STREET	COLUMBUS	NE	68601
MoneyPass	COLUMBUS BANK AND TRUST COMPANY	4600 38TH STREET	COLUMBUS	NE	68601
MoneyPass	COLUMBUS BANK AND TRUST COMPANY	4321 41ST AVENUE	COLUMBUS	NE	68601
MoneyPass	COLUMBUS BANK AND TRUST COMPANY	920 E 19TH STREET	COLUMBUS	NE	68601
MoneyPass	GREAT WESTERN BANK	1464 26TH AVE	COLUMBUS	NE	68601
MoneyPass	GREAT WESTERN BANK	1920 23RD ST	COLUMBUS	NE	68601
MoneyPass	UNION BANK AND TRUST 10	3318 23RD STREET	COLUMBUS	NE	68601
MoneyPass	NEBRASKA ENERGY FCU	1414 15TH ST	COLUMBUS	NE	68601
MoneyPass	BANK OF THE VALLEY	1061 26TH AVE	COLUMBUS	NE	68601
MoneyPass	COLUMBUS BANK AND TRUST COMPANY	2501 13th Street	Columbus	NE	68601
U.S. Bank Branded	U.S. Bank Columbus	2221 23rd Street	Columbus	NE	68601
MoneyPass	BANK OF THE VALLEY	3434 DISCOVER DR	COLUMBUS	NE	68601
MoneyPass	BANK OF THE VALLEY	3208 42ND ST	COLUMBUS	NE	68601
MoneyPass	CORNERSTONE BANK 10	818 E 23RD ST	COLUMBUS	NE	68979
MoneyPass	CORNERSTONE BANK 10	1727 23RD STREET	COLUMBUS	NE	68601
MoneyPass	BANK OF THE VALLEY	3235 47TH STREET	COLUMBUS	NE	68601
MoneyPass	BANKFIRST 84	2530 23RD STREET	COLUMBUS	NE	68602
MoneyPass	BANK OF THE VALLEY	5113 63RD ST	COLUMBUS	NE	68601
MoneyPass	FIRST STATE BANK NEBRASKA 10	223 W FOURTH ST	CORTLAND	NE	68331
MoneyPass	WAYPOINT BANK	747 MERIDIAN AVENUE	COZAD	NE	69130
MoneyPass	MIDWEST BANK NA 10	606 MAIN STREET	CREIGHTON	NE	68729
MoneyPass	CORNERSTONE BANK 10	59 EXPRESS	CREIGHTON	NE	68729
MoneyPass	CITY BANK & TRUST CO.	1135 MAIN	CRETE	NE	68333
MoneyPass	GREAT WESTERN BANK	1301 MAINE AVE	CRETE	NE	68333
MoneyPass	UNION BANK AND TRUST 10	1850 GROVE AVENUE	CRETE	NE	68333
MoneyPass	FIRST CENTRAL BANK	302 CENTER AVE	CURTIS	NE	69025
MoneyPass	ARCHER COOPERATIVE CREDIT UNION	102 S MILL STREET	DANNEBROG	NE	68831
MoneyPass	CORNERSTONE BANK 10	100 W 6TH ST	DAVENPORT	NE	68335
MoneyPass	BANK OF THE VALLEY	1855 N. 4TH ST	DAVID CITY	NE	68632
MoneyPass	BANK OF THE VALLEY	634 E ST	DAVID CITY	NE	68632
MoneyPass	BANK OF THE VALLEY	340 D ST	DAVID CITY	NE	68632
MoneyPass	BANK OF THE VALLEY	750 D ST	DAVID CITY	NE	68632
MoneyPass	BANK OF THE VALLEY	1652 N 4TH ST	DAVID CITY	NE	68632
MoneyPass	BANK OF THE VALLEY	899 PARK DRIVE	DAVID CITY	NE	68632
MoneyPass	UNION BANK AND TRUST 10	1510 4TH STREET	DAVID CITY	NE	68632
MoneyPass	BANK OF THE VALLEY	62 L ST	DAVID CITY	NE	68632
MoneyPass	HEARTLAND BANK	306 JEFFERSON STREET	DAYKIN	NE	68338
MoneyPass	UNION BANK AND TRUST 10	7229 LANCASTER AVENUE	DENTON	NE	68339
MoneyPass	MIDWEST BANK NA 10	701 4TH STREET	DESHLER	NE	68340
MoneyPass	MIDWEST BANK NA 10	1040 5300 ROAD	DESHLER	NE	68340
MoneyPass	MIDWEST BANK NA 10	1040 5300 ROAD	DESHLER	NE	68340
MoneyPass	FIRST STATE BANK NEBRASKA 10	307 E FILLMORE AVE	DEWITT	NE	68341
MoneyPass	FIRST STATE BANK NEBRASKA 10	611 WASHINGTON	DORCHESTER	NE	68343
MoneyPass	Riverstone Bank	600 SOUTH 4TH STREET	EAGLE	NE	68347
MoneyPass	AMERICAN EXCHANGE BANK	440 D STREET	EAGLE	NE	68347
MoneyPass	CORNERSTONE BANK 10	307 N C STREET	EDGAR	NE	68935
MoneyPass	AMERICAN INTERSTATE BANK ELKHORN	3331 N. 204TH STREET	ELKHORN	NE	68022
MoneyPass	FIRST NEBRASKA CREDIT UNION	20241 MANDERSON ST	ELKHORN	NE	68022
MoneyPass	FIVE POINTS BANK 10	3825 N 202ND STREET	ELKHORN	NE	68022
MoneyPass	UNION BANK AND TRUST 10	21015 CUMBERLAND DR	ELKHORN	NE	68022
U.S. Bank Branded	U.S. Bank Elkhorn	711 North 205th Street	Elkhorn	NE	68022
MoneyPass	METRO HEALTH SRVS	920 N 204TH AVE	ELKHORN	NE	68022
MoneyPass	UNITED REPUBLIC BANK	111 NORTH 181ST ST	ELKHORN	NE	68022
MoneyPass	ARBOR BANK	18924 EVAN STREET	ELKHORN	NE	68122
MoneyPass	ARBOR BANK	18924 EVAN STREET	ELKHORN	NE	68022
MoneyPass	AMERICAN EXCHANGE BANK	209 S 4TH STREET	ELMWOOD	NE	68349

Nebraska ATM List

MoneyPass	WAYPOINT BANK		100 N MAIN ST	EUSTIS	NE	69028
MoneyPass	GENERATIONS BANK		139 S EXETER AVENUE	EXETER	NE	68351
MoneyPass	GENERATIONS BANK		139 S Exeter Ave	Exeter	NE	68351
MoneyPass	HEARTLAND BANK		525 F STREET	FAIRBURY	NE	68352
MoneyPass	HEARTLAND BANK		1415 K STREET	FAIRBURY	NE	68352
MoneyPass	UNION BANK AND TRUST	10	1313 K STREET	FAIRBURY	NE	68352
MoneyPass	F&M BANK		1502 HARLAN ST	FALLS CITY	NE	68355
MoneyPass	F&M BANK		1701 STONE STREET	FALLS CITY	NE	68355
MoneyPass	GREAT WESTERN BANK		114 W 15TH ST	FALLS CITY	NE	68355
MoneyPass	FRONTIER BANK	10	1616 HARLAN ST	FALLS CITY	NE	68355
MoneyPass	FIRST STATE BANK NEBRASKA	10	111 LIVINGSTON ST	FILLEY	NE	68357
MoneyPass	FIRST STATE BANK NEBRASKA	10	305 MAIN ST	FIRTH	NE	68358
MoneyPass	CEDAR SECURITY BANK		117 MAIN STREET	FORDYCE	NE	68736
MoneyPass	CORNERSTONE BANK	10	519 15TH AVENUE	FRANKLIN	NE	68939
MoneyPass	SOUTH CENTRAL STATE BANK		HWY 10 & 136	FRANKLIN	NE	68939
MoneyPass	FIRST NORTHEAST BANK OF NEBRASKA		2300 LAVERNA ST	FREMONT	NE	68025
U.S. Bank Branded	U.S. Bank Fremont Suburban		1615 East 23rd Street	Fremont	NE	68025
MoneyPass	GREAT WESTERN BANK		1552 E 23RD ST	FREMONT	NE	68025
U.S. Bank Branded	Fremont Drive-Up		1947 1/2 East Military Avenue	Fremont	NE	68025
MoneyPass	CITIZENS STATE BANK		150 MAPLE STREET	FRIEND	NE	68359
MoneyPass	HEARTLAND BANK		143 S 13TH STREET	GENEVA	NE	68361
MoneyPass	CORNERSTONE BANK	10	311 N 13TH STREET	GENEVA	NE	68361
MoneyPass	CORNERSTONE BANK	10	540 N 13TH ST	GENEVA	NE	68361
MoneyPass	PLATTE VALLEY BANK		1270 10TH STREET	GERING	NE	69341
MoneyPass	PLATTE VALLEY BANK		1850 10TH STREET	GERING	NE	69341
MoneyPass	RIVERSTONE BANK		1540 10TH ST	GERING	NE	69341
MoneyPass	RIVERSTONE BANK		1540 10TH ST	GERING	NE	69341
MoneyPass	WESTERN STATES BANK		1425 10TH ST.	GERING	NE	69341
MoneyPass	WESTERN STATES BANK		1940 10TH STREET	GERING	NE	69341
U.S. Bank Branded	Gering Drive Up		1270 10th Street	Gering	NE	69341
MoneyPass	WESTERN STATES BANK		2648 N. 10TH ST	GERING	NE	69341
MoneyPass	CORNERSTONE BANK	10	211 WINTERS AVE	GLENVIL	NE	68941
MoneyPass	FIRST NATIONAL BANK OF GORDON		134 N. MAIN STREET	GORDON	NE	69343
MoneyPass	FIRST STATE BANK		605 10TH AND AVENUE F	GOTHENBURG	NE	69138
MoneyPass	FIRST STATE BANK		202 8TH STREET	GOTHENBURG	NE	69138
MoneyPass	HEARTLAND BANK		245 N WASHINGTON AVE	GRAFTON	NE	68365
MoneyPass	HERITAGE BANK		1333 N WEBB ROAD	GRAND ISLAND	NE	68803
MoneyPass	Pathway Bank		3333 W State Street	Grand Island	NE	68803
MoneyPass	GREAT WESTERN BANK		1811 W 2ND ST	GRAND ISLAND	NE	68803
MoneyPass	GREAT WESTERN BANK		700 N WEBB RD	GRAND ISLAND	NE	68803
MoneyPass	ALTER METAL RECYCLING- GRAND ISLAND		1119 EAST 4TH STREET	GRAND ISLAND	NE	68801
MoneyPass	FIVE POINTS BANK	10	3111 W STOLLEY PK RD	GRAND ISLAND	NE	68801
MoneyPass	FIVE POINTS BANK	10	2009 N DIERS AVE	GRAND ISLAND	NE	68803
MoneyPass	FIVE POINTS BANK	10	700 E STOLLEY PK RD	GRAND ISLAND	NE	68801
MoneyPass	FIVE POINTS BANK	10	2310 N WEBB RD	GRAND ISLAND	NE	68803
MoneyPass	FIVE POINTS BANK	10	1616 S LOCUST ST	GRAND ISLAND	NE	68801
MoneyPass	FIVE POINTS BANK	10	518 N EDDY ST	GRAND ISLAND	NE	68801
MoneyPass	FIVE POINTS BANK	10	112 KAUFMAN AVE	GRAND ISLAND	NE	68803
MoneyPass	FIVE POINTS BANK	10	700 E STOLLEY PK RD	GRAND ISLAND	NE	68801
MoneyPass	FIVE POINTS BANK	10	700 E STOLLEY PK RD	GRAND ISLAND	NE	68801
MoneyPass	FIVE POINTS BANK	10	2620 FAIDLEY AVE W	GRAND ISLAND	NE	68803
MoneyPass	UNION BANK AND TRUST	10	1602 WEST 2ND STREET	GRAND ISLAND	NE	68801
MoneyPass	CORNERSTONE BANK	10	840 N DIERS AVE	GRAND ISLAND	NE	68803
U.S. Bank Branded	U.S. Bank Grand Island Webb		2121 North Webb Road	Grand Island	NE	68803
U.S. Bank Branded	Southeast Commons Drive-Up		1201 South Locust Street	Grand Island	NE	68801
MoneyPass	FIVE POINTS BANK	10	200 N. HARRISON ST	GRAND ISLAND	NE	68803
MoneyPass	FIVE POINTS BANK	10	2201 N BROADWELL	GRAND ISLAND	NE	68803
MoneyPass	FIVE POINTS BANK	10	1904 N. DIERS AVE	GRAND ISLAND	NE	68801
MoneyPass	FIVE POINTS BANK	10	2015 N BROADWELL	GRAND ISLAND	NE	68801
MoneyPass	FIVE POINTS BANK	10	700 E STOLLEY RD	GRAND ISLAND	NE	68801
MoneyPass	UNION BANK AND TRUST	10	2008 N WEBB ROAD	GRAND ISLAND	NE	68802
MoneyPass	UNION BANK AND TRUST	10	209 E STOLLEY PARK RD	GRAND ISLAND	NE	68801
MoneyPass	UNION BANK AND TRUST	10	710 W STATE STREET	GRAND ISLAND	NE	68803
MoneyPass	CORNERSTONE BANK	10	3501 S LOCUST ST	GRAND ISLAND	NE	68603
MoneyPass	CORNERSTONE BANK	10	2250 N DIERS AVE	GRAND ISLAND	NE	68603
MoneyPass	FIVE POINTS BANK	10	2032 W STOLLEY PARK R	GRAND ISLAND	NE	68801
MoneyPass	FIVE POINTS BANK	10	3533 PRAIREVIEW ST	GRAND ISLAND	NE	68801
MoneyPass	WESTERN STATES BANK		235 CENTRAL AVE	GRANT	NE	69140
MoneyPass	SANDHILLS STATE BANK	84	235 CENTRAL AVE	GRANT	NE	69140
MoneyPass	FIRST NATIONAL BANK IN ORD		101 W O'NEIL AVE	GREELEY	NE	68842

Nebraska ATM List

MoneyPass	FIRST NATIONAL BANK IN ORD	101 W O'NEIL AVE	GREELEY	NE	68842
MoneyPass	F&M BANK	11504 WILLOW PARK DR	GRETNA	NE	68028
MoneyPass	CORNERSTONE BANK 10	2192 HWY 136	GUIDE ROCK	NE	68942
MoneyPass	FIRST STATE BANK NEBRASKA 10	300 MAIN ST	HALLAM	NE	68368
MoneyPass	CORNERSTONE BANK 10	211 A ST	HAMPTON	NE	68843
MoneyPass	CEDAR SECURITY BANK	309 S ROBINSON AVENUE	HARTINGTON	NE	68739
MoneyPass	BANK OF HARTINGTON	101 W FELBER ST	HARTINGTON	NE	68739
MoneyPass	BANK OF HARTINGTON	303 S ROBINSON	HARTINGTON	NE	68739
MoneyPass	SECURITY BANK 10	201 S ROBINSON AVE	HARTINGTON	NE	68739
MoneyPass	CORNERSTONE BANK 10	302 N CLAY AVE	HARVARD	NE	68944
MoneyPass	HERITAGE BANK	800 WEST 3RD STREET	HASTINGS	NE	68901
MoneyPass	HERITAGE BANK	1115 W 2ND STREET	HASTINGS	NE	68901
MoneyPass	HEARTLAND BANK	3701 OSBORNE DR W	HASTINGS	NE	68901
MoneyPass	HEARTLAND BANK	1410 W J STREET	HASTINGS	NE	68901
MoneyPass	HEARTLAND BANK	1414 N BURLINGTON AVE	HASTINGS	NE	68901
MoneyPass	FIVE POINTS BANK OF HASTINGS 10	322 N. ST JOSEPH AVE	HASTINGS	NE	68901
MoneyPass	FIVE POINTS BANK OF HASTINGS 10	320 S BURLINGTON AVE	HASTINGS	NE	68901
MoneyPass	FIVE POINTS BANK OF HASTINGS 10	800 EAST 12TH STREET	HASTINGS	NE	68901
U.S. Bank Branded	U.S. Bank Hastings	305 North Hastings Avenue	Hastings	NE	68901
MoneyPass	HERITAGE BANK	2611 W 12TH STREET	HASTINGS	NE	68901
MoneyPass	GREAT WESTERN BANK	700 N BURLINGTON	HASTINGS	NE	68901
MoneyPass	FIVE POINTS BANK OF HASTINGS 10	2815 OSBORNE DRIVE	HASTINGS	NE	68901
MoneyPass	FIVE POINTS BANK OF HASTINGS 10	705 E 9TH STREET	HASTINGS	NE	68901
MoneyPass	FIVE POINTS BANK OF HASTINGS 10	3100 OSBORNE DRIVE	HASTINGS	NE	68901
MoneyPass	UNION BANK AND TRUST 10	611 NORTH BURLINGTON	HASTINGS	NE	68901
MoneyPass	Bruning Bank	252 SOUTH 13TH STREET	HEBRON	NE	68370
MoneyPass	CORNERSTONE BANK 10	243 SOUTH 13TH STREET	HEBRON	NE	68370
MoneyPass	CORNERSTONE BANK 10	916 N MAIN ST	HENDERSON	NE	68371
MoneyPass	FIRST STATE BANK NEBRASKA 10	655 CHESTNUT ST	HICKMAN	NE	68372
MoneyPass	FIRST STATE BANK NEBRASKA 10	18940 S 68TH	HICKMAN	NE	68372
MoneyPass	GREAT WESTERN BANK	321 BURLINGTON ST	HOLDREGE	NE	68949
MoneyPass	GREAT WESTERN BANK	424 WEST AVE	HOLDREGE	NE	68949
MoneyPass	Bruning Bank	1215 BURLINGTON ST	HOLDREGE	NE	68949
MoneyPass	FIRST COMMUNITY BANK 84	109 JOHN ST	HOMER	NE	68030
MoneyPass	FIRST COMMUNITY BANK 84	108 N HWY 77	HOMER	NE	68030
MoneyPass	FIRST NORTHEAST BANK OF NEBRASKA	201 N MAIN STREET	HOOPER	NE	68031
MoneyPass	METRO FCU	2500 OMAHA AVE	HUBBARD	NE	68741
MoneyPass	BANK OF THE VALLEY	100 S 3RD ST	HUMPHREY	NE	68642
MoneyPass	BANK OF THE VALLEY	26557 NEBRASKA HWY 91	HUMPHREY	NE	68642
MoneyPass	SANDHILLS STATE BANK 84	101 S MAIN ST	HYANNIS	NE	69350
MoneyPass	WAYPOINT BANK	348 BROADWAY	IMPERIAL	NE	69033
MoneyPass	BANK OF DIXON COUNTY	218 E. ELK STREET	JACKSON	NE	68743
MoneyPass	ADAMS COUNTY BANK	1307 N BRASS AVE	JUNIATA	NE	68955
MoneyPass	NEBRASKALAND BANK	4615 2ND AVENUE	KEARNEY	NE	68847
MoneyPass	TOWN & COUNTRY BANK	6005 2ND AVE WEST	KEARNEY	NE	68847
MoneyPass	HEARTLAND BANK	212 E 56TH STREET	KEARNEY	NE	68847
MoneyPass	HEARTLAND BANK	7810 2ND AVENUE	KEARNEY	NE	68847
MoneyPass	Farmers & Merchants Bank	3015 Second Ave	Kearney	NE	68847
MoneyPass	GREAT WESTERN BANK	2120 1ST AVE	KEARNEY	NE	68847
MoneyPass	UNION BANK AND TRUST 10	102 E 25TH STREET	KEARNEY	NE	68847
U.S. Bank Branded	U.S. Bank Kearney Main	204 West 31st Street	Kearney	NE	68845
MoneyPass	HERITAGE BANK	315 W. 60TH STREET	KEARNEY	NE	68848
MoneyPass	Farmers & Merchants Bank	405 South 2nd Ave	Kearney	NE	68847
MoneyPass	HEARTLAND BANK	3004 W HWY 30	KEARNEY	NE	68847
MoneyPass	FIVE POINTS BANK 10	2501 CENTRAL AVE	KEARNEY	NE	68847
MoneyPass	FIVE POINTS BANK 10	1809 W 39TH ST	KEARNEY	NE	68847
MoneyPass	Bruning Bank	1110 17TH AVENUE	KEARNEY	NE	68845
MoneyPass	ADAMS COUNTY BANK	401 N SMITH AVE	KENESAW	NE	68956
MoneyPass	FIVE POINTS BANK 10	9718 GILES ROAD	LA VISTA	NE	68128
MoneyPass	Kellogg Midwest FCU	9618 Brentwood Dr	La Vista	NE	68128
MoneyPass	CITIZENS STATE BANK	201 SOUTH HWY 20	LAUREL	NE	68745
MoneyPass	SECURITY BANK 10	206 HIGHWAY 20 S	LAUREL	NE	68745
MoneyPass	ACCESS BANK	7223 S 84TH STREET	LAVISTA	NE	68128
MoneyPass	NORTHWEST BANK 27	9719 GILES RD	LAVISTA	NE	68128
MoneyPass	CITIZENS STATE BANK	203 MAIN STREET	LEIGH	NE	68643
MoneyPass	GREAT WESTERN BANK	800 S PLUM CREEK PKWY	LEXINGTON	NE	68850
MoneyPass	GREAT WESTERN BANK	517 N LINCOLN ST	LEXINGTON	NE	68850
MoneyPass	GREAT WESTERN BANK	1500 PLUM CREEK PKWY	LEXINGTON	NE	68763
MoneyPass	SPIRIT OF AMERICA FEDERAL CREDIT UNION	100 CENTENNIAL MALL N	LINCOLN	NE	68508
MoneyPass	SPIRIT OF AMERICA FEDERAL CREDIT UNION	850 S STREET	LINCOLN	NE	68508

Nebraska ATM List

MoneyPass	SPIRIT OF AMERICA FEDERAL CREDIT UNION		1301 W HIGHLANDS BLVD	LINCOLN	NE	68521
MoneyPass	MEMBERSOWN CREDIT UNION		475 FALLBROOK BLVD	LINCOLN	NE	68521
MoneyPass	CITY BANK & TRUST CO.		2929 PINE LAKE ROAD	LINCOLN	NE	68516
MoneyPass	CITY BANK & TRUST CO.		940 P ST	LINCOLN	NE	68508
MoneyPass	CITY BANK & TRUST CO.		4225 LUCILE DR	LINCOLN	NE	68506
MoneyPass	SPIRIT OF AMERICA FEDERAL CREDIT UNION		325 NORTH 52ND STREET	LINCOLN	NE	68505
MoneyPass	SPIRIT OF AMERICA FEDERAL CREDIT UNION		2400 NW 24 STREET	LINCOLN	NE	68524
MoneyPass	MEMBERSOWN CREDIT UNION		1391 SOUTH 33RD STREE	LINCOLN	NE	68510
MoneyPass	MEMBERSOWN CREDIT UNION		5900 O STREET	LINCOLN	NE	68510
MoneyPass	FIRST NEBRASKA CREDIT UNION		5070 N 32ND STREET	LINCOLN	NE	68504
MoneyPass	FIRST NEBRASKA CREDIT UNION		8101 S 40TH STREET	LINCOLN	NE	68516
MoneyPass	GREAT WESTERN BANK		1235 N ST	LINCOLN	NE	68508
MoneyPass	GREAT WESTERN BANK		3410 N 27TH ST	LINCOLN	NE	68521
MoneyPass	GREAT WESTERN BANK		135 N COTNER BLVD	LINCOLN	NE	68505
MoneyPass	GREAT WESTERN BANK		6424 HAVELOCK AVE	LINCOLN	NE	68507
MoneyPass	GREAT WESTERN BANK		6945 A ST	LINCOLN	NE	68510
MoneyPass	GREAT WESTERN BANK		3939 NORMAL BLVD	LINCOLN	NE	68506
MoneyPass	GREAT WESTERN BANK		5533 S 27TH ST	LINCOLN	NE	68512
MoneyPass	GREAT WESTERN BANK		8380 OLD CHENEY RD #1	LINCOLN	NE	68516
MoneyPass	GREAT WESTERN BK		1235 N ST	LINCOLN	NE	68508
MoneyPass	LIBERTY FIRST CREDIT UNION		5101 N 27TH STREET	LINCOLN	NE	68521
MoneyPass	LIBERTY FIRST CREDIT UNION		501 NORTH 46TH STREET	LINCOLN	NE	68503
MoneyPass	LIBERTY FIRST CREDIT UNION		6001 S 56TH STREET	LINCOLN	NE	68516
MoneyPass	LIBERTY FIRST CREDIT UNION		8400 LEXINGTON AVE	LINCOLN	NE	68505
MoneyPass	FRONTIER BANK	10	8380 GLYNOAKS DR	LINCOLN	NE	68516
MoneyPass	UNION BANK AND TRUST	10	4800 NORMAL BLVD.	LINCOLN	NE	68506
MoneyPass	UNION BANK AND TRUST	10	2201 HIGHWAY 2	LINCOLN	NE	68502
MoneyPass	UNION BANK AND TRUST	10	6801 O STREET	LINCOLN	NE	68510
MoneyPass	UNION BANK AND TRUST	10	6001 VILLAGE DRIVE	LINCOLN	NE	68516
MoneyPass	UNION BANK AND TRUST	10	840 FALLBROOK BLVD.	LINCOLN	NE	68521
MoneyPass	UNION BANK AND TRUST	10	151 SW 48TH STREET	LINCOLN	NE	68522
MoneyPass	UNION BANK AND TRUST	10	121 S 13TH STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	8501 ANDERMATT DRIVE	LINCOLN	NE	68526
MoneyPass	UNION BANK AND TRUST	10	840 FALLBROOK BLVD.	LINCOLN	NE	68521
MoneyPass	UNION BANK AND TRUST	10	3615 S 48TH STREET	LINCOLN	NE	68506
MoneyPass	UNION BANK AND TRUST	10	501 WEST A STREET	LINCOLN	NE	68522
MoneyPass	UNION BANK AND TRUST	10	1700 L STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	745 S 21ST STREET	LINCOLN	NE	68510
MoneyPass	UNION BANK AND TRUST	10	3202 S 10TH STREET	LINCOLN	NE	68502
MoneyPass	UNION BANK AND TRUST	10	3400 VILLAGE DRIVE	LINCOLN	NE	68516
MoneyPass	UNION BANK AND TRUST	10	2525 PINE LAKE ROAD	LINCOLN	NE	68512
MoneyPass	UNION BANK AND TRUST	10	6300 HAVELOCK AVENUE	LINCOLN	NE	68507
MoneyPass	UNION BANK AND TRUST	10	2662 CORNHUSKER HWY	LINCOLN	NE	68521
MoneyPass	UNION BANK AND TRUST	10	233 N 48TH STREET	LINCOLN	NE	68504
MoneyPass	UNION BANK AND TRUST	10	6835 N 27TH STREET	LINCOLN	NE	68521
MoneyPass	UNION BANK AND TRUST	10	1421 CENTERPARK ROAD	LINCOLN	NE	68512
MoneyPass	UNION BANK AND TRUST	10	2140 K STREET STE 100	LINCOLN	NE	68510
MoneyPass	UNION BANK AND TRUST	10	240 N 17TH STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	610 S 10TH STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	5600 S 56TH STREET	LINCOLN	NE	68516
MoneyPass	UNION BANK AND TRUST	10	3244 CORNHUSKER HWY	LINCOLN	NE	68504
MoneyPass	UNION BANK AND TRUST	10	7100 PIONEERS BLVD	LINCOLN	NE	68506
MoneyPass	UNION BANK AND TRUST	10	110 W O STREET	LINCOLN	NE	68528
MoneyPass	UNION BANK AND TRUST	10	2700 PORTER RIDGE RD	LINCOLN	NE	68516
MoneyPass	UNION BANK AND TRUST	10	2925 NW 12TH STREET	LINCOLN	NE	68521
MoneyPass	UNION BANK AND TRUST	10	8350 NORTHWOODS DRIVE	LINCOLN	NE	68505
MoneyPass	UNION BANK AND TRUST	10	3747 S 27TH STREET	LINCOLN	NE	68502
MoneyPass	UNION BANK AND TRUST	10	6006 HAVELOCK AVENUE	LINCOLN	NE	68507
MoneyPass	UNION BANK AND TRUST	10	4810 OLD CHENEY ROAD	LINCOLN	NE	68516
MoneyPass	UNION BANK AND TRUST	10	2601 TICONDEROGA DR	LINCOLN	NE	68521
MoneyPass	UNION BANK AND TRUST	10	1801 PINE LAKE ROAD	LINCOLN	NE	68512
MoneyPass	UNION BANK AND TRUST	10	4445 S 70TH STREET	LINCOLN	NE	68516
MoneyPass	LINCONE FEDERAL CREDIT UNION		4638 W ST	LINCOLN	NE	68503
MoneyPass	LINCONE FEDERAL CREDIT UNION		2500 N ST	LINCOLN	NE	68510
MoneyPass	CORNHUSKER BANK	84	1101 CORNHUSKER HWY	LINCOLN	NE	68521
MoneyPass	CORNHUSKER BANK	84	5555 SOUTH ST	LINCOLN	NE	68506
MoneyPass	CORNHUSKER BANK	84	6100 APPLES WAY	LINCOLN	NE	68516
MoneyPass	CORNHUSKER BANK	84	5701 S 34TH ST	LINCOLN	NE	68516
MoneyPass	WEST GATE BANK	10	6003 OLD CHENEY RD	LINCOLN	NE	68516
MoneyPass	WEST GATE BANK	10	1204 WEST O ST	LINCOLN	NE	68528

Nebraska ATM List

MoneyPass	WEST GATE BANK	10	5555 S 27TH ST	LINCOLN	NE	68512
MoneyPass	WEST GATE BANK	10	2037 S 17TH ST	LINCOLN	NE	68502
MoneyPass	UNION BANK AND TRUST	10	8201 N 56TH ST	LINCOLN	NE	68514
MoneyPass	MIDWEST BANK NA	10	2655 JAMIE LANE	LINCOLN	NE	68512
MoneyPass	UNION BANK AND TRUST	10	5240 S 48TH ST	LINCOLN	NE	68516
MoneyPass	WEST GATE BANK	10	4955 O STREET	LINCOLN	NE	68510
MoneyPass	WEST GATE BANK	10	2037 S 17TH ST	LINCOLN	NE	68502
MoneyPass	WEST GATE BANK	10	6003 OLD CHENEY RD	LINCOLN	NE	68516
MoneyPass	UNION BANK AND TRUST	10	1301 SOUTH STREET	LINCOLN	NE	68502
MoneyPass	FIRST STATE BANK NEBRASKA	10	4915 OLD CHENEY RD	LINCOLN	NE	68516
MoneyPass	I3 BANK		3933 S 14TH ST	LINCOLN	NE	68502
MoneyPass	WEST GATE BANK	10	6003 OLD CHENEY RD	LINCOLN	NE	68516
MoneyPass	WEST GATE BANK	10	8400 EAGLE CREST RD	LINCOLN	NE	68505
MoneyPass	WEST GATE BANK	10	4955 O STREET	LINCOLN	NE	68510
MoneyPass	WEST GATE BANK	10	4955 O STREET	LINCOLN	NE	68510
MoneyPass	WEST GATE BANK	10	2037 S 17TH ST	LINCOLN	NE	68502
U.S. Bank Branded	U.S. Bank Lincoln - Walmart		3400 North 85th Street	Lincoln	NE	68507
U.S. Bank Branded	U.S. Bank Lincoln Edgewood		5501 South 56th Street	Lincoln	NE	68516
U.S. Bank Branded	U.S. Bank Lincoln Ticonderoga		2640 Ticonderoga Drive	Lincoln	NE	68521
U.S. Bank Branded	U.S. Bank Lincoln 56th & O		100 North 56th Street	Lincoln	NE	68504
U.S. Bank Branded	U.S. Bank 27th & Pine Lake - Super Saver		2525 Pine Lake Road	Lincoln	NE	68512
U.S. Bank Branded	U.S. Bank Lincoln 13th & M		233 South 13th Street	Lincoln	NE	68508
U.S. Bank Branded	U.S. Bank 10th Street		3300 South 10th Street	Lincoln	NE	68502
U.S. Bank Branded	Bryan Medical Center - First Floor		1600 South 48th Street	Lincoln	NE	68506
U.S. Bank Branded	48th & O Super Saver		233 North 48th Street	Lincoln	NE	68504
MoneyPass	CATTLE BANK AND TRUST		6550 MERCHANT DRIVE	LINCOLN	NE	68521
MoneyPass	GREAT WESTERN BANK		5300 S 56TH ST	LINCOLN	NE	68516
MoneyPass	LIBERTY FIRST CREDIT UNION		801 WEST "O" ST	LINCOLN	NE	68605
MoneyPass	FRONTIER BANK	10	6940 O STREET STE 110	LINCOLN	NE	68510
MoneyPass	UNION BANK AND TRUST	10	3643 SOUTH 48TH	LINCOLN	NE	68506
MoneyPass	UNION BANK AND TRUST	10	1300 N 48TH	LINCOLN	NE	68504
MoneyPass	UNION BANK AND TRUST	10	5006 NORTH 27TH	LINCOLN	NE	68521
MoneyPass	UNION BANK AND TRUST	10	1940 O STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	110 W FLETCHER	LINCOLN	NE	68521
MoneyPass	UNION BANK AND TRUST	10	1400 R STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	8401 LEXINGTON	LINCOLN	NE	68505
MoneyPass	UNION BANK AND TRUST	10	1940 O STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	1400 R STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	1550 S. CODDINGTON	LINCOLN	NE	68522
MoneyPass	UNION BANK AND TRUST	10	4243 PIONEERS WOODS	LINCOLN	NE	68516
MoneyPass	UNION BANK AND TRUST	10	6801 SOUTH 27TH	LINCOLN	NE	68512
MoneyPass	UNION BANK AND TRUST	10	350 CANOPY STREET 3A	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	350 CANOPY STREET 3A	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	350 CANOPY STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	1400 R STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	318 LOVE LIBRARY	LINCOLN	NE	68588
MoneyPass	UNION BANK AND TRUST	10	314 NEBRASKA E UNION	LINCOLN	NE	68588
MoneyPass	UNION BANK AND TRUST	10	3293 A STREET	LINCOLN	NE	68510
MoneyPass	UNION BANK AND TRUST	10	3275 SHERIDAN BLVD	LINCOLN	NE	68502
MoneyPass	UNION BANK AND TRUST	10	530 N 17TH STREET	LINCOLN	NE	68588
MoneyPass	UNION BANK AND TRUST	10	2940 PINELAKE ROAD	LINCOLN	NE	68516
MoneyPass	UNION BANK AND TRUST	10	2960 PINE LAKE ROAD	LINCOLN	NE	68516
MoneyPass	UNION BANK AND TRUST	10	1401 PINE LAKE	LINCOLN	NE	68512
MoneyPass	UNION BANK AND TRUST	10	1120 CODDINGTON	LINCOLN	NE	68507
MoneyPass	UNION BANK AND TRUST	10	860 N 17TH STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	4400 S 33RD STREET	LINCOLN	NE	68516
MoneyPass	UNION BANK AND TRUST	10	1709 WASHINGTON	LINCOLN	NE	68502
MoneyPass	UNION BANK AND TRUST	10	130 N 66TH STREET	LINCOLN	NE	68505
MoneyPass	UNION BANK AND TRUST	10	1780 R STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	3800 OLD CHENEY ROAD	LINCOLN	NE	68506
MoneyPass	UNION BANK AND TRUST	10	5440 S 56TH STREET	LINCOLN	NE	68521
MoneyPass	UNION BANK AND TRUST	10	1055 N 16TH STREET	LINCOLN	NE	68508
MoneyPass	UNION BANK AND TRUST	10	8231 E O STREET	LINCOLN	NE	68510
MoneyPass	UNION BANK AND TRUST	10	946 S 27TH STREET	LINCOLN	NE	68510
MoneyPass	UNION BANK AND TRUST	10	3280 SUPERIOR	LINCOLN	NE	68504
MoneyPass	UNION BANK AND TRUST	10	6801 WILDCAT DRIVE	LINCOLN	NE	68521
MoneyPass	UNION BANK AND TRUST	10	1107 BELMONT	LINCOLN	NE	68521
MoneyPass	UNION BANK AND TRUST	10	8401 HIGHWAY 6	LINCOLN	NE	68507
MoneyPass	UNION BANK AND TRUST	10	2021 TRANSFORMATION	LINCOLN	NE	68508
MoneyPass	LINCONE FEDERAL CREDIT UNION		6700 S 70TH ST	LINCOLN	NE	68516

Nebraska ATM List

MoneyPass	CORNHUSKER BANK	84	8310 O STREET	LINCOLN	NE	68510
MoneyPass	CORNHUSKER BANK	84	2400 W ADAMS ST	LINCOLN	NE	68524
MoneyPass	WEST GATE BANK	10	2662 CORNHUSKER HWY	LINCOLN	NE	68504
MoneyPass	WEST GATE BANK	10	8400 EAGLE CREST RD	LINCOLN	NE	68507
MoneyPass	WEST GATE BANK	10	4955 O ST	LINCOLN	NE	68504
MoneyPass	UNION BANK AND TRUST	10	1240 R STREET	LINCOLN	NE	68508
MoneyPass	FIVE POINTS BANK	10	8500 S 30TH ST	LINCOLN	NE	68516
MoneyPass	FIRST STATE BANK NEBRASKA	10	2701 GRAINGER PARKWAY	LINCOLN	NE	68516
MoneyPass	LIBERTY FIRST CREDIT UNION		3531 PROGRESSIVE RD	LINCOLN	NE	68434
MoneyPass	UNION BANK AND TRUST	10	7500 PINE LAKE RD	LINCOLN	NE	68516
MoneyPass	WEST GATE BANK	10	2662 CORNHUSKER HWY	LINCOLN	NE	68512
MoneyPass	WEST GATE BANK	10	1204 W O ST	LINCOLN	NE	68505
U.S. Bank Branded	U.S. Bank Lincolnshire		1444 South 70th Street	Lincoln	NE	68506
U.S. Bank Branded	Duncan Aviation		3701 Aviation Road	Lincoln	NE	68524
MoneyPass	CATTLE BANK AND TRUST		925 ROBBERS CAVE RD	LINCOLN	NE	68502
MoneyPass	CATTLE BANK AND TRUST		1404 PINE LAKE ROAD	LINCOLN	NE	68516
MoneyPass	TOWN & COUNTRY BANK		102 W BUFORD	LITCHFIELD	NE	68852
MoneyPass	WESTERN NATIONAL BANK		100 N MAIN STREET	LOUISVILLE	NE	68037
MoneyPass	HERITAGE BANK		734 O STREET	LOUP CITY	NE	68853
MoneyPass	CITIZENS BANK & TRUST COMPANY		650 P STREET	LOUP CITY	NE	68853
MoneyPass	CITIZENS BANK & TRUST COMPANY		1201 HIGHWAY 92	LOUP CITY	NE	68853
MoneyPass	PLATTE VALLEY BANK		204 JEFFERS AVENUE	LYMAN	NE	69352
MoneyPass	FIRST NORTHEAST BANK OF NEBRASKA		440 MAIN STREET	LYONS	NE	68038
MoneyPass	FIRST NORTHEAST BANK OF NEBRASKA		600 MAIN STREET	LYONS	NE	68038
MoneyPass	FRONTIER BANK	10	1313 N MAIN ST	MADISON	NE	68748
MoneyPass	FRONTIER BANK	10	301 S MAIN ST	MADISON	NE	68748
MoneyPass	FRONTIER BANK	10	102 N MAIN ST	MADISON	NE	68748
MoneyPass	FRONTIER BANK	10	711 E 2ND ST	MADISON	NE	68748
MoneyPass	FRONTIER BANK	10	104 E 6TH ST NORTH	MADISON	NE	68748
MoneyPass	CORNERSTONE BANK	10	402 MARQUIS AVE	MARQUETTE	NE	68854
MoneyPass	HORIZON BANK		312 W 1ST STREET	MCCOOK	NE	69001
MoneyPass	FIRST CENTRAL BANK		904 N HWY 83	MCCOOK	NE	69001
MoneyPass	CORNERSTONE BANK	10	401 E M ST	MCCOOL JUNCTION	NE	68601
MoneyPass	Farmers & Merchants Bank		617 1ST Street	Milford	NE	68405
MoneyPass	Farmers & Merchants Bank		410 HWY 6	Milford	NE	68405
MoneyPass	Farmers & Merchants Bank		600 State Street	Milford	NE	68405
MoneyPass	JONES BANK	10	807 5TH STREET	MILFORD	NE	68434
MoneyPass	PLATTE VALLEY BANK		323 MAIN STREET	MINATARE	NE	69356
MoneyPass	FIRST BANK AND TRUST COMPANY		315 E 4TH STREET	MINDEN	NE	68959
MoneyPass	MINDEN EXCHANGE BANK & TRUST COMPANY		448 N. MINDEN AVENUE	MINDEN	NE	68959
MoneyPass	PLATTE VALLEY BANK		126 CENTER AVENUE	MORRILL	NE	69358
MoneyPass	FIRST STATE BANK		101 NW 1ST STREET	MULLEN	NE	69152
MoneyPass	CORN GROWERS STATE BANK		301 NEBRASKA STREET	MURDOCK	NE	68407
MoneyPass	CORN GROWERS STATE BANK		300 WYOMING STREET	MURDOCK	NE	68407
MoneyPass	BUTTE STATE BANK		100 E 2ND ST	NAPER	NE	68755
MoneyPass	GREAT WESTERN BANK		1016 CENTRAL AVE	NEBRASKA CITY	NE	68410
MoneyPass	ARBOR BANK		911 CENTRAL AVENUE	NEBRASKA CITY	NE	68410
MoneyPass	ARBOR BANK		1301 GRUNDMAN BLVD	NEBRASKA CITY	NE	68410
MoneyPass	ARBOR BANK		2507 SOUTH 11TH ST	NEBRASKA CITY	NE	68410
MoneyPass	FIRST STATE BANK NEBRASKA	10	413 ELM ST	NEHAWKA	NE	68413
MoneyPass	HERITAGE BANK		305 MAIN STREET	NELIGH	NE	68756
MoneyPass	COMMERCIAL BANK		575 S MAIN ST	NELSON	NE	68961
MoneyPass	BANK OF HARTINGTON		25411 PARK AVE	NIOBRARA	NE	68760
MoneyPass	FRONTIER BANK	10	1106 BENJAMIN AVE	NORFOLK	NE	68701
MoneyPass	MIDWEST BANK NA	10	2501 W. BENJAMIN AVE	NORFOLK	NE	68701
MoneyPass	MIDWEST BANK NA	10	506 S. 13TH STREET	NORFOLK	NE	68701
MoneyPass	BANKFIRST	84	920 SOUTH 13 ST	NORFOLK	NE	68701
MoneyPass	BANKFIRST	84	100 N 13TH STREET	NORFOLK	NE	68701
MoneyPass	BANKFIRST	84	1211 RIVERSIDE BLVD	NORFOLK	NE	68701
U.S. Bank Branded	U.S. Bank 10th & Norfolk		909 West Norfolk Avenue	Norfolk	NE	68701
MoneyPass	GREAT WESTERN BANK		400 BRAASCH AVE	NORFOLK	NE	68702
MoneyPass	MIDWEST BANK NA	10	2601 W COOPER DR	NORFOLK	NE	68701
U.S. Bank Branded	U.S. Bank Norfolk Main		333 West Norfolk Avenue	Norfolk	NE	68701
MoneyPass	CORNERSTONE BANK	10	512 1ST ST	NORTH LOUP	NE	68859
MoneyPass	FIRST STATE BANK		410 RODEO ROAD	NORTH PLATTE	NE	69101
MoneyPass	NEBRASKALAND BANK		1400 S DEWEY STREET	NORTH PLATTE	NE	69101
MoneyPass	NEBRASKALAND BANK		1400 S DEWEY STREET	NORTH PLATTE	NE	69101
MoneyPass	NEBRASKALAND BANK		1801 W A STREET	NORTH PLATTE	NE	69101
MoneyPass	NEBRASKALAND BANK		121 NORTH DEWEY STREE	NORTH PLATTE	NE	69101
MoneyPass	NEBRASKALAND BANK		1002 N JEFFERS	NORTH PLATTE	NE	69101

Nebraska ATM List

MoneyPass	NORTH PLATTE UNION PACIFIC EMPLOYEE CU	420 RODEO ROAD	NORTH PLATTE	NE	69101
MoneyPass	GREAT WESTERN BANK	111 S DEWEY ST	NORTH PLATTE	NE	69101
MoneyPass	NEBRASKALAND BANK	601 W LEOTA STREET	NORTH PLATTE	NE	56021
MoneyPass	FIRST NORTHEAST BANK OF NEBRASKA	215 N CHARDE AVE	OAKLAND	NE	68045
MoneyPass	STATE BANK OF ODELL	419 COMMERCIAL STREET	ODELL	NE	68342
MoneyPass	STATE BANK OF ODELL	215 MAIN STREET	ODELL	NE	68415
MoneyPass	WESTERN STATES BANK	605 E. 1ST STREET	OGALLALA	NE	69153
MoneyPass	GREAT WESTERN BANK	9290 W DODGE RD	OHMAHA	NE	68114
MoneyPass	GREAT WESTERN BANK	550 N 155TH PLAZA	OHMAHA	NE	68154
MoneyPass	CIT BANK NA	12307 W CENTER ROAD	OMAHA	NE	68144
MoneyPass	CIT BANK NA	3333 FARNAM STREET	OMAHA	NE	68131
MoneyPass	DUNDEE BANK - BLACKSTONE	302 S 38TH ST	OMAHA	NE	68131
MoneyPass	SOUTH 13TH STREET	1407 SOUTH 13TH STREET	OMAHA	NE	68108
MoneyPass	OMAHA DOUGLAS FEDERAL CREDIT UNION	8251 WEST CENTER ROAD	OMAHA	NE	68124
MoneyPass	CIT BANK NA	MUTUAL OF OMAHA PLAZA	OMAHA	NE	68130
MoneyPass	CIT BANK NA	220 W 31ST ST BLDG 3	OMAHA	NE	68131
MoneyPass	FIRST STATE BANK	5370 S 72ND STREET	OMAHA	NE	68127
MoneyPass	FIRST STATE BANK	5370 S 72ND STREET	OMAHA	NE	68127
MoneyPass	DUNDEE BANK	5015 UNDERWOOD AVE	OMAHA	NE	68814
MoneyPass	U.P. CONNECTION FEDERAL CREDIT UNION	6707 GROVER STREET	OMAHA	NE	68016
MoneyPass	I3 BANK	15645 SPAUDLING ST	OMAHA	NE	68116
MoneyPass	FIRST STATE BANK	11808 WEST CENTER ROA	OMAHA	NE	68144
MoneyPass	Kellogg Midwest FCU	9601 F St	Omaha	NE	68127
MoneyPass	AMERICAN INTERSTATE BANK ELKHORN	15909 W. MAPLE ROAD	OMAHA	NE	68116
MoneyPass	AMERICAN INTERSTATE BANK ELKHORN	3410 N. 156TH STREET	OMAHA	NE	68116
MoneyPass	FIRST NEBRASKA CREDIT UNION	10655 BEDFORD AVENUE	OMAHA	NE	68134
MoneyPass	FIRST NEBRASKA CREDIT UNION	4740 S 48TH STREET	OMAHA	NE	68117
MoneyPass	UNION PACIFIC STREAMLINER FEDERAL CREDIT	850 JONES ST	OMAHA	NE	68102
MoneyPass	UNION PACIFIC STREAMLINER FEDERAL CREDIT	1400 DOUGLAS STREET	OMAHA	NE	68179
MoneyPass	UNION PACIFIC STREAMLINER FEDERAL CREDIT	222 S 15 STREET	OMAHA	NE	68102
MoneyPass	CORE BANK	6510 PINE STREET	OMAHA	NE	68106
MoneyPass	GREAT WESTERN BANK	3010 N 90TH ST	OMAHA	NE	68134
MoneyPass	GREAT WESTERN BANK	17929 WELCH PLAZA	OMAHA	NE	68135
MoneyPass	GREAT WESTERN BANK	16850 EVANS PLAZA	OMAHA	NE	68116
MoneyPass	GREAT WESTERN BANK	6001 NW RADIAL HWY	OMAHA	NE	68104
MoneyPass	GREAT WESTERN BANK	4718 L ST	OMAHA	NE	68117
MoneyPass	GREAT WESTERN BANK	4140 S 84TH ST	OMAHA	NE	68127
MoneyPass	ENTERPRISE BANK NA	12800 W. CENTER RD.	OMAHA	NE	68144
MoneyPass	ENTERPRISE BANK NA	210 REGENCY PKWY.	OMAHA	NE	68114
MoneyPass	FIVE POINTS BANK 10	8820 ARBOR ST	OMAHA	NE	68124
MoneyPass	FIRST WESTROADS BANK	15750 W DODGE RD	OMAHA	NE	68118
MoneyPass	FIRST WESTROADS BANK	612 N 98TH ST	OMAHA	NE	68114
MoneyPass	WEST GATE BANK 10	1020 S 179TH CT	OMAHA	NE	68118
MoneyPass	NORTHWEST BANK 27	14320 ARBOR STREET	OMAHA	NE	68144
MoneyPass	CORNHUSKER BANK 84	11102 BLONDO ST #102	OMAHA	NE	68164
MoneyPass	LIBERTY FIRST CREDIT UNION	5011 S 108 St	Omaha	NE	68137
MoneyPass	FRONTIER BANK 10	13333 CALIFORNIA ST	OMAHA	NE	68154
MoneyPass	WEST GATE BANK 10	1020 S 179TH CT	OMAHA	NE	68118
MoneyPass	WEST GATE BANK 10	9775 Q ST	OMAHA	NE	68127
MoneyPass	ACCESS BANK	6405 CENTER ST	OMAHA	NE	68106
MoneyPass	NORTHWEST BANK 27	3333 N 168TH CT	OMAHA	NE	68116
U.S. Bank Branded	U.S. Bank Vinton Square - Supermercado	1826 Vinton St	Omaha	NE	68108
U.S. Bank Branded	U.S. Bank Omaha 72nd & Dodge	222 South 72nd Street	Omaha	NE	68114
U.S. Bank Branded	U.S. Bank Omaha 132nd & Maple	3910 North 132nd Street	Omaha	NE	68164
U.S. Bank Branded	U.S. Bank Omaha Empire Park	4818 South 108th Street	Omaha	NE	68137
U.S. Bank Branded	U.S. Bank Omaha 90 & Center	8800 West Center Road	Omaha	NE	68124
U.S. Bank Branded	U.S. Bank 132nd & Dodge	525 North 132nd Street	Omaha	NE	68154
U.S. Bank Branded	U.S. Bank Omaha Empire Park	4818 South 108th Street	Omaha	NE	68137
U.S. Bank Branded	U.S. Bank Omaha - Potter	7519 North 30th Street	Omaha	NE	68112
U.S. Bank Branded	U.S. Bank Omaha Oakview	3410 South 143rd Plaza	Omaha	NE	68144
U.S. Bank Branded	U.S. Bank 89th & Maple	8905 Maple Street	Omaha	NE	68134
U.S. Bank Branded	U.S. Bank Omaha Grover Plaza	3225 South 42nd Street	Omaha	NE	68105
U.S. Bank Branded	U.S. Bank Omaha	5332 South 138th Street	Omaha	NE	68137
U.S. Bank Branded	U.S. Bank 171st & Center - Baker's	17370 Lakeside Hills Plaza	Omaha	NE	68130
U.S. Bank Branded	U.S. Bank Omaha Main	1700 Farnam Street	Omaha	NE	68102
U.S. Bank Branded	U.S. Bank Omaha - Potter	7519 North 30th Street	Omaha	NE	68112
U.S. Bank Branded	Creighton University - Harper Living Learning Ctr	602 North 20th Street	Omaha	NE	68178
U.S. Bank Branded	Benson Park - Baker's	4405 North 72nd Street	Omaha	NE	68134
U.S. Bank Branded	Saddle Creek Baker's	888 South Saddle Creek Road	Omaha	NE	68106
U.S. Bank Branded	Kiewit Construction	1550 Mike Fahey Street	Omaha	NE	68102

Nebraska ATM List

U.S. Bank Branded	Omaha Steaks		11030 O Street	Omaha	NE	68137
MoneyPass	CORE BANK		12100 W CENTER ROAD	OMAHA	NE	68144
MoneyPass	CORE BANK		13220 BIRCH DRIVE	OMAHA	NE	68164
MoneyPass	CORE BANK		16805 Q ST	OMAHA	NE	68135
MoneyPass	CORE BANK		2545 S 180TH STREET	OMAHA	NE	68130
MoneyPass	CORE BANK		17807 BURKE STREET	OMAHA	NE	68118
MoneyPass	METRO CREDIT UNIO		4444 AMES AVE	OMAHA	NE	68111
MoneyPass	METRO HEALTH SERV		4350 DEWEY AVE	OMAHA	NE	68105
MoneyPass	METRO CU		4014 LEAVENWORTH ST	OMAHA	NE	68105
MoneyPass	METRO FCU		4350 DEWEY AVE	OMAHA	NE	68105
MoneyPass	METRO FCU		11102 EMMET ST	OMAHA	NE	68164
MoneyPass	METRO FCU		4501 N 72ND ST	OMAHA	NE	68134
MoneyPass	METRO FCU		5025 L STREET	OMAHA	NE	68117
MoneyPass	GREAT WESTERN BANK		12670 L ST	OMAHA	NE	50251
MoneyPass	ARBOR BANK		16949 LAKESIDE HILLS	OMAHA	NE	68130
MoneyPass	ACCESS BANK		203 N 180TH ST	OMAHA	NE	68118
MoneyPass	ACCESS BANK		8712 DODGE STREET	OMAHA	NE	68144
MoneyPass	UNION BANK AND TRUST	10	2720 S 177TH STREET	OMAHA	NE	68154
MoneyPass	ACCESS BANK		1941 S 42ND STREET	OMAHA	NE	68127
MoneyPass	ACCESS BANK		2710 S 140TH STEET	OMAHA	NE	68114
MoneyPass	WEST GATE BANK	10	9775 "Q" ST	OMAHA	NE	68127
MoneyPass	ENTERPRISE BANK NA		331 VILLAGE PT PLAZA	OMAHA	NE	68118
MoneyPass	WEST GATE BANK	10	1004 CORNHUSKER RD	OMAHA	NE	68005
MoneyPass	WEST GATE BANK	10	1004 CORNHUSKER RD	OMAHA	NE	68005
MoneyPass	FOUNDATION ONE BANK		17445 Arbor STE 100	Omaha	NE	68130
MoneyPass	FOUNDATION ONE BANK		4141 N 156th STE 101	Omaha	NE	68116
U.S. Bank Branded	Plaza North Drive-up		5555 North 90th Street	Omaha	NE	68134
U.S. Bank Branded	U.S. Bank Omaha		202 South 18th Street	Omaha	NE	68102
U.S. Bank Branded	Stockyards Plaza		3401 L Street	Omaha	NE	68107
U.S. Bank Branded	Creighton University - Swanson Hall		2500 Cass Street	Omaha	NE	68178
MoneyPass	METRO HEALTH SERV		550 S 45TH ST	OMAHA	NE	68198
MoneyPass	METRO CU		101 42ND ST	OMAHA	NE	68131
MoneyPass	METRO CU		505 W 45TH ST	OMAHA	NE	68106
MoneyPass	METRO FCU		14509 F ST	OMAHA	NE	68137
MoneyPass	METRO FCU		414 S SADDLE CREEK	OMAHA	NE	68131
MoneyPass	METRO HEALTH SVC		4400 EMILE ST	OMAHA	NE	68105
MoneyPass	METRO FCU		4350 DEWEY RD	OMAHA	NE	68105
MoneyPass	METRO FCU		619 S 42ND ST	OMAHA	NE	68105
MoneyPass	METRO FCU		3908 JONES	OMAHA	NE	68105
MoneyPass	METRO FCU		4230 LEAVENWORTH	OMAHA	NE	68198
MoneyPass	METRO CREDIT UNIO		4200 DEWEY ST	OMAHA	NE	68105
MoneyPass	GREAT WESTERN BANK		330 E DOUGLAS	O'NEIL	NE	68763
MoneyPass	TRI-COUNTY BANK		702 E DOUGLAS	O'NEILL	NE	68763
MoneyPass	BANKFIRST	84	319 E HWY 20	O'NEILL	NE	68763
MoneyPass	Pathway Bank		124 South 14th Street	Ord	NE	68862
MoneyPass	GREAT WESTERN BANK		1504 L ST	ORD	NE	68862
MoneyPass	FIRST NATIONAL BANK IN ORD		247 S 14TH STREET	ORD	NE	68862
MoneyPass	FIRST NATIONAL BANK IN ORD		EAST HIGHWAY 11	ORD	NE	68862
MoneyPass	BANKFIRST	84	2710 L STREET	ORD	NE	68862
MoneyPass	SECURITY BANK	10	202 HIGHWAY 20	OSMOND	NE	68765
MoneyPass	SOUTH CENTRAL STATE BANK		202 E CORNWALL ST	OXFORD	NE	68967
MoneyPass	ACCESS BANK		774 OLSON DR. STE 101	PAPILLION	NE	68046
MoneyPass	CITIZENS STATE BANK		10799 NE-370	PAPILLION	NE	68046
U.S. Bank Branded	U.S. Bank Papillion - No Frills		1230 North Washington Street	Papillion	NE	68046
MoneyPass	METRO FCU		9530 S 71ST PLAZA	PAPILLION	NE	68133
MoneyPass	GREAT WESTERN BANK		1401 S WASHINGTON	PAPILLION	NE	68046
MoneyPass	CITIZENS STATE BANK		754 GOLD COAST DR	PAPILLION	NE	68046
MoneyPass	BANK OF STEINAUER		535 F ST	PAWNEE CITY	NE	68420
MoneyPass	UNION BANK AND TRUST	10	514 G STREET	PAWNEE CITY	NE	68420
MoneyPass	FRONTIER BANK	10	100 HOSPITAL	PENDER	NE	68047
MoneyPass	FRONTIER BANK	10	222 MAIN ST	PENDER	NE	68047
MoneyPass	WESTERN NATIONAL BANK		600 HOYT STREET	PERU	NE	68421
MoneyPass	WESTERN NATIONAL BANK		622 5TH STREET	PERU	NE	68421
MoneyPass	FIRST STATE BANK NEBRASKA	10	221 AUSTIN ST	PICKRELL	NE	68422
MoneyPass	MIDWEST BANK NA	10	114 WEST MAIN	PIERCE	NE	68767
MoneyPass	MIDWEST BANK NA	10	149 N. MAIN STREET	PILGER	NE	68768
MoneyPass	MIDWEST BANK NA	10	302 E. PARK AVENUE	PLAINVIEW	NE	68769
MoneyPass	BANK OF THE VALLEY		103 4TH ST	PLATTE CENTER	NE	68632
MoneyPass	FIRST STATE BANK NEBRASKA	10	2249 1ST AVENUE	PLATTSMOUTH	NE	68048
MoneyPass	FIRST STATE BANK NEBRASKA	10	505 CHICAGO AVENUE	PLATTSMOUTH	NE	68048

Nebraska ATM List

MoneyPass	CORNERSTONE BANK	10	114 ROCKBLUFF RD	PLATTSMOUTH	NE	68048
MoneyPass	CITIZENS STATE BANK		120 NORTH 6TH STREET	PLATTSMOUTH	NE	68048
MoneyPass	FIRST STATE BANK NEBRASKA	10	446 MAIN AVENUE	PLATTSMOUTH	NE	68048
MoneyPass	CORNERSTONE BANK	10	211 ROCK BLUFF ROAD	PLATTSMOUTH	NE	68048
MoneyPass	CITIZENS STATE BANK		2020 WEST 8TH AVENUE	PLATTSMOUTH	NE	68048
MoneyPass	TOWN & COUNTRY BANK		102 N. SYCAMORE	PLEASANTON	NE	68866
MoneyPass	FIRST TRI-COUNTY BANK SWANTON		216 E HIGHWAY 4	PLYMOUTH	NE	68424
MoneyPass	CORNERSTONE BANK	10	115 S MAIN ST	POLK	NE	68654
MoneyPass	BANK OF DIXON COUNTY		200 S. HWY 12	PONCA	NE	68770
MoneyPass	BANK OF PRAGUE		614 WEST HIGHWAY AVE.	PRAGUE	NE	68050
MoneyPass	ACCESS BANK		5130 S 72ND STREET	RALSTON	NE	68127
MoneyPass	ACCESS BANK		5130 S 72ND STREET KG	RALSTON	NE	68127
MoneyPass	FIRST STATE BANK		518 W BROADWAY ST.	RANDOLPH	NE	68771
MoneyPass	FIRST STATE BANK		308 NORTH MAIN STREET	RANDOLPH	NE	68771
MoneyPass	TOWN & COUNTRY BANK		423 GRAND AVE	RAVENNA	NE	68869
MoneyPass	HERITAGE BANK		126 W 4TH AVENUE	RED CLOUD	NE	68970
MoneyPass	SOUTH CENTRAL STATE BANK		642 N WEBSTER ST	RED CLOUD	NE	68970
MoneyPass	CORNERSTONE BANK	10	260 GARHAN AVENUE	RISING CITY	NE	68658
MoneyPass	HEARTLAND BANK		222 3RD AVE	RIVERDALE	NE	68870
MoneyPass	UNION BANK AND TRUST	10	1200 SALTILLO RD	ROCA	NE	68430
MoneyPass	F&M BANK		2024 DAKOTA AVENUE	S SIOUX CITY	NE	68776
MoneyPass	F&M BANK		3300 PLAZA DRIVE	S SIOUX CITY	NE	68776
MoneyPass	F&M BANK		1601 CORNHUSKER DR	S SIOUX CITY	NE	68776
MoneyPass	BANKFIRST	84	2021 DAKOTA AVE	S. SIOUX CITY	NE	68776
MoneyPass	BANKFIRST	84	3800 DAKOTA AVE	S. SIOUX CITY	NE	68776
MoneyPass	BANKFIRST	84	3800 DAKOTA AVE	S. SIOUX CITY	NE	68776
MoneyPass	FIRST NATIONAL BANK IN ORD		101 EAST EDITH STREET	SARGENT	NE	68874
MoneyPass	CORNERSTONE BANK	10	502 SCOTIA AVE	SCOTIA	NE	68875
MoneyPass	PLATTE VALLEY BANK		1212 CIRCLE DRIVE	SCOTTSBLUFF	NE	69361
MoneyPass	PLATTE VALLEY BANK		4021 AVENUE B	SCOTTSBLUFF	NE	69361
MoneyPass	PLATTE VALLEY BANK		3011 AVENUE B	SCOTTSBLUFF	NE	69361
MoneyPass	RIVERSTONE BANK		2002 BROADWAY	SCOTTSBLUFF	NE	69361
MoneyPass	RIVERSTONE BANK		2002 BROADWAY	SCOTTSBLUFF	NE	69361
MoneyPass	RIVERSTONE BANK		2002 BROADWAY	SCOTTSBLUFF	NE	69361
MoneyPass	RIVERSTONE BANK		2002 BROADWAY	SCOTTSBLUFF	NE	69361
MoneyPass	GREAT WESTERN BANK		2001 BROADWAY	SCOTTSBLUFF	NE	69361
MoneyPass	WESTERN STATES BANK		502 BROADWAY	SCOTTSBLUFF	NE	69361
MoneyPass	WESTERN STATES BANK		1722 E. 20TH ST	SCOTTSBLUFF	NE	69361
U.S. Bank Branded	U.S. Bank Scottsbluff North		702 East 27th Street	Scottsbluff	NE	69361
U.S. Bank Branded	U.S. Bank Scottsbluff North		702 East 27th Street	Scottsbluff	NE	69361
MoneyPass	PLATTE VALLEY BANK		710 AVENUE B	SCOTTSBLUFF	NE	69361
MoneyPass	PLATTE VALLEY BANK		1601 EAST 27TH	SCOTTSBLUFF	NE	69361
MoneyPass	WESTERN STATES BANK		1701 1ST AVE	SCOTTSBLUFF	NE	69363
MoneyPass	WESTERN STATES BANK		1701 FIRST AVE	SCOTTSBLUFF	NE	69363
MoneyPass	WESTERN STATES BANK		301 W. HIGHWAY 26	SCOTTSBLUFF	NE	69361
MoneyPass	UNION BANK AND TRUST	10	215 NORTH 6TH STREET	SEWARD	NE	68434
MoneyPass	CATTLE BANK AND TRUST		104 SOUTH 5TH STREET	SEWARD	NE	68434
MoneyPass	CATTLE BANK AND TRUST		405 NORTH 5TH STREET	SEWARD	NE	68434
MoneyPass	CATTLE BANK AND TRUST		1519 WEST HWY 34	SEWARD	NE	68434
MoneyPass	JONES BANK	10	203 SO. 6TH	SEWARD	NE	68434
MoneyPass	UNION BANK AND TRUST	10	220 S 4TH STREET	SEWARD	NE	68434
MoneyPass	CATTLE BANK AND TRUST		541 JACKSON	SEWARD	NE	68434
MoneyPass	CATTLE BANK AND TRUST		800 N COLUMBIA	SEWARD	NE	68434
MoneyPass	CORNERSTONE BANK	10	119 C ST	SHELTON	NE	68876
MoneyPass	HEARTLAND BANK		222 NORTH MARKET	SHICKLEY	NE	68436
MoneyPass	PLATTE VALLEY BANK		1140 JACKSON STREET	SIDNEY	NE	69162
MoneyPass	GREAT WESTERN BANK		1028 TOLEDO ST	SIDNEY	NE	69192
MoneyPass	BANK OF CLARKS		HIGHWAY 30 & VINE ST	SILVER CREEK	NE	68663
MoneyPass	CITIZENS STATE BANK		121 NORTH CHESTNUT	SPALDING	NE	68665
MoneyPass	BUTTE STATE BANK		425 S HILLCREST BLVD	SPENCER	NE	68777
MoneyPass	CORNERSTONE BANK	10	317 BEAVER ST	ST EDWARD	NE	68854
MoneyPass	ARCHER COOPERATIVE CREDIT UNION		1016 2ND STREET	ST PAUL	NE	68873
MoneyPass	HERITAGE BANK		821 SECOND STREET	ST. PAUL	NE	68873
MoneyPass	CITIZENS BANK & TRUST COMPANY		1006 2ND STREET	ST. PAUL	NE	68873
MoneyPass	FRONTIER BANK	10	202 MAIN ST	STELLA	NE	68442
MoneyPass	CORNERSTONE BANK	10	400 MAIN ST	STROMSBURG	NE	68666
MoneyPass	TRI-COUNTY BANK		106 N. MAIN STREET	STUART	NE	68780
MoneyPass	HORIZON BANK		454 N BLOOM STREET	SUPERIOR	NE	68978
MoneyPass	Farmers & Merchants Bank		355 North Central Ave	Superior	NE	68978
MoneyPass	HEARTLAND BANK		548 N BLOOM	SUPERIOR	NE	68978

Nebraska ATM List

MoneyPass	CORNERSTONE BANK	10	902 S SAUNDERS AVE	SUTTON	NE	68979
MoneyPass	CORNERSTONE BANK	10	101 W ELM	SUTTON	NE	68979
MoneyPass	CORNERSTONE BANK	10	105 E HIGHWAY 6	SUTTON	NE	68979
MoneyPass	COUNTRYSIDE BANK		976 11TH STREET	SYRACUSE	NE	68446
MoneyPass	WESTERN NATIONAL BANK		1780 POPLAR STREET	SYRACUSE	NE	68446
MoneyPass	UNION BANK AND TRUST	10	HWY 91 & HWY 183	TAYLOR	NE	68879
MoneyPass	WESTERN NATIONAL BANK		167 N 12TH STREET	TECUMSEH	NE	68450
MoneyPass	FIRST NORTHEAST BANK OF NEBRASKA		448 S 13TH STREET	TEKAMAH	NE	68061
MoneyPass	CORNERSTONE BANK	10	100 E 2ND STREET	TILDEN	NE	68781
MoneyPass	FIRST NORTHEAST BANK OF NEBRASKA		601 MAPLE BLVD	UEHLING	NE	68063
MoneyPass	COUNTRYSIDE BANK		625 9TH STREET	UNADILLA	NE	68454
MoneyPass	UNION BANK AND TRUST	10	101 W. HIGHWAY 20	VALENTINE	NE	69201
MoneyPass	UNION BANK AND TRUST	10	108 WEST HIGHWAY 20	VALENTINE	NE	69201
MoneyPass	JONES BANK	10	108 W 2ND ST.	VALPARAISO	NE	68065
MoneyPass	CORNERSTONE BANK	10	319 MIDLAND	WACO	NE	68460
MoneyPass	WAHOO STATE BANK		314 W 5TH STREET	WAHOO	NE	68066
MoneyPass	GREAT WESTERN BANK		608 N LINDEN	WAHOO	NE	68066
MoneyPass	UNION BANK AND TRUST	10	328 WEST 3RD	WAHOO	NE	68066
MoneyPass	CORNERSTONE BANK	10	703 N CHESTNUT	WAHOO	NE	68066
MoneyPass	WAHOO STATE BANK		1142 N CHESTNUT	WAHOO	NE	68066
MoneyPass	BANKFIRST	84	402 MAIN STREET	WAKEFIELD	NE	68784
MoneyPass	BANKFIRST	84	402 MAIN STREET	WAKEFIELD	NE	68784
MoneyPass	FIRST STATE BANK		231 NORTH COMMERCIAL	WALLACE	NE	69169
MoneyPass	FOUNDATION ONE BANK		23804 Cedar Dr	Waterloo	NE	68069
MoneyPass	SANDHILLS STATE BANK	84	841 S. TECUMSEH	WAUNETA	NE	69045
MoneyPass	HORIZON BANK		10841 N 142ND STREET	WAVERLY	NE	68462
MoneyPass	HORIZON BANK		13401 AMBERLY ROAD	WAVERLY	NE	68462
MoneyPass	HORIZON BANK		10440 N 140TH STREET	WAVERLY	NE	68462
MoneyPass	UNION BANK AND TRUST	10	13901 GUILDFORD ST	WAVERLY	NE	68462
MoneyPass	FIRST STATE BANK NEBRASKA	10	13900 GUILDFORD ST	WAVERLY	NE	68462
MoneyPass	F&M BANK		321 MAIN STREET	WAYNE	NE	68787
MoneyPass	BANKFIRST	84	220 WEST 7TH STREET	WAYNE	NE	68787
MoneyPass	Farmers & Merchants Bank		103 S East Street	Weeping Water	NE	68463
MoneyPass	Farmers & Merchants Bank		300 W Eldora	Weeping Water	NE	68463
MoneyPass	F&M BANK		204 NORTH MAIN STREET	WEST POINT	NE	68788
MoneyPass	CITIZENS STATE BANK		109 EAST SHERMAN	WEST POINT	NE	68788
MoneyPass	BANKFIRST	84	127 WALNUT STREET	WEST POINT	NE	68788
MoneyPass	FIRST STATE BANK NEBRASKA	10	104 N WEST AVE	WESTERN	NE	68464
MoneyPass	CORNERSTONE BANK	10	2345 COUNTY ROAD K	WESTON	NE	68070
MoneyPass	Farmers & Merchants Bank		321 S Main Street	Wilber	NE	68465
MoneyPass	FIRST STATE BANK NEBRASKA	10	203 W THIRD ST	WILBER	NE	68465
MoneyPass	CORNERSTONE BANK	10	102 W SAPP ST	WILCOX	NE	68982
MoneyPass	CITIZENS STATE BANK		425 SOUTH 13TH STREET	WISNER	NE	68791
MoneyPass	HERITAGE BANK		110 EAST 9TH STREET	WOOD RIVER	NE	68883
MoneyPass	WESTERN NATIONAL BANK		321 S 14TH STREET	WYMORE	NE	68421
MoneyPass	CEDAR SECURITY BANK		414 ST JAMES AVENUE	WYNOT	NE	68792
MoneyPass	CORNERSTONE BANK	10	101 E DAVID DR	YORK	NE	68467
MoneyPass	CORNERSTONE BANK	10	1125 E 8TH ST	YORK	NE	68467
MoneyPass	CORNERSTONE BANK	10	3711 S LINCOLN AVE	YORK	NE	68467
MoneyPass	CORNERSTONE BANK	10	5018 S LINCOLN AVE	YORK	NE	68467
MoneyPass	CORNERSTONE BANK	10	3511 S LINCOLN AVE	YORK	NE	68467
MoneyPass	UNION BANK AND TRUST	10	502 GRANT AVENUE	YORK	NE	68467
MoneyPass	CORNERSTONE BANK	10	529 LINCOLN AVE	YORK	NE	68467
MoneyPass	CORNERSTONE BANK	10	315 LINCOLN AVE	YORK	NE	68467
MoneyPass	CORNERSTONE BANK	10	3130 HOLEN AVE	YORK	NE	68467
MoneyPass	CORNERSTONE BANK	10	1803 N LINCOLN	YORK	NE	68467
MoneyPass	CORNERSTONE BANK	10	526 GRANT AVE	YORK	NE	68467
MoneyPass	CORNERSTONE BANK	10	1005 DUKE DR	YORK	NE	68467
MoneyPass	MIDWEST BANK NA	10	2525 N LINCOLN AVENUE	YORK	NE	68467
MoneyPass	MIDWEST BANK NA	10	105 W. ELM STREET	YORK	NE	68467
MoneyPass	FIRST STATE BANK NEBRASKA	10	515 SECOND ST	YUTAN	NE	68073

Exhibit E

Sample Cardholder Materials

Welcome to your U.S. Bank ReliaCard®.

Scan the QR code on your sticker to activate and start using your card today.

For a fast and easy card activation experience, follow the instructions below.

IMPORTANT: If you didn't apply for unemployment benefits and received this card in error, please call the state unemployment agency to report it. U.S. Bank only issues ReliaCards at the direction of the state unemployment agency.

Getting Started



Download the U.S. ReliaCard Bank Mobile App by searching "U.S. Bank ReliaCard" in the App Store® or Google Play™.



Activate your card via QR Code, mobile app or online at usbankreliacard.com.



Sign up for text¹ or email alerts on the mobile app or usbankreliacard.com



Enjoy peace of mind – Your card is protected² if lost or stolen and you may not be responsible for unauthorized transactions.



After you activate, scan the QR code to watch a short two-minute video on how to get the most out of your ReliaCard!

1. For text messages, standard messaging charges apply through your mobile carrier and message frequency depends on account settings.

2. You are generally protected from all liability for unauthorized transactions with Zero Liability. You must call the number on the back of your Card immediately to report any unauthorized use. Certain conditions and limitations may apply. See your Cardholder Agreement for details.

All trademarks and brand names belong to their respective owners. Use of these trademarks and brand names do not represent endorsement by or association with this card program. All rights reserved.

Bienvenido a su tarjeta U.S. Bank ReliaCard®.

Escanee el código QR en su etiqueta para activar y comenzar a utilizar hoy mismo su tarjeta.

Los servicios pueden estar disponibles solamente en inglés.

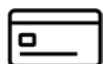
Para experimentar una rápida y fácil activación de la tarjeta, siga las instrucciones a continuación.

IMPORTANTE: Si no solicitó beneficios de desempleo y recibió esta tarjeta por error, llame a la agencia estatal de desempleo para reportarlo. U.S. Bank solamente emite tarjetas ReliaCard bajo la dirección de la agencia estatal de desempleo.

Cómo Empezar



Descargue la Aplicación Móvil de U.S. Bank ReliaCard al buscar “U.S. Bank ReliaCard” en la App Store® o en Google Play™.



Active su tarjeta a través del Código QR, de la aplicación móvil o en línea en usbankreliacard.com (en inglés).



Inscríbese para recibir alertas por texto¹ o por correo electrónico en la aplicación móvil o en usbankreliacard.com (en inglés).



Disfrute de la tranquilidad: su tarjeta está protegida² en caso de extravío o robo, y es posible que usted no sea responsable de transacciones no autorizadas.



Luego de activarla, escanee el código QR para ver un breve video de dos minutos sobre ¡cómo aprovechar al máximo su ReliaCard!

1. En el caso de mensajes de texto, se aplican cargos estándares de mensajería a través de su proveedor de telefonía móvil, y la frecuencia de los mensajes depende de la configuración de la cuenta.

2. Generalmente, usted está protegido con Cero Responsabilidad de toda obligación por transacciones no autorizadas. Debe llamar de inmediato al número en el dorso de su Tarjeta para reportar cualquier uso no autorizado. Se pueden aplicar ciertas condiciones y limitaciones. Consulte el Contrato para Titulares de Tarjetas para obtener detalles.

Todas las marcas y nombres comerciales pertenecen a sus respectivos dueños. El uso de estas marcas y nombres comerciales no representa un respaldo a este programa de tarjeta o una asociación con el mismo. Todos los derechos reservados.

U.S. Bank ReliaCard® Fee Schedule

Program Name: <STATE> Unemployment

All fees	Amount	Details
Get cash		
ATM Withdrawal (in-network)	\$	This is our fee per withdrawal. "In-network" refers to the U.S. Bank or MoneyPass® or Allpoint® ATM networks. Locations can be found at usbank.com/locations or moneypass.com/atm-locator.html or allpointnetwork.com .
ATM Withdrawal (out-of-network)	\$	This is our fee per withdrawal. "Out-of-network" refers to all the ATMs outside of the U.S. Bank or MoneyPass or Allpoint ATM networks. You may also be charged a fee by the ATM operator even if you do not complete a transaction.
Teller Cash Withdrawal	\$	This is our fee for when you withdraw cash off your card from a teller at a bank or credit union that accepts Visa®.
Information		
ATM Balance Inquiry (in-network)	\$	This is our fee per inquiry. "In-network" refers to the U.S. Bank or MoneyPass or Allpoint ATM networks. Locations can be found at usbank.com/locations or moneypass.com/atm-locator.html or allpointnetwork.com .
ATM Balance Inquiry (out-of-network)	\$	This is our fee per inquiry. "Out-of-network" refers to all the ATMs outside of the U.S. Bank or MoneyPass or Allpoint ATM networks. You may also be charged a fee by the ATM operator.
Using your card outside the U.S.		
International Transaction	%	This is our fee which applies when you use your card for purchases at foreign merchants and for cash withdrawals from foreign ATMs and is a percentage of the transaction dollar amount, after any currency conversion. Some transactions, even if you and/or the merchant or ATM are located in the United States, are considered foreign transactions under the applicable network rules, and we do not control how these merchants, ATMs and transactions are classified for this purpose.
International ATM Withdrawal	\$	This is our fee per withdrawal. You may also be charged a fee by the ATM operator even if you do not complete a transaction.
International ATM Balance Inquiry	\$	This is our fee per inquiry. You may also be charged a fee by the ATM operator.
Other		
Card Replacement	\$	This is our fee per replacement of a lost card mailed to you with standard delivery (up to 10 business days).
Card Replacement Expedited Delivery	\$	This is our fee for expedited delivery (up to 3 business days) charged in addition to any Card Replacement fee.
Transaction Limits		
For security reasons, there are limitations on the number and amount of transactions that you may perform with your Card. There may be additional limits on the amount, number or types of transactions you can make using your Card and for security reasons we do not disclose these limits. Daily limits are based on a rolling 24 hour period. Limits are subject to change from time to time. You will receive prior notice of such changes to the extent required by applicable law.		
Maximum Card Balance at any time	\$40,000	
Maximum Daily Debits	20 transactions and \$2,050 per day	
ATM Withdrawals	10 transactions and \$1,025 per day	
Purchases at the Point of Sale (including cash over the amount of purchase)	20 transactions and \$2,050 per transaction	
Teller Cash Withdrawals (at Visa member banks) (Financial Institutions may have lower limits)	2 transactions and \$1,525 per day	
Maximum Daily Credits	50 transactions and \$20,000 per day	
Returns and Refunds	May not exceed 4 transactions per day	
Bill Pay Transactions	10 transactions and \$2,000 per day 10 transactions and \$3,000 per week 20 transactions and \$5,000 per month	

Your funds are eligible for FDIC insurance. Your funds will be held at U.S. Bank National Association, an FDIC-insured institution, and are insured up to \$250,000 by the FDIC in the event U.S. Bank fails. See fdic.gov/deposit/deposits/prepaid.html for details.

No overdraft/credit feature.
Contact Cardholder Services by calling 1-XXX-XXX-XXXX, by mail at P.O. Box 551617, Jacksonville, FL 32255 or visit usbankreliacard.com.

For general information about prepaid accounts, visit cfpb.gov/prepaid. If you have a complaint about a prepaid account, call the Consumer Financial Protection Bureau at 1-855-411-2372 or visit cfpb.gov/complaint.

Lista de Cargos de la Tarjeta U.S. Bank ReliaCard®

Nombre del Programa: <STATE> Unemployment

Todos los cargos	Monto	Detalles
Retiros de efectivo		
Retiro de Fondos en ATM (dentro de la red)	\$	Este es nuestro cargo por cada retiro de fondos. “Dentro de la red” se refiere a las redes de ATM de U.S. Bank, MoneyPass® y Allpoint®. Puede encontrar ubicaciones en usbank.com/locations (en inglés), moneypass.com/atm-locator.html (en inglés) y allpointnetwork.com (en inglés).
Retiro de Fondos en ATM (fuera de la red)	\$	Este es nuestro cargo por cada retiro de fondos. “Fuera de la red” se refiere a todos los ATM que se encuentran fuera de las redes de ATM de U.S. Bank, MoneyPass y Allpoint. El operador del ATM también puede cobrarle un cargo, incluso si no termina de realizar la transacción.
Retiro de Efectivo con Personal de Ventanilla	\$	Este es nuestro cargo por realizar un retiro de efectivo desde su tarjeta con la ayuda del personal de ventanilla en un banco o cooperativa de crédito que acepte Visa®.
Información		
Consulta de Saldo en ATM (dentro de la red)	\$	Este es nuestro cargo por cada consulta. “Dentro de la red” se refiere a las redes de ATM de U.S. Bank, MoneyPass y Allpoint. Puede encontrar ubicaciones en usbank.com/locations (en inglés), moneypass.com/atm-locator.html (en inglés) y allpointnetwork.com (en inglés).
Consulta de Saldo en ATM (fuera de la red)	\$	Este es nuestro cargo por cada consulta. “Fuera de la red” se refiere a todos los ATM que se encuentran fuera de las redes de ATM de U.S. Bank, MoneyPass y Allpoint. El operador del ATM también puede cobrarle un cargo.
Uso de su tarjeta fuera de los EE. UU.		
Transacción Internacional	%	Este es el cargo que cobramos y que se aplica al uso de su tarjeta para compras en comercios extranjeros y por retiros de efectivo en ATM extranjeros y es un porcentaje del monto en dólares de la transacción después de cualquier conversión de moneda. Algunas transacciones, aunque usted y/o el comercio o ATM estén ubicados en los Estados Unidos, se consideran transacciones en el extranjero conforme a las reglas aplicables de la red, y nosotros no tenemos control sobre cómo se clasifican estos comercios, ATM y transacciones para este fin.
Retiro de Fondos en ATM Internacional	\$	Este es nuestro cargo por cada retiro de fondos. El operador del ATM también puede cobrarle un cargo, incluso si no termina de realizar la transacción.
Consulta de Saldo en ATM Internacional	\$	Este es nuestro cargo por cada consulta. El operador del ATM también puede cobrarle un cargo.
Otros		
Reemplazo de Tarjeta	\$	Este es nuestro cargo por reemplazo de una tarjeta extraviada con servicio de entrega estándar (hasta 10 días hábiles).
Reemplazo de Tarjeta con Entrega Expresa	\$	Este es nuestro cargo por entrega expresa (hasta 3 días hábiles), adicional a cualquier cargo por Reemplazo de Tarjeta.
Límites de Transacciones		
Por motivos de seguridad, existen limitaciones en la cantidad y el monto de transacciones que puede realizar con su Tarjeta. Es posible que existan límites adicionales en el monto, número y tipo de transacciones que puede realizar utilizando su Tarjeta, y por motivos de seguridad no divulgaremos estos límites. Los límites diarios se basan en períodos renovables de 24 horas. Los límites están sujetos a modificaciones ocasionales. Recibirá un aviso previo sobre dichos cambios tal como lo exigen las leyes vigentes.		
Saldo Máximo de la Tarjeta en cualquier momento	\$40,000	
Débitos Diarios Máximos	20 transacciones y \$2,050 por día	
Retiro de Fondos en ATM	10 transacciones y \$1,025 por día	
Compras en el Punto de Venta (incluye dinero en efectivo además del monto de compra)	20 transacciones y \$2,050 por transacción	
Retiros de Efectivo con Personal de Ventanilla (en bancos miembros de Visa (las Instituciones Financieras pueden tener límites más bajos)	2 transacciones y \$1,525 por día	
Créditos Diarios Máximos	50 transacciones y \$20,000 por día	
Devoluciones y Reembolsos	No pueden exceder 4 transacciones por día	
Transacciones de Pago de Facturas	10 transacciones y \$2,000 por día 10 transacciones y \$3,000 por semana 20 transacciones y \$5,000 por mes	

Si bien esta comunicación de U.S. Bank se ofrece en español, las futuras comunicaciones de U.S. Bank y los documentos relacionados con sus acuerdos contractuales, divulgaciones, notificaciones y estados de cuenta, así como los servicios en Internet y de la banca móvil, pueden estar disponibles solamente en inglés. Usted debe poder leer y comprender estos documentos o tener asistencia en su traducción para poder entender y utilizar este producto o servicio. Los documentos en inglés están disponibles a petición suya.

Sus fondos son elegibles para el seguro FDIC. Sus fondos se conservarán en U.S. Bank National Association, una institución asegurada por la FDIC, y están asegurados por la FDIC hasta \$250,000 en caso de que U.S. Bank no lo haga. Consulte fdic.gov/deposit/deposits/prepaid.html (en inglés) para obtener detalles.

Sin prestación de sobregiro/crédito.

Comuníquese con Servicios para Titulares de Tarjetas, llamando al 1-XXX-XXX-XXXX, por correo a: Cardholder Services P.O. Box 551617, Jacksonville, FL 32255 o visite usbankreliacard.com (en inglés).

Para obtener información general sobre cuentas prepagadas, visite cfpb.gov/prepaid (en inglés). Si tiene alguna queja sobre una cuenta prepagada, llame a la Oficina para la Protección Financiera del Consumidor (Consumer Financial Protection Bureau) al 1-855-411-2372, o visite cfpb.gov/complaint (en inglés).

05870-36-405



IMPORTANT: If you didn't apply for unemployment benefits and received this card in error, please contact the <State Government > at **XX.gov** or **XXX.XXX.XXXX** to report it. U.S. Bank only issues ReliaCards at the direction of the state unemployment agency.



IMPORTANTE: Si no solicitó beneficios de desempleo y recibió esta tarjeta por error, contacte a la División de Seguridad del Empleo de <State> en **XX.gov** (en inglés) o al **XXX.XXX.XXXX** para reportarlo. U.S. Bank solamente emite tarjetas ReliaCard bajo la dirección de la agencia estatal de desempleo.

Los servicios pueden estar disponibles solamente en inglés.





- Make purchases
- Pay bills
- Track spending



U.S. Bank ReliaCard®

Your reliable choice to receive your government disbursements

Tarjeta U.S. Bank ReliaCard®

Tu opción confiable para recibir tus pagos gubernamentales



- Realiza compras
- Paga facturas
- Controla gastos



La Tarjeta ReliaCard tiene beneficios diseñados para ti.

Comienza

Activa tu tarjeta a través de la Aplicación Móvil de U.S. Bank ReliaCard o iniciando sesión en el sitio web para titulares de tarjeta en usbankreliacard.com.

Una vez que hayas activado tu tarjeta y se hayan agregado los fondos, estará lista para su uso en cualquier lugar donde se acepten tarjetas de débito Visa o Mastercard.

Y cuando contactes al Servicio de Atención al Cliente desde un teléfono celular, se te dará la opción de revisar tu historial de transacciones directamente en tu teléfono. Simplemente selecciona la opción para revisar el historial de transacciones en el teléfono desde el que llamas y recibirás un mensaje de texto de un solo uso con un enlace a tus transacciones.

También puedes hacerlo iniciando sesión en el sitio web para titulares de tarjetas en usbankreliacard.com.

Servicios para Titulares de Tarjetas:

Llama al número gratuito que aparece en el dorso de tu ReliaCard.



Los fondos se depositarán en tu tarjeta
Tus fondos se depositarán automáticamente en tu tarjeta.



Fácil visibilidad de cuenta
Revisa tu saldo en cualquier momento en la Aplicación Móvil. Programa alertas por mensaje de texto¹ y mantente al día.



Seguridad y protección
Tus fondos y tu saldo están protegidos si extravías o te roban tu tarjeta.²



Pago de Cuentas En Línea
Paga tus facturas³ en línea directamente a través del sitio web de tu emisor de facturas o inicia sesión en usbankreliacard.com.

Nota: es posible que esta función no esté disponible para todos los programas. Revisa el material del programa para conocer detalles adicionales.

Si bien esta comunicación de U.S. Bank se ofrece en español, las futuras comunicaciones de U.S. Bank y los documentos relacionados con sus acuerdos contractuales, divulgaciones, notificaciones y estados de cuenta, así como los servicios en Internet y de la banca móvil, pueden estar disponibles solamente en inglés. Usted debe poder leer y comprender estos documentos o tener asistencia en su traducción para poder entender y utilizar este producto o servicio. Los documentos en inglés están disponibles a petición suya.

¹ En el caso de mensajes de texto, se aplican cargos estándares de mensajes a través de su proveedor de telefonía móvil, y la frecuencia de los mensajes depende de la configuración de la cuenta.

² Generalmente, usted tiene protección con Cero Responsabilidad de toda obligación por transacciones no autorizadas. Debe llamar de inmediato al número en el dorso de su Tarjeta para reportar cualquier uso no autorizado. Se pueden aplicar ciertas condiciones y limitaciones. Consulte su Contrato del Titular de Tarjeta para obtener detalles.

³ Se aplican límites de transacciones. Consulte la Lista de Cargos para detalles.

La Tarjeta ReliaCard es emitida por U.S. Bank National Association, de conformidad con una licencia de Visa U.S.A. Inc. o Mastercard International Incorporated. Mastercard es una marca registrada y el diseño de círculos es una marca de Mastercard International Incorporated. © 2020 U.S. Bank. Miembro FDIC.



The ReliaCard has benefits designed for you.



Funds will be loaded to your card
Your funds will be automatically loaded to your card.



Easy account visibility
Check your balance anytime in the Mobile App. Set up text¹ alerts and stay up to date.



Secure and protected
Your funds – and your balance – are protected if your card is lost or stolen.²



Online Bill Pay
Pay your bills³ online directly through your billers' website or log onto usbankreliacard.com.

Note: this feature may not be available for all programs. Check your program materials for additional details.

Get started

Activate your card via the U.S. Bank ReliaCard Mobile App, or by logging into the cardholder website at usbankreliacard.com.

Once you've activated your card and funds have been added, it's ready to be used anywhere Visa or Mastercard debit cards are accepted.

Now, when you contact Customer Service from a cell phone, you'll be given the option to review your transaction history directly on your phone. Simply select the option to review transaction history on the phone you are calling from, and you'll receive a one-time text message with a link to your transactions.

You can also do this by logging into the cardholder website at usbankreliacard.com.

Cardholder Services:
Call the toll-free number on the back of your ReliaCard.



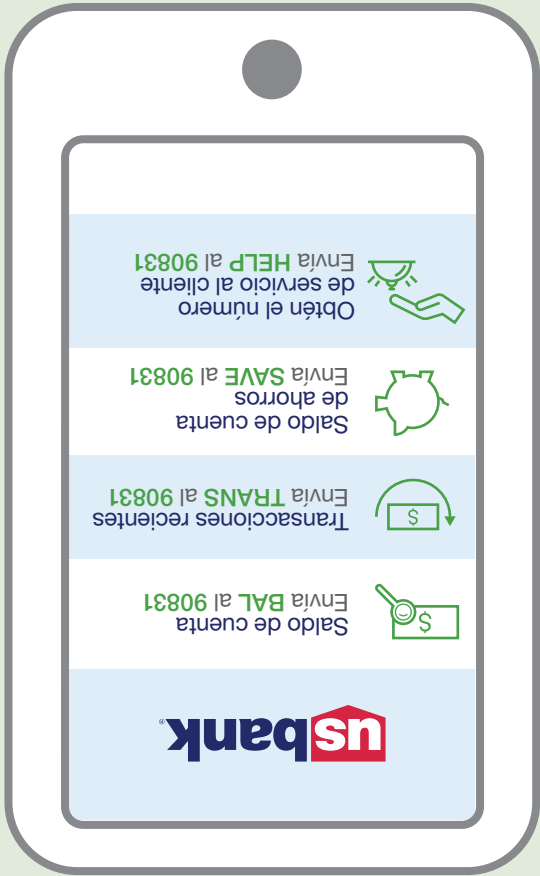
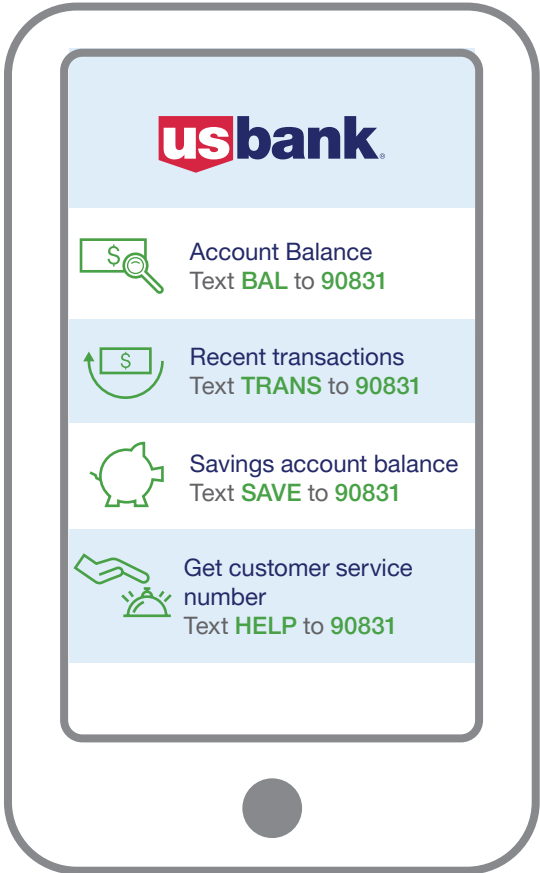
1 For text messages, standard messaging charges apply through your mobile carrier and message frequency depends on account settings.
2 You are generally protected from all liability for unauthorized transactions with Zero Liability. You must call the number on the back of your Card immediately to report any unauthorized use. Certain conditions and limitations may apply. See your Cardholder Agreement for details.
3 Transaction limits apply. See Fee Schedule for details.
The ReliaCard is issued by U.S. Bank National Association pursuant to a license from Visa U.S.A. Inc. or Mastercard International Incorporated. Mastercard is a registered trademark and the circles design is a trademark of Mastercard International Incorporated. © 2020 U.S. Bank. Member FDIC.

Start taking advantage today with these easy tips.



Set up text¹ alerts so that you are alerted when your card is loaded and when your balance gets low. With simplified account access, your account information is always available.

Alerts are a convenient way to receive important and timely account information. Enroll in text¹ or email alerts.



Programa alertas por mensajes de texto¹ para que se te avise cuando tu tarjeta reciba fondos y cuando tu saldo sea bajo. Con acceso simplificado a la cuenta, la información de tu cuenta siempre está disponible. Las alertas son una manera conveniente de que los titulares de tarjeta reciban información importante y oportuna acerca de sus cuentas de tarjeta. Los titulares de tarjeta se pueden inscribir para recibir alertas por mensaje de texto¹ o correo electrónico.



Empieza a beneficiarte hoy mismo con estos sencillos consejos.

make using the Card or Account. Fees and Transaction Limits are incorporated into this Agreement by reference and are subject to change from time to time. You will receive prior notice of Fee and Transaction Limit changes to the extent required by applicable law. You may receive a copy of the Fee Schedule and Transaction Limits by calling us toll free at 855-282-6161 or you may view them online at www.usbankreliacard.com.

HOW TO OBTAIN ACCOUNT INFORMATION

5. Account Information

- A. You can view your Account online at www.usbankreliacard.com or call us at 855-282-6161 to find out whether or not a load has been made.
- B. You may obtain Account balances and review Account activity by visiting www.usbankreliacard.com, accessing the ReliaCard Mobile App ("Mobile App"), or calling 855-282-6161. You can access a 12-month history of Account transactions online at www.usbankreliacard.com. You will be able to view statement information online at www.usbankreliacard.com. The statement will describe all Account activity during the statement period.
- C. You also have the right to obtain a 24-month written history of Account transactions, recurring monthly paper statements and/or a single-month paper statement by visiting www.usbankreliacard.com, calling 855-282-6161, or by writing us at ReliaCard Card Services, P.O. Box 551617, Jacksonville, FL 32255. You will not be charged a fee for this information. Recurring paper statements may not be available during a month in which a transaction did not occur.
- D. You can get a receipt at the time you make any transfer to or from your Account using an ATM or point of sale terminal.

6. Contact Information and Business Days and Hours. For general inquiries by mail, write us at: The ReliaCard Card Services, P.O. Box 551617, Jacksonville, FL 32255. For service inquiries and/or to report your Card lost or stolen, call 855-282-6161, 24 hours a day, 7 days a week. Our business days are Monday through Friday. Holidays are not included.

7. Mobile Alerts. You may enroll to receive electronic notifications ("Alerts") relating to your Account online at www.usbankreliacard.com, via the Mobile App, or by calling 855-282-6161. You may manage or cancel Alerts at any time online at www.usbankreliacard.com, via the Mobile App, or by calling 855-282-6161. Alerts will be sent via SMS / text message to a mobile phone, handheld, or other wireless device or by email as designated by you. This service allows you to request and receive certain messages about your Account. You may elect to receive Alerts relating to specific transactions on your Account. Once you have logged in, you may choose which Alerts you would like to receive and a limited number of electronic addresses (which electronic addresses may include email addresses and any devices accepting text messages) to which the Alerts will be sent. Alerts will be sent each day, at various times, when transactions occur that meet your specified criteria. You understand and agree that Alerts will not be sent on a "real time" basis, but will rather be sent at the next scheduled delivery time after the specified transaction event occurs. We reserve the right to change the frequency or timing of Alerts, at any time and from time to time. Alerts are not intended to replace your Account statements or any other communications we may provide to you regarding your Account. You are responsible for and must provide all telephone and other equipment, software, and services necessary to receive Alerts. By enrolling in Alerts and providing us with your cellular phone number, you consent to receiving SMS messages related to Alerts. Data and messaging charges from your telecommunications provider may apply, and you are responsible for any such charges. In the event your enrolled mobile or cellular device is lost or stolen, you agree to update your enrollment information and make the appropriate changes to disable the use of such devices. You agree to notify us of any change to your electronic addresses in order to ensure continued delivery of your Alerts. You understand that there are risks associated with using a mobile device, and that in the event of theft or loss, your confidential information could be compromised. We are not responsible for any failures on the part of your telecommunications, internet and/or email provider to properly enable your receipt of Alerts.

IMPORTANT INFORMATION ABOUT USING YOUR CARD

8. Holds Upon Authorization. Transactions with some merchants - restaurants, car rental agencies, hotels, salons, mail-order companies, cruise lines and pay-at-the-pump gas stations, for example - will authorize in an amount greater than your purchase. If you do not have available funds in the amount requested in the authorization, then your transaction will be declined. If the transaction is authorized, funds in the authorized amount will be held and will not be available for other purchases. The authorized amount will be held until the transaction posts to your Account. Transaction posting can generally take up to 10 days, except for certain travel and lodging related authorizations that can take up to 21 days. In some cases, the authorization amount will be held even if you do not complete your transaction.

9. Split Transactions; Rescinded Transactions; Failure to Honor

A. If you do not have enough money in your Account to complete a particular transaction, you may split your purchases between your Card and another form of payment. Tell the cashier how much you want to pay first with your Card. If you do not know your exact balance, please call customer service at 855-282-6161 to verify your balance prior to attempting to make a purchase. Please note, not all merchants permit this type of split transaction.

B. If you authorize a purchase but do not make the purchase as planned, the authorized amount will be held until the authorization expires or the merchant releases the hold, which may take up to seven days.

C. Neither we nor any other bank or business will be liable to you for failure to accept or honor the Card.

10. Preauthorized Payments

- A. *Right to stop payment and procedure for doing so.* If you have preauthorized payments with your Card, you can stop any of these payments. Here's how: Call us at 855-282-6161 or write us at ReliaCard Card Services, P.O. Box 551617, Jacksonville, FL 32255, in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.
- B. *Notice of varying amounts.* If these regular payments vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.
- C. *Liability for failure to stop payment of preauthorized transfer.* If you order us to stop payment three business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

11. Returns and Refund. If there is a problem or dispute with a purchase of goods or services, you must address it directly with the merchant involved. Refunds and returns are subject to the merchant's policies or applicable laws. 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 in place of cash.

12. Payment. Each time you use your Card, the amount of the transaction will be debited from your Account. You may not be allowed to exceed the balance available in your Account by any individual or series of purchases. Nevertheless, if you make a purchase that exceeds the balance in your Account (an "overdraft"), you will be fully responsible for the amount of your purchase that exceeded the balance in your Account. We also reserve the right to automatically debit such overdrafts from current or future money deposited to your Account or any other account you have with us. In such case, you agree to be responsible for payment to us for all overdrafts.

13. Using Your Card in a Foreign Country

For Visa Cards: You may use your Card for retail purchases at foreign (outside the United States) merchants and for cash withdrawals from foreign ATMs that bear either the PLUS System or the Visa logo. Some merchant and ATM transactions, even if you and/or the merchant or ATM are located in the United States, are considered foreign transactions under the applicable Visa rules, in which case we will add the "foreign fee" described below to those transactions. We do not control how these merchants, ATMs and transactions are classified for this purpose. The exchange rate in effect when the transaction is processed may differ from the rate in effect on the date of the transaction or the date of the posting of the transaction to your Account. If you use your Card at a merchant or an ATM that bears the Visa logo (and no PLUS System logo), the transaction will be processed through the Visa system and will be converted into U.S. Dollars according to the applicable rules established by Visa from time to time. For transactions processed through Visa, the foreign currency transaction will be converted to U.S. Dollars by multiplying the amount of the foreign currency times (a) a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or (b) the government-mandated rate in effect for the applicable central processing date. If you use your Card at an ATM that bears only the PLUS System logo (and no Visa logo), the transaction will be processed through the PLUS System and will be converted into U.S. Dollars at the exchange rate established, from time to time, by the operator of that ATM. If you use your Card at an ATM that bears both the Visa and PLUS System logos, the ATM operator will determine whether to send your transaction over the Visa or PLUS System network using such network's respective currency conversion rules then in effect (as explained above). We may assess a foreign fee, calculated as a percentage of your transaction amount. The percentage, if any, is listed on the Fee Schedule. We may assess the "foreign fee" on all foreign transactions, even in transactions that do not require currency to be converted.

For Mastercard Cards: You may use your Card for retail purchases at foreign (outside the United States) merchants and for cash withdrawals from foreign ATMs that bear either the Cirrus or the Mastercard Acceptance Marks. Some merchant and ATM transactions, even if you and/or the merchant or ATM are located in the United States, are considered foreign transactions under the applicable Mastercard rules, in which case we will add the "foreign fee" described below to those transactions. We do not control how these merchants, ATMs and transactions are classified for this purpose. If you use your Card at a merchant or ATM that bears these Acceptance Marks, Mastercard International Incorporated will convert the transaction into a U.S. Dollar amount using its currency conversion procedure. The currency conversion rate used by Mastercard International to determine the transaction amount in U.S. Dollars is generally either a government mandated rate or a wholesale rate determined by Mastercard International for the processing cycle in which the transaction is processed. We may assess a foreign fee calculated as a percentage (%) of your transaction amount.

The percentage, if any, is listed on the Fee Schedule. We may assess the "foreign fee" on all foreign transactions, even in transactions that do not require currency to be converted.

14. Other Terms. Use of your Card is subject to all applicable rules and customs of any clearinghouse or other association involved in transactions. Your Card may not be used for any unlawful purpose. You agree that you will not use your Card for illegal internet-gambling or any transaction that is illegal under applicable law, or not permitted by network rules.

15. Contact in the Event of Loss, Theft or Unauthorized Use; Your Liability for Unauthorized Transactions

- A. Tell us AT ONCE if you believe your Card or PIN has been lost or stolen or if you believe an electronic fund transfer has been performed without your permission. Telephoning is the best way of notifying us and keeping your possible losses down. You may contact us by calling us toll-free at 855-282-6161 or by writing us at ReliaCard Card Services, P.O. Box 551617, Jacksonville, FL 32255. If your Card has been lost or stolen, we will close your Card.
- B. *Zero Liability.* You are generally protected from all liability for unauthorized transactions. However, if you do not tell us within 60 days after the earlier of the date you electronically access your Account, if the transaction could be viewed in your electronic history, or the date we sent the first statement or transaction history on which the unauthorized transfer appears, you may not get back any money you lost after the 60 days if we can prove we could have stopped someone from taking the money if you had told us in time. Alternatively, we may require you to report an unauthorized transaction(s) within 120 days after the transfer or transaction allegedly in error was credited or debited to your Account.
- C. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

16. Your Right to Dispute Errors

- A. In case of errors or questions about your Card, call 855-282-6161 or write to ReliaCard Card Services, P.O. Box 551617, Jacksonville, FL 32255, as soon as you can if you think your statement, transaction history, or receipt is wrong or if you need more information about a transaction listed on the statement, transaction history, or receipt. We must allow you to report an error until 60 days after the earlier of the date you electronically access your Account, if the error could be viewed in your electronic history, or the date we sent the FIRST written history on which the error appeared. Alternatively, we may require you to report an unauthorized transaction(s) within 120 days after the transfer or transaction allegedly in error was credited or debited to your Account. You may request a written history of your transactions at any time by calling us at 855-282-6161 or writing us at ReliaCard Card Services, P.O. Box 551617, Jacksonville, FL 32255.
- B. You will need to tell us:
- Your name and your U.S. Bank ReliaCard Card number.
 - The dollar amount of the suspected error.
 - Approximately when the error took place.
 - Describe the error or the transaction you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
- C. If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days after speaking with us.
- D. We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will provisionally credit your Account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your Account until the investigation is complete, although we will still investigate your complaint or question. For errors involving new Cards (open less than 30 days), point of sale, or foreign initiated transactions, we may take up to 90 days to investigate your complaint or question. For new Cards, we may take up to 20 business days to provisionally credit your Card for the amount you think is in error. We will tell you the results within three business days after completing our investigation.
- E. If we decide there was no error, we will send you a written explanation within three business days after we finish our investigation. You may ask for copies of the documents used in our investigation. If we have issued provisional credit to you and there is no error, the amount of that credit will be subtracted from your Card. We will give you advance notice of the amount and date of the debit against your Card for that credit.
- F. If you need more information about our error-resolution procedures, call us at the telephone number shown above.

22. Use by Others; Secondary Card

- A. The person to whom the Card and Account was first issued is the "Primary Account Holder". The Primary Account Holder is at all times liable and responsible for all transactions, fees, and other activity with respect to the Card, Account and any Secondary Card (as defined below). Except by requesting a Secondary Card (as described below), you may not permit another person to have access to your Card or Account. If you do provide access to your Card or Account to another person, you are liable for all transactions and fees incurred by such person. You must notify us in writing to revoke permission for any person you previously authorized to use or access your Card or Account.
- B. If your program permits an additional Card to be issued to access your Account (a "Secondary Card"), the Primary Account Holder may request we issue a Secondary Card to a trusted person who is 13 years of age or older (the "Secondary Cardholder"). We reserve the right to refuse any Secondary Card request. The Primary Account Holder is at all times liable and responsible for all transactions, fees, and other activity with respect to the Secondary Card. The holder of the Secondary Card may report that Card as lost or stolen. The Secondary Cardholder may not request additional Cards to access the Account, but in other respects may have the same ability as the Primary Account Holder to access information or make decisions regarding the Card or Account. We reserve the right to require the Primary Account Holder to make or approve particular decisions in our discretion. If you wish to terminate the authority of the Secondary Cardholder, you must call us at 855-282-6161 to request revocation of the Secondary Cardholder's access to your Account. The Primary Account Holder will continue to be liable for all transactions, fees
- (i) If, through no fault of ours, you do not have enough money in your Account to make the transfer.

- (ii) If the automated teller machine where you are making the transfer does not have enough cash.
- (iii) If the terminal system was not functioning properly and you were aware of that when you started the transfer.
- (iv) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (v) There may be other exceptions stated in our agreement with you.

OUR RIGHTS UNDER THE AGREEMENT

18. Amendment, Termination and Other Rights. We may at any time change or terminate these terms and conditions, or transfer our rights under this Agreement. We do not give up our rights by delaying or failing to exercise them at any time. If any term of this Agreement is found by a court to be illegal or unenforceable; all other terms will still be in effect. Refer to www.usbankreliacard.com for the most current version of the Agreement. You will be notified of any change in the manner required by applicable law. However, if the change is made for security purposes, we can implement such change without prior notice. We may terminate or suspend this Agreement or any features or services of the Card described herein at any time. You may close your Account as permitted by your government program. Account termination or closure, whether by you or us, will not affect prior transactions or obligations relating to your Account existing at the time of termination. From time to time, we may monitor telephone calls you make to us or our agents.

DISCLOSURE OF CARD INFORMATION

19. We will disclose information to third parties about your Card and Account or the transfers you make: (i) where it is necessary for completing transfers, (ii) in order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant, (iii) in order to comply with government agency or court orders, or (iv) if you give us your written permission.

ADDITIONAL INFORMATION

20. Program Information. You are electing to participate in the ReliaCard Card program authorized by your government agency that may be discontinued at some time in the future. If the program is discontinued, you will be notified in advance and given information about how to receive future payments by an alternate means. This program is provided by U.S. Bank National Association, which may contact you from time to time about this program or other services related to this program.

21. Role of Your Government Agency

- A. Your government agency is responsible for transferring funds to us to load into your Account. These funds will be transferred by your government agency to us and loaded into your Account by us according to the schedule agreed to by your government agency and us. We have no obligation to you in the event your government agency delays in providing or fails to provide funds to your Account.
- B. Your government agency may retain the right to deduct funds from the Account in order to correct a previous error or overpayment to you or for other reasons. You hereby authorize us to accept instructions from your government agency to credit or debit funds to or from your Account and, in the case of a debit, to return those funds to your government agency. If you have a dispute with your government agency about the amount that the government agency loads onto or deducts from your Account, you agree to not involve us in that dispute and to resolve that dispute solely with your government agency.
- C. You acknowledge and agree that except as set forth in this section, your government agency shall not be liable for any claims by you in connection with this Agreement.

22. Use by Others; Secondary Card

- A. The person to whom the Card and Account was first issued is the "Primary Account Holder". The Primary Account Holder is at all times liable and responsible for all transactions, fees, and other activity with respect to the Card, Account and any Secondary Card (as defined below). Except by requesting a Secondary Card (as described below), you may not permit another person to have access to your Card or Account. If you do provide access to your Card or Account to another person, you are liable for all transactions and fees incurred by such person. You must notify us in writing to revoke permission for any person you previously authorized to use or access your Card or Account.
- B. If your program permits an additional Card to be issued to access your Account (a "Secondary Card"), the Primary Account Holder may request we issue a Secondary Card to a trusted person who is 13 years of age or older (the "Secondary Cardholder"). We reserve the right to refuse any Secondary Card request. The Primary Account Holder is at all times liable and responsible for all transactions, fees, and other activity with respect to the Secondary Card. The holder of the Secondary Card may report that Card as lost or stolen. The Secondary Cardholder may not request additional Cards to access the Account, but in other respects may have the same ability as the Primary Account Holder to access information or make decisions regarding the Card or Account. We reserve the right to require the Primary Account Holder to make or approve particular decisions in our discretion. If you wish to terminate the authority of the Secondary Cardholder, you must call us at 855-282-6161 to request revocation of the Secondary Cardholder's access to your Account. The Primary Account Holder will continue to be liable for all transactions, fees

and other activity resulting from continued use of the Secondary Card unless you request that we cancel all of your Cards and issue a replacement Card for you. A fee for Card replacement may apply. See the Fee Schedule for details. Terminating the Secondary Card may require that we cancel all your Cards. As with all card cancellations, you will not have access to your Account until a replacement Card is received and activated by you. To the extent permitted by law, you are also liable and responsible for all costs and expenses, including attorneys' fees, that we incur enforcing these rules governing the Secondary Card.

23. Cellular Phone Contact Policy. By providing us with a telephone number for a cellular phone or other wireless device, including a number that you later convert to a cellular number, you are expressly consenting to receiving communications—including but not limited to prerecorded or artificial voice message calls, text messages, and calls made by an automatic telephone dialing system—from us and our affiliates and agents at that number. This express consent applies to each such telephone number that you provide to us now or in the future and permits such calls for non-marketing purposes. Calls and messages may incur access fees from your cellular provider.

24. Bill Pay Service

- A. The following terms and conditions apply to your use of the bill pay service ("Bill Pay Service"), which may or may not be enabled by the funder of your Account. The Bill Pay Service is available online at www.usbankreliacard.com. After you set up a Payee, you may also call us at 855-282-6161 to schedule a payment.
- B. To use the Bill Pay Service, you must first setup a Payee online. A "Payee" is a company or individual in the United States that sends you bills and that you choose to pay through the Bill Pay Service. If your Payee is a large national or regional biller (e.g., a utility company or an insurance company), the Bill Pay Service may utilize Mastercard's Remote Payment Processing Service (RPPS) to process bill payments ("Bill Payments") to this Payee. If your Payee is a smaller biller or an individual (e.g., a landlord), the Bill Pay Service may send a paper check to this Payee. In this case, you are required to enter a correct and complete address for this Payee. You authorize us to process the Bill Payments permitted under these terms and conditions for you as requested by you from time to time, and you authorize us to post transactions to your Account as directed.
- C. You are responsible for providing accurate account information and the necessary address information to ensure funds are applied to the correct account and delivered to the correct address. Inaccurate account data or address information may cause Bill Payments to fail or be misdirected. We reserve the right to refuse to make payments to certain Payees in our sole discretion.
- D. You may schedule a one-time Bill Payment or preauthorized recurring Bill Payments in a fixed amount. If you schedule a Bill Payment for the current date, you authorize us to debit your Account immediately in the amount of the Bill Payment plus any applicable fees.
- If the Account balance is not sufficient for the Bill Payment plus applicable fees, you will receive an error notice of Insufficient Funds and the Bill Payment will have a status of **Failed**.
 - If the Account balance is sufficient, the Bill Payment will have a status of **Pending**.
 - If you schedule a Bill Payment for a date in the future, the Bill Payment will have a status of **Scheduled**. We will start processing a Scheduled Bill Payment on its payment date ("Payment Date"). You authorize us to debit your Account on the Payment Date, in the amount of the Bill Payment, plus any applicable fees.
 - If, on the Payment Date for a Scheduled Bill Payment, the Account balance is not sufficient for the Bill Payment plus applicable fees, the Bill Payment status will change to **Failed**.
 - If, on the Payment Date for a Scheduled Bill Payment, the Account balance is sufficient, the Bill Payment status will change to **Pending**.

- E. We shall use reasonable efforts to properly and timely make your Bill Payments as directed by you. However, we cannot guarantee that any Bill Payment will be received by the payment due date. We are not responsible for any costs, late fees or other damages incurred if Bill Payments are not received by the Payee on or before the payment due date and we followed your instructions. You must schedule Bill Payments at least four business days prior to their due dates to ensure adequate time to process the Bill Payments and allow the Payees to credit your account with them.
- F. Bill Payments are processed on business days. Bill Payments scheduled before 8:00 P.M. Central Time are submitted for processing on the same business day. Bill Payments scheduled on or after 8:00 P.M. are submitted for processing the next business day. If your Scheduled Bill Payment falls on a non-business day, the payment will be processed on the next business day.
- G. Refer to the transaction limits table ("Transaction Limits") below your Fee Schedule for the Bill Pay transaction limits.
- H. If the Bill Payment cannot be processed for any reason, the Bill Payment status will be a "Failed" status. We are responsible for errors caused by our failure to initiate or cancel a payment according to your properly transmitted instructions. We are not responsible for nonpayment, late fees or other damages incurred due to other failed Bill Payments. Failed Bill Payments will be credited to your Account within five business days of the notification by RPPS or the Payee that the Bill Payment failed. If a Bill Payment fails because of insufficient funds, you should notify the Payee immediately and make the necessary arrangements to reschedule payment. If you believe an error has occurred, you should report it immediately using the error resolution process described in the "Your Right to Dispute Errors" section above.

- I. You may cancel any payment in a Pending or Scheduled Status. If the Payment is Pending you must call us at 855-282-6161 prior to 8:00 P.M. Central Time to cancel the payment. If the payment is Scheduled you can cancel it online at www.usbankreliacard.com or you may call us at 855-282-6161. You understand and agree that once we have begun processing a payment it cannot be cancelled. If the payment has been submitted for processing, it will be necessary to contact the Payee directly to reverse any payments made through this Bill Pay Service. Bill Payment fees (if applicable) are not refunded if Pending Bill Payments are cancelled and a cancellation fee may apply. Refer to the Preauthorized Payments section above for your right to stop payment of preauthorized transfers.

- J. We are under no obligation to notify you if we do not complete a Bill Payment for any reason. We may send you notices by email related to the Bill Pay Service including when a payment fails if you have provided us with a current email address. To update your email address, select Update My Card from the website. You understand and agree that email notices will not be sent on a "real time" basis, but will rather be sent at the next scheduled delivery time after a payment event occurs. We reserve the right to change the frequency or timing of email notices, at any time and from time to time. Email notices are not intended to replace your Card or Account information available to you on the website.
- K. For Bill Payment error resolution, please refer to the "Your Right to Dispute Errors" section above.
- L. We may cancel the Bill Pay Service at any time in our sole discretion.

25. ARBITRATION

A. This section does not apply to any dispute in which the amount in controversy is within the jurisdictional limits of, and is filed in, a small claims court. This Arbitration Provision shall not apply to a party who is a covered borrower under the Military Lending Act. These arbitration provisions shall survive closure of your account or termination of all business with us. If any provision of this section is ruled invalid or unenforceable, this section shall be rendered null and void in its entirety.

B. Arbitration Rules: In the event of a dispute relating to or arising out of your account or this Agreement, you or we may elect to arbitrate the dispute. At your election, the arbitration shall be conducted by either JAMS or the American Arbitration Association ("AAA") (or, if neither of these arbitration organizations will serve, then a comparable substitute arbitration organization agreed upon by the parties or, if the parties cannot agree, chosen by a court of competent jurisdiction). If JAMS is selected, the arbitration will be handled according to its Streamlined Arbitration Rules unless the Claim is for \$250,000.00 or more, in which case its Comprehensive Arbitration Rules shall apply. If the AAA is selected, the arbitration will be handled according to its Commercial Arbitration Rules. You may obtain rules and forms for JAMS by contacting JAMS at 1.800.352.5267 or www.jamsadr.com and for the AAA by contacting the AAA at 1.800.778.7879 or www.adr.org. Any arbitration hearing that you attend will take place in the federal judicial district in which you reside. Without regard to which arbitration body is selected to resolve the dispute, any disputes between you and us as to whether your claim falls within the scope of this arbitration clause shall be determined solely by the arbitrator, and not by any court.

C. Arbitration Process: Arbitration involves the review and resolution of the dispute by a neutral party. The arbitrator's decision will generally be final and binding. At your request, for claims made to consumer accounts, we will advance your filing and hearing fees for any claim you may file against us; the arbitrator will decide whether we or you will ultimately be responsible for those fees. Arbitration can only decide our or your dispute and cannot consolidate or join claims of other persons who may have similar claims. There will be no authority or right for any disputes to be arbitrated on a class action basis.

D. Effects of Arbitration: If either of us chooses arbitration, neither of us will have the right to litigate the dispute in court or have a jury trial. In addition, you will not have the right to participate as a representative or member of any class of claimants, or in any other form of representative capacity that seeks monetary or other relief beyond your individual circumstances, pertaining to any dispute subject to arbitration. There shall be no authority for any claims to be arbitrated on a class action or any other form of representative basis. Arbitration can only decide your or our claim, and you may not consolidate or join the claims of other persons who may have similar claims, including without limitation claims for public injunctive or other equitable relief as to our other customers or members of the general public. Any such monetary, injunctive, or other equitable relief shall be limited solely to your accounts, agreements, and transaction with us. Notwithstanding the foregoing, any question as to the validity and effect of this class action waiver shall be decided solely by a court of competent jurisdiction, and not by the arbitrator.

CONTRATO PARA TITULARES DE LA TARJETA RELIACARD®

(A partir del 6/1/2018)

TÉRMINOS Y CONDICIONES PARA LA TARJETA RELIACARD

Al aceptar, aceptar y/o usar la tarjeta ReliaCard ("Tarjeta"), usted acepta cumplir los Términos y Condiciones incluidos en este Contrato para titulares de la tarjeta ReliaCard ("Contrato"), que registró su uso de la Tarjeta y de la Cuenta. Su Tarjeta es una tarjeta de débito prepagada de Visa® o Mastercard® recargable emitida por U.S. Bank National Association ("U.S. Bank"), y su Tarjeta tiene acceso a su cuenta de ReliaCard ("Cuenta"). "Usted" y "su" se refieren a la persona o las personas que recibieron la Tarjeta de U.S. Bank y están autorizadas a usar la Tarjeta y la Cuenta como se indica en este Contrato. "Nosotros" y "nuestro" se refieren a U.S. Bank, nuestros sucesores, afiliados o designados. Lea detenidamente este Contrato y consérvelo para futuras referencias. Las leyes del estado de Ohio regirán la interpretación de este Contrato, sin dar efecto a conflictos de los principios legales de estas que pueda causar la aplicación de la ley de otro estado.

Su Tarjeta y su Cuenta se han abierto en relación con un programa gubernamental. La Tarjeta y la Cuenta no están conectadas en modo alguno con otra cuenta. No recibirá intereses sobre los fondos en su Cuenta. La Tarjeta no es una tarjeta de crédito. La Tarjeta no es para revenda. La Tarjeta es no transferible y podrá cancelarse, recuperarse o revocarse en cualquier momento sin previo aviso sujeto a la ley vigente. Es posible que nos neguemos a procesar una transacción si creemos que puede violar los términos de este Contrato. Los fondos en la Cuenta están asegurados por la Corporación Federal de Seguro de Depósitos (Federal Deposit Insurance Corporation, "FDIC") hasta la cantidad máxima permitida por la ley.

ESTE CONTRATO CONTIENE UNA CLÁUSULA DE ARBITRAJE (INCLUIDA UNA EXENCIÓN DE DEMANDA COLECTIVA DE ARBITRAJE). ES IMPORTANTE QUE LEA DETENIDAMENTE LA SECCIÓN SOBRE ARBITRAJE.

INFORMACIÓN IMPORTANTE SOBRE PROCEDIMIENTOS PARA ABRIR UNA NUEVA CUENTA

Para ayudar al gobierno a luchar contra el financiamiento de actividades terroristas y de lavado de dinero, las leyes federales exigen que todas las instituciones financieras obtengan, verifiquen y registren información que identifique a toda persona que abre una cuenta. Con respecto a usted, esto significa que: Cuando abra una cuenta, es posible que solicitemos su nombre, dirección, fecha de nacimiento y otra información que nos permita identificarle. De ser necesario, también podemos solicitar ver su licencia de conducir u otros documentos de identificación.

CÓMO USAR SU TARJETA

1. Activación de su Tarjeta; selección de PIN. Puede activar su Tarjeta comunicándose con nosotros al 855-282-6161 (aceptamos llamadas de retransmisión) o en línea en www.usbankreliacard.com. Durante el proceso de activación, seleccionará un Número de identificación personal ("PIN"), que puede usar para realizar ciertas transacciones, como transacciones en el punto de venta o transacciones de ATM, cuando su programa se lo permita. La Tarjeta y el PIN se proporcionan para su uso y protección, y usted acepta asegurarse de que solo usted conozca su PIN (no escriba su PIN en la Tarjeta ni se lo diga a nadie) y acepta notificarlos de inmediato si su PIN se ha visto comprometido.

2. Cómo usar su Tarjeta. Puede usar su Tarjeta y su Cuenta para realizar los tipos de transacciones descritos en su Lista de cargos y Limitaciones sobre las transacciones, que pueden incluir:

- Pagar compras en tiendas y negocios que hayan acordado aceptar la Tarjeta ("transacciones en el punto de venta").
- Realizar transacciones en cajeros automáticos ("ATM").
- Obtener efectivo del personal bancario de ventanilla de un banco o una cooperativa de crédito que acepte la marca de la red en su Tarjeta.
- Transferir dinero desde su Cuenta a una cuenta de cheques o de ahorros en los Estados Unidos, si su programa lo permite. Dichas transferencias solo pueden efectuarse en línea en www.usbankreliacard.com. Una vez que se inician las transferencias, los tiempos de disponibilidad de fondos en la cuenta receptora variarán.

Es posible que se apliquen Cargos y límites de transacción. No todos los tipos de transacciones están disponibles para todos los programas. Consulte "Cargos y límites de transacción de tarjetas" para obtener más detalles.

3. Cómo cargar su Tarjeta. Su agencia gubernamental puede depositar dinero (depositar valor) en su Tarjeta en cualquier momento. El dinero depositado en la Cuenta está disponible para que usted lo use de acuerdo con este Contrato y con las reglas establecidas por esta agencia gubernamental.

CARGOS Y LÍMITES DE TRANSACCIÓN DE TARJETAS

4. En algunas situaciones, se le cobrarán cargos por usar su Tarjeta o su Cuenta. Le cobramos a usted y usted acepta pagar las cuotas y los cargos (colectivamente "Cargos") descritos en la Lista de cargos que se incluye con su Tarjeta y que se puso a su disposición antes de su inscripción o durante su inscripción en el programa de Tarjetas. Los Cargos se deducirán automáticamente del saldo disponible en la Cuenta. Siempre que el saldo de la cuenta sea inferior al monto del cargo que se aplica, el saldo de su Cuenta se aplicará al monto del cargo. Los montos de cargos impagos se acumularán y se deducirán luego de realizado su próximo depósito. Es posible que terceros apliquen cargos adicionales. Los tipos de transacciones disponibles y las limitaciones vigentes sobre las transacciones se muestran en la tabla de límites de transacción ("Límites de transacción") debajo de su Lista de cargos. Por motivos de seguridad, es posible que haya límites adicionales en el monto, la cantidad o el tipo de transacción que puede hacer con su Tarjeta o Cuenta. Los Cargos y Límites de transacción están incorporados en este Contrato como referencia y están sujetos a cambios de manera

The ReliaCard is issued by U.S. Bank National Association pursuant to a license from Visa U.S.A. Inc. or Mastercard International Incorporated. Mastercard is a registered trademark of Mastercard International Incorporated. © 2018 U.S. Bank. Member FDIC.

ocasional. Usted recibirá previo aviso de cambios en los Cargos y Límites de transacción en la medida en que así lo requiera la ley vigente. Puede recibir una copia de la Lista de cargos y los Límites de transacciones llamándonos a la línea gratuita 855-282-6161 o puede verlos en línea en www.usbankreliacard.com.

CÓMO OBTENER LA INFORMACIÓN DE LA CUENTA

5. Información de la cuenta

- Puede ver su Cuenta en línea en www.usbankreliacard.com o llamamos al 855-282-6161 para averiguar si se hizo algún depósito o no.
- Puede obtener los saldos de la cuenta y revisar la actividad de la cuenta visitando www.usbankreliacard.com, accediendo a la aplicación móvil de ReliaCard ("Aplicación móvil") o llamando al 855-282-6161. Puede acceder a un historial de 12 meses de transacciones de cuenta en línea en www.usbankreliacard.com. Podrá consultar la información de su estado de cuenta en línea en www.usbankreliacard.com. El estado de cuenta describirá toda la actividad de la cuenta durante el período del estado de cuenta.
- También tiene derecho a obtener un historial por escrito de 24 meses de transacciones de cuenta, estados de cuenta impresos mensuales recurrentes y/o estados de cuenta impresos de un solo mes visitando www.usbankreliacard.com, llamando al 855-282-6161 o escribiéndolos a ReliaCard Card Services, P.O. Box 551617, Jacksonville, FL 32255, No se le cobrarán cargos por esta información. Es posible que los estados de cuenta impresos recurrentes no estén disponibles durante los meses en los que no se producen transacciones.
- Puede obtener un recibo en el momento en que realiza cualquier transferencia hacia o desde su Cuenta a través de un cajero automático o un terminal de punto de venta.

6. Información de contacto, días laborales y horarios de atención. Para consultas generales por correo postal, escribanos a: The ReliaCard Card Services, P.O. Box 551617, Jacksonville, FL 32255. Para consultas sobre el servicio y/o para informar que su Tarjeta ha sido robada o se ha extraviado, llame al 855-282-6161, las 24 horas del día, los 7 días de la semana. Nuestros días laborales son de lunes a viernes. No se incluyen los días feriados.

7. Alertas móviles. Puede inscribirse para recibir notificaciones electrónicas ("Alertas") relacionadas con su Cuenta en línea en www.usbankreliacard.com, a través de la aplicación móvil o llamando al 855-282-6161. Puede administrar o cancelar las Alertas en cualquier momento en línea en www.usbankreliacard.com, a través de la aplicación móvil o llamando al 855-282-6161. Las Alertas se enviarán por SMS/mensaje de texto a un teléfono móvil, dispositivo manual u otro dispositivo inalámbrico o por correo electrónico según usted lo designe. Este servicio le permite solicitar y recibir determinados mensajes acerca de su Cuenta. Puede elegir recibir Alertas relacionadas con transacciones específicas en su Cuenta. Una vez que haya iniciado sesión, puede elegir qué Alertas desea recibir y una cantidad limitada de direcciones electrónicas (las direcciones electrónicas pueden incluir direcciones de correo electrónico y cualquier dispositivo que reciba mensajes de texto) a las que se enviarán las Alertas. Las Alertas se enviarán, a distintas horas, cada día en el que se realicen transacciones que cumplan con el criterio que especificó. Usted comprende y acepta que las Alertas no se enviarán en "tiempo real", sino que se enviarán en la próxima hora de entrega programada después de que se realice la transacción especificada. Nos reservamos el derecho de cambiar la frecuencia o la hora de las Alertas, en cualquier momento y de manera ocasional. Las Alertas no tienen el objetivo de reemplazar sus Estados de cuenta o cualquier otra comunicación que podamos proporcionarle respecto de su Cuenta. Usted es responsable del teléfono y de otros equipos, software y servicios necesarios para recibir las Alertas y debe proporcionarlos. Al inscribirse en las Alertas y proporcionarnos su número de teléfono celular, usted da su consentimiento para recibir mensajes de texto relacionados con las Alertas. Es posible que se apliquen los cargos de mensajería y de datos de su proveedor de telecomunicaciones, y usted es responsable por dichos cargos. En caso de que su dispositivo móvil o celular inscrito se extravíe o sea robado, usted acepta actualizar su información de inscripción y hacer los cambios adecuados para desactivar el uso de dichos dispositivos. Usted acepta notificaciones sobre cualquier cambio en sus direcciones electrónicas para asegurar la entrega continua de sus Alertas. Usted comprende que hay riesgos asociados con el uso de un dispositivo móvil y que, en caso de robo o extravío, su información confidencial podría verse comprometida. No nos responsabilizamos de que su proveedor de telecomunicaciones, Internet y/o correo electrónico lo habilite correctamente su recepción de las Alertas.

INFORMACIÓN IMPORTANTE SOBRE EL USO DE SU TARJETA

8. Retenciones al momento de la autorización. Las transacciones con algunos comercios (restaurantes, agencias de alquiler de automóviles, hoteles, peluquerías, compañías de pedido por correo, líneas de cruceros y gasolineras) se autorizarán en un monto superior a su compra. Si usted no tiene fondos disponibles por el monto solicitado en la autorización, su transacción será rechazada. Si la transacción es autorizada, los fondos por el monto autorizado se retendrán y no estarán disponibles para otras compras. El monto autorizado se retendrá hasta que la transacción se registre en su Cuenta. El registro de la transacción generalmente puede tardar hasta 10 días, salvo ciertas autorizaciones de viaje y alojamiento que pueden tardar hasta 21 días. En algunos casos, el monto de la autorización se retendrá aunque usted no complete su transacción.

9. Transacciones divididas; transacciones anuladas; falta de pago

- Si no tiene suficiente dinero en su Cuenta para completar una transacción en particular, puede dividir sus compras entre su Tarjeta y otra forma de pago. Digale al cajero cuánto desea pagar primero con su Tarjeta. Si no conoce su saldo exacto, llame a Servicio al Cliente al 855-282-6161 para verificar su saldo antes de intentar realizar una compra. Tenga en cuenta que no todos los comercios permiten este tipo de transacciones divididas.
- Si usted autoriza una compra pero no realiza la compra según lo planeado, el monto autorizado se retendrá hasta que la autorización se venza o el comercio libere la retención, lo que puede demorar hasta siete días.
- Si nosotros ni ningún otro banco o negocio seremos responsables en el caso de que la Tarjeta no se acepte o se pague.

10. Pagos previamente autorizados

- Derecho a realizar una suspensión de pago y procedimientos para hacerlo.** Si ha autorizado previamente pagos con su Tarjeta, puede detener cualquiera de estos pagos. Esto es lo que debe hacer. Llámenos al 855-282-6161 o escribanos a ReliaCard Card Services, P.O. Box 551617, Jacksonville, FL 32255, a tiempo para que recibamos su solicitud tres días laborales o más antes de la fecha para la que está programado el pago. Si nos llama, es posible que también le solicitemos que presente su solicitud por escrito en un plazo de 14 días después de su llamada.
- Aviso de montos variables.** Si el monto de estos pagos regulares varía, la persona a la que le realizará el pago lo informará, 10 días antes de cada pago, cuándo se realizará y cuál será el monto. En lugar de esto, puede elegir recibir este aviso solo cuando el pago varíe por más de un monto determinado del pago anterior, o cuando el monto exceda determinados límites establecidos por usted.
- Responsabilidad por no realizar una suspensión de pago de una transferencia previamente autorizada.** Si usted nos solicita que suspendamos un pago tres días laborales o más antes de la fecha para la que está programada la transferencia y no lo hacemos, nosotros seremos responsables por sus pérdidas o daños.

11. Devoluciones y reembolsos. Si se presenta un problema o una disputa con una compra de bienes o servicios, debe tratarlo directamente con el comercio involucrado. Las devoluciones y los reembolsos están sujetos a las políticas del comercio o a las leyes vigentes. Si, por algún motivo, tiene derecho a un reembolso por bienes o servicios obtenidos con su Tarjeta, usted acuerda aceptar créditos en su Tarjeta en lugar de efectivo.

12. Pago. Cada vez que use su Tarjeta, el monto de la transacción se debitará de su Cuenta. Es posible que no se le permita superar el saldo disponible en su Cuenta en cualquier compra individual o series de compras. Sin embargo, si realiza una compra que excede el saldo en su Cuenta (un "sobregiro"), usted será plenamente responsable del monto de su compra que excedió el saldo en su Cuenta. También nos reservamos el derecho de debitar dichos sobregiros automáticamente del dinero actual o futuro que se deposite en su Cuenta o en cualquier otra cuenta que tenga con nosotros. En este caso, usted acepta ser responsable de pagarnos todos los sobregiros.

13. Cómo usar su Tarjeta fuera del país

Para Tarjetas Visa: Puede usar su Tarjeta para compras minoristas en comercios extranjeros (fuera de los Estados Unidos) y para retiros de efectivo de cajeros automáticos extranjeros que tengan el logotipo de PLUS System o de Visa. Algunas transacciones en comercios y en ATM, incluso si usted y/o el comercio o el cajero automático están ubicados en los Estados Unidos, se consideran transacciones extranjeras en virtud de las reglas vigentes de Visa, en cuyo caso agregaremos el "Cargo por Transacción en el Extranjero" que se describe a continuación para estas transacciones. No controlamos la manera en que se clasifican estos comercios, cajeros automáticos y transacciones para estos fines. La tasa de cambio vigente cuando se procesa la transacción puede diferir de la tasa vigente en la fecha de la transacción o en la fecha en que se registró la transacción en su Cuenta. Si usa su Tarjeta en un comercio o cajero automático que tiene el logotipo de Visa (y no el de PLUS System), la transacción se procesará a través del sistema de Visa y se convertirá a dólares de los EE. UU. de acuerdo con las reglas vigentes establecidas por Visa de manera ocasional. Para las transacciones procesadas a través de Visa, la transacción en moneda extranjera se convertirá a dólares de los EE. UU. al multiplicar el monto de moneda extranjera por (a) una tasa seleccionada por Visa de las tasas disponibles en los mercados mayoristas de moneda extranjera para la fecha de procesamiento central aplicable, cuya tasa puede variar de la tasa que recibe Visa, o (b) la tasa establecida por el gobierno vigente para la fecha de procesamiento central aplicable. Si usa su Tarjeta en un cajero automático que solo tiene el logotipo de PLUS System (y no el de Visa), la transacción se procesará a través de PLUS System y se convertirá a dólares de los EE. UU. a la tasa de cambio establecida, de manera ocasional, por el operador de ese cajero automático. Si usa su Tarjeta en un cajero automático que tiene el logotipo de Visa y de PLUS System, el operador del cajero automático determinará si le enviará la transacción a través de la red de Visa o de PLUS System con las reglas de conversión de moneda extranjera vigentes en ese momento (como se explica anteriormente). Podemos aplicar un Cargo por Transacción en el Extranjero, calculado como un porcentaje de su monto de la transacción. El porcentaje, si lo hubiera, se enumera en la Lista de cargos. Es posible que apliquemos el "Cargo por Transacción en el Extranjero" a todas las transacciones en el extranjero, inclusive las que no requieran que se convierta la moneda extranjera.

Para las tarjetas Mastercard: Puede usar su Tarjeta para compras minoristas en comercios extranjeros (fuera de los Estados Unidos) y para retiros de efectivo de cajeros automáticos extranjeros que tengan las marcas de aceptación de Mastercard o Cirrus. Algunas transacciones en comercios y en ATM, incluso si usted y/o el comercio o el cajero automático están ubicados en los Estados Unidos, se consideran transacciones extranjeras en virtud de las reglas vigentes de Mastercard, en cuyo caso agregaremos el "Cargo por Transacción en el Extranjero" que se describe a continuación para esas transacciones. No controlamos la manera en que se clasifican estos comercios, cajeros automáticos y transacciones para estos fines. Si usa su Tarjeta en un comercio o un cajero automático que tiene estas marcas de aceptación, Mastercard International Incorporated convertirá la transacción a un monto en dólares de los EE. UU. a través de su procedimiento de conversión de moneda extranjera. La tasa de conversión de moneda extranjera que usa Mastercard International para determinar el monto de la transacción en dólares de los EE. UU. por lo general es una tasa establecida por el gobierno o una tasa de venta mayorista determinada por Mastercard International para el ciclo de procesamiento en el que se procesa la transacción. Podemos aplicar un Cargo por Transacción en el Extranjero, calculado como un porcentaje (%) de su monto de la transacción. El porcentaje, si lo hubiera, se enumera en la Lista de cargos. Es posible que apliquemos el "Cargo por Transacción en el Extranjero" a todas las transacciones en el extranjero, inclusive las que no requieran que se convierta la moneda extranjera.

14. Otros términos. El uso de su Tarjeta está sujeto a todos los hábitos y las reglas vigentes de cualquier oficina de compensación u otra asociación involucrada en las transacciones. No se puede usar su Tarjeta para ningún fin ilegal. Usted acepta que no usará su Tarjeta para realizar apuestas ilegales por Internet o para cualquier transacción que sea ilegal en virtud de las leyes vigentes, o que no esté permitida por las reglas de la red.

15. Contacto en caso de extravío, robo o uso no autorizado; su responsabilidad por transacciones no autorizadas

- Informenos DE INMEDIATO si cree que su Tarjeta o PIN se han extraviado o han sido robados, o si cree que se ha realizado una transferencia de fondos electrónica sin su permiso. Llámamos por teléfono es la mejor manera de notificarnos y de reducir posibles pérdidas. Puede comunicarse con nosotros llamando a la línea gratuita 855-282-6161 o escribiéndolos a ReliaCard Card Services, P.O. Box 551617, Jacksonville, FL 32255. Si su Tarjeta se ha extraviado o ha sido robada, cerraremos su Tarjeta.
- Cero responsabilidad. Usted generalmente está protegido de toda responsabilidad por transacciones no autorizadas. Sin embargo, si no nos informa en un plazo de 60 días después de la primera fecha en que usted acceda a su Cuenta de manera electrónica, si la transacción pudo verse en su historial electrónico, o la fecha en que enviáramos el primer estado de cuenta o historial de transacciones en el que aparece la transferencia no autorizada, es posible que no recupere el dinero que perdió después de 60 días si podemos comprobar que podríamos haber evitado que alguien tomara el dinero si usted nos hubiera informado a tiempo. Como alternativa, podemos solicitarle que informe las transacciones no autorizadas dentro de los 120 días después de que la transferencia o transacción se acreditaron a su Cuenta o se debitaron de esta supuestamente por error.
- Si no nos informó por un motivo justificado (como un viaje largo o una internación en el hospital), extendemos los plazos.

16. Su derecho a disputar errores

- En caso de errores o preguntas sobre su Tarjeta, llame al 855-282-6161 o escriba a ReliaCard Card Services, P.O. Box 551617, Jacksonville, FL 32255, tan pronto como pueda si cree que su estado de cuenta, historial de transacciones o recibo son incorrectos o si necesita más información acerca de una transacción incluida en el estado de cuenta, historial de transacciones o recibo. Debemos permitirle informar un error hasta 60 días después de la primera fecha en la que usted acceda electrónicamente a su Cuenta, si el error se podía ver en su historial electrónico, o de la fecha en que enviáramos el PRIMER historial impreso en el que apareció el error. Como alternativa, podemos solicitarle que informe las transacciones no autorizadas dentro de los 120 días después de que la transferencia o transacción se acreditaron a su Cuenta o se debitaron de esta supuestamente por error. Puede solicitar un historial impreso de sus transacciones en cualquier momento si nos llama al 855-282-6161 o no escribe a ReliaCard Card Services, P.O. Box 551617, Jacksonville, FL 32255.

Deberá proporcionarnos:

- Su nombre y su número de tarjeta ReliaCard de U.S. Bank.
- El monto en dólares del presunto error.
- Aproximadamente cuándo se produjo el error.
- Describa el error o la transacción de la que no está seguro y explique de la manera más clara posible por qué cree que es un error o por qué necesita más información.

C. Si nos informa de manera oral, es posible que le solicitemos que nos envíe su queja o su pregunta por escrito en un plazo de 10 días laborales después de hablar con nosotros.

D. Determinaremos si se produjo un error en un plazo de 10 días laborales después de hablar con usted y corregiremos cualquier error de inmediato. Sin embargo, si necesitamos más tiempo, puede tomarnos hasta 45 días investigar su queja o su pregunta. Si decidimos hacer esto, colocaremos un crédito provisional en su Cuenta en un plazo de 10 días laborales por el monto que usted piensa que corresponde al error, para que pueda usar el dinero durante el tiempo que nos tome completar nuestra investigación. Si le solicitamos que presente su queja o su pregunta por escrito y no la recibimos en un plazo de 10 días laborales, es posible que no acreditemos el dinero en su Cuenta hasta que se complete la investigación, pero aún investigaremos su queja o pregunta. Para los errores que implican nuevas Tarjetas (abiertas en un plazo menor a 30 días), transacciones iniciadas en el extranjero o en puntos de venta, es posible que tardemos hasta 90 días en investigar su queja o pregunta. Para las nuevas Tarjetas, es posible que tardemos hasta 20 días laborales en acreditar el monto que cree que corresponde al error en su Tarjeta. Le informaremos los resultados en un plazo de tres días laborales después de completar nuestra investigación.

E. Si decidimos que no hubo un error, le enviaremos una explicación por escrito en un plazo de tres días laborales después de finalizar nuestra investigación. Puede solicitar copias de los documentos que usamos en nuestra investigación. Si emitimos un crédito provisional para usted y no hubo un error, el monto de dicho crédito se restará de su Tarjeta. Le proporcionaremos un aviso previo sobre el monto y la fecha en que ese crédito se debitará de su Tarjeta.

F. Si necesita más información sobre nuestros procedimientos de resolución de errores, llámenos al número de teléfono que se indica anteriormente.

17. Nuestra responsabilidad. Si no completamos una transferencia a o de su Cuenta a tiempo o por el monto correcto de acuerdo con nuestro contrato con usted, seremos responsables por sus pérdidas o daños con algunas excepciones. No seremos responsables, por ejemplo, en los siguientes casos:

- Si, no por culpa nuestra, usted no tiene suficiente dinero en su Cuenta para realizar la transferencia.
- Si el cajero automático en el que realiza la transferencia no tiene suficiente efectivo.
- Si el sistema del terminal no estaba funcionando correctamente y usted lo sabía cuando inició la transferencia.
- Si circunstancias fuera de nuestro control (como un incendio o una inundación) evitaron que se realice la transferencia, a pesar de las precauciones razonables que tomamos.
- Es posible que haya otras excepciones establecidas en nuestro contrato con usted.

NUESTROS DERECHOS EN VIRTUD DEL CONTRATO

18. Modificación, finalización y otros derechos. Podemos, en cualquier momento, modificar o dar por finalizados estos Términos y Condiciones o transferir nuestros derechos en virtud de este Contrato. No renunciamos a nuestros derechos a demorar su ejercicio o al no ejercerlos en ningún momento. Si un tribunal descubre que cualquiera de los términos de este Contrato es ilegal o no es ejecutable, todos los otros términos permanecerán vigentes. Visite www.usbankreliacard.com para consultar la versión más reciente del Contrato. Le informaremos cualquier cambio de la manera que lo exigen las leyes vigentes. Sin embargo,

si el cambio se realiza por razones de seguridad, podemos implementar dicho cambio sin aviso previo. Podemos dar por finalizado o suspender este Contrato o cualquier característica o servicio de la Tarjeta que se describa en el presente en cualquier momento. Puede cerrar su Cuenta según lo permita su programa gubernamental. La finalización o el cierre de la Cuenta, ya sea que lo haga usted o nosotros, no afectarán las transacciones u obligaciones previas relacionadas con su Cuenta existente al momento de la finalización. De manera ocasional, es posible que controlemos las llamadas telefónicas que usted nos hace o que le hace a nuestros agentes.

DIVULGACIÓN DE LA INFORMACIÓN DE LA TARJETA

19. Divulgaremos información a terceros sobre su Tarjeta y Cuenta o sobre las transferencias que usted hace en las siguientes situaciones: (i) cuando sea necesario para completar transferencias; (ii) para que un tercero verifique la existencia y la condición de su Cuenta, como una agencia de informes de crédito o un comercio; (iii) para cumplir con órdenes judiciales o de organismos gubernamentales; o (iv) si usted nos da su permiso por escrito.

INFORMACIÓN ADICIONAL

20. Información del programa. Usted está eligiendo participar en el programa de la Tarjeta ReliaCard autorizado por su agencia gubernamental, que puede ser discontinuado en algún momento en el futuro. Si el programa es discontinuado, usted será notificado por adelantado y recibirá información sobre cómo recibir pagos futuros por un medio alternativo. U.S. Bank National Association proporciona este programa, y puede comunicarse con usted, de manera ocasional, acerca de este programa u otros servicios relacionados con este programa.

21. Función de su agencia gubernamental

A. Su agencia gubernamental es responsable de transferirnos fondos para depositar en su Cuenta. Estos fondos serán transferidos por su agencia gubernamental a nosotros y serán depositados en su Cuenta de acuerdo con el programa acordado por su agencia gubernamental y nosotros. No tenemos obligaciones con usted en el caso de que su agencia gubernamental se demore en proporcionar fondos a su Cuenta o no los proporcione.

B. Su agencia gubernamental puede conservar el derecho a deducir fondos de la Cuenta para corregir un error o un sobrepago previo a usted o por otros motivos. Por el presente, usted nos autoriza a aceptar instrucciones de su agencia gubernamental para acreditar fondos a su Cuenta o para debitar fondos desde esta y, en el caso de un débito, a devolver esos fondos a su agencia gubernamental. Si tiene una disputa con su agencia gubernamental sobre el monto que la agencia gubernamental deposita en su Cuenta o deduce de esta, usted acepta no involucrarnos en esa disputa y resolver esa disputa exclusivamente con su agencia gubernamental.

C. Usted reconoce y acepta que a excepción de lo establecido en esta sección, su agencia gubernamental no será responsable de ninguna reclamación que usted haga en relación con este Contrato.

22. Uso por otros; tarjeta secundaria

A. La primera persona a la que se emitió la Tarjeta y la Cuenta es el "Titular principal de la cuenta". El Titular principal de la cuenta es responsable en todo momento de todas las transacciones, los cargos y otra actividad con respecto a la Tarjeta, la Cuenta y la Tarjeta secundaria (como se define a continuación). Excepto cuando se solicita una Tarjeta secundaria (como se describe a continuación), usted no debe permitir que otra persona tenga acceso a su Tarjeta o Cuenta. Si le da acceso a su Tarjeta o Cuenta a otra persona, usted es responsable de todas las transacciones y los cargos que realice dicha persona. Debe solicitarnos por escrito que anulemos el permiso para cualquier persona que usted haya autorizado previamente a usar su Tarjeta o Cuenta o a tener acceso a estas.

B. Si su programa permite la emisión de una Tarjeta adicional para tener acceso a su Cuenta (una "Tarjeta secundaria"), el Titular principal de la cuenta puede solicitarnos la emisión de la Tarjeta secundaria para una persona de confianza de 13 años de edad o más (el "Titular secundario de la tarjeta"). Nos reservamos el derecho de rechazar la solicitud de una Tarjeta secundaria. El Titular principal de la cuenta es responsable en todo momento de todas las transacciones, los cargos y otra actividad con respecto a la Tarjeta secundaria. El titular de la Tarjeta secundaria puede informar que la Tarjeta se extravió o fue robada. El Titular secundario de la tarjeta no puede solicitar Tarjetas adicionales para acceder a la Cuenta, pero, en otros aspectos, tiene la misma capacidad que el Titular principal de la cuenta para acceder a la información o tomar decisiones sobre la Tarjeta o la Cuenta. Nos reservamos el derecho de solicitarle al Titular principal de la cuenta que tome o pruebe decisiones en particular a nuestro criterio. Si desea dar por finalizada la autoridad del Titular secundario de la tarjeta, debe llamarnos al 855-282-6161 para solicitar la revocación del acceso del Titular secundario de la tarjeta a su Cuenta. El Titular principal de la cuenta seguirá siendo responsable por todas las transacciones, los cargos y demás actividades que resulten del uso continuo de la Tarjeta secundaria a menos que solicite que cancelemos todas sus Tarjetas y emitamos una Tarjeta de reemplazo para usted. Es posible que se aplique un cargo por las Tarjetas de reemplazo. Consulte la Lista de cargos para obtener detalles. Es posible que para anular la Tarjeta secundaria sea necesario cancelar todas sus Tarjetas. Al igual que con todas las cancelaciones de tarjetas, usted no tendrá acceso a su Cuenta hasta que reciba la Tarjeta de reemplazo y la active. En la medida en que lo permita la ley, usted también es responsable por todos los costos y gastos, incluidos los honorarios de abogados, en los que incurramos para el cumplimiento de las reglas que rigen la Tarjeta secundaria.

23. Política de contacto por teléfono celular. Al proporcionarnos un número de teléfono de un celular o de otro dispositivo inalámbrico, incluido un número que convierta luego a un número de teléfono celular, usted otorga su consentimiento expreso para recibir comunicaciones, lo que incluye, entre otros, llamadas de mensajes de voz artificiales o pregrabados, mensajes de texto y llamadas realizadas mediante un sistema de marcación telefónica automática, de nuestra parte y de nuestras filiales y agentes, a ese número. Este

consentimiento expreso se aplica a todo número de teléfono de este tipo que usted nos proporcione ahora o en el futuro, y permite estas llamadas para propósitos que no sean de marketing. Las llamadas y mensajes podrían incurrir en cargos de acceso por parte de su proveedor de telefonía celular.

24. Servicio de pago de cuentas

A. Los siguientes Términos y Condiciones se aplican a su uso del servicio de pago de cuentas ("Servicio de pago de cuentas"), que puede ser activado o no por el patrocinador de su Cuenta. El Servicio de pago de cuentas está disponible en línea en www.usbankreliacard.com. Después de configurar un Beneficiario, también puede llamarnos al 855-282-6161 para programar un pago.

B. Para usar el Servicio de pago de cuentas, primero debe configurar un Beneficiario en línea. Un "Beneficiario" es una compañía o persona en los Estados Unidos que le envía facturas y a la que elige pagarle a través del Servicio de pago de cuentas. Si su Beneficiario es un gran emisor de cuentas nacional o regional (p. ej., una empresa de servicios públicos o una compañía de seguros), el Servicio de pago de cuentas podría utilizar el Servicio de procesamiento de pagos remotos de Mastercard (Remote Payment Processing Service, RPPS) para procesar los pagos de cuentas ("Pagos de cuentas") para este Beneficiario. Si su Beneficiario es un emisor de cuentas más pequeño o una persona (p. ej., un arrendador), el Servicio de pago de cuentas podría enviarle a este Beneficiario un cheque impreso. En este caso, usted deberá proporcionar una dirección correcta y completa para este Beneficiario. Usted nos autoriza a procesar en su nombre los Pagos de cuentas permitidos en virtud de estos Términos y Condiciones según usted lo solicite de manera ocasional. Asimismo, nos autoriza a registrar transacciones en su Cuenta según sus instrucciones.

C. Usted es responsable de proporcionar la información correcta sobre la cuenta y la dirección necesaria para asegurarse de que los fondos se destinen a la cuenta correcta y se entreguen en la dirección correcta. Si los datos de la cuenta o de la dirección son incorrectos, no podrán efectuarse los Pagos de cuentas o serán destinados a la cuenta incorrecta. Nos reservamos el derecho de negarnos a efectuar pagos a ciertos Beneficiarios a nuestro exclusivo criterio.

D. Usted puede programar un Pago de cuentas único o pagos de cuentas recurrentes previamente autorizados por un monto fijo. Si usted programa un Pago de cuentas para la fecha actual, nos autoriza a debitar de su Cuenta inmediatamente el monto del Pago de cuentas más todos los cargos correspondientes.

- Si el saldo de la Cuenta no es suficiente para el Pago de cuentas más los cargos correspondientes, recibirá un aviso de error por fondos insuficientes y el estado del Pago de cuentas será fallido.
- Si el saldo de la Cuenta es suficiente, el estado del Pago de cuentas será pendiente.
- Si programa un Pago de cuentas para una fecha futura, el estado del Pago de cuentas será programado. Comenzaremos a procesar un Pago de cuentas programado en su fecha de pago ("Fecha de pago"). Usted nos autoriza a debitar de su Cuenta en la Fecha de pago el monto del Pago de cuentas, más todos los cargos correspondientes.
- Si, en la Fecha de pago de un Pago de cuentas programado, el saldo de la Cuenta no es suficiente para el Pago de cuentas más todos los cargos correspondientes, el estado del Pago de cuentas cambiará a fallido.
- Si, en la Fecha de pago de un Pago de cuentas programado, el saldo de la Cuenta es suficiente, el estado del Pago de cuentas cambiará a pendiente.

E. Tomaremos las medidas razonables para efectuar los Pagos de cuentas de manera correcta y puntual según sus instrucciones. Sin embargo, no podemos garantizar que todos los Pagos de cuentas se recibirán, a más tardar, en la fecha de vencimiento de pago. No somos responsables de ningún costo, cargo por pago atrasado u otros daños ocasionados si el beneficiario no recibe los Pagos de cuentas en la fecha de vencimiento de pago o antes y nosotros seguimos sus instrucciones. Usted debe programar los Pagos de cuentas al menos cuatro días laborales antes de las fechas de vencimiento correspondientes para asegurar el tiempo suficiente para procesos y permitir que los Beneficiarios acrediten el monto en su cuenta.

F. Los Pagos de cuentas se procesan los días laborales. Los Pagos de cuentas programados antes de las 8:00 p. m., hora del centro, se envían para su procesamiento el mismo día laboral. Los Pagos de cuentas programados a las 8:00 p. m. o después se envían para su procesamiento el siguiente día laboral. Si su Pago de cuentas programado cae en un día no laboral, el pago será procesado el siguiente día laboral.

G. Consulte la tabla de límites de transacción ("Límites de transacción") debajo de su Lista de cargos para los límites de transacción para los Pagos de cuentas.

H. Si por algún motivo, el Pago de cuentas no pudiera procesarse, el estado de pago de cuentas lo clasificará como "fallido". Somos responsables de los errores causados por no iniciar o cancelar un pago de acuerdo con sus instrucciones adecuadamente transmitidas. No somos responsables por la falta de pago, los cargos por pago atrasado o demás daños en los que se pudiera incurrir debido a otros Pagos de cuentas fallidos. Los Pagos de cuentas fallidos se acreditarán a su Cuenta dentro de los cinco días laborales posteriores a la notificación de Pago de cuentas fallido por parte del RPPS o del Beneficiario. Si el Pago de cuentas es rechazado debido a fondos insuficientes, debe notificárcelo al Beneficiario inmediatamente y hacer los arreglos necesarios para volver a programar el pago. Si cree que se produjo un error, debe informarlo de inmediato a través del proceso de resolución de errores descrito en la sección "Su derecho a disputar errores" arriba.

I. Usted puede cancelar cualquier pago pendiente o programado. Si el pago está pendiente, debe llamarnos al 855-282-6161 antes de las 8:00 p. m., hora del centro, para cancelarlo. Si el pago está programado, puede cancelarlo en línea en www.usbankreliacard.com o puede llamarnos al 855-282-6161. Usted comprende y acepta que, una vez que hayamos comenzado el procesamiento de un pago, no podrá cancelarse. Si el pago se ha enviado para su procesamiento, será necesario comunicarse con el Beneficiario directamente para revertir los pagos realizados a través de este Servicio de pago de cuentas. Los cargos por el Servicio de pago de cuentas (si corresponden) no se reembolsarán si los Pagos de cuentas pendientes se cancelan, y podría aplicarse un cargo de cancelación. Consulte la sección de Pagos previamente autorizados arriba para

obtener información sobre su derecho de suspensión de pago de transferencias previamente autorizadas.

J. Si por algún motivo no pudiéramos completar un Pago de cuentas, no estamos obligados a notificarle el hecho. Si usted nos ha proporcionado una dirección de correo electrónico actual, podemos enviarle avisos por correo electrónico relacionados con el Servicio de pago de cuentas, incluido cuando un pago es rechazado. Para actualizar su dirección de correo electrónico, seleccione "Actualizar mi Tarjeta" en el sitio web. Usted comprende y acepta que los avisos no se enviarán en "tiempo real", sino que se enviarán en la próxima hora de entrega programada después de que se realice el pago. Nos reservamos el derecho de cambiar la frecuencia o la hora de los avisos por correo electrónico, en cualquier momento y de manera ocasional. Los avisos por correo electrónico no pretenden reemplazar la información de su Tarjeta o Cuenta a su disposición en el sitio web.

K. Para la solución de errores en el Pago de cuentas, consulte la sección "Su derecho a disputar errores" arriba.

L. Podemos cancelar el Servicio de pago de cuentas en cualquier momento a nuestro exclusivo criterio.

25. ARBITRAJE

A. Esta sección no se aplicará a disputas que, por el monto del litigio, deban tramitarse en un tribunal que entienda en causas de menor cuantía y se inicien bajo dicha jurisdicción. Esta cláusula de arbitraje no se aplicará a una parte que sea prestataria cubierta según la Ley de Préstamos Militares (Military Lending Act). Estas cláusulas de arbitraje permanecerán vigentes después del cierre de su cuenta o finalización de toda operación comercial con nosotros. Si alguna disposición de esta sección se considera no válida o inaplicable, esta sección quedará completamente nula y sin efecto.

B. Reglas de arbitraje: En caso de que se origine una disputa relacionada con su cuenta o este Contrato, o que surja de ellos, usted o nosotros podemos elegir someter la disputa a arbitraje. A su elección, el arbitraje puede realizarse a través de los Servicios Judiciales de Arbitraje y Mediación (Judicial Arbitration and Mediation Services, JAMS) o de la Asociación Americana de Arbitraje (American Arbitration Association, "AAA"). En caso de que ninguna de estas organizaciones de arbitraje cumpliera con los requisitos necesarios, se acordará la participación de una organización de arbitraje sustituta similar por acuerdo entre partes o, de no haber acuerdo, por un tribunal de jurisdicción competente. Si se selecciona JAMS, el arbitraje se manejará de acuerdo con sus Reglas abreviadas de arbitraje (Streamlined Arbitration Rules) a menos que la Reclamación sea por \$250,000.00 o más, en cuyo caso se aplicarán las Reglas generales de arbitraje (Comprehensive Arbitration Rules). Si se selecciona la AAA, el arbitraje se manejará de acuerdo con su Reglas de arbitraje comercial. Usted puede obtener las reglas y los formularios de JAMS llamando a JAMS al 1.800.352.5267 o en www.jamsadr.com, y los de AAA llamando a la AAA al 1.800.778.7879 o en www.adr.org. Cualquier audiencia de arbitraje a la que asista se llevará a cabo en el distrito judicial federal en el que usted reside. Independientemente del organismo de arbitraje que se seleccione para resolver la disputa, el árbitro exclusivamente, y no cualquier tribunal, determinará toda disputa entre usted y nosotros con respecto a si su reclamación recae dentro del alcance de esta cláusula de arbitraje.

C. Proceso de arbitraje: El arbitraje implica que una parte neutral realiza la revisión y la resolución de la disputa. Por lo general, la decisión del árbitro será definitiva y vinculante. Si usted lo solicita, para las reclamaciones realizadas a las cuentas de consumidor, adelantaremos sus cargos por presentación y audiencia por las reclamaciones que pueda presentar en nuestra carta; el árbitro decidirá si usted o nosotros seremos responsables, en última instancia, de esos cargos. El arbitraje solo puede decidir nuestra reclamación o la suya y no puede consolidar o reunir las reclamaciones de otras personas que tengan reclamaciones similares. Ninguna de las partes tendrá facultad o derecho alguno para someter a arbitraje una disputa como demanda colectiva.

D. Consecuencias del arbitraje: Si alguno de nosotros elige el arbitraje, ninguno tendrá el derecho de someter la disputa a un tribunal o a un juicio por jurado. Además, y respecto de cualquier disputa sometida a arbitraje, usted no tendrá derecho a participar como representante o miembro de ningún tipo de demanda colectiva, o representando ningún tipo de interés en el que se busque un rescaramiento económico o de otro tipo que no esté relacionado con sus circunstancias individuales. Ninguna de las partes tendrá facultad alguna para someter a arbitraje una disputa como demanda colectiva ni en ninguna otra forma de representación. El arbitraje solo puede decidir su reclamación o la nuestra y no puede consolidar ni reunir reclamaciones de otras personas que tengan reclamaciones similares, incluidas, entre otras, las reclamaciones en las que se solicitan medidas cautelares u otro rescaramiento justo con respecto a nuestros otros clientes o miembros del público general. Cualquier rescaramiento monetario, medida cautelar u otro rescaramiento justo se limitará exclusivamente a sus cuentas, contratos y transacciones que realiza con nosotros. Sin perjuicio de lo anteriormente mencionado, toda duda relacionada con la validez y los efectos de esta renuncia a integrar demandas colectivas será decidida exclusivamente por un tribunal competente y no por el árbitro.

La tarjeta ReliaCard es emitida por U.S. Bank National Association en virtud de una licencia de Visa U.S.A Inc. o Mastercard International Incorporated. Mastercard es una marca registrada de Mastercard International Incorporated. © 2018 U.S. Bank. Miembro FDIC.

Si bien esta comunicación de U.S. Bank está disponible en español, ello no implica que las comunicaciones futuras se proporcionarán en dicho idioma. Algunos servicios y correspondencia, incluidos documentos importantes referidos a la apertura y mantenimiento de nuestros productos (como contratos y estados de cuenta), ciertos números de teléfono, páginas web y demás comunicaciones por Internet, podrían estar disponibles solo en inglés. De ser necesario, tenemos intérpretes independientes disponibles para ayudarlo.

05870-30

THE RELIACARD® CARDHOLDER AGREEMENT

(Effective 6/1/2018)

TERMS AND CONDITIONS FOR THE RELIACARD

By activating, accepting and/or using the ReliaCard ("Card"), you agree to be bound by the terms and conditions contained in this ReliaCard Cardholder Agreement ("Agreement"), which will govern your use of your Card and your Account. Your Card is a reloadable Visa® or Mastercard® branded prepaid debit card issued by U.S. Bank National Association ("U.S. Bank"), and your Card accesses your ReliaCard account ("Account"). "You" and "your" means the person(s) who received the Card from U.S. Bank and are authorized to use the Card and Account as provided for in this Agreement. "We," "us," and "our" mean U.S. Bank, our successors, affiliates or assigns. Please read this Agreement carefully, and keep it for future reference. The laws of the state of Ohio govern the interpretation of this Agreement, without giving effect to conflict of law principles thereof that may cause the law of another state to apply.

Your Card and Account have been opened in connection with a government program. The Card and Account are not connected in any way to any other account. You will not receive any interest on the funds in your Account. The Card is not a credit card. The Card is not for resale. The Card is nontransferable and it may be canceled, repossessed, or revoked at any time without prior notice subject to applicable law. We may refuse to process any transaction that we believe may violate the terms of this Agreement. Funds in the Account are insured by the Federal Deposit Insurance Corporation ("FDIC") up to the maximum allowed by law.

THIS AGREEMENT CONTAINS AN ARBITRATION PROVISION (INCLUDING A CLASS ACTION ARBITRATION WAIVER). IT IS IMPORTANT THAT YOU READ THE ARBITRATION SECTION CAREFULLY.

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 may ask for your name, address, date of birth and other information that will allow us to identify you. If necessary, we may also ask to see your driver's license or other identifying documents.

HOW TO USE YOUR CARD

1. Activating Your Card; PIN Selection. You can activate your Card by calling us at 855-282-6161 (we accept relay calls) or online at www.usbankreliacard.com. During the activation process, you will select a Personal Identification Number ("



FACTS

WHAT DOES U.S. BANK DO WITH YOUR PERSONAL INFORMATION?

Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> ■ Social Security number and income ■ account balances and payment history ■ transaction history and credit history
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons U.S. Bank chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does U.S. Bank share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes— information about your creditworthiness	Yes	Yes
For nonaffiliates to market to you	No*	We don't share

To limit our sharing	<ul style="list-style-type: none"> ■ Call 877-449-3593—to speak to a customer service representative or ■ Visit us online: http://www.usbank.com/privacy and tell us your preference on the "Exercise Your Privacy Choice" page. <p>Please note:</p> <p>If you are a <i>new</i> customer, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p> <p>However, you can contact us at any time to limit our sharing.</p>
-----------------------------	---

To limit our direct marketing	<p>Please note: We may contact our existing customers by mail, telephone, or email to offer additional financial products or services including products and services offered by nonaffiliates that we believe may be of interest to you. You may direct us not to send you such offers.</p> <ul style="list-style-type: none"> ■ To limit our direct marketing to you by mail or telephone, please call 877-449-3593—to speak to a customer service representative, or visit us online: http://www.usbank.com/privacy and tell us your preference on the "Exercise Your Privacy Choice" page. ■ To limit our direct marketing to you by e-mail, visit us online: http://www.usbank.com/privacy and tell us your preference on the "Email Preferences" page.
--------------------------------------	---

Questions?	Call 800-872-2657 or go to usbank.com
-------------------	---

Who we are

Who is providing this notice?

Companies with the U.S. Bank and U.S. Bancorp names and other affiliates. Please see below for a list of other affiliates that do not have a U.S. Bank or U.S. Bancorp name.

Except for California, North Dakota and Vermont residents, a different notice applies to customers who leased or purchased a vehicle and obtained U.S. Bank financing directly through a dealership. That notice from U.S. Bank—Dealer Financial Services is available online at <http://www.usbank.com/privacy> or by calling 800-437-9497.

What we do

How does U.S. Bank protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

How does U.S. Bank collect my personal information?

We collect your personal information, for example, when you

- open an account or apply for a loan
- use your credit or debit card or make deposits or withdrawals from your account
- tell us about your investment or retirement portfolio

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.

What happens when I limit sharing for an account I hold jointly with someone else?

Your choices will apply individually—unless you tell us otherwise.

Definitions

Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Our affiliates include companies with a U.S. Bank and U.S. Bancorp name; financial companies such as U.S. Bank National Association and U.S. Bancorp Investments, Inc.*

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *U.S. Bank does not share with nonaffiliates so they can market to you*

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *U.S. Bank doesn't jointly market*

Other important information

You may have other privacy protections under applicable state laws. To the extent these state laws apply, we will comply with them when we share information about you.

For California residents: In accordance with California law, we will not share information we collect about you with companies outside of our corporate family, except as permitted by law, including, for example, with your consent or to service your account. We will limit sharing among our companies to the extent required by California law.

For Vermont residents: In accordance with Vermont law, we will not share information we collect about you with companies outside of our corporate family, except as permitted by law, including, for example with your consent or to service your account. We will not share information about your creditworthiness within our corporate family except with your authorization or consent, but we may share information about our transactions or experiences with you within our corporate family without your consent.

For Nevada residents: We may contact our existing customers by telephone to offer additional financial products that we believe may be of interest to you. You have the right to opt out of these calls by adding your name to our internal do-not-call list. To opt out of these calls, or for more information about your opt out rights, please contact our customer service department. You can reach us by calling 800-USBANKS (800-872-2657), clicking the "Email Us" link at usbank.com/privacy or writing to P.O. Box 64490, St. Paul, MN 55164. You are being provided this notice under Nevada state law. In addition to contacting U.S. Bank, Nevada residents can contact the Nevada Attorney General for more information about your opt out rights by calling 702-486-3132, emailing aginfo@ag.nv.gov or by writing to:

Office of the Attorney General, Nevada Department of Justice, Bureau of Consumer Protection
100 North Carson Street, Carson City, NV 89701-4717

Additional U.S. Bancorp affiliates

The Miami Valley Insurance Company

Mississippi Valley Company

Red Sky Risk Services, LLC

*Please keep in mind that, as permitted by applicable law, if you have a private label credit card account with us, we share information about you with our financial or retail partners in connection with maintaining and servicing your account, including for that financial or retail partner to market to you. Federal law does not give you the right to limit this sharing.

U.S. Bank ReliaCard®

Frequently asked questions

What is the ReliaCard?

The ReliaCard is a reloadable, prepaid debit card issued by U.S. Bank. The ReliaCard provides an electronic option for receiving your government agency payments. It is not a credit card, but works similarly to other prepaid debit cards.

How does the ReliaCard work?

Once funds are added to the card account, it can be used to make purchases, pay bills, and make online, phone or mail-order purchases. You can also get cash back with purchases at participating merchants or withdraw cash at ATMs, banks or credit unions.¹ The amounts of purchases, bill payments or cash withdrawals are automatically deducted from the available balance on the card.

What are the advantages of having a ReliaCard?



Fast – Your money is automatically deposited to your card account



Save time – Easy and quick access to your funds without waiting in line to cash or deposit a check



Convenient – Make purchases anywhere Visa® and Mastercard® debit cards are accepted, including retail stores, grocery stores, restaurants and pharmacies and withdraw cash at ATMs¹



Secure – No need to carry large amounts of cash



Save money – No more going to a check casher



Track spending – Account information and customer service 24 hours a day



Purchasing power – Enjoy the prestige and purchase protection given to Visa or Mastercard branded cardholders, without a credit check



Reliable – Receive your money on time. No more lost or stolen checks



Safe – Funds are FDIC insured and are protected if lost or stolen²

How do I check my balance?

Online – View account online at usbankreliacard.com

Text³/Email – Sign up to receive email or text alerts when funds have been deposited to your account or when your balance gets low

Mobile banking app – Search for “U.S. Bank ReliaCard” in the App Store® or Google Play™⁴

ATM – Perform a balance inquiry at an ATM¹



Getting the card

When the card is sent in the mail, what does the envelope look like?

For security reasons, the card will arrive in a plain, white, windowed envelope.

What information or instructions come with the card?

The card comes with:

- Instructions on how to activate the card
 - A complete Fee Schedule
 - The Cardholder Agreement, which discloses terms and conditions
 - A Usage Guide detailing where and how the card can be used
 - The U.S. Bank Privacy Pledge
-

What do I do after I receive the card?

Visit usbankreliacard.com to activate the card and choose your Personal Identification Number (PIN). You cannot use the card until it has been activated. Be sure to sign your name on the back of your card in ink. Your card is not valid unless it's signed.

Do I receive a new card every time a payment is made?

No. Future payments will be deposited automatically onto the initial card.

Using the card

How do I make a purchase with my card?

The card works much like other prepaid or debit cards. You can use it online, over the phone, at grocery stores, retail stores, restaurants, medical offices, etc. It is important to know your account balance before making purchases.

When making a purchase, on the authorization machine, which selection (credit or debit) do I choose?

Select "Credit" or "Debit" to make a purchase. Select "Debit" to get 'cash back' with your purchase. (You will have to enter your PIN.)



How can I get cash with my card?¹

- Cash back with purchases – at participating merchants such as grocery or convenience stores
 - ATM withdrawal – at any ATM
 - Teller withdrawal – at any participating bank or credit union
-



How do I withdraw cash at an ATM?

- Insert or swipe your card and enter your 4-digit PIN
 - Select "Withdrawal from Checking"
 - Enter the amount to be withdrawn
-



How do I get cash back with a purchase?

- When the authorization machine asks for credit or debit, select "Debit"
- Enter the 4-digit PIN
- Select "Yes" for cash back
- Enter the amount, press "OK"

Using the card

How do I get cash at a bank or credit union teller?

You must know your available balance (the teller will not have access to this information) and ask for a cash withdrawal¹ in the amount you wish to withdraw. **Note:** you may need to provide your driver's license to verify your identity.

Do I have to go to a U.S. Bank ATM or U.S. Bank branch to get cash?

No. You can get cash back with purchases at participating merchants throughout the United States such as grocery and convenience stores. Cash can also be obtained from any ATM¹ or over the counter at any Visa or Mastercard member bank or credit union. To find the nearest in-network ATM, visit usbank.com/locations or [moneypass.com](https://usbank.com/moneypass).

How do I transfer funds from my card to another bank account

("Card-to-Account Transfers")?

If your program allows Card-to-Account Transfers, click on the "Transferring Funds" link on the left side of cardholder website and complete the required fields on the Card to Bank Transfer page. The transfer will appear as an ACH withdrawal on your card transaction history and monthly statement. In addition, if a fee is assessed in relation to this transfer, the description of the fee in your transaction history and monthly statement will appear as a separate ACH withdrawal transaction. For more information about this fee, please see the Fee Schedule included in your card packet, log into your account at usbankreliacard.com.

What are some things I need to keep in mind when using my card to make purchases?

Some merchants where you typically tip may authorize your transaction for an amount greater than your purchase to cover tips. Make sure your balance can cover the 20% or your transaction will be declined. When purchasing gasoline at a gas station, pay inside with the cashier to avoid a hold greater than the amount of your purchase (some ReliaCard programs may not allow you to pay with your card using the pay-at-the-pump option). The funds held will not be available for other purchases until the actual transaction amount clears. Payments made inside clear for the actual transaction amount immediately. Check your program materials for additional details.



How can I be notified when funds are deposited to my card? You have the option of signing up for optional text or email alerts³ when money is added or your card balance gets low at usbankreliacard.com. You can also use our two-way text alert feature by texting a short code to receive the following updates:

Alert type	Instructions
Balance alert	Text BAL to 90831
Recent transactions	Text TRANS to 90831
Customer Service number	Text HELP to 90831

NOTE: this feature may not be available for all programs. For text messages, standard messaging charges apply through your mobile carrier and message frequency depends on account settings.

Using the card



Can I manage my account with my smart phone?

Yes. You can use the ReliaCard Mobile Banking app to check your account balance, enroll in and manage text alerts, view your most recent transactions or search for the nearest in-network ATM location. Search for “U.S. Bank ReliaCard” in the App Store or Google Play.



Can I pay bills with my card?

Yes. You can visit your billers’ websites and provide your 16-digit card number and expiration date or log on to usbankreliacard.com.

Note: this feature may not be available for all programs. Check your program materials for additional details.

Are all features available on all ReliaCard and ReliaCard II programs?

Some features may not be available for some ReliaCard or ReliaCard II programs. Refer to your Cardholder Agreement for available program features.

Limits

Can I make a purchase for more than the amount on my card?

If you need to make a purchase for more than the amount you have on your card, you will need to use two forms of payment. Tell the cashier how much you want taken from the balance on your card — the cashier cannot determine your available balance. Then, pay the remaining balance with cash, check, credit card or check card.



Can the ReliaCard be overdrawn?

Usually a purchase that exceeds the available balance will not be approved. In very limited circumstances, if you do not have sufficient funds when the final amount clears, it may result in a negative balance; however you will not be charged an overdraft fee. You can check your balance online, using the ReliaCard Mobile App or by logging into your account at usbankreliacard.com.

How do I obtain information about fees for my ReliaCard?

Fees are located on the Fee Schedule sent to you with your card. You may view your fee schedule online by logging into your account at usbankreliacard.com.

Please consult the table on the next page for information on how to avoid fees on certain transactions for most ReliaCard programs. Please consult your program Fee Schedule to determine if a specific fee applies.



Can anyone else view or track my transactions?

No. For privacy reasons, U.S. Bank does not share card account numbers or transaction details. However, for reconciliation purposes, your government agency does have access to the amount and date of each deposit.

How to avoid fees

Fee description	How to avoid
ATM withdrawals (Out-of-network*)	<ul style="list-style-type: none">• Make purchases: Use your card to make purchases anywhere Visa or Mastercard debit cards are accepted – in stores, over the phone, online or pay bills. You can use your card at no charge to make everyday purchases such as groceries, convenience stores, etc.• Cash back with purchases: You can ask for ‘cash back’ when making purchases at participating merchants at places like grocery stores or retail stores. Select ‘DEBIT’ on the authorization machine, enter your 4-digit PIN and enter the amount of cash back you’d like. There is no fee to get cash back with purchases.• Teller cash withdrawal: Go into any Visa or Mastercard member bank or credit union and ask the teller for a cash withdrawal for up to the full amount available on your card.¹• In-network ATMs: Withdraw cash at no charge at any U.S. Bank or MoneyPass ATM. For the nearest fee-free ATM locations visit: usbank.com/locations or moneypass.com.
ATM balance inquiries (Out-of-network*)	<p>U.S. Bank does not assess a fee to check your balance using any of the following methods:</p> <ul style="list-style-type: none">• Online – View account online at usbankreliacard.com.• Text³/Email – Sign up to receive email or text alerts when funds have been deposited to your account or when your balance gets low.• Mobile banking app – Search for “U.S. Bank ReliaCard” for your iPhone or Android phone.• ATM – Perform a balance inquiry at a U.S. Bank or MoneyPass ATM.

*Out-of-Network ATMs means any ATM that is not a U.S. Bank or MoneyPass ATM.

Customer service

Can I view my account online?

Yes, at usbankreliacard.com. The following functions can be performed online:

- PIN change
- Balance inquiry
- View card transactions
- View previous statements
- Set up alerts
- Pay bills

How do I view my monthly statement?

Monthly statements can be viewed online 24/7 at usbankreliacard.com.

What should I do if I change addresses?

Visit usbankreliacard.com to report an address change. Also contact your government agency to report an address change so that your mail may also be sent to the correct address.

Who do I contact if I have questions about my card?

For questions about your deposit, such as when you will receive the next deposit to the card, or the amount of a deposit to the card, contact your government agency. For all other questions about the card, you may log into your account at usbankreliacard.com.

What happens if my card gets lost or stolen?

You must immediately call Cardholder Services at 855.282.6161 to report your card lost/stolen and have a replacement card sent to you in the mail, with standard delivery (up to 10 business days). You may not be responsible for any fraudulent activity that occurs on your card provided that you report the card missing in a timely manner, and have not shared your card or PIN number with anyone.²

Can I contact my local bank for customer service on my ReliaCard account?

No. Utilize the web site, usbankreliacard.com, for inquiries.

¹ Fees and transaction limits apply. See Fee Schedule and Card Carrier for details. ² You are generally protected from all liability for unauthorized transactions with Zero Liability. You must call the number on the back of your Card immediately to report any unauthorized use. Certain conditions and limitations may apply. See your Cardholder Agreement for details. ³ For text messages, standard messaging charges apply through your mobile carrier and message frequency depends on account settings. ⁴ All trademarks and brand names belong to their respective owners. Use of these trademarks and brand names do not represent endorsement by or association with this card program. All rights reserved.

The ReliaCard is issued by U.S. Bank National Association pursuant to a license from Visa U.S.A. Inc. or Mastercard International Incorporated. Mastercard is a registered trademark and the circles design is a trademark of Mastercard International Incorporated. © 2020 U.S. Bank. Member FDIC.



05870-30-44
THE U.S. BANK FOCUS CARD™ CARDHOLDER AGREEMENT
(Effective 10/01/2018)

TERMS AND CONDITIONS FOR THE U.S. BANK FOCUS CARD
By activating, accepting and/or using the U.S. Bank Focus Card ("Card"), you agree to the terms and conditions contained in this Focus Card Cardholder Agreement and Transaction Limitations, incorporated herein by reference (collectively, the "Agreement"). These terms and conditions govern your use of your Card and your Account. Your Card is a reloadable U.S. Bank Focus Card issued by U.S. Bank National Association ("U.S. Bank"), and your Card is subject to the U.S. Bank Focus Card Account ("Account"). "You" and "your" means the person(s) who Bank and are authorized to use the Card and Account as provided for in this Agreement. "Your" means U.S. Bank, our successors, affiliates or assigns. "Funder" means the person or entity that provides the funds to your Card. The "Sponsor" is the employer in your Card and Account. Please read this Agreement carefully and keep it for your future reference. Funds in the Account are insured by the Federal Deposit Insurance Corporation (FDIC) to the maximum allowed by law.

Your Card and Account are not connected in any way to any other account or transaction. The Card is not a credit card. The Card is not a debit card. The Card is not transferable and it may be canceled, repossessed, or revoked at any time without notice. We may refuse to process any transaction that we believe is not in your best interest. Funds in the Account are insured by the Federal Deposit Insurance Corporation (FDIC) to the maximum allowed by law.

THIS AGREEMENT CONTAINS AN ARBITRATION PROVISION (ACTION ARBITRATION WAIVER). IT IS IMPORTANT THAT YOU READ THIS AGREEMENT CAREFULLY.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING AN ACCOUNT
To help the government fight the funding of terrorism and money laundering at 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 may ask for both and other information that will allow us to identify you. If necessary, your driver's license or other identifying documents.

HOW TO USE YOUR CARD
1. Activating Your Card: PIN Selection. You can activate your Card by calling 1-877-474-4742 or online at www.usbankfocus.com. During the activation process, you will be asked to select a Personal Identification Number ("PIN"), which you may use to conduct certain transactions or ATM transactions. The Card and PIN are provided for your use only. You agree to make sure only you know your PIN – do not write your PIN on your Card. If you lose your Card or your PIN, you must notify us immediately if your PIN has been compromised.

2. Using Your Card. You are able to use your Card and Account to conduct transactions described in this Agreement.
A. Paying for goods or services, with or without cash back, at stores and to accept the Card ("point-of-sale transactions").
B. Performing transactions at automated teller machines ("ATMs").
C. Transferring funds to or from another Focus Card registered through Savings Account.
D. Obtaining a CheckToday Convenience Check; and
E. Obtaining cash at the teller window from any bank or credit union that accepts the Card.

Fees and transaction limits may apply. Not all transaction types are available. Fees and Transaction Limits for more details.

3. Loading Your Card
A. Loads from Your Sponsor: You may load your Card at any time. Monies deposited into your Card are subject to the Cardholder Agreement.
B. Other Loads: Maximum of \$500 per day. Loads are processed through point-of-sale transactions or ATM transactions. If you use the Card to load your Card, you must use the available reload method to verify your identity before loading in excess of the maximum. However, if you use the Card to load your Card, there is no guarantee that any loads will be successful. All checks and amounts may be applied to your Card or may not be used to load your Card.
C. Cash Reloads: Please note that Cash Reloads may charge a fee of \$3.00 per reload (U.S. cash only). Cash reloads are available no later than 10:00 PM.

¡Bienvenido!

A su nueva Tarjeta U.S. Bank Focus™

Puede usar su tarjeta en cualquier lugar donde acepten tarjetas de crédito.

Lista de Verificación de la Tarjeta

- ☐ Active su Tarjeta
- ☐ Configure su cuenta en línea
- ☐ Inscribise para recibir alertas por mensajes de texto o correo electrónico
- ☐ Descargue la Aplicación Móvil
- ☐ Recargue su tarjeta

Dé Seguimiento a su Saldo

En Línea
Sitio web para Titulares de Tarjeta:
www.usbankfocus.com

Alertas por Mensajes de Texto/Correo Electrónico
Inscribise para recibir alertas por mensajes de texto o correo electrónico cuando reciba un depósito de fondos o cuando su saldo sea bajo. Inscribise en el sitio web para Titulares de la tarjeta.

Aplicación Móvil
Descargue la Aplicación Móvil en su teléfono iPhone o Android. Busque "U.S. Bank Focus".

*En el caso de alertas por mensajes de texto, se aplican cargos estándares de mensajería a través de su proveedor de telefonía móvil y la frecuencia de los mensajes depende de la configuración de la cuenta.

Recargue Su Tarjeta

¡Su tarjeta se queda con usted! Además de los fondos actuales, otros depósitos directos, como los de un segundo empleador, pueden ser recargados a través de una de nuestras redes de recarga.

Paso 1 Complete el proceso de Verificación de Identidad*
- Inicie sesión en www.usbankfocus.com
- En el costado izquierdo de esta página, bajo "Update my Account (Actualizar mi Cuenta)", haga un clic en la pestaña Identity Verification (Verificación de Identidad)
- Lea las instrucciones y complete los campos que sean necesarios.

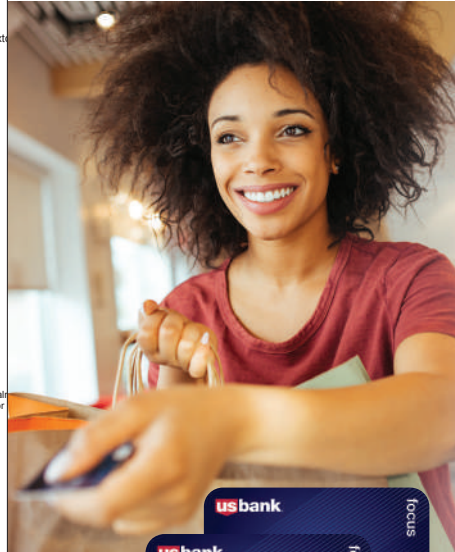
Sugerencias de Uso de la Tarjeta:

Estaciones de Servicio: Cuando compre gasolina en una estación de servicio, asegurese de que la tarjeta sea aceptada. Este servicio se liquida en monedas y no se agregan cargos de transacción. El seguro FDIC no cubre el robo de la tarjeta. Sin embargo, si la tarjeta es robada, puede llamar al 877-474-4742 para reportarlo. Visite cbp.gov para obtener más información. Si la tarjeta es robada, el robo no es responsabilidad de la tarjeta. Si la tarjeta es robada, el robo no es responsabilidad de la tarjeta. Si la tarjeta es robada, el robo no es responsabilidad de la tarjeta.



U.S. Bank Focus Card

Welcome to the advantage of reloadable pay.



Welcome to your U.S. Bank Focus Card

Scan the QR code on your sticker to activate and start using your card today.

For a fast and easy card activation experience, follow the instructions below.

If you would like a card with your name on it, call Cardholder Services at 877-474-0010.

QR code to watch a short two-minute video on how to use your Focus Card!

organization sending your payments.

Priority and message frequency depends on account settings. Zero Liability. You must call the number on the back of your Card immediately to report any Cardholder Agreement for details.

Trademarks and brand names do not represent endorsement by or association with this card

Issued by Visa U.S.A. Inc. © 2020 U.S. Bank. Member FDIC. Issued by Mastercard International Incorporated. Mastercard is a registered trademark of Mastercard International Incorporated. © 2020 U.S. Bank. Member FDIC.



U.S. Bank Focus Card

Frequently Asked Questions



The Focus Card

The advantage of reloadable pay.

Enjoy the convenience and security of receiving your pay on the U.S. Bank Focus Card. Use your card for in-store and online purchases, and even load it with other funds like cash and tax refunds. With simple account access, your account information is always available. The Focus Card is designed with benefits for you.



Automatic pay days

Your pay will be automatically loaded to your card.



Easy account visibility

Check your balance anytime in the U.S. Bank Focus Mobile App. Set up text¹ alerts and stay up-to-date.



Reload your card easily

You can add money from other sources like direct deposit, cash and tax refunds.



Secure and protected

Your pay – and your balance – is protected if your card is lost or stolen.²

How do I check my balance?

Online – View account online at usbankfocus.com

Text/Email – Sign up to receive email or text alerts when funds have been deposited to your account or when your balance gets low¹

U.S. Bank Focus Mobile App – Search for “U.S. Bank Focus” in the App Store® or Google Play™

Phone – Call Cardholder Services at 877.474.0010

ATM – Perform a balance inquiry at an ATM³



Getting the Card



When the card is sent in the mail, what does the envelope look like?

For security reasons, when the card is sent in the mail, may come in a plain white windowed envelope or in a white envelope with a blue colored bar across the front.



What information or instructions come with the card?

The card comes with:

- Instructions on how to activate the card
- The cardholder agreement, which discloses terms and conditions
- Fee schedule
- A usage guide detailing where and how the card can be used
- The U.S. Bank Privacy Pledge

What do I do after I receive the card?

You must visit usbankfocus.com or download the U.S. Bank Focus Mobile App to activate the card and choose your Personal Identification Number (PIN). You cannot use the card until it has been activated. Be sure to sign your name on the back of your card in ink. Your card is not valid unless it's signed. You may also call Cardholder Services at 877.474.0010. **Note:** we accept relay calls.

Do I receive a new card every time a payment is made?

No. Future payments will be deposited automatically onto the initial card.

Using the Card

How do I make a purchase with my card?

The card works much like other prepaid or debit cards. You can use it online, over the phone, at grocery stores, retail stores, restaurants, medical offices, etc. It is important to know your account balance before making purchases.

When making a purchase, which selection (credit or debit) do I choose?

Select "Credit" or "Debit" to make a purchase. Select "Debit" to get 'cash back' with your purchase at participating merchants. (You will have to enter your PIN.)



How do I get cash back with a purchase?

- When the authorization machine asks for credit or debit, select "Debit"
- Enter the 4-digit PIN
- Select "Yes" for cash back
- Enter the amount, press "OK"



How do I withdraw cash at an ATM?

- Insert or swipe your card and enter your 4-digit PIN
- Select "Withdrawal from Checking"
- Enter the amount to be withdrawn



How do I get cash at a bank or credit union teller?

You must know your available balance (the teller will not have access to this information) and ask for a cash withdrawal³ in the amount you wish to withdraw. **Note:** you may need to provide your driver's license to verify your identity.

Using the Card

Do I need a PIN to use the card?

Yes and no. The card can be used to make signature-based purchases without a PIN. However, a PIN must be used for PIN-based purchases and for cash withdrawals at ATMs. You must choose your own PIN by visiting usbankfocus.com or calling Cardholder Services at 877.474.0010 after you receive your card. For security reasons it is important that you pick a PIN that only you would know, and not share the PIN or the card with anyone.

What should I do if I forget my PIN?

You must visit usbankfocus.com or contact Cardholder Services at 877.474.0010 to reset your PIN.

Can I still get cash if I forget my PIN?

Yes. You can go to any Visa bank or credit union and ask the teller for a cash withdrawal.³

Do I have to go to a U.S. Bank ATM or U.S. Bank branch to get cash?

No. You can get cash back with purchases at merchants throughout the United States such as grocery and convenience stores. Cash can also be obtained from any ATM³ or over the counter at any Visa bank or credit union. To find the ATM nearest you, visit usbank.com/locations or www.moneypass.com.



Can I earn rewards by using my Focus Card?

Yes. The cash back rewards program is a perk available to all Focus cardholders. You can earn rewards simply by using your card at certain stores and restaurants, after activating the offers that you want. To learn more log into your account at usbankfocus.com.

How can I be notified when funds are deposited to my card?

You have the option of signing up for optional text¹ or email alerts when money is added or your card balance gets low at usbankfocus.com. You can also use our two-way text alert feature by texting a short code to receive the following updates:

Alert Type	Instructions
Balance Alert	Text BAL to 90831
Recent Transactions	Text TRANS to 90831
Savings Account Balance	Text SAVE to 90831
Customer Service Number	Text HELP to 90831

Can I manage my account with my smart phone?

Yes. You can use the U.S. Bank Focus Mobile App to check your account balance, enroll in and manage text alerts, view your most recent transactions or search for the nearest in-network ATM location. Search for "U.S. Bank Focus" in the App Store or Google Play.

Adding Funds and Paying Bills



Can I add money to my Focus Card?⁴

Yes. In addition to payroll deposits you can add other employers, government benefits, tax refunds or any other payment that offers direct deposit to your card account. You can also load cash onto your card. To learn more log into your account at usbankfocus.com.

Complete verification online to make sure your card is ready to load other funds. Your card works like a direct deposit account and can be used to add tax refunds, pay from a second employer, and even cash deposits.

1. Log into the cardholder website and under My Card Account on the left navigation, select "Identity Verification".
2. Update your occupation, country of citizenship and country of permanent residence.
3. When this is complete, you'll see the message, "Your Identity Verification is Complete".
4. Call the Customer Service number on the back of your card to confirm any additional information.



Can I pay bills with my card?

Yes. You can visit your billers' websites and provide your 16-digit card number and expiration date or log on to usbankfocus.com and select the "Pay Bills" option. The online bill management service includes a biller directory that helps you log onto your billers' websites and complete payment information with just a few clicks.⁵



Does my Focus Card have a savings account?

Yes. The savings account is easy to set up and available to you with your Focus Card. It's a great way to effectively manage your finances and set aside funds for things like vacations, holidays and unexpected expenses. There are no monthly fees and your funds are FDIC insured. To learn more visit usbankfocus.com.

Limits



Can I make a purchase for more than the amount on my card?

If you need to make a purchase for more than the amount you have on your card, you will need to use two forms of payment. Tell the cashier how much you want taken from the balance on your card – the cashier cannot determine your available balance. Then, pay the remaining balance with cash, check, credit card or debit card.



Can I use my Focus Card at the gas pump?

Yes. However, if you use your card to pay at the pump, a maximum hold of up to \$100 will be placed on your account to initiate your transaction. This amount will be held until the actual transaction amount clears. If you do not want funds held while waiting for the transaction to clear, please pay the cashier inside for your gasoline purchase. Payments made inside clear for the actual transaction amount immediately.



Can the Focus Card be overdrawn?

Usually a purchase that exceeds the available balance will not be approved. In very limited circumstances, if you do not have sufficient funds when the final amount clears, it may result in a negative balance; however you will not be charged an overdraft fee. You can check your balance online, using the U.S. Bank Focus Mobile App or by calling Cardholder Services 24/7.



Can anyone else view or track my transactions?

No. For privacy reasons, U.S. Bank does not share card account numbers or transaction details. However, for reconciliation purposes, your employer does have access to the amount and date of each payroll deposit.

How do I obtain information about fees for my Focus Card?

Fees are located on the Fee Schedule sent to you with your card. On the back of your card carrier, you'll find details regarding how to add money, get cash, and what fees may be associated with using your card outside of the U.S. You will also find information regarding daily limits. You may also view your fee schedule online by logging into your account at usbankfocus.com. You may also call Cardholder Services at 877.474.0010 to request fee information.

Customer Service

Can I view my account online?

Yes, at usbankfocus.com. The following functions can be performed online:

- PIN Change
- Balance inquiry
- View card transactions
- View previous statements
- Set up alerts
- Pay bills
- Open a savings account

How do I view my monthly statement?

Monthly statements can be viewed online 24/7 at usbankfocus.com.

What should I do if I change addresses?

Visit usbankfocus.com or contact Cardholder Services at 877.474.0010 to report an address change.

Also contact your employer to report an address change so that your mail may also be sent to the correct address.

Who do I contact if I have questions about my card?

For questions about your pay, such as when you will receive the next deposit to the card, or the amount of a deposit to the card, contact your employer. For all other questions about the card, you may log into your account at usbankfocus.com or contact Cardholder Services 24 hours a day, toll-free at 877.474.0010.

What happens if my card gets lost or stolen?

Call Cardholder Services at 877.474.0010 immediately to report your card lost/stolen and have a replacement card sent to you within 7-10 business days. You may also contact your manager or the Payroll/Human Resources Department to request a new card. You may not be responsible for any fraudulent activity that occurs on your card provided that you report the card missing in a timely manner, and have not shared your card or PIN number with anyone.²

Can I contact my local bank for customer service on my Focus Card account?

No. You must direct all Focus questions to Cardholder Services at 877.474.0010, or utilize the website, usbankfocus.com, for inquiries.

What services does the Focus 24-hour Cardholder Services Line provide?

The following can be done through customer service:

- | | |
|--------------------------------------|---|
| • Activate the card | • Review recent transaction history |
| • Choose/change PIN | • Report card lost or stolen and request a replacement card |
| • Balance inquiry | • Speak to a live customer service representative |
| • Enroll in text alerts ¹ | if additional assistance is needed |

Note: we accept relay calls.



1. For text messages, standard messaging charges apply through your mobile carrier and message frequency depends on account settings. 2. You are generally protected from all liability for unauthorized transactions with Zero Liability. You must call the number on the back of your Card immediately to report any unauthorized use. Certain conditions and limitations may apply. See your Cardholder Agreement for details. 3. Fees and transaction limits apply. See Fee Schedule for details. 4. Businesses performing your reload may charge a fee and may have load limits that are less than those set by U.S. Bank. Cash reload services are provided by unaffiliated third parties. U.S. Bank is not responsible for the product service or performance of the third party, including the privacy policy, level of security and terms of use, which are different from ours. 5. The online bill manager is provided by an unaffiliated third party. U.S. Bank is not responsible for the product service or performance of the third party including the privacy policy, level of security and terms of use, which are different from ours.

The Focus Card is issued by U.S. Bank National Association pursuant to a license from Visa U.S.A. Inc. ©2019 U.S. Bank. Member FDIC.

App Store is a service mark of Apple Inc. Google Play is a trademark of Google Inc.

Get your child support payments

Fast. Safe. Easy.



With the U.S. Bank ReliaCard® your payments are:



Automatically loaded
to your ReliaCard



Available to use
right away



Protected if
lost or stolen¹

About the ReliaCard

This Visa® prepaid debit card issued by U.S. Bank is a convenient alternative to receiving paper checks. Your child support payments will automatically be deposited to your card and you'll have access to your funds right away. Use it to make purchases or get cash at point of sale wherever Visa debit cards are accepted.

Getting started is easy

1. Mail the completed Payment Authorization Form to:
Nebraska Child Support Payment Center, P.O. Box 83306, Lincoln, NE 68501-3306
2. Your card will be mailed to you in a white double window envelope within 10 business days.
3. Use your card anywhere Visa debit cards are accepted.

For more information, call the Nebraska Child Support Payment Center at **402.471.1120** or **1.877.631.9973** option #3 nationwide. To learn more about ReliaCard and to obtain information about fees, login to the cardholder website at usbankreliacard.com.

Sign up!



No cost to
sign up.



No credit check
or bank account
required.

And save!



No fees to cash
a check.



No waiting for your
check or extra trips
to the bank.

Payment authorization form

Fill out this form and mail to: Nebraska Child Support Payment Center, P.O. Box 83306, Lincoln, NE 68501-3306.
Your ReliaCard will be mailed to the address provided within 10 business days.

FIRST NAME	LAST NAME	
ARP IDENTIFICATION NUMBER (OPTIONAL)	EMAIL ADDRESS	
ADDRESS		
CITY	STATE	ZIP CODE
PHONE NUMBER ²	DATE OF BIRTH	
SOCIAL SECURITY NUMBER	MOTHER'S MAIDEN NAME	
By signing this form, I authorize the Nebraska Child Support Payment Center (State agency) to share with U.S. Bank National Association, (Bank), all of the information I provide on this form. The State agency will share this information with the Bank for the purpose of establishing a U.S. Bank ReliaCard Visa account for me at the Bank and to process my child support payments to the Bank. I authorize the NCSPC to deposit my child support payments to this account. This action cancels and replaces any direct-deposit agreement I currently have in place with the NCSPC. Upon authorization of my account with the bank, I agree to be bound by the Cardholder Agreement that I will receive with my card. This authorization will remain in effect until cancelled by me in writing to the State child support agency.		
SIGNATURE		DATE

¹You are generally protected from all liability for unauthorized transactions with Zero Liability. You must call the number on the back of your Card immediately to report any unauthorized use. Certain conditions and limitations may apply. See your Cardholder Agreement for details.

²By providing us with a telephone number for a cellular phone or other wireless device, including a number that you later convert to a cellular number, you are expressly consenting to receiving communications—including but not limited to prerecorded or artificial voice message calls, text messages, and calls made by an automatic telephone dialing system—from us and our affiliates and agents at that number. This express consent applies to each such telephone number that you provide to us now or in the future and permits such calls for non-marketing purposes. Calls and messages may incur access fees from your cellular provider.

The ReliaCard is issued by U.S. Bank National Association pursuant to a license from Visa U.S.A. Inc. © 2021 U.S. Bank. Member FDIC.



U.S. Bank ReliaCard®

Frequently asked questions

What is the ReliaCard?

The ReliaCard is a reloadable, prepaid debit card issued by U.S. Bank. The ReliaCard provides an electronic option for receiving your government agency payments. It is not a credit card, but works similarly to other prepaid debit cards.

How does the ReliaCard work?

Once funds are added to the card account, it can be used to make purchases, pay bills, and make online, phone or mail-order purchases. You can also get cash back with purchases at participating merchants or withdraw cash at ATMs, banks or credit unions.¹ The amounts of purchases, bill payments or cash withdrawals are automatically deducted from the available balance on the card.

What are the advantages of having a ReliaCard?



Fast – Your money is automatically deposited to your card account



Save time – Easy and quick access to your funds without waiting in line to cash or deposit a check



Convenient – Make purchases anywhere Visa® debit cards are accepted, including retail stores, grocery stores, restaurants and pharmacies and withdraw cash at ATMs



Secure – No need to carry large amounts of cash



Save money – No more going to a check casher



Track spending – Account information and customer service 24 hours a day



Purchasing power – Enjoy the prestige and purchase protection given to Visa branded cardholders, without a credit check



Reliable – Receive your money on time. No more lost or stolen checks



Safe – Funds are FDIC insured and are protected if lost or stolen²

How do I check my balance?

Online – View account online at usbankreliacard.com

Text³/Email – Sign up to receive email or text alerts when funds have been deposited to your account or when your balance gets low

Mobile banking app – Search for “U.S. Bank ReliaCard” in the App Store® or Google Play™⁴

ATM – Perform a balance inquiry at an ATM¹



Getting the card

When the card is sent in the mail, what does the envelope look like?

For security reasons, the card will arrive in a plain, white, windowed envelope.

What information or instructions come with the card?

The card comes with:

- Instructions on how to activate the card
 - A complete Fee Schedule
 - The Cardholder Agreement, which discloses terms and conditions
 - A Usage Guide detailing where and how the card can be used
 - The U.S. Bank Privacy Pledge
-

What do I do after I receive the card?

Visit usbankreliacard.com to activate the card and choose your Personal Identification Number (PIN). You cannot use the card until it has been activated. Be sure to sign your name on the back of your card in ink.

Do I receive a new card every time a payment is made?

No. Future payments will be deposited automatically onto the initial card.

Using the card¹

How do I make a purchase with my card?

The card works much like other prepaid or debit cards. You can use it online, over the phone, at grocery stores, retail stores, restaurants, medical offices, etc. It is important to know your account balance before making purchases.

When making a purchase, on the authorization machine, which selection (credit or debit) do I choose?

Select “Credit” or “Debit” to make a purchase. Select “Debit” to get ‘cash back’ with your purchase. (You will have to enter your PIN.)



How can I get cash with my card?

- Cash back with purchases – at participating merchants such as grocery or convenience stores
 - ATM withdrawal – at any ATM
 - Teller withdrawal – at any participating bank or credit union
-



How do I withdraw cash at an ATM?

- Insert or swipe your card and enter your 4-digit PIN
 - Select “Withdrawal from Checking”
 - Enter the amount to be withdrawn
-



How do I get cash back with a purchase?

- When the authorization machine asks for credit or debit, select “Debit”
- Enter the 4-digit PIN
- Select “Yes” for cash back
- Enter the amount, press “OK”

Using the card¹

How do I get cash at a bank or credit union teller?

You must know your available balance (the teller will not have access to this information) and ask for a cash withdrawal in the amount you wish to withdraw. **Note:** you may need to provide your driver's license to verify your identity.

Do I have to go to a U.S. Bank ATM or U.S. Bank branch to get cash?

No. You can get cash back with purchases at participating merchants throughout the United States such as grocery and convenience stores.

Cash can also be obtained from any ATM or over the counter at any Visa member bank or credit union. To find the nearest in-network ATM, visit usbank.com/locations or moneypass.com.

Do I need a PIN to use the card?

Yes & No. The card can be used to make signature-based purchases without a PIN. However, a PIN must be used for PIN-based purchases and for cash withdrawals at ATMs. You must choose your own PIN by visiting usbankreliacard.com after you receive your card. For security reasons it is important that you pick a PIN that only you would know, and not share the PIN or the card with anyone.

What should I do if I forget my PIN?

Visit usbankreliacard.com to reset your PIN.

Can I still get cash if I forget my PIN?

Yes. You can go to any Visa member bank or credit union and ask the teller for a cash withdrawal.

What are some things I need to keep in mind when using my card to make purchases?

Some merchants where you typically tip may authorize your transaction for an amount greater than your purchase to cover tips. Make sure your balance can cover the 20% or your transaction will be declined. When purchasing gasoline at a gas station, pay inside with the cashier to avoid a hold greater than the amount of your purchase (some ReliaCard programs may not allow you to pay with your card using the pay-at-the-pump option). The funds held will not be available for other purchases until the actual transaction amount clears. Payments made inside clear for the actual transaction amount immediately. Check your program materials for additional details.

How can I be notified when funds are deposited to my card?

You have the option of signing up for optional text or email alerts³ when money is added or your card balance gets low at usbankreliacard.com. You can also use our two-way text alert feature by texting a short code to receive the following updates:

Alert type	Instructions
Balance alert	Text BAL to 90831
Recent transactions	Text TRANS to 90831
Customer Service number	Text HELP to 90831



Using the card¹



Can I manage my account with my smart phone?

Yes. You can use the ReliaCard Mobile Banking app to check your account balance, enroll in and manage text alerts, view your most recent transactions or search for the nearest in-network ATM location. Search for “U.S. Bank ReliaCard” in the App Store or Google Play.



Can I pay bills with my card?

Yes. You can visit your billers' websites and provide your 16-digit card number and expiration date or log on to usbankreliacard.com.

Limits

Can I make a purchase for more than the amount on my card?

If you need to make a purchase for more than the amount you have on your card, you will need to use two forms of payment. Tell the cashier how much you want taken from the balance on your card — the cashier cannot determine your available balance. Then, pay the remaining balance with cash, check, credit card or check card.



Can the ReliaCard be overdrawn?

Usually a purchase that exceeds the available balance will not be approved. In very limited circumstances, if you do not have sufficient funds when the final amount clears, it may result in a negative balance; however you will not be charged an overdraft fee. You can check your balance online, using the ReliaCard Mobile App or by logging into your account at usbankreliacard.com.

How do I obtain information about fees for my ReliaCard?

Fees are located on the Fee Schedule sent to you with your card. You may view your Fee Schedule online by logging into your account at usbankreliacard.com.

Please consult the table on the next page for information on how to avoid fees on certain transactions.



Can anyone else view or track my transactions?

No. For privacy reasons, U.S. Bank does not share card account numbers or transaction details. However, for reconciliation purposes, your government agency does have access to the amount and date of each deposit.

How to avoid fees

Fee description	How to avoid
ATM withdrawals (Out-of-network*)	<ul style="list-style-type: none">• Make purchases: Use your card to make purchases anywhere Visa debit cards are accepted – in stores, over the phone, online or pay bills. You can use your card at no charge to make everyday purchases such as groceries, convenience stores, etc.• Cash back with purchases: You can ask for ‘cash back’ when making purchases at participating merchants at places like grocery stores or retail stores. Select ‘DEBIT’ on the authorization machine, enter your 4-digit PIN and enter the amount of cash back you’d like. There is no fee to get cash back with purchases.• Teller cash withdrawal: Go into any Visa member bank or credit union and ask the teller for a cash withdrawal for up to the full amount available on your card.• In-network ATMs: Withdraw cash at no charge at any U.S. Bank or MoneyPass ATM. For the nearest fee-free ATM locations visit: usbank.com/location or moneypass.com.
ATM balance inquiries (Out-of-network*)	<p>U.S. Bank does not assess a fee to check your balance using any of the following methods:</p> <ul style="list-style-type: none">• Online – View account online at usbankreliacard.com.• Text³/Email – Sign up to receive email or text alerts when funds have been deposited to your account or when your balance gets low.• Mobile banking app – Search for “U.S. Bank ReliaCard” for your iPhone or Android phone.• ATM – Perform a balance inquiry at a U.S. Bank or MoneyPass ATM.

*Out-of-Network ATMs means any ATM that is not a U.S. Bank or MoneyPass ATM.

Customer service

Can I view my account online?

Yes, at usbankreliacard.com. The following functions can be performed online:

- PIN change
- Balance inquiry
- View card transactions
- View previous statements
- Set up alerts
- Pay bills

How do I view my monthly statement?

Monthly statements can be viewed online 24/7 at usbankreliacard.com.

What should I do if I change addresses?

Visit usbankreliacard.com to report an address change. Also contact your government agency to report an address change so that your mail may also be sent to the correct address.

Who do I contact if I have questions about my card?

For questions about your deposit, such as when you will receive the next deposit to the card, or the amount of a deposit to the card, contact your government agency. For all other questions about the card, you may log into your account at usbankreliacard.com.

What happens if my card gets lost or stolen?

You must immediately call Cardholder Services at 866.567.8590 to report your card lost/stolen and have a replacement card sent to you in the mail, with standard delivery (up to 10 business days). You may not be responsible for any fraudulent activity that occurs on your card provided that you report the card missing in a timely manner, and have not shared your card or PIN number with anyone.²

Can I contact my local bank for customer service on my ReliaCard account?

No. Utilize the web site, usbankreliacard.com, for inquiries.

¹See Fee Schedule for details. ²You are generally protected from all liability for unauthorized transactions with Zero Liability. You must call the number on the back of your Card immediately to report any unauthorized use. Certain conditions and limitations may apply. See your Cardholder Agreement for details. ³For text messages, standard messaging charges apply through your mobile carrier and message frequency depends on account settings. ⁴All trademarks and brand names belong to their respective owners. Use of these trademarks and brand names do not represent endorsement by or association with this card program. All rights reserved.

The ReliaCard is issued by U.S. Bank National Association pursuant to a license from Visa U.S.A. Inc. © 2021 U.S. Bank. Member FDIC.



Your payments

Fast. Safe. Easy.



With the U.S. Bank ReliaCard® your funds are:



Automatically loaded
to your ReliaCard



Available to use
right away



Protected if
lost or stolen¹

About the ReliaCard

It is a Visa® prepaid debit card issued by U.S. Bank. Your payments will automatically be direct deposited to your card. You have access to your funds right away and you can use your card to make purchases, pay bills or get cash. It's that simple!

Make purchases | Get cash
Pay bills | Track spending

Sign up!



No cost to
sign up.



No credit check
or bank account
required.

And save!



Keep more of your
money. No fees to
cash a check.



No waiting for your
check or extra trips
to the bank.

Getting started is easy

1. Once you choose to receive your funds on a ReliaCard, read all necessary pre-acquisition disclosures and follow the sign-up procedures. When you receive your ReliaCard, make sure you follow all activation instructions included in your card packet.
2. Your funds will be automatically deposited to your card.
3. Use your card anywhere Visa debit cards are accepted.



See back for more
card features

Getting started



For security, your card comes in a white windowed envelope.



Follow the activation instructions that accompany your card.



Make purchases

Everywhere Visa debit cards are accepted –in stores, over the phone, online or pay bills.



Pay bills

Pay your bills online directly through the biller or by using our online Bill Pay tool. Bill Pay offers payments to thousands of companies and you can even use Bill Pay to pay another person.



Get cash

ATM | Cash back

Features



Text² and email alerts

Notification when money is added or your card balance gets low.



Mobile banking app

Quickly see your account balance and transaction history.



Track spending

Online | Phone | Email | Text² | Mobile app

No fee transactions³

Purchases (Domestic)	\$0
In-network ATMs	\$0
Customer service	\$0
Monthly account maintenance	\$0

Contact

usbankreliacard.com



Watch the video

Scan the QR code to find out how to get the most out of your ReliaCard.

1. You are generally protected from all liability for unauthorized transactions with Zero Liability. You must call the number on the back of your Card immediately to report any unauthorized use. Certain conditions and limitations may apply. See your Cardholder Agreement for details. 2. For text messages, standard messaging charges apply through your mobile carrier and message frequency depends on account settings. 3. See Fee Schedule for details.

The ReliaCard is issued by U.S. Bank National Association pursuant to a license from Visa U.S.A. Inc. © 2021 U.S. Bank. Member FDIC.



U.S. Bank ReliaCard®

Frequently asked questions

What is the ReliaCard?

The ReliaCard is a reloadable, prepaid debit card issued by U.S. Bank. The ReliaCard provides an electronic option for receiving your government agency payments. It is not a credit card, but works similarly to other prepaid debit cards.

How does the ReliaCard work?

Once funds are added to the card account, it can be used to make purchases, pay bills, and make online, phone or mail-order purchases. You can also get cash back with purchases at participating merchants or withdraw cash at ATMs, banks or credit unions.¹ The amounts of purchases, bill payments or cash withdrawals are automatically deducted from the available balance on the card.

What are the advantages of having a ReliaCard?



Fast – Your money is automatically deposited to your card account



Save time – Easy and quick access to your funds without waiting in line to cash or deposit a check



Convenient – Make purchases anywhere Visa® debit cards are accepted, including retail stores, grocery stores, restaurants and pharmacies and withdraw cash at ATMs¹



Secure – No need to carry large amounts of cash



Save money – No more going to a check casher



Track spending – Account information and customer service 24 hours a day



Purchasing power – Enjoy the prestige and purchase protection given to Visa branded cardholders, without a credit check



Reliable – Receive your money on time. No more lost or stolen checks



Safe – Funds are FDIC insured and are protected if lost or stolen²

How do I check my balance?

Online – View account online at usbankreliacard.com

Text³/Email – Sign up to receive email or text alerts when funds have been deposited to your account or when your balance gets low

Mobile banking app – Search for “U.S. Bank ReliaCard” in the App Store® or Google Play™⁴

ATM – Perform a balance inquiry at an ATM¹



Getting the card

When the card is sent in the mail, what does the envelope look like?

For security reasons, the card will arrive in a plain, white, windowed envelope.

What information or instructions come with the card?

The card comes with:

- Instructions on how to activate the card
 - A complete Fee Schedule
 - The Cardholder Agreement, which discloses terms and conditions
 - A Usage Guide detailing where and how the card can be used
 - The U.S. Bank Privacy Pledge
-

What do I do after I receive the card?

Visit usbankreliacard.com to activate the card and choose your Personal Identification Number (PIN). You cannot use the card until it has been activated. Be sure to sign your name on the back of your card in ink.

Do I receive a new card every time a payment is made?

No. Future payments will be deposited automatically onto the initial card.

Using the card

How do I make a purchase with my card?

The card works much like other prepaid or debit cards. You can use it online, over the phone, at grocery stores, retail stores, restaurants, medical offices, etc. It is important to know your account balance before making purchases.

When making a purchase, on the authorization machine, which selection (credit or debit) do I choose?

Select “Credit” or “Debit” to make a purchase. Select “Debit” to get ‘cash back’ with your purchase. (You will have to enter your PIN.)



How can I get cash with my card?¹

- Cash back with purchases – at participating merchants such as grocery or convenience stores
 - ATM withdrawal – at any ATM
 - Teller withdrawal – at any participating bank or credit union
-



How do I withdraw cash at an ATM?

- Insert or swipe your card and enter your 4-digit PIN
 - Select “Withdrawal from Checking”
 - Enter the amount to be withdrawn
-



How do I get cash back with a purchase?

- When the authorization machine asks for credit or debit, select “Debit”
- Enter the 4-digit PIN
- Select “Yes” for cash back
- Enter the amount, press “OK”

Using the card

How do I get cash at a bank or credit union teller?

You must know your available balance (the teller will not have access to this information) and ask for a cash withdrawal¹ in the amount you wish to withdraw. **Note:** you may need to provide your driver's license to verify your identity.

Do I have to go to a U.S. Bank ATM or U.S. Bank branch to get cash?

No. You can get cash back with purchases at participating merchants throughout the United States such as grocery and convenience stores. Cash can also be obtained from any ATM¹ or over the counter at any Visa member bank or credit union. To find the nearest in-network ATM, visit usbank.com/locations or moneypass.com.

Do I need a PIN to use the card?

Yes & No. The card can be used to make signature-based purchases without a PIN. However, a PIN must be used for PIN-based purchases and for cash withdrawals at ATMs. You must choose your own PIN by visiting usbankreliacard.com after you receive your card. For security reasons it is important that you pick a PIN that only you would know, and not share the PIN or the card with anyone.

What should I do if I forget my PIN?

Visit usbankreliacard.com to reset your PIN.

Can I still get cash if I forget my PIN?

Yes. You can go to any Visa member bank or credit union and ask the teller for a cash withdrawal.¹

What are some things I need to keep in mind when using my card to make purchases?

Some merchants where you typically tip may authorize your transaction for an amount greater than your purchase to cover tips. Make sure your balance can cover the 20% or your transaction will be declined. When purchasing gasoline at a gas station, pay inside with the cashier to avoid a hold greater than the amount of your purchase (some ReliaCard programs may not allow you to pay with your card using the pay-at-the-pump option). The funds held will not be available for other purchases until the actual transaction amount clears. Payments made inside clear for the actual transaction amount immediately. Check your program materials for additional details.

How can I be notified when funds are deposited to my card?

You have the option of signing up for optional text or email alerts³ when money is added or your card balance gets low at usbankreliacard.com. You can also use our two-way text alert feature by texting a short code to receive the following updates:

Alert type	Instructions
Balance alert	Text BAL to 90831
Recent transactions	Text TRANS to 90831
Customer Service number	Text HELP to 90831



Using the card



Can I manage my account with my smart phone?

Yes. You can use the ReliaCard Mobile Banking app to check your account balance, enroll in and manage text alerts, view your most recent transactions or search for the nearest in-network ATM location. Search for “U.S. Bank ReliaCard” in the App Store or Google Play.



Can I pay bills with my card?

Yes. You can visit your billers' websites and provide your 16-digit card number and expiration date or log on to usbankreliacard.com.

Limits

Can I make a purchase for more than the amount on my card?

If you need to make a purchase for more than the amount you have on your card, you will need to use two forms of payment. Tell the cashier how much you want taken from the balance on your card — the cashier cannot determine your available balance. Then, pay the remaining balance with cash, check, credit card or check card.



Can the ReliaCard be overdrawn?

Usually a purchase that exceeds the available balance will not be approved. In very limited circumstances, if you do not have sufficient funds when the final amount clears, it may result in a negative balance; however you will not be charged an overdraft fee. You can check your balance online, using the ReliaCard Mobile App or by logging into your account at usbankreliacard.com.

How do I obtain information about fees for my ReliaCard?

Fees are located on the Fee Schedule sent to you with your card. You may view your fee schedule online by logging into your account at usbankreliacard.com.

Please consult the table on the next page for information on how to avoid fees on certain transactions.



Can anyone else view or track my transactions?

No. For privacy reasons, U.S. Bank does not share card account numbers or transaction details. However, for reconciliation purposes, your government agency does have access to the amount and date of each deposit.

How to avoid fees

Fee description	How to avoid
ATM withdrawals (Out-of-network*)	<ul style="list-style-type: none">• Make purchases: Use your card to make purchases anywhere Visa debit cards are accepted – in stores, over the phone, online or pay bills. You can use your card at no charge to make everyday purchases such as groceries, convenience stores, etc.• Cash back with purchases: You can ask for ‘cash back’ when making purchases at participating merchants at places like grocery stores or retail stores. Select ‘DEBIT’ on the authorization machine, enter your 4-digit PIN and enter the amount of cash back you’d like. There is no fee to get cash back with purchases.• Teller cash withdrawal: Go into any Visa member bank or credit union and ask the teller for a cash withdrawal for up to the full amount available on your card.¹• In-network ATMs: Withdraw cash at no charge at any U.S. Bank or MoneyPass ATM. For the nearest fee-free ATM locations visit: usbank.com/locations or moneypass.com.
ATM balance inquiries (Out-of-network*)	<p>U.S. Bank does not assess a fee to check your balance using any of the following methods:</p> <ul style="list-style-type: none">• Online – View account online at usbankreliacard.com.• Text³/Email – Sign up to receive email or text alerts when funds have been deposited to your account or when your balance gets low.• Mobile banking app – Search for “U.S. Bank ReliaCard” for your iPhone or Android phone.• ATM – Perform a balance inquiry at a U.S. Bank or MoneyPass ATM.

*Out-of-Network ATMs means any ATM that is not a U.S. Bank or MoneyPass ATM.

Customer service

Can I view my account online?

Yes, at usbankreliacard.com. The following functions can be performed online:

- PIN change
- Balance inquiry
- View card transactions
- View previous statements
- Set up alerts
- Pay bills

How do I view my monthly statement?

Monthly statements can be viewed online 24/7 at usbankreliacard.com.

What should I do if I change addresses?

Visit usbankreliacard.com to report an address change. Also contact your government agency to report an address change so that your mail may also be sent to the correct address.

Who do I contact if I have questions about my card?

For questions about your deposit, such as when you will receive the next deposit to the card, or the amount of a deposit to the card, contact your government agency. For all other questions about the card, you may log into your account at usbankreliacard.com.

What happens if my card gets lost or stolen?

You must immediately call Cardholder Services at 855.279.1273 to report your card lost/stolen and have a replacement card sent to you in the mail, with standard delivery (up to 10 business days). You may not be responsible for any fraudulent activity that occurs on your card provided that you report the card missing in a timely manner, and have not shared your card or PIN number with anyone.²

Can I contact my local bank for customer service on my ReliaCard account?

No. Utilize the web site, usbankreliacard.com, for inquiries.

¹Fees and transaction limits apply. See Fee Schedule and Card Carrier for details. ²You are generally protected from all liability for unauthorized transactions with Zero Liability. You must call the number on the back of your Card immediately to report any unauthorized use. Certain conditions and limitations may apply. See your Cardholder Agreement for details. ³For text messages, standard messaging charges apply through your mobile carrier and message frequency depends on account settings. ⁴All trademarks and brand names belong to their respective owners. Use of these trademarks and brand names do not represent endorsement by or association with this card program. All rights reserved.

Exhibit F

Sample Administrator Training Guide

usbank[®]

ReliaCard[®]

U.S. Bank Prepaid Administrative Website



Table of Contents

Logging In	3
Card Registration	11
Registering a Personalized Card via Website	
Registering a Personalized Card via File Upload	
Confirming Batch Files are Successful	
Funding a ReliaCard	24
Routing/Account Information and Where to Locate Adjustment Account	
Searching Within the Website	34
How to Look Up Existing Cardholders	
Edit Cardholder Information	
Card Status	
Card Replacements	
Reporting	47
How to Access Reports	
Support	51
My Account	
Client Support	



ReliaCard®

CARD REGISTRATION

Registering a Personalized Card
via File Upload

Card Registration – File Upload

1. Click on the “Tools” tab
2. Select the “File Upload for Registration” link
3. Click on “File Upload Template”

The screenshot displays the U.S. Bank Prepaid Administrative Website interface. At the top, the usbank logo and the tagline "All of us serving you®" are visible. Below the header, the "U.S. Bank Prepaid Administrative Website" title is shown. A navigation bar contains several tabs: Programs, Cardholders, Tools, Reports, User Management, My Account, and Help. The "Tools" tab is highlighted with a blue box and a red "1" next to it. On the left side, a sidebar menu lists "Tools" and "How to Guides". Under "Tools", "Card Inventory Management" and "File Upload for Registration" are listed. "File Upload for Registration" is highlighted with a blue box and a red "2" next to it. Under "How to Guides", "File Upload Template" is listed and highlighted with a blue box and a red "3" next to it. The main content area is titled "File Upload for Registration" and contains a "File Upload" section. This section includes instructions: "Select the appropriate criteria below and click on the 'Browse' button to locate the file to be uploaded. Then click the 'Upload' button to move the file into the system for processing." Below the instructions, there are three required fields: "* Client Program :" with the value "K&K Cleaners", "* File Type :" with a dropdown menu showing "Select", and "* File Name :" with a text input field and a "Browse..." button. At the bottom right of the form, there are "Upload" and "Cancel" buttons. A red asterisk and the word "Required" are shown at the bottom left of the form area.

usbank All of us serving you®

U.S. Bank Prepaid Administrative Website

Programs Cardholders **Tools** Reports User Management My Account Help

Hello, Kelli Jewell.
Last login on 4/15/14 10:15 AM (CST).

Tools

- Card Inventory Management
- File Upload for Registration**

How to Guides

- File Upload Template**

File Upload for Registration

File Upload

Select the appropriate criteria below and click on the "Browse" button to locate the file to be uploaded. Then click the "Upload" button to move the file into the system for processing.

* Client Program : K&K Cleaners

* File Type :

* File Name :

* Required

Card Registration – File Upload

Click “Open”

https://portal.clientaccess...

"Browse" button to locate the file to be uploaded. Then click the "Upload" button to

Upload Cancel

File Download

Do you want to open or save this file?

Name: US Bank File Upload Template.xlsx
Type: Microsoft Office Excel 2007 Workbook, 283KB
From: portal.clientaccesssite.com

Open Save Cancel

While files from the Internet can be useful, some files can potentially harm your computer. You do not trust the source, do not open or save this file. [What's the risk?](#)

File Name	File Type	User ID	Uploaded	Processed	Success count	Error count
Card SA2 121113.csv	Card	es@elanfs	12/11/13 15:22	12/11/13 15:23		
Create Register Personalized Card SA2 121113.csv	Order Personalized	kristin.yent	12/11/13 15:16	12/11/13 15:18	Success	0 Error 1
Create Register Personalized Card SA 121113.csv	Card	es@elanfs	12/11/13 15:12	12/11/13 15:13	Success	0 Error 1
Janes Temp Agency Personalized 12.11.2013.csv	Order Personalized	kelli.jewell@elanfs.c	12/11/13 14:49	12/11/13 14:53	Success	0 Error 1
Janes Temp Agency Instant Issue Card - Limited	Register Instant	kelli.jewell@elanfs.c	12/11/13 14:36	12/11/13 14:36	Success	1 Error 0
Create Register Personalized	Order Personalized	kristin.yent	12/11/13	12/11/13		

Card Registration – File Upload

Required fields are highlighted in yellow

Row 1: Enter the cardholder's Last Name, First Name, Mailing Address, Date of Birth, and Social Security Number.

	A	B	C	D	E	F	G	H	I	J	L	M	N	O	P	Q
1	Cardholder Card ID	Participant ID	New Card Passcode	Upgrade	Last Name	First Name	Middle Name	Title	Mailing Address Line 1	Mailing Address Line 2	City	State	Country	Postal Code	Date of Birth	Social Security Number
2					Carder	John			200 S 6th St		Minneapolis	MN	US	55402	19600101	123456789

Row 2: Enter the Cardholder Physical Address and enter "2" for Card Type

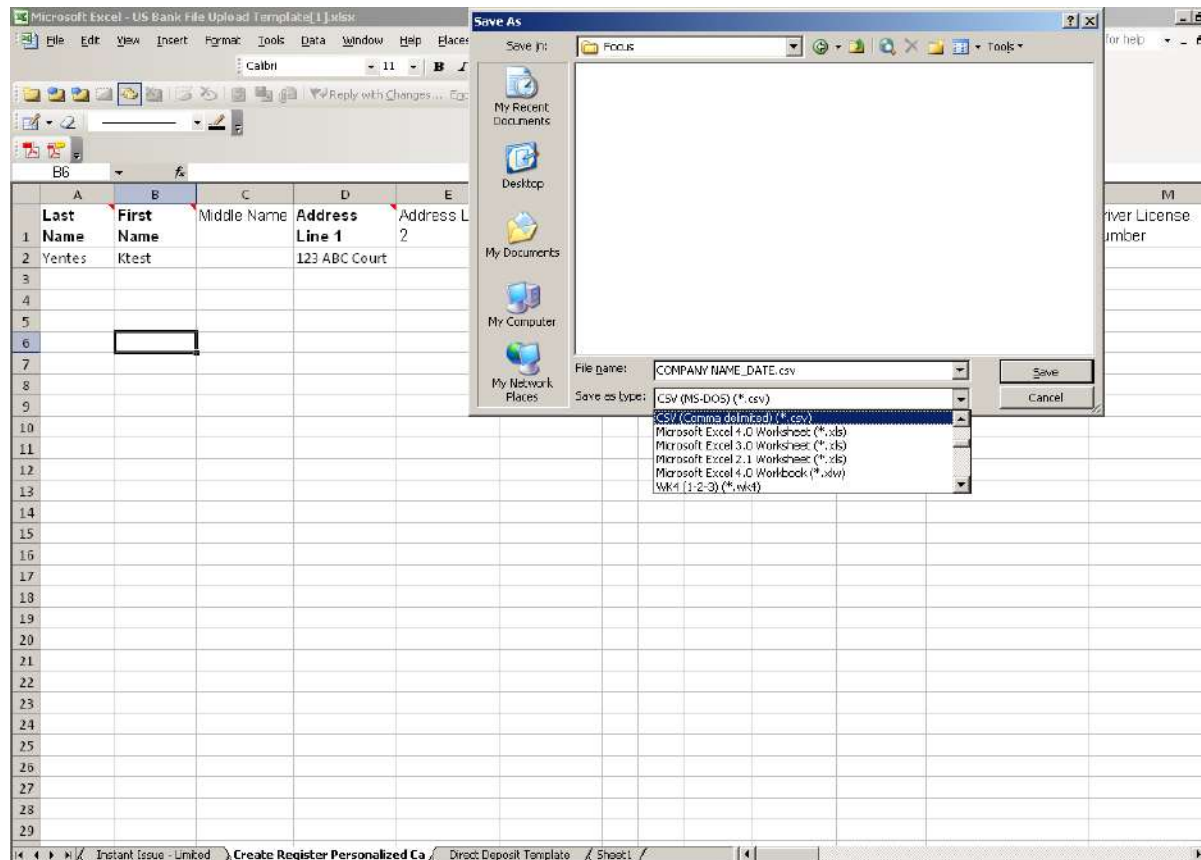
AN	AO	AP	AQ	AR	AS	AT	AU	AV	AW	AX	AY
Physical Address 1	Physical Address 2	Physical Address 3	City	State	Country	Postal Code	Employee ID	Store Number	Employee Hire Date	Employer State	Card Type
200 S 6th St			Minneapolis	MN	US	55402					2

Row 3: If bulk shipping personalized cards to one location – Shipping Type, Shipping Method, Service Type, Bulk Ship Address

BB	BC	BD	BE	BF	BG	BH	BI	BJ
Shipping Type	Shipping Method	Service Type	Bulk Ship Business Address 1	Bulk Ship Address 2	Bulk Ship Address 3	Bulk Ship City	Bulk Ship State	Bulk Ship Postal Code
B	UP	P2	U.S. Bank ATTN: Jane Doe	200 South 6th Street	EP MN L16C	Minneapolis	MN	55402

Card Registration – File Upload

Files must be saved as a CSV (comma delimited) file. Please be sure to include your Program Name and Today's Date in the file name. NOTE: There is no limit on how many files can be uploaded each day. If uploading multiple files per day, add unique numeric numbers or the file will not go through. For example, if today's date is Feb. 15 and two files will be uploaded, name the files: US Bank_0215_1, US Bank_0215_2.



Card Registration – File Upload

1. Click on the “Tools” tab
2. Select the “File Upload for Registration” link
3. Choose File Type “Card Registration or Order Personalized Card”
4. Select “Browse” and locate file
5. Select Upload

U.S. Bank Prepaid Administrative Website

Programs Cardholders **Tools** Reports User Management My Account Help

Hello, Kelli Jewell.
Last login on 4/15/14 10:49 AM (CST).

Tools

- Card Inventory Management
- File Upload for Registration**

How to Guides

- File Upload Template

File Upload for Registration

File Upload

Select the appropriate criteria below and click on the "Browse" button to locate the file to be uploaded. Then click the "Upload" button to move the file into the system for processing.

* Client Program : K&K Cleaners

* File Type :

* File Name :

Upload **Cancel**

File Upload History

Below is the status of files uploaded and processed in the past 14 days. Click on the Success and Error buttons to access success and error file contents with codes and descriptions for processed records.



ReliaCard®

CARD REGISTRATION

Confirming Batch Files Are Successful

Card Registration

Click on “Success” or “Error” messages below to review the individual card entries that have been successfully uploaded or rejected.

NOTE: Any rejects will have to be resubmitted for the enrollment to occur.

File Upload History

Below is the status of files uploaded and processed in the past 14 days. Click on the Success and Error buttons to access success and error file contents with codes and descriptions for processed records.

You can view, save and print success and error file contents.

File Name	File Type	User ID	Time Uploaded	Time Processed		Success count	Error count
Create Register Personalized Card SA3 121113.csv	Order Personalized Card		12/11/13 15:22	12/11/13 15:23	Success	18	Error 2
Create Register Personalized Card SA2 121113.csv	Order Personalized Card		12/11/13 15:16	12/11/13 15:18	Success	0	Error 1
Create Register Personalized Card SA 121113.csv	Order Personalized Card		12/11/13 15:12	12/11/13 15:13	Success	0	Error 1
Janes Temp Agency Personalized 12.11.2013.csv	Order Personalized Card		12/11/13 14:49	12/11/13 14:53	Success	0	Error 1
Janes Temp Agency Instant Issue 12.11.2013.csv	Register Instant Issue Card -		12/11/13 14:28	12/11/13 14:28	Success	1	Error 0



FUNDING

Routing/Account Information and Where to Locate

Funding

1. Click on the “Programs” tab
2. Select the “View Client Program Details” link
3. The Direct Deposit Bank Routing Number and Direct Deposit Account Number Prefix is shown under “Client Program Details” at the bottom of the page

NOTE: All cards are funded via ACH.

The screenshot displays the ReliaCard management dashboard. At the top, a navigation bar contains tabs: Programs, Cardholders, Tools, Reports, User Management, My Account, and Help. The 'Programs' tab is selected. Below the navigation bar, a sidebar on the left shows a 'Hello, Kelli Jewell.' greeting and a 'Last login on 6/12/14 9:45 AM (CST)' message. The 'Programs' section in the sidebar includes a search bar and three links: 'View Program Details', 'View Client Program Detail' (highlighted with a blue box and a blue circle), and 'View Location Details'. The main content area shows the 'Client Program: ReliaCard - Test Conversion [95043440]' header. Below this, there are three tabs: 'Client Program Details' (selected), 'Client Program Settings', and 'Operational Settings'. The 'Client Program Details' tab displays the following information:

Client Program Details	
Client Program Name	ReliaCard - Test Conversion [ID: 95043440]
Direct Deposit Bank Routing Number	322285846
Direct Deposit Account Number Prefix	601

The routing number and account prefix are highlighted with a blue box and a blue circle, and a blue circle with the number '3' is placed next to them.

Funding

To locate the account information for a specific cardholder, perform a search for the registered card in the system using the 10-digit Card ID.

NOTE: The Funding Account Number is the Account Number Prefix (601) + the 10-digit Card ID. In the example below, the Funding Account Number is 6012048374405.

The screenshot displays the U.S. Bank Prepaid Administrative Website. At the top, the usbank logo is on the left, and the tagline "All of us serving" is on the right. Below the logo, the text "U.S. Bank Prepaid Administrative Website" is centered. A dark blue navigation bar contains the following links: Programs, Cardholders, Tools, Reports, My Account, and Help. On the left side, a user greeting reads "Hello, Kristin Yentes." followed by "Last login on 12/16/13 11:29 AM (CST).". Below this is a "Cardholders" section with a dark blue header and three links: "Search Cardholders", "View Cardholder Details" (with a blue dot icon), and "Register New Cardholder". At the bottom left, there is a "Recent Searches" section. The main content area has a blue background and displays cardholder details for "Yentes, Kristin". It shows the "16-digit Card Number" as "4281 90XX XXXX 0805" and the "Logo" as "9271". A white arrow points from the 16-digit card number to the "10-digit Card ID: 2048374405", which is highlighted with a white border. Below the card ID, the "Card Status" is listed as "PreActive". On the far right, there is a "Cust" label and a "BAC" link. At the bottom of the main content area, there is a navigation bar with three dropdown menus: "Cardholder Information", "Account Management", and "Cardholder Support". Below this bar, the text "Cardholder Information" is displayed in a dark blue header.

usbank

All of us serving

U.S. Bank Prepaid Administrative Website

Programs Cardholders Tools Reports My Account Help

Hello, Kristin Yentes.
Last login on 12/16/13 11:29 AM (CST).

Cardholders

Search Cardholders
• View Cardholder Details
Register New Cardholder

Recent Searches

Cardholder: **Yentes, Kristin**
16-digit Card Number: **4281 90XX XXXX 0805**
Logo: **9271**

10-digit Card ID: **2048374405**
Card Status: **PreActive**

Cust

BAC

Cardholder Information Account Management Cardholder Support

Cardholder Information

Funding

- Cards must be funded via ACH using the standard NACHA file layout
- On the NACHA file, prepaid debit cards are considered record type 6, tran code 22
- U.S. Bank will select the Direct Deposit Account Number (DDA) for individual card accounts by assigning a Card ID with each enrollment
- The bank routing and transit number used to fund each card is **322285846**

Funding

- Funding is done using the Direct Deposit Account Number (DDA):
 - System Generated
 - Assigned by system at U.S. Bank
 - 13 characters long (numeric)
 - Collecting the Funding Account Number
 - Admin Site: The Funding Account Number is the prefix “601” plus the “10-digit Card ID” unique to each cardholder
 - Card Packet: The Funding Account Number is displayed through the window of the Instant Issue Card Packet



SEARCHING WITHIN THE WEBSITE

Edit Cardholder Information

Searching Within the Website

To update information for a cardholder, click on “Cardholder Information” and then “Edit Cardholder Information”.

The screenshot displays the US Bank Prepaid Administrative Website interface. At the top, the US Bank logo is on the left, and "All of us" is on the right. Below the header is a navigation bar with links: Cardholders, Tools, Reports, User Management, My Account, and Help. The main content area shows cardholder details for Kristin Yentes, including a 16-digit card number (4281 90XX XXXX 0805), a 10-digit card ID (2048374405), and a card status of PreActive. A dropdown menu for "Cardholder Information" is open, showing options: Cardholder Information, Edit Cardholder Information, Card Information, and Transaction History. The "Edit Cardholder Information" option is highlighted. On the left side, there is a sidebar with a search bar and a list of cardholders, with "Kristin Yentes" selected. The bottom of the page shows a timestamp of 10 PM and the name Kristin Yentes.

usbank

All of us

usbank Prepaid Administrative Website

Cardholders Tools Reports User Management My Account Help

Cardholder: **Yentes, Kristin**
16-digit Card Number: **4281 90XX XXXX 0805**
Logo: **9271**
10-digit Card ID: **2048374405**
Card Status: **PreActive**

Cardholder Information Account Management Cardholder Support

Cardholder Information
Edit Cardholder Information
Card Information
Transaction History

10 PM
Kristin Yentes



SEARCHING WITHIN THE WEBSITE

Card Status

Searching Within the Website

There are six different card statuses as shown below.

NOTE: An individual may have multiple cards in an inactive status due to cards being lost or stolen.

Card Status

(AC) Active - Card has been activated via the IVR or online website. Card can be funded and is available for use.

(DE) Deactivated - Card cannot be used or funded; typically occurs when fraudulent activity is reported.

(IA) Inactive - Card cannot be used. Typically occurs when card is reported lost or stolen. Will move to (RP) Replaced status once replacement card is activated.

(PA) Pre Active - Card is awaiting activation and can be funded but not used until activated.

(RP) Replaced - Card replaced with a Personalized card.

Searching Within the Website

Card Status displays below the cardholder's 10-digit Card ID.

tin Yentes.

2/27/13 10:23 AM (CST).

ers

ardholders

/ Cardholder Details

Cardholder: **Yentes, Kristin**

16-digit Card Number: **4281 90XX XXXX 0805**

Logo: **9271**

10-digit Card ID: **2048374405**

Card Status: **PreActive**



REPORTING

How to Access Reports

Reporting

1. Click on the “Reports” tab
 2. Select the “Report Category”
 3. Choose the desired report you wish to view under “Report Name”
- NOTE: Data will only populate on the report if activity has occurred.

Log Out | Help

usbank

All of us serving you®

U.S. Bank Prepaid Administrative Website

1

Programs Cardholders Tools **Reports** User Management My Account Help

Hello, Kelli Jewell.
Last login on 6/30/14 12:01 PM (CST).

Reports
Report Viewer

2

Report Viewer

Report Selector ▲

Report Category

3

Report Name

Government

NONE SELECTED
NONE SELECTED
Card Load Report
Card Order Report
Card Activity Summary Report
Card Activity Detailed Report
Card Status Report
Cardholder Information Exception Report
Cardholder ID Verification Status Report
Inventory Point Level Report
Card Account Detail Report
Funding Reject Report
Indicative Data Change Report

Reporting

To view reports:

1. Enter the date range
2. Select the “Default Program” and “Client Program”
3. Select the “Report Format” and click “Export”

Report Viewer

Report Selector

Report Category

Government

Report Name

Card Load Report

Report Parameters

Please provide below input parameters to view Selected Report.

Start Date (MM/DD/YYYY) *

08/01/2014

End Date (MM/DD/YYYY) *

08/31/2014

1

Select Program *

ReliaCard - Core - 96889614

2

Select Client Program *

Select

U.S. Bank ReliaCard - Core - 96889614

Select Report Format *

Select a format

Export

3

Select a format

EXCEL

WORD

CSV

Reporting

The Report displays with the data available for the reporting period and type of report.

Card Load Report

Reporting Period 12/01/2013 to
12/19/2013

Report Totals:

Total Number of Loads 2
Total Value of Loads \$46.12

Client Program	Location	Card ID	Last Name	First Name	Employee ID	Registration Date	Load Date	Load Amount	Trans Type	Trans Desc
Program Name: USB Focus PayCard Visa										
89596558	89596558	2032813723	JacksonGrady	Christine		11/07/2013	12/04/2013	\$6.12	2163	U.S. Bank: ACH from Known Remitter
Sub-Total								\$6.12		
Program Name: USB Focus PayCard Visa										
		2022570713	Yentes	Kristin		12/16/2013	12/18/2013	\$40.00	2163	U.S. Bank: ACH from Known Remitter
Sub-Total								\$40.00		
Total								\$46.12		

2021

ANNUAL REPORT





Moving confidently into the future

The global pandemic that took center stage during the past two years changed a lot of things about life, business and the way we think about what is most important to us. We discovered new ways of working, strengthened our reliance on technology, and gained a greater appreciation for the power of relationships and goodwill to get us through the tough times.

At U.S. Bancorp, we focused in 2021 on being flexible, resilient and responsible. We emphasized keeping our people healthy and safe while operating our business effectively for the greater good of our customers, communities and shareholders. We took steps to help our customers weather the pandemic and prioritized our efforts to meet the greatest needs, while continuing to transform our business to meet the next wave of expectations.

The second year of the global pandemic was extraordinary by any measure. I am proud of what our company and our nearly 70,000 employees achieved in providing meaningful assistance to our customers and our broader communities. We drew upon our strengths, focused on our opportunities, and were realistic about the challenges we faced. We partnered with a national nonprofit to issue an innovative bond designed for targeted and measurable racial equity results. We introduced the U.S. Bank Access Commitment™ as part of our ongoing effort to advance diversity, equity and inclusion across our footprint, in our communities and throughout our company. We announced companywide commitments to address the impacts of climate change on our business, customers and communities. At the same time, we recognized we needed to do more, faster.



Andy Cecere

Chairman, President
and Chief Executive Officer

2021 was a transition year in many respects. As local economies continued to recover from pandemic-related shutdowns, and employment conditions improved throughout the year, our businesses benefitted from increased consumer and business activity. By mid-year, sales volumes in each of our three payments businesses – credit and debit card, merchant acquiring and corporate payments systems – were above 2019 levels for the first time since the beginning of the pandemic. Our mortgage business saw strong demand for housing and favorable refinancing rates for our customers. Likewise, our trust and investment management business gained from new account growth and improving market conditions.

We continued to serve our consumer and business banking customers through our branch network and state-of-the-art digital distribution systems. We saw strong deposit inflows throughout the year, and in the fourth quarter, demand for loans picked up meaningfully, supported by improving consumer and business sentiment. Additionally, credit costs – which were a headwind in 2020 – shifted to a tailwind as the economic outlook improved and loan losses reached historically low levels.

We invested for the future, relying on our well-established innovation infrastructure to “build” when that made sense and to “buy” when that was the most efficient use of capital. For example, we acquired Bento Technologies, a fintech company that provides payment and expense management services to small business, and TravelBank, an all-in-one expense and travel management company serving emerging middle-market companies. In the fourth quarter, we closed on the acquisition of PFM Asset Management, which increased our assets under management in our Wealth Management and Investment Services business to more than \$400 billion and enhanced our position in a niche area within the money market world. We also became one of the first banks in the country to announce new cryptocurrency custody services for institutional investment managers.

The cyclical recovery continues as the country moves toward a post-pandemic “new normal,” but it is our strategic growth opportunities we are most excited about. We continue to believe we are well-positioned to deliver superior growth and industry-leading returns on equity during the next several years given our business mix, comprehensive and holistic payments and banking solutions and expansive distribution model supported by digital capabilities.

As we head into 2022, we will build upon our diverse mix of profitable businesses, strong culture, efficient operating platform, best-in-class financial and risk disciplines and growing leadership position in digital banking. The environment is such that we are reconsidering traditional banking products and challenging ourselves to create ways to help our customers achieve their financial goals. We are seeking new opportunities to add value to our clients as we navigate a world with new competition and changing expectations.



As we head into 2022, we will build upon our diverse mix of profitable businesses, strong culture, efficient operating platform, best-in-class financial and risk disciplines and growing leadership position in digital banking.

We will continue to make investments in technology modernization, digital transformation and a unified banking and payments ecosystem – weaving together the best of both banking and payments to create a comprehensive offering. Through all this, we will strive for simplicity in everything we do. We will remain focused on expense management and delivering efficiency and effectiveness. At the same time, we will emphasize acquiring new customers and deepening relationships with our current client base.

Similarly, we are pushing ahead with ambitious growth plans, including the acquisition of MUFG Union Bank, pending regulatory approval. We are always looking for ways to be more agile, to build scale and to adapt to changing customer behaviors and expectations. This acquisition would allow us to do that. MUFG Union Bank is a terrific company with talented people, loyal customers and an excellent reputation for community service and corporate social responsibility in the markets they serve in California, Oregon and Washington. We believe the combination of U.S. Bank and MUFG Union Bank creates benefits for all stakeholders, employees, customers and the communities we serve. That doesn't happen often, and we have a lot to look forward to because of it. This acquisition is good for U.S. Bank because it increases scale and allows us to deepen and expand our footprint in California and throughout the West Coast. These markets are growing, and we are committed to their success. It's good for consumers and businesses, because we are creating a more effective competitor – one who will improve the customer experience and access with leading digital tools, enhanced technology and a broader product set. It's good for communities, because we will continue to serve every market, and we will do so with a particular focus on low- and moderate-income communities. And it's good for employees. We will retain MUFG Union Bank and U.S. Bank front-line branch employees in California, and the combined company will be a stronger employer across the West Coast for years to come. We value the markets, the culture and the similarities that will enable us to hit the ground running from day one.

Our goals are straightforward. We will focus on adding value for our customers and making the necessary investments to ensure long-term success – and we will do it simply, efficiently and effectively. We are taking advantage of opportunities on many fronts to further establish ourselves as a leader in the financial services industry. We are well-positioned to make the right moves to accelerate our growth, and we have a strong team to make it possible.

I can confidently say we have a bright future ahead of us. Thank you for investing in us and joining us as we move forward together.

Sincerely,



Andy Cecere

Chairman, President and Chief Executive Officer

U.S. Bancorp

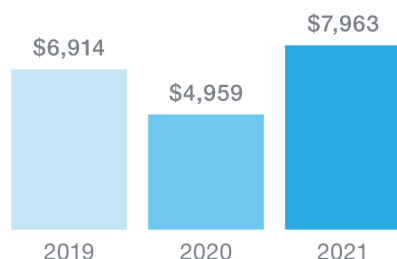
February 22, 2022



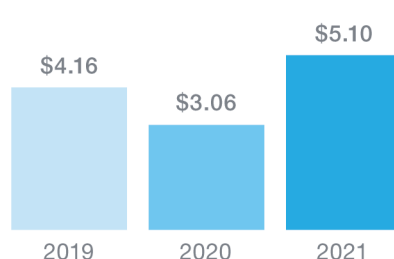
We will focus on adding value for our customers and making the necessary investments to ensure long-term success – and we will do it simply, efficiently and effectively.

FINANCIAL HIGHLIGHTS

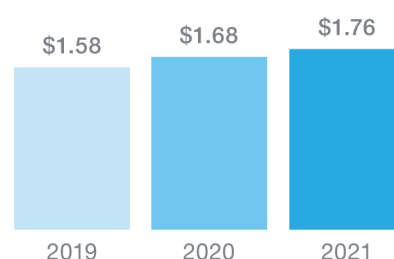
Net income attributable to U.S. Bancorp (in millions)



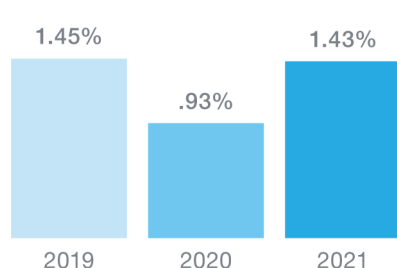
Diluted earnings per common share



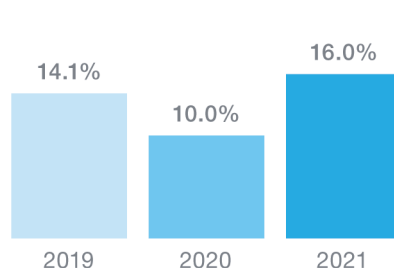
Dividends declared per common share



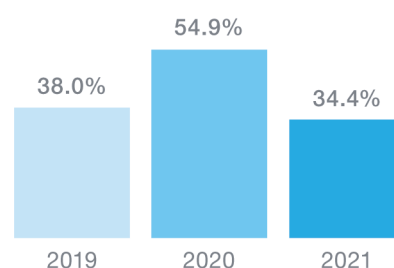
Return on average assets



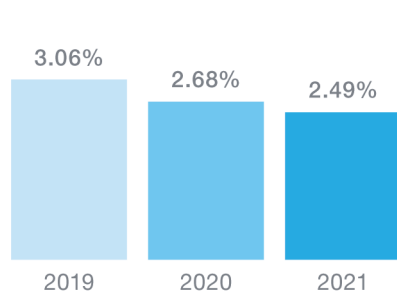
Return on average common equity



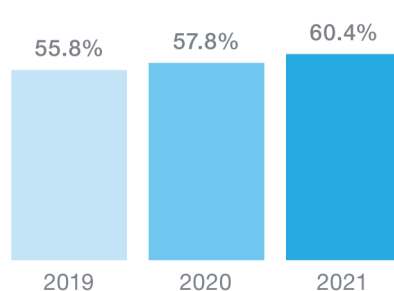
Dividend payout ratio



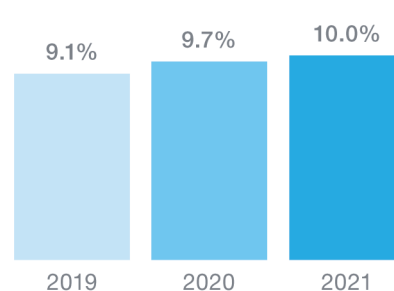
Net interest margin ^(a)



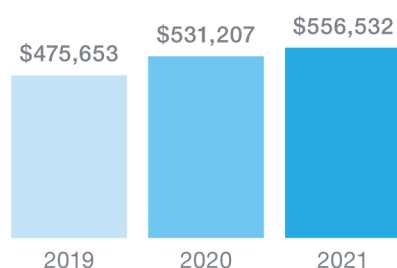
Efficiency ratio ^(b)



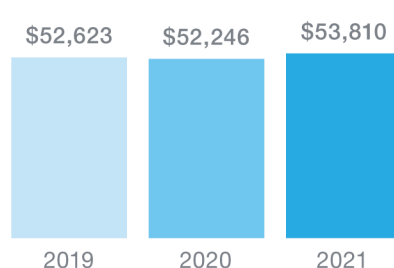
Common equity tier 1 capital ^(c)



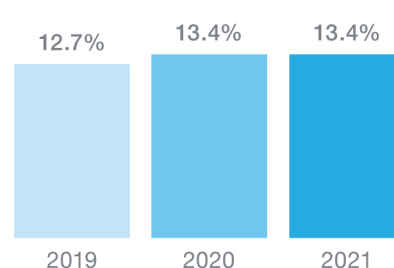
Average assets (in millions)



Average U.S. Bancorp shareholders' equity (in millions)



Total risk-based capital ^(c)



(a) Taxable-equivalent basis based on a federal income tax rate of 21 percent for those assets and liabilities whose income or expense is not included for federal income tax purposes.

(b) See Non-GAAP Financial Measures beginning on page 60.

(c) Calculated under the Basel III standardized approach.

FINANCIAL SUMMARY

Year ended December 31 (Dollars and shares in millions, except per share data)	2021	2020	2019	2021 v 2020	2020 v 2019
Net interest income	\$12,494	\$12,825	\$13,052	(2.6)%	(1.7)%
Taxable-equivalent adjustment ^(a)	106	99	103	7.1	(3.9)
Net interest income (taxable-equivalent basis) ^(b)	12,600	12,924	13,155	(2.5)	(1.8)
Noninterest income	10,227	10,401	9,831	(1.7)	5.8
Total net revenue	22,827	23,325	22,986	(2.1)	1.5
Noninterest expense	13,728	13,369	12,785	2.7	4.6
Provision for credit losses	(1,173)	3,806	1,504	*	*
Income taxes and taxable-equivalent adjustment	2,287	1,165	1,751	96.3	(33.5)
Net income	7,985	4,985	6,946	60.2	(28.2)
Net (income) loss attributable to noncontrolling interests.....	(22)	(26)	(32)	15.4	18.8
Net income attributable to U.S. Bancorp.....	\$7,963	\$4,959	\$6,914	60.6	(28.3)
Net income applicable to U.S. Bancorp common shareholders.....	\$7,605	\$4,621	\$6,583	64.6	(29.8)
Per common share					
Earnings per share	\$5.11	\$3.06	\$4.16	67.0%	(26.4)%
Diluted earnings per share	5.10	3.06	4.16	66.7	(26.4)
Dividends declared per share.....	1.76	1.68	1.58	4.8	6.3
Book value per share ^(c)	32.71	31.26	29.90	4.6	4.5
Market value per share.....	56.17	46.59	59.29	20.6	(21.4)
Average common shares outstanding.....	1,489	1,509	1,581	(1.3)	(4.6)
Average diluted common shares outstanding.....	1,490	1,510	1,583	(1.3)	(4.6)
Financial ratios					
Return on average assets.....	1.43%	.93%	1.45%		
Return on average common equity	16.0	10.0	14.1		
Net interest margin (taxable-equivalent basis) ^(a)	2.49	2.68	3.06		
Efficiency ratio ^(b)	60.4	57.8	55.8		
Average balances					
Loans	\$296,965	\$307,269	\$290,686	(3.4)%	5.7%
Investment securities ^(d)	154,702	125,954	117,150	22.8	7.5
Earning assets	506,141	481,402	430,537	5.1	11.8
Assets	556,532	531,207	475,653	4.8	11.7
Deposits	434,281	398,615	346,812	8.9	14.9
Total U.S. Bancorp shareholders' equity.....	53,810	52,246	52,623	3.0	(.7)
Period end balances					
Loans	\$312,028	\$297,707	\$296,102	4.8%	.5%
Allowance for credit losses	6,155	8,010	4,491	(23.2)	78.4
Investment securities	174,821	136,840	122,613	27.8	11.6
Assets	573,284	553,905	495,426	3.5	11.8
Deposits	456,083	429,770	361,916	6.1	18.7
Total U.S. Bancorp shareholders' equity.....	54,918	53,095	51,853	3.4	2.4
Capital ratios					
Common equity tier 1 capital	10.0%	9.7%	9.1%		
Tier 1 capital	11.6	11.3	10.7		
Total risk-based capital	13.4	13.4	12.7		
Leverage.....	8.6	8.3	8.8		
Total leverage exposure.....	6.9	7.3	7.0		
Tangible common equity to tangible assets ^(b)	6.8	6.9	7.5		
Tangible common equity to risk-weighted assets ^(b)	9.2	9.5	9.3		
Common equity tier 1 capital to risk-weighted assets, reflecting the full implementation of the current expected credit losses methodology ^(b) ...	9.6	9.3			

* Not meaningful

(a) Based on a federal income tax rate of 21 percent for those assets and liabilities whose income or expense is not included for federal income tax purposes.

(b) See Non-GAAP Financial Measures beginning on page 60.

(c) Calculated as U.S. Bancorp common shareholders' equity divided by common shares outstanding at end of the period.

(d) Excludes unrealized gains and losses on available-for-sale investment securities and any premiums or discounts recorded related to the transfer of investment securities at fair value from available-for-sale to held-to-maturity.

The future is now

The COVID-19 pandemic changed a lot of things about life, business and the way we think about what's most important to us. It also gave us all a greater appreciation for the power of emotional connection to get us through the tough times.

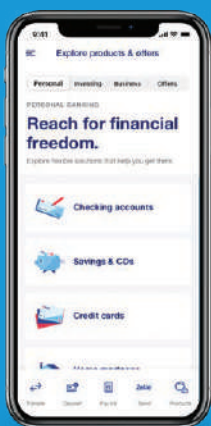
As we move forward, it is clear that strong relationships with our customers, clients, employees and partners will continue to be core to our success. The companies that thrive will be the ones, like us, that move quickly, strategically and responsibly toward the future. We will grow by being the most trusted choice in our industry, driving a One U.S. Bank approach, striving for simplicity and creating the future now.

We're accomplishing that through a blend of strategic investments and transformational efforts that will further strengthen our financial position and adapt to an ever-changing environment.



Leading in an increasingly digital world

Digital money movement is transforming how we interact with each other and the financial system. Whether transferring money from consumer to consumer, business to business or variations in-between, the events of the past two years accelerated the embrace of real-time and other digital payment types from the realm of early adopters into the mainstream. An insurance claim can now be paid digitally rather than writing a check, roommates can split household expenses through Zelle® and a restaurant can have access to the money it made in a day available by close rather than waiting for every credit card transaction to process or check to clear.



170 new features in 2021

Our mobile app won accolades, including a No. 1 ranking among banking apps by industry benchmarking firm Keynova Group in its Q3 2021 Mobile Banker Scorecard and No. 1 rankings in both Alerts and Account Management categories from Insider Intelligence.

We've delivered more than 170 new features across the mobile app and online and expanded the capabilities of existing features like Smart Assistant. In early 2021, we launched new personalized digital tools that give high-touch customer service with a local banker, through both virtual appointments and cobrowsing with video – a first in the industry and available via both mobile app and online.

Unique competitive advantage

We have a unique competitive advantage with our technology and processes. It's enabled us to create innovative products and services that harness real-time payments capabilities to help consumer, small business and commercial clients conduct their business with greater speed, efficiency and security. Nearly 20,000 of our business customers have started using **Everyday Funding** to receive merchant settlement transfers 365 days per year, including over the weekend and on holidays. This gives them continuous access to funds to pay bills and keep their businesses moving forward.

Award-winning solution

At the start of the pandemic, companies turned to us to provide their employees quick access to virtual corporate cards through the **U.S. Bank Instant Card** app so they could buy their own home office equipment or personal protection equipment (PPE) without using their personal credit cards. The solution proved to be so popular it has expanded into everything from distributing emergency funds for foster care parents to allowing job candidates to book their own travel. The card was honored with the 2021 Impact Innovation Award in Product Development by the Aite Group, a global research and advisory firm.



Helping business owners focus on what matters most

We've also been making strategic acquisitions to help businesses simplify their money movement needs. In November, we announced the acquisition of TravelBank, a fintech company that provides an all-in-one, mobile-friendly solution for travel management. Our integration with TravelBank's platform will provide the most comprehensive expense, travel and payment solution in the industry. We also bought Bento Technologies, better known as Bento for Business, a fintech company that provides payment and expense management services for small and midsize businesses. Adding Bento to our suite of services means we can help our business banking customers spend less time worrying about administrative tasks and more time and energy on bringing their vision to life.



Building connections

Our people are our biggest asset, and we invest in them to ensure they're empowered to be trusted partners. The world around us is changing, but consumers still want a personal touch when it comes to meaningful conversations about their finances – merging the best of human and digital experiences.

A place for consultative conversations

As we've added more features to the mobile app allowing consumers to bank when, where and how they want, the role of our branch employees has evolved. Our retail locations are no longer hubs for routine transactions like cashing a check; now they're places where consumers can talk in-person about how they can reach their goals. Knowing how to handle these discussions not only requires a broad range of product knowledge, but also the skills to actively listen and understand how we can help.

Exploring what truly matters in life

For consumers who want an enhanced level of collaborative and purposeful guidance, we expanded our goals coaching program in 2021. Our coaches use personalized tools and resources to help consumers explore what truly matters in life, whether their goals are personal or financial. Goals coaches are available virtually at no cost because we believe that life guidance should be available to anyone who wants it.



This year we announced a multi-year partnership with professional golfer Collin Morikawa. With six professional wins, including two major championships, he represents what we're focused on at U.S. Bank – encouraging consumers to go after their dreams.

Forbes 2021 WORLD'S BEST EMPLOYERS

Forbes recognized U.S. Bank among the World's Best Employers in 2021, ranking us second among American-based banking and financial services companies. We placed in the top 10% of the 750 companies on the list at No. 72.

LinkedIn TOP 2021 COMPANIES

LinkedIn named us one of the 50 Best Places to Grow Your Career as part of the Top Companies 2021 list. The social network uses its proprietary data to create the annual list, which aims to “go beyond the companies that attract talent to uncover the companies that invest in their talent.”



In this red-hot housing market, we worked to help as many customers as we could and, as a result, had our best-ever year serving customers. Our team's powerful combination of data, technology and personal relationships that advances our mission of sustainable homeownership put us in a strong position to meet customer demand.

Nationwide alliance

The power of relationships is the driving force of our alliance with State Farm, which has continued to strengthen since it was first announced in 2020. This partnership gives us an unprecedented opportunity to combine U.S. Bank products and services with State Farm's coast-to-coast network of 19,000 agents. In early 2021, we finalized our conversion of the deposit and credit card portfolios of State Farm's former federal savings bank subsidiary. This added the same number of new checking accounts as if we had opened a small metropolitan area, and on the credit card side, added the same number of customers comparable to two large metropolitan areas. In October, State Farm small business customers gained access to our business banking products and services through their agents across the country for the first time.

Reflecting the communities we serve

We're taking action to ensure that our workforce reflects the communities we serve and that we have targeted development programs to help increase gender and racial diversity at all levels of our organization.

Our Business Resource Groups (BRGs) are foundational to our culture. They provide the opportunity to network, learn, develop new leadership skills and contribute powerfully to our company and the communities where we live and work. More than 20,000 employees participated in 1,300 events and volunteer opportunities coordinated by our 110 BRG chapters, including Asian Heritage, Black Heritage, Disability, LGBTQ+, Native American, Nosotros Latinos, Proud to Serve (military/veteran) and Women. The role our BRGs play in championing equity and fostering inclusion helped us rise to No. 18 on the DiversityInc Top 50 Companies for Diversity list, up from No. 40 in 2020.



Investing in our relationships

We pride ourselves on being relationship-oriented. How a bank responds to its clients during moments of uncertainty in the markets and economy define those relationships for years to come.

One of the first to offer cryptocurrency custody services

The price of Bitcoin was less than \$200 when our Blockchain and Cryptocurrency Practice was established in 2015. As this market continues to evolve, we surveyed some of our largest clients to determine if they were interested in crypto – and it turned out that there was not only broad interest, but that fund managers also wanted the credibility of a bank like U.S. Bank to help reassure their clients. To meet this need, we became one of the first to offer cryptocurrency custody services, which are now available to Global Fund Services clients. The offering will help investment managers store private keys for Bitcoin with assistance from sub-custodian NYDIG.

An easier-to-use digital investing tool

U.S. Bancorp Investments (USBI) revamped its Automated Investor to make it easier to use and more accessible to first-time investors. Based on extensive research and customer co-creation, the USBI team rebuilt the experience and is delivering many new features, including a new low minimum investment of \$1,000 (previously \$5,000); a new faster application with fewer steps; seven new customer-friendly goals, including a new home and a home remodel; and a new dashboard for accounts that shows projected value, whether a customer is on or off track toward goals.

New passive currency hedging service

We also announced a new passive currency hedging service powered by Lumint's industry-leading technology. The new U.S. Bank Global Currency Management solution offers institutional investors a highly automated and scalable solution for portfolio and share class currency hedging and will allow them to enjoy full performance of their assets and protect their overall investment from currency exchange volatility.

Welcoming PFM Asset Management

The acquisition of PFM Asset Management by U.S. Bancorp Asset Management solidified our position as a leading provider of investment solutions. PFM Asset Management brings a wide array of client relationships and product offerings, including local government investment pools, outsourced chief investment officer services and separately-managed accounts in both fixed income and multi-asset class strategies. PFM Asset Management will continue to operate as a separately registered investment adviser.

More specialty coverage for large corporate clients

Our Corporate Banking team serves clients in more than a dozen industries across the country, from Healthcare to Insurance, delivering the credit, leasing and international payment services that have helped businesses grow, hire and innovate. In response to clear market needs, we added Aerospace & Defense and Hospitality & Leisure, enabling more companies to benefit from the team's deep specialty expertise and broad geographic coverage as they continued to navigate the impacts of the pandemic.

Addressing Environmental, Social and Governance (ESG) through financing activities

In a survey, **71 percent of chief financial officers (CFOs)** told us that their business's focus on ESG has increased in the past year. While there are countless impactful ESG activities taking place across organizations, attention has increasingly turned to how CFOs can address ESG through their financing activities. The opportunities to structure financing to incentivize progress are vast. That's part of the reason why we expanded sustainable financing capabilities as client demand surges, including the formal establishment of a full-service ESG practice within Fixed Income & Capital Markets.

We also joined Enterprise Community Partners to issue – and invest in – an innovative bond designed for targeted and measurable racial equity results. Issued by Enterprise Community Loan Fund, Enterprise's Community Development Financial Institution (CDFI), the \$30 million bond will help provide loans to housing developers who identify as Black, Indigenous or with other communities of color. This is the first CDFI-issued racial equity bond, and the designation of this social bond as a racial equity bond provides for targeted investments in underserved communities.



Investing in a better tomorrow

We're investing in a long-term approach to bring the strengths of our company to help address some of the biggest challenges impacting people and our planet.

U.S. Bank Access Commitment™

In February 2021, we launched U.S. Bank Access Commitment™, a series of long-term initiatives to address the persistent racial wealth gap and increase wealth building opportunities, starting with the Black community, because that is where the U.S. racial wealth gap is the greatest. Working to close the racial wealth gap is an area where we can use our core competencies as a financial institution to help address wealth disparities and the underlying systemic barriers that prevent economic mobility for everyone.

The work is focused on three primary areas:

- Supporting small businesses
- Helping communities and families advance economically
- Enhancing career opportunities for employees and prospective employees

The ongoing work spans the entire company and builds on the \$116 million commitment we made in 2020, including increased supplier spend, innovative products and services, transformative customer experiences and long-term, place-based partnerships.

Supporting racial equity: 2021

In 2021, we provided **\$197+ million** in capital to Black-owned or -led businesses and organizations and launched U.S. Bank Access Commitment™, our long-term approach to serving diverse communities with additional investments.



This included our

\$25 million

Access Fund supporting more than **30,000** women of color-owned microbusinesses over three years.



Received

\$65 million

NMTC* allocation that will support community investments in projects that support racial equity.



Made

\$305 million

in loan commitments to CDFIs during 2021, bringing USBCDC's total of debt capital support to more than **\$485 million**.



Invested in more than

260

Black leaders who completed McKinsey Black Leadership Academy.



Reopening Minneapolis branches damaged in civil unrest and **donated** one former branch building for future community development.

Source: U.S. Bank. The \$197+ million includes tax credit investments plus support of Community Development Financial Institutions (CDFI's) and other community organizations through the U.S. Bancorp Community Development Corporation (USB CDC).

*New Market Tax Credit

Supporting women of color microbusiness owners

We launched the \$25 million U.S. Bank Access Fund – a fund that will support more than 30,000 women of color microbusiness owners over three years, prioritizing Black women business owners. The fund, a collaboration between U.S. Bank Foundation and U.S. Bancorp Community Development Corporation, includes long-term investments of grants and capital funding to three partners: the African American Alliance of CDFI CEOs (the Alliance), Grameen America and Local Initiatives Support Corporation (LISC).

Microbusinesses – defined as having 10 or fewer employees – led by women of color are some of the fastest-growing in the country, yet face tremendous barriers. This fund will help sustain and create new job opportunities for those businesses, as well as provide access to capital, technical assistance and networking opportunities. U.S. Bank leaders will also share expertise with business owners through a series of customized seminars and roundtables.



Over the past several years, we've donated mortgage-free homes, vehicles and home repairs to military veterans. In 2021, we unveiled a new program called Operation Always Remember, revisiting 42 of the previous recipients of these programs with gift cards for gas, clothing and restaurants worth up to \$5,000 dollars.



U.S. Bancorp Community Development Corporation has helped ensure that more than \$485 million in capital was available for CDFIs and their customers, most of that in the last five years.



The Ethisphere Institute, a global leader in defining and advancing the standards of ethical business practices, named us one of the World's Most Ethical Companies for the seventh consecutive year.



The U.S. Bank Access Fund exists to help entrepreneurs like Joanna, owner of Joanna's Sweet Creations, receive financing from U.S. Bank partners like Grameen America.

Addressing the impacts of climate change

Managing our business in an environmentally sustainable manner is an important component of corporate responsibility and critical to the health of our economy. That's why we announced several companywide commitments to address the impacts of climate change on our business, customers and communities, including the following:



Setting a goal to achieve Net Zero greenhouse gas emissions – including financed emissions – by 2050.



Setting a goal to source 100% renewable electricity within our operations by 2025 and joining RE100.



Setting an environmental finance goal of \$50 billion by 2030 to support the transition to a low-carbon economy.



Aligning disclosures with the Task Force on Climate-related Financial Disclosures recommendations.



Joining the Partnership for Carbon Accounting Financials (PCAF) and committing to measure and disclose financed emissions using PCAF standards.

The \$50 billion environmental finance goal will advance the transition to a low-carbon economy by financing more customers and projects that have a positive impact on the environment. Additional information on our climate commitments and new ESG strategy can be found at usbank.com/ESG2021.

COMMUNITY POSSIBLE

Philanthropy anchored in trust and humility

We believe all people deserve the opportunity to dream, believe and achieve. Through the U.S. Bank **Community Possible** platform, we invest our time, resources and passion in economic development by supporting efforts to create stable jobs, better homes and vibrant communities. This work drives our focus of reducing economic and racial barriers to success for women, people of color and low- and moderate- income communities.

A key program to support these efforts is the annual **Market Impact Fund**. The \$1 million micro-local grant program, focused this year on young entrepreneurs of color, provided grants to 20 nonprofit organizations across the U.S. These emerging leaders are acutely focused on creating effective community-led solutions to increasing economic disparities.

In 2021, we gave \$62 million in corporate donations and grants, and 267,000 hours in employee volunteering, to 9,000 schools, nonprofits and community organizations.



Employee Giving and Employee Assistance Fund Campaigns

Our employees continue to lead the way in our community and employee impact efforts. Each year, our employees participate in an annual Employee Giving Campaign focused on supporting nonprofit organizations across the country. We raised a record-breaking \$13 million and recorded 31,000 volunteer hours for communities in need, supporting 14,000 unique organizations.

The annual Employee Assistance Fund (EAF) Campaign offers the opportunity for employees to support one another when they've exhausted their ability to pay for essential living expenses due to an unexpected event. Since its inception, the EAF has granted nearly \$14 million to over 3,600 employees, helping them overcome unforeseen financial hardships like illness, natural disaster, the job loss of a spouse or partner or the death of a family member. In 2021, we raised a record-breaking \$1.5 million for the EAF to support employees in need.



Chris Taylor, a former business banker, created his own role at U.S. Bank promoting financial literacy and helping to build wealth and create access for diverse communities, starting with youth and their families in Columbus, Ohio.

Financial inclusion

Financial inclusion and wellness of our employees, customers and communities continue to be a priority. In 2021, we expanded our Employee Financial Wellness campaign, with employees participating in over 10,000 activities to support their own financial health. Our Student Scholarship continues to provide access to financial education, primarily serving students of color. Approximately 51,000 students completed 275,000 financial education modules, while we also offered a virtual mentoring option to deepen their learning with U.S. Bank employee volunteers. Also, our partnership with Operation HOPE continued in 2021, enabling us to help individuals raise their credit scores and savings.

“We are dedicated to empowering our communities by listening to those with lived experience and supporting their ideas on how to address racial and economic inequities and creating lasting change.”

Reba Dominski, executive vice president, head of social responsibility at U.S. Bank

COMMUNITY INVESTMENTS

At U.S. Bank, we proudly invest in our community. Our 2021 investments include:



\$43.6B

Invested in environmentally beneficial business since 2008



\$62M

In corporate contributions and U.S. Bank Foundation giving



\$6.1B

In community development loans and investments to low- and moderate income communities



\$1.9B

In Small Business Administration loans



\$197M+

In capital to Black-owned or -led businesses and organizations



\$25M

U.S. Bank Access Fund supporting small businesses owned by women and people of color



\$305M

In capital available to CDFIs to create economic opportunity



\$13M

In donations to nonprofits through annual Employee Giving Campaign



267,000

Employee volunteer hours, equating to \$7.6 million investment*



97%

Foundation dollars supporting women, people of color and low- and moderate-income communities



275,000

Financial education modules completed by students



A-

Received a score of A- from CDP for tackling climate change

* Volunteer hours valued at \$28.54 per hour by the Independent Sector.

To read more, visit: usbank.com/community

MANAGING COMMITTEE



Andrew Cecere

Chairman, President and
Chief Executive Officer



Elcio R.T. Barcelos

Senior Executive Vice
President and Chief Human
Resources Officer



James L. Chosy

Senior Executive
Vice President and
General Counsel



Gregory G. Cunningham

Senior Executive
Vice President and
Chief Diversity Officer



Terrance R. Dolan

Vice Chair and
Chief Financial Officer



Gunjan Kedia

Vice Chair, Wealth
Management and
Investment Services



James B. Kelligrew

Vice Chair, Corporate &
Commercial Banking



Shailesh M. Kotwal

Vice Chair,
Payment Services



Katherine B. Quinn

Vice Chair and Chief
Administrative Officer



Jodi L. Richard

Vice Chair and
Chief Risk Officer



Mark G. Runkel

Senior Executive Vice
President and Chief
Transformation Officer



Dominic V. Venturo

Senior Executive
Vice President and
Chief Digital Officer



Jeffry H. von Gillern

Vice Chair, Technology
and Operations Services



Timothy A. Welsh

Vice Chair, Consumer
and Business Banking

BOARD OF DIRECTORS



Andrew Cecere
Chairman, President
and Chief Executive Officer



Warner L. Baxter
Executive Chairman and
Former Chairman, President
and CEO, Ameren Corporation



Dorothy J. Bridges
Former Senior Vice President,
Federal Reserve Bank
of Minneapolis



Elizabeth L. Buse
Former Chief Executive
Officer, Monitise PLC



Kimberly N. Ellison-Taylor
Founder and CEO,
KET Solutions, LLC



Kimberly J. Harris
Retired President and
Chief Executive Officer,
Puget Energy, Inc.



Roland A. Hernandez
Founding Principal and
Chief Executive Officer,
Hernandez Media Ventures



Olivia F. Kirtley
Business Consultant
(Lead Director)



Karen S. Lynch
President and Chief
Executive Officer,
CVS Health Corporation



Richard P. McKenney
President and Chief
Executive Officer,
Unum Group



Yusuf I. Mehdi
Corporate Vice President,
Microsoft Corporation



John P. Wiehoff
Retired Chairman and
Chief Executive Officer,
C.H. Robinson Worldwide, Inc.



Scott W. Wine
Chief Executive Officer,
CNH Industrial N.V.

ABOUT US

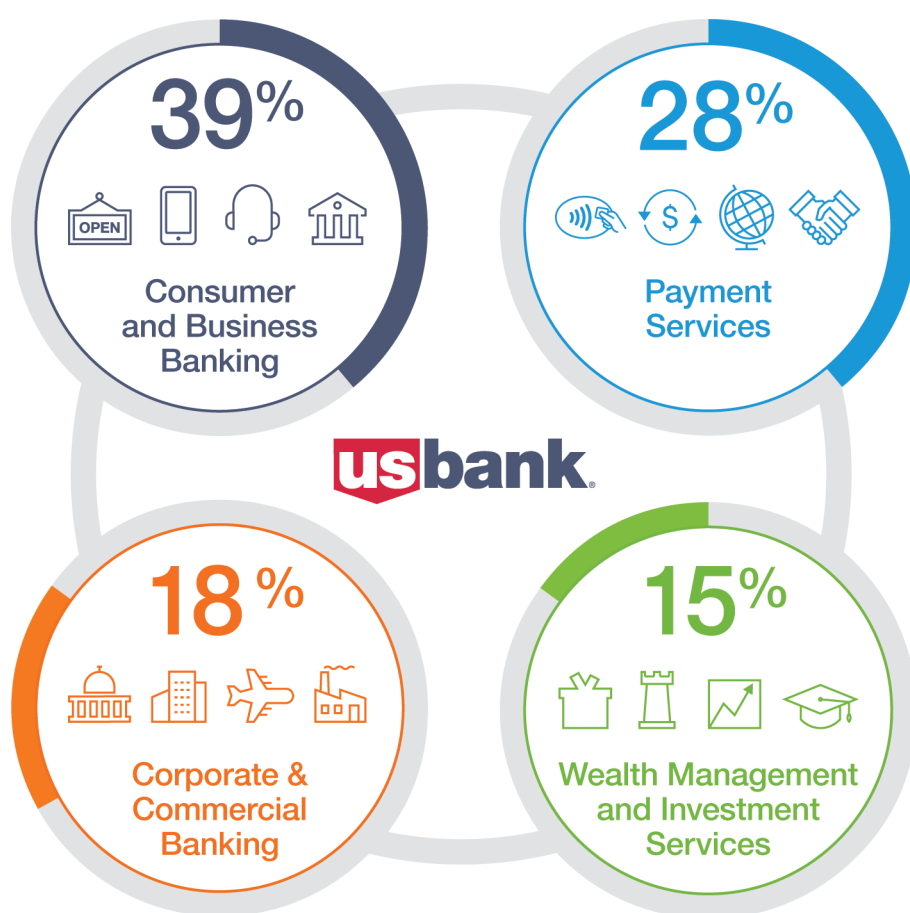
U.S. Bancorp, with nearly 70,000 employees and \$573 billion in assets as of December 31, 2021, is the parent company of U.S. Bank National Association.

The Minneapolis-based company serves millions of customers locally, nationally and globally through a diversified mix of businesses: Consumer and Business Banking, Payment Services, Corporate & Commercial Banking and Wealth Management and Investment Services. The company has been recognized for its approach to digital innovation, social responsibility and customer service, including being named one of the 2021 World's Most Ethical Companies by Ethisphere Institute, and Fortune's most admired superregional bank.

Learn more at usbank.com/about

Revenue mix by business line

2021 taxable-equivalent basis. Business line revenue percentages exclude Treasury and Corporate Support.



• Consumer and Business Banking:

Branches; 24-hour customer centers; mobile banking; online banking; mortgages; consumer lending; ATM and debit processing; workplace banking; student banking

• Payment Services:

Credit, debit, prepaid, virtual, corporate, purchasing and fleet cards; global payment processing; freight payment services; real time payments; eCommerce

• Corporate & Commercial Banking:

Lending; asset based financing; equipment finance and small-ticket leasing; correspondent banking; depository services; capital markets; international trade

• Wealth Management and Investment Services:

Wealth planning, investments, trust services; private banking; specialty asset management; global custody solutions; global fund services; corporate and institutional trust services

Our strategic pillars Our strategy is how we will grow; it comes to life by activating our pillars.



Being the Most
Trusted Choice



Driving One
U.S. Bank



Striving for
Simplicity



Creating the
Future Now



The following pages discuss in detail the financial results we achieved in 2021 — results that reflect how we are creating the future now.

The following information appears in accordance with the Private Securities Litigation Reform Act of 1995:

This report contains forward-looking statements about U.S. Bancorp. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements and are based on the information available to, and assumptions and estimates made by, management as of the date hereof. These forward-looking statements cover, among other things, anticipated future revenue and expenses and the future plans and prospects of U.S. Bancorp. Forward-looking statements involve inherent risks and uncertainties, including the following risks and uncertainties and the risks and uncertainties more fully discussed in the “Risk Factors” section of this report, which could cause actual results to differ materially from those anticipated. The COVID-19 pandemic is adversely affecting U.S. Bancorp, its customers, counterparties, employees, and third-party service providers, and the ultimate extent of the impacts on its business, financial position, results of operations, liquidity, and prospects is uncertain. Continued deterioration in general business and economic conditions or turbulence in domestic or global financial markets could adversely affect U.S. Bancorp’s revenues and the values of its assets and liabilities, reduce the availability of funding to certain financial institutions, lead to a tightening of credit, and increase stock price volatility. In addition, changes to statutes, regulations, or regulatory policies or practices could affect U.S. Bancorp in substantial and unpredictable ways. U.S. Bancorp’s results could also be adversely affected by changes in interest rates; increases in unemployment rates; deterioration in the credit quality of its loan portfolios or in the value of the collateral securing those loans; deterioration in the value of its investment securities; legal and regulatory developments; litigation; increased competition from both banks and non-banks; civil unrest; the effects of climate change; changes in customer behavior and preferences; breaches in data security, including as a result of work-from-home arrangements; failures to safeguard personal information; effects of mergers and acquisitions and related integration; effects of critical accounting policies and judgments; and management’s ability to effectively manage credit risk, market risk, operational risk, compliance risk, strategic risk, interest rate risk, liquidity risk and reputation risk. In addition, U.S. Bancorp’s proposed acquisition of MUFG Union Bank presents risks and uncertainties, including, among others: the risk that the cost savings, any revenue synergies and other anticipated benefits of the proposed acquisition may not be realized or may take longer than anticipated to be realized; the risk that U.S. Bancorp’s business could be disrupted as a result of the announcement and pendency of the proposed acquisition and diversion of management’s attention from ongoing business operations and opportunities; the possibility that the proposed acquisition, including the integration of MUFG Union Bank, may be more costly or difficult to complete than anticipated; delays in closing the proposed acquisition; and the failure of required governmental approvals to be obtained or any other closing conditions in the definitive purchase agreement to be satisfied.

Additional factors could cause actual results to differ from expectations, including the risks discussed in the “Corporate Risk Profile” section on pages 35 to 56 and “Risk Factors” section on pages 137 to 150 of this report. In addition, factors other than these risks also could adversely affect U.S. Bancorp’s results, and the reader should not consider these risks to be a complete set of all potential risks or uncertainties. Forward-looking statements speak only as of the date hereof, and U.S. Bancorp undertakes no obligation to update them in light of new information or future events.

22 Management’s Discussion and Analysis

22 Overview

24 Statement of Income Analysis

28 Balance Sheet Analysis

35 Corporate Risk Profile

35 Overview

36 Credit Risk Management

48 Residual Value Risk Management

48 Operational Risk Management

49 Compliance Risk Management

49 Interest Rate Risk Management

51 Market Risk Management

52 Liquidity Risk Management

55 Capital Management

56 Line of Business Financial Review

60 Non-GAAP Financial Measures

62 Accounting Changes

62 Critical Accounting Policies

64 Controls and Procedures

65 Reports of Management and Independent Accountants

69 Consolidated Financial Statements and Notes

134 Consolidated Daily Average Balance Sheet and Related Yields and Rates

136 Supplemental Financial Data

137 Company Information

151 Managing Committee

153 Directors

Management's Discussion and Analysis

Overview

In 2021, U.S. Bancorp and its subsidiaries (the "Company") continued to demonstrate its financial strength and diversified business model. In a year where the economy continued to recover from the impacts of the COVID-19 pandemic, the Company maintained its sound credit quality and strong capital and liquidity position, while continuing to invest in digital capabilities and key business initiatives to drive growth in the future.

The Company earned \$8.0 billion in 2021, an increase of \$3.0 billion (60.6 percent) from 2020, reflecting a decrease in the provision for credit losses, partially offset by lower pre-provision operating income. The decrease in the provision for credit losses was driven by improvement in the global economy, as well as strong credit and collateral performance. Net interest income decreased due to lower loan spreads and declining average loan balances driven by commercial loan payoffs by business customers, partially offset by changes in deposit and funding mix and higher loan fees. Noninterest income decreased due to lower mortgage banking revenue, commercial products revenue and securities gains, partially offset by improvements in payment services revenue, trust and investment management fees, deposit service charges, treasury management fees and investment products fees. Noninterest expense was higher reflecting increases in compensation expense, employee benefits expense, technology and communications expense, professional services expense, and marketing and business development expense, partially offset by lower net occupancy and equipment expense and other noninterest expense.

In 2021, the Company increased deposits significantly, while average loan balances decreased. Average loan balances in 2021 decreased \$10.3 billion (3.4 percent) from 2020 primarily due to lower commercial loans driven by continued payoffs by business customers, lower commercial real estate loans as a result of

customer payoffs and lower credit card loans driven by higher customer payment rates. These decreases were partially offset by higher other retail loans, driven by growth in installment loans due to strong auto and recreational vehicle lending, partially offset by lower home equity and second mortgages as more customers chose to refinance their existing first lien residential mortgage balances during the prior year due to the low interest rate environment. In addition, residential mortgages were higher due to increased loan portfolio production and slower payoffs in the mortgage portfolio. Average deposit balances in 2021 increased \$35.7 billion (8.9 percent) over 2020 primarily due to higher noninterest-bearing and total savings deposit balances, partially offset by lower time deposit balances. The growth in average noninterest-bearing and total savings deposits was primarily a result of the actions taken by the federal government to increase liquidity in the financial system and government stimulus programs.

The Company's common equity tier 1 capital to risk-weighted assets ratio, using the Basel III standardized approach was 10.0 percent at December 31, 2021. Refer to Table 22 for a summary of the statutory capital ratios in effect for the Company at December 31, 2021 and 2020. Further, credit rating organizations rate the Company's debt among the highest of any bank in the world. This comparative financial strength provides the Company with favorable funding costs, strong liquidity and the ability to attract new customers.

The Company's financial strength, diversified business model and strong credit quality position it well for 2022. The Company looks to continue building momentum in each of the lines of business, as the investments made in digital transformation and payments ecosystem initiatives will continue to enable customer and revenue growth, and the Company expects continued momentum in customer spend activity and loan growth.

TABLE 1 Selected Financial Data

Year Ended December 31

(Dollars and Shares in Millions, Except Per Share Data)

	2021	2020	2019
Condensed Income Statement			
Net interest income	\$ 12,494	\$ 12,825	\$ 13,052
Taxable-equivalent adjustment ^(a)	106	99	103
Net interest income (taxable-equivalent basis) ^(b)	12,600	12,924	13,155
Noninterest income	10,227	10,401	9,831
Total net revenue	22,827	23,325	22,986
Noninterest expense	13,728	13,369	12,785
Provision for credit losses	(1,173)	3,806	1,504
Income before taxes	10,272	6,150	8,697
Income taxes and taxable-equivalent adjustment	2,287	1,165	1,751
Net income	7,985	4,985	6,946
Net (income) loss attributable to noncontrolling interests	(22)	(26)	(32)
Net income attributable to U.S. Bancorp	\$ 7,963	\$ 4,959	\$ 6,914
Net income applicable to U.S. Bancorp common shareholders	\$ 7,605	\$ 4,621	\$ 6,583
Per Common Share			
Earnings per share	\$ 5.11	\$ 3.06	\$ 4.16
Diluted earnings per share	5.10	3.06	4.16
Dividends declared per share	1.76	1.68	1.58
Book value per share ^(c)	32.71	31.26	29.90
Market value per share	56.17	46.59	59.29
Average common shares outstanding	1,489	1,509	1,581
Average diluted common shares outstanding	1,490	1,510	1,583
Financial Ratios			
Return on average assets	1.43%	.93%	1.45%
Return on average common equity	16.0	10.0	14.1
Net interest margin (taxable-equivalent basis) ^(a)	2.49	2.68	3.06
Efficiency ratio ^(b)	60.4	57.8	55.8
Net charge-offs as a percent of average loans outstanding	.23	.58	.50
Average Balances			
Loans	\$296,965	\$307,269	\$290,686
Loans held for sale	8,024	6,985	3,769
Investment securities ^(d)	154,702	125,954	117,150
Earning assets	506,141	481,402	430,537
Assets	556,532	531,207	475,653
Noninterest-bearing deposits	127,204	98,539	73,863
Deposits	434,281	398,615	346,812
Short-term borrowings	14,774	19,182	18,137
Long-term debt	36,682	44,040	41,572
Total U.S. Bancorp shareholders' equity	53,810	52,246	52,623
Period End Balances			
Loans	\$312,028	\$297,707	\$296,102
Investment securities	174,821	136,840	122,613
Assets	573,284	553,905	495,426
Deposits	456,083	429,770	361,916
Long-term debt	32,125	41,297	40,167
Total U.S. Bancorp shareholders' equity	54,918	53,095	51,853
Asset Quality			
Nonperforming assets	\$ 878	\$ 1,298	\$ 829
Allowance for credit losses	6,155	8,010	4,491
Allowance for credit losses as a percentage of period-end loans	1.97%	2.69%	1.52%
Capital Ratios			
Common equity tier 1 capital	10.0%	9.7%	9.1%
Tier 1 capital	11.6	11.3	10.7
Total risk-based capital	13.4	13.4	12.7
Leverage	8.6	8.3	8.8
Total leverage exposure	6.9	7.3	7.0
Tangible common equity to tangible assets ^(b)	6.8	6.9	7.5
Tangible common equity to risk-weighted assets ^(b)	9.2	9.5	9.3
Common equity tier 1 capital to risk-weighted assets, reflecting the full implementation of the current expected credit losses methodology ^(b)	9.6	9.3	

(a) Based on a federal income tax rate of 21 percent for those assets and liabilities whose income or expense is not included for federal income tax purposes.

(b) See Non-GAAP Financial Measures beginning on page 60.

(c) Calculated as U.S. Bancorp common shareholders' equity divided by common shares outstanding at end of the period.

(d) Excludes unrealized gains and losses on available-for-sale investment securities and any premiums or discounts recorded related to the transfer of investment securities at fair value from available-for-sale to held-to-maturity.

Earnings Summary The Company reported net income attributable to U.S. Bancorp of \$8.0 billion in 2021, or \$5.10 per diluted common share, compared with \$5.0 billion, or \$3.06 per diluted common share, in 2020. Return on average assets and return on average common equity were 1.43 percent and 16.0 percent, respectively, in 2021, compared with 0.93 percent and 10.0 percent, respectively, in 2020.

Total net revenue for 2021 was \$498 million (2.1 percent) lower than 2020, reflecting a 2.6 percent decrease in net interest income (2.5 percent on a taxable-equivalent basis) and a 1.7 percent decrease in noninterest income. The decrease in net interest income from the prior year was due to lower loan spreads and declining average loan balances driven by commercial loan payoffs by business customers, partially offset by changes in deposit and funding mix and higher loan fees. The decrease in noninterest income was driven by lower mortgage banking revenue, commercial products revenue and securities gains, partially offset by improvements in payment services revenue, trust and investment management fees, deposit service charges, treasury management fees and investment products fees.

Noninterest expense in 2021 was \$359 million (2.7 percent) higher than 2020, reflecting increases in compensation expense, employee benefits expense, technology and communications expense, professional services expense, and marketing and business development expense, partially offset by lower net occupancy and equipment expense and other noninterest expense.

Results for 2020 Compared With 2019 For discussion related to changes in financial condition and results of operations for 2020 compared with 2019, refer to “Management’s Discussion and Analysis” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020, which was filed with the Securities and Exchange Commission on February 23, 2021.

Pending Acquisition In September 2021, the Company announced that it has entered into a definitive agreement to acquire MUFG Union Bank’s core regional banking franchise from Mitsubishi UFJ Financial Group (“MUFG”), for an expected purchase price of approximately \$8.0 billion, including \$5.5 billion in cash and approximately 44 million shares of U.S. Bancorp common stock. The transaction excludes the purchase of MUFG Union Bank’s Global Corporate & Investment Bank, certain middle and back office functions, and other assets. MUFG Union Bank currently has approximately 300 branches in California, Washington and Oregon and is expected to add approximately \$105 billion in total assets, \$58 billion of loans and \$90 billion of deposits to the Company’s consolidated balance sheet. The transaction is expected to close in the first half of 2022, subject to customary closing conditions, including regulatory approvals.

Statement of Income Analysis

Net Interest Income Net interest income, on a taxable-equivalent basis, was \$12.6 billion in 2021, compared with \$12.9 billion in 2020. The \$324 million (2.5 percent) decrease in net interest income, on a taxable-equivalent basis, in 2021 compared with 2020, was principally driven by lower loan spreads and declining average loan balances driven by commercial loan payoffs by corporate customers accessing the capital markets and government supported loan programs, partially offset by changes in deposit and funding mix and higher loan fees driven by accelerated loan forgiveness from the Small Business Administration (“SBA”) Paycheck Protection Program. Average earning assets were \$24.7 billion (5.1 percent) higher in 2021, compared with 2020, reflecting increases in investment securities and other earning assets primarily representing cash balances, while average loans decreased due to continued payoffs by corporate customers. The net interest margin, on a taxable-equivalent basis, in 2021 was 2.49 percent, compared with 2.68 percent in 2020. The decrease in the net interest margin in 2021, compared with 2020, was primarily due to the mix of loans, lower loan spreads and higher investment securities and cash balances, partially offset by changes in deposit and funding mix and higher loan fees. Refer to the “Interest Rate Risk Management” section for further information on the sensitivity of the Company’s net interest income to changes in interest rates.

Average total loans were \$297.0 billion in 2021, compared with \$307.3 billion in 2020. The \$10.3 billion (3.4 percent) decrease was primarily due to lower commercial loans, commercial real estate loans and credit card loans, partially offset by higher residential mortgages and other retail loans. Average commercial loans decreased \$11.1 billion (9.8 percent), driven by continued payoffs by corporate customers that accessed the capital markets and government supported loan programs. Average commercial real estate loans decreased \$1.8 billion (4.4 percent), the result of customer payoffs. Average credit card loans decreased \$687 million (3.1 percent), driven by higher customer payment rates. Average residential mortgages increased \$962 million (1.3 percent) due to increased loan portfolio production and slower payoffs in the mortgage portfolio. Average other retail loans increased \$2.3 billion (4.1 percent), driven by growth in installment loans due to strong auto and recreational vehicle lending, partially offset by lower home equity and second mortgages as more customers chose to refinance their existing first lien residential mortgage balances during the prior year due to the low interest rate environment.

TABLE 2 Analysis of Net Interest Income^(a)

Year Ended December 31 (Dollars in Millions)	2021	2020	2019	2021 v 2020	2020 v 2019
Components of Net Interest Income					
Income on earning assets (taxable-equivalent basis)	\$ 13,593	\$ 14,942	\$ 17,607	\$ (1,349)	\$ (2,665)
Expense on interest-bearing liabilities (taxable-equivalent basis) . . .	993	2,018	4,452	(1,025)	(2,434)
Net interest income (taxable-equivalent basis) ^(b)	\$ 12,600	\$ 12,924	\$ 13,155	\$ (324)	\$ (231)
Net interest income, as reported	\$ 12,494	\$ 12,825	\$ 13,052	\$ (331)	\$ (227)
Average Yields and Rates Paid					
Earning assets yield (taxable-equivalent basis)	2.69%	3.10%	4.09%	(.41)%	(.99)%
Rate paid on interest-bearing liabilities (taxable-equivalent basis) . .	.28	.56	1.34	(.28)	(.78)
Gross interest margin (taxable-equivalent basis)	2.41%	2.54%	2.75%	(.13)%	(.21)%
Net interest margin (taxable-equivalent basis)	2.49%	2.68%	3.06%	(.19)%	(.38)%
Average Balances					
Investment securities ^(c)	\$154,702	\$125,954	\$117,150	\$ 28,748	\$ 8,804
Loans	296,965	307,269	290,686	(10,304)	16,583
Earning assets	506,141	481,402	430,537	24,739	50,865
Noninterest-bearing deposits	127,204	98,539	73,863	28,665	24,676
Interest-bearing deposits	307,077	300,076	272,949	7,001	27,127
Total deposits	434,281	398,615	346,812	35,666	51,803
Interest-bearing liabilities	358,533	363,298	332,658	(4,765)	30,640

(a) Interest and rates are presented on a fully taxable-equivalent basis based on a federal income tax rate of 21 percent.

(b) See Non-GAAP Financial Measures beginning on page 60.

(c) Excludes unrealized gains and losses on available-for-sale investment securities and any premiums or discounts recorded related to the transfer of investment securities at fair value from available-for-sale to held-to-maturity.

Average investment securities in 2021 were \$28.7 billion (22.8 percent) higher than in 2020, primarily due to purchases of mortgage-backed, U.S. Treasury and state and political securities, net of prepayments and maturities.

Average total deposits for 2021 were \$35.7 billion (8.9 percent) higher than 2020. Average noninterest-bearing deposits were \$28.7 billion (29.1 percent) higher in 2021, compared with 2020, reflecting increases across all business lines. Average total savings deposits for 2021 were \$20.4 billion (7.8 percent) higher than 2020, driven by increases in Consumer and Business

Banking balances, partially offset by decreases in Corporate and Commercial Banking balances. The growth in average noninterest-bearing and total savings deposits was primarily a result of the actions by the federal government to increase liquidity in the financial system and government stimulus programs. Average time deposits for 2021 were \$13.4 billion (35.3 percent) lower than 2020, driven by decreases across most business lines. Time deposits are managed as an alternative to other funding sources, based largely on relative pricing and liquidity characteristics.

TABLE 3 Net Interest Income — Changes Due to Rate and Volume^(a)

Year Ended December 31 (Dollars in Millions)	2021 v 2020			2020 v 2019		
	Volume	Yield/Rate	Total	Volume	Yield/Rate	Total
Increase (decrease) in						
Interest Income						
Investment securities	\$ 569	\$ (623)	\$ (54)	\$ 222	\$ (684)	\$ (462)
Loans held for sale	32	(16)	16	138	(84)	54
Loans						
Commercial	(311)	(197)	(508)	442	(1,479)	(1,037)
Commercial real estate	(63)	(175)	(238)	57	(519)	(462)
Residential mortgages	35	(224)	(189)	231	(209)	22
Credit card	(74)	(40)	(114)	(112)	(176)	(288)
Other retail	95	(321)	(226)	(14)	(316)	(330)
Total loans	(318)	(957)	(1,275)	604	(2,699)	(2,095)
Other earning assets	23	(59)	(36)	401	(563)	(162)
Total earning assets	306	(1,655)	(1,349)	1,365	(4,030)	(2,665)
Interest Expense						
Interest-bearing deposits						
Interest checking	15	(56)	(41)	36	(198)	(162)
Money market savings	(37)	(292)	(329)	237	(1,346)	(1,109)
Savings accounts	9	(48)	(39)	14	(79)	(65)
Time deposits	(110)	(111)	(221)	(130)	(439)	(569)
Total interest-bearing deposits	(123)	(507)	(630)	157	(2,062)	(1,905)
Short-term borrowings	(33)	(41)	(74)	21	(247)	(226)
Long-term debt	(155)	(166)	(321)	73	(376)	(303)
Total interest-bearing liabilities	(311)	(714)	(1,025)	251	(2,685)	(2,434)
Increase (decrease) in net interest income	\$ 617	\$ (941)	\$ (324)	\$1,114	\$ (1,345)	\$ (231)

(a) This table shows the components of the change in net interest income by volume and rate on a taxable-equivalent basis based on a federal income tax rate of 21 percent. This table does not take into account the level of noninterest-bearing funding, nor does it fully reflect changes in the mix of assets and liabilities. The change in interest not solely due to changes in volume or rates has been allocated on a pro-rata basis to volume and yield/rate.

Provision for Credit Losses The provision for credit losses reflects changes in economic conditions and the size and credit quality of the entire portfolio of loans. The Company maintains an allowance for credit losses considered appropriate by management for expected losses, based on factors discussed in the “Analysis and Determination of Allowance for Credit Losses” section.

In 2021, the provision for credit losses was a benefit of \$1.2 billion, compared with a provision for credit losses of \$3.8 billion in 2020. The change was driven by the Company recognizing a decrease in the allowance for credit losses during 2021 as a result of improvement in the global economy, as well as strong credit and collateral performance, compared with the Company recognizing an increase in the allowance for credit

losses in 2020 due to deteriorating economic conditions related to COVID-19. Net charge-offs decreased \$1.1 billion (61.8 percent) in 2021, compared with 2020, reflecting improvements across all loan categories. Nonperforming assets decreased \$420 million (32.4 percent) from December 31, 2020 to December 31, 2021, primarily driven by decreases in nonperforming commercial and commercial real estate loans.

Refer to “Corporate Risk Profile” for further information on the provision for credit losses, net charge-offs, nonperforming assets and other factors considered by the Company in assessing the credit quality of the loan portfolio and establishing the allowance for credit losses.

TABLE 4 Noninterest Income

Year Ended December 31 (Dollars in Millions)	2021	2020	2019	2021 v 2020	2020 v 2019
Credit and debit card revenue	\$ 1,507	\$ 1,338	\$1,413	12.6%	(5.3)%
Corporate payment products revenue	575	497	664	15.7	(25.2)
Merchant processing services	1,449	1,261	1,601	14.9	(21.2)
Trust and investment management fees	1,832	1,736	1,673	5.5	3.8
Deposit service charges	724	677	909	6.9	(25.5)
Treasury management fees	614	568	578	8.1	(1.7)
Commercial products revenue	1,102	1,143	934	(3.6)	22.4
Mortgage banking revenue	1,361	2,064	874	(34.1)	*
Investment products fees	239	192	186	24.5	3.2
Securities gains (losses), net	103	177	73	(41.8)	*
Other	721	748	926	(3.6)	(19.2)
Total noninterest income	\$10,227	\$10,401	\$9,831	(1.7)%	5.8%

* Not meaningful.

Noninterest Income Noninterest income in 2021 was \$10.2 billion, compared with \$10.4 billion in 2020. The \$174 million (1.7 percent) decrease in 2021 from 2020 reflected lower mortgage banking revenue, commercial products revenue, other noninterest income and securities gains, partially offset by higher payment services revenue, trust and investment management fees, deposit service charges, treasury management fees and investment products fees. Mortgage banking revenue decreased 34.1 percent in 2021, compared with 2020, due to lower application volume, given declining refinancing activity, and related gain on sale margins, along with declines in mortgage servicing rights ("MSRs") valuations, net of hedging activities. Commercial products revenue decreased 3.6 percent in 2021, compared with 2020, primarily due to lower capital markets activity and trading revenue, partially offset by higher syndication revenue and fees, higher non-yield loan fees as a result of higher unused commitments, and higher foreign currency customer activity. Other noninterest income decreased 3.6 percent in 2021, compared with 2020, driven by lower equity investment income and the 2020 impact of transition services agreement revenue associated with the sale of the Company's ATM third-party servicing business, partially offset by higher retail leasing end of term residual gains and the 2020 impact of certain asset impairments as a result of branch optimization. During 2020, payment services revenue had been adversely affected by the impact of the COVID-19 pandemic on consumer and business

spending, particularly related to travel and entertainment activities. However, spending has strengthened across most sectors driven by government stimulus, local jurisdictions reducing restrictions and consumer behaviors normalizing. As a result, payment services revenue increased in 2021, compared with 2020, driven by a 12.6 percent increase in credit and debit card revenue, a 15.7 percent increase in corporate payment products revenue and a 14.9 percent increase in merchant processing services revenue. Credit and debit card revenue growth related to stronger sales volume and fee activity, partially offset by investment in customer acquisition. Corporate payment products revenue increased primarily due to improving business spending, while merchant processing services revenue increased driven by higher sales volume as well as merchant fees. Trust and investment management fees increased 5.5 percent driven by business growth, favorable market conditions and activity related to the acquisition of PFM Asset Management LLC ("PFM"), partially offset by higher fee waivers. Deposit service charges increased 6.9 percent primarily due to stronger customer activity. Treasury management fees increased 8.1 percent due to core growth driven by the COVID-19 economic recovery. Investment products fees increased 24.5 percent primarily driven by favorable market conditions and growth.

TABLE 5 Noninterest Expense

Year Ended December 31 (Dollars in Millions)	2021	2020	2019	2021 v 2020	2020 v 2019
Compensation	\$ 7,299	\$ 6,635	\$ 6,325	10.0%	4.9%
Employee benefits	1,429	1,303	1,286	9.7	1.3
Net occupancy and equipment	1,048	1,092	1,123	(4.0)	(2.8)
Professional services	492	430	454	14.4	(5.3)
Marketing and business development	366	318	426	15.1	(25.4)
Technology and communications	1,454	1,294	1,095	12.4	18.2
Postage, printing and supplies	274	288	290	(4.9)	(.7)
Other intangibles	159	176	168	(9.7)	4.8
Other	1,207	1,833	1,618	(34.2)	13.3
Total noninterest expense	\$13,728	\$13,369	\$12,785	2.7%	4.6%
Efficiency ratio ^(a)	60.4%	57.8%	55.8%		

(a) See Non-GAAP Financial Measures beginning on page 60.

Noninterest Expense Noninterest expense in 2021 was \$13.7 billion, compared with \$13.4 billion in 2020. The Company's efficiency ratio was 60.4 percent in 2021, compared with 57.8 percent in 2020. The \$359 million (2.7 percent) increase in noninterest expense in 2021 over 2020 was driven by higher compensation expense, employee benefits expense, technology and communications expense, professional services expense, and marketing and business development expense, partially offset by lower net occupancy and equipment expense and other noninterest expense. Compensation expense increased 10.0 percent in 2021 over 2020, due to higher performance-based incentives, revenue related commissions, merit increases and hiring to support business growth. Employee benefits expense increased 9.7 percent driven by higher medical claims expense, compensation related payroll taxes and pension expense. Technology and communications expense increased 12.4 percent primarily due to expenditures supporting business investments. Professional services expense increased 14.4 percent primarily due to an increase in business investment and related initiatives in 2021. Marketing and business development expense increased 15.1 percent due to the timing of marketing campaigns supporting business development and lower marketing activities in 2020 during the pandemic. Net occupancy and equipment expense decreased 4.0 percent primarily due to branch closures. Other noninterest expense decreased 34.2 percent, primarily due to higher COVID-19 related expenses in 2020 including recognizing liabilities related to future delivery exposures for merchant and airline processing, as well as lower amortization related to tax-advantaged projects which were scaled back in 2020 during the pandemic.

Pension Plans Because of the long-term nature of pension plans, the related accounting is complex and can be impacted by several factors, including investment funding policies, accounting methods and actuarial assumptions.

The Company's pension accounting reflects the long-term nature of the benefit obligations and the investment horizon of plan assets. Amounts recorded in the financial statements reflect actuarial assumptions about participant benefits and plan asset returns. Changes in actuarial assumptions and differences in actual plan experience, compared with actuarial assumptions, are deferred and recognized in expense in future periods.

Pension expense is expected to decrease by approximately \$20 million to \$181 million in 2022, primarily related to the return on higher plan assets and a higher discount rate, partially offset by demographic experience. Because of the complexity of forecasting pension plan activities, the accounting methods utilized for pension plans, the Company's ability to respond to factors affecting the plans and the hypothetical nature of actuarial assumptions, the actual pension expense may differ from the expected amount.

Refer to Note 17 of the Notes to the Consolidated Financial Statements for further information on the Company's pension plan funding practices, investment policies and asset allocation strategies, and accounting policies for pension plans.

The following table shows the effect of hypothetical changes in the discount rate and long-term rate of return ("LTROR") on the Company's expected 2022 pension expense:

Discount Rate (Dollars in Millions)	Down 100 Basis Points	Up 100 Basis Points
Incremental benefit (expense)	\$ (108)	\$ 96
Percent of 2021 net income	(1.01)%	.90%

LTROR (Dollars in Millions)	Down 100 Basis Points	Up 100 Basis Points
Incremental benefit (expense)	\$ (73)	\$ 73
Percent of 2021 net income	(.68)%	.68%

Income Tax Expense The provision for income taxes was \$2.2 billion (an effective rate of 21.5 percent) in 2021, compared with \$1.1 billion (an effective rate of 17.6 percent) in 2020. The higher tax rate for 2021 was due to the marginal impact of providing taxes on higher pretax earnings in 2021.

For further information on income taxes, refer to Note 19 of the Notes to Consolidated Financial Statements.

Balance Sheet Analysis

Average earning assets were \$506.1 billion in 2021, compared with \$481.4 billion in 2020. The increase in average earning assets of \$24.7 billion (5.1 percent) was primarily due to increases in investment securities of \$28.7 billion (22.8 percent) and other earning assets of \$5.3 billion (12.8 percent), primarily representing higher cash balances, partially offset by a decrease in loans of \$10.3 billion (3.4 percent).

For average balance information, refer to Consolidated Daily Average Balance Sheet and Related Yields and Rates on pages 134 and 135.

Loans The Company's loan portfolio was \$312.0 billion at December 31, 2021, compared with \$297.7 billion at December 31, 2020, an increase of \$14.3 billion (4.8 percent). The increase was driven by increases in commercial loans of \$9.2 billion (8.9 percent), other retail loans of \$4.9 billion (8.7%), residential mortgages of \$338 million (0.4 percent) and credit card loans of \$154 million (0.7 percent), partially offset by a decrease in commercial real estate loans of \$258 million (0.7 percent). Table 6 provides a summary of the loan distribution by product type, while Table 7 provides a summary of the selected loan maturity distribution by loan category. Average total loans decreased \$10.3 billion (3.4 percent) in 2021, compared with 2020. The decrease was due to lower commercial loans, commercial real estate loans and credit card loans, partially offset by increases in other retail loans and residential mortgages.

TABLE 6 Loan Portfolio Distribution

At December 31 (Dollars in Millions)	2021		2020	
	Amount	Percent of Total	Amount	Percent of Total
Commercial				
Commercial	\$106,912	34.3%	\$ 97,315	32.7%
Lease financing	5,111	1.6	5,556	1.9
Total commercial	112,023	35.9	102,871	34.6
Commercial Real Estate				
Commercial mortgages	28,757	9.2	28,472	9.6
Construction and development	10,296	3.3	10,839	3.6
Total commercial real estate	39,053	12.5	39,311	13.2
Residential Mortgages				
Residential mortgages	67,546	21.6	66,525	22.4
Home equity loans, first liens	8,947	2.9	9,630	3.2
Total residential mortgages	76,493	24.5	76,155	25.6
Credit Card	22,500	7.2	22,346	7.5
Other Retail				
Retail leasing	7,256	2.3	8,150	2.7
Home equity and second mortgages	10,446	3.4	12,472	4.2
Revolving credit	2,750	.9	2,688	.9
Installment	16,514	5.3	13,823	4.6
Automobile	24,866	8.0	19,722	6.6
Student	127	—	169	.1
Total other retail	61,959	19.9	57,024	19.1
Total loans	\$312,028	100.0%	\$297,707	100.0%

TABLE 7 Selected Loan Maturity Distribution

At December 31, 2021 (Dollars in Millions)	One Year or Less	Over One Through Five Years	Over Five Through Fifteen Years	Over Fifteen Years	Total
Commercial	\$27,220	\$ 78,342	\$ 6,295	\$ 166	\$112,023
Commercial real estate	8,334	22,462	4,527	3,730 ^(a)	39,053
Residential mortgages	337	877	7,604	67,675	76,493
Credit card	22,500	—	—	—	22,500
Other retail	2,742	20,934	23,893	14,390	61,959
Total loans	\$61,133	\$122,615	\$42,319	\$ 85,961	\$312,028

Total of loans due after one year with:

	Predetermined Interest Rates	Floating Interest Rates
Commercial	\$ 16,816	\$ 67,987
Commercial real estate	10,476	20,243
Residential mortgages	53,517	22,639
Credit card	—	—
Other retail	47,261	11,956
Total	\$128,070	\$122,825

(a) Primarily represents construction loans for single-family residences or loans guaranteed by the SBA.

TABLE 8 Commercial Loans by Industry Group and Geography

At December 31 (Dollars in Millions)	2021		2020	
	Loans	Percent	Loans	Percent
Industry Group				
Real-estate related	\$ 16,646	14.9%	\$ 14,032	13.6%
Financial institutions	14,002	12.5	11,208	10.9
Automotive	7,590	6.8	4,395	4.3
Personal, professional and commercial services	7,095	6.3	7,597	7.4
Healthcare	6,923	6.2	7,815	7.6
Technology	5,119	4.6	3,937	3.8
Retail	4,717	4.2	5,277	5.1
Media and entertainment	4,623	4.1	5,737	5.6
Capital goods	4,099	3.6	2,911	2.8
Food and beverage	4,097	3.6	3,869	3.8
Transportation	3,895	3.5	3,441	3.3
Education and non-profit	3,721	3.3	4,698	4.6
Metals and mining	3,342	3.0	2,892	2.8
State and municipal government	3,166	2.8	3,157	3.1
Power	3,028	2.7	2,150	2.1
Building materials	2,687	2.4	2,813	2.7
Energy	2,299	2.1	2,624	2.6
Agriculture	1,796	1.6	1,950	1.9
Other	13,178	11.8	12,368	12.0
Total	\$112,023	100.0%	\$102,871	100.0%
Geography				
California	\$ 15,439	13.8%	\$ 14,053	13.7%
New York	7,483	6.7	6,129	6.0
Texas	6,748	6.0	6,163	6.0
Minnesota	6,730	6.0	7,251	7.0
Illinois	6,572	5.9	5,795	5.6
Ohio	4,310	3.8	4,394	4.3
Wisconsin	3,894	3.5	3,996	3.9
New Jersey	3,825	3.4	2,148	2.1
Virginia	3,822	3.4	2,098	2.0
Missouri	3,817	3.4	4,085	4.0
All other states	49,383	44.1	46,759	45.4
Total	\$112,023	100.0%	\$102,871	100.0%

Commercial Commercial loans, including lease financing, increased \$9.2 billion (8.9 percent) at December 31, 2021, compared with December 31, 2020, driven by strong new business and higher utilization. Average commercial loans

decreased \$11.1 billion (9.8 percent) in 2021, compared with 2020. Table 8 provides a summary of commercial loans by industry and geographical location.

TABLE 9 Commercial Real Estate Loans by Property Type and Geography

At December 31 (Dollars in Millions)	2021		2020	
	Loans	Percent	Loans	Percent
Property Type				
Multi-family	\$ 9,293	23.8%	\$ 8,672	22.1%
Business owner occupied	8,238	21.1	8,622	21.9
Office	5,814	14.9	6,081	15.5
Industrial	3,672	9.4	2,941	7.5
Retail	3,382	8.7	3,645	9.3
Residential land and development	2,788	7.1	2,724	6.9
Lodging	2,422	6.2	2,814	7.1
Other	3,444	8.8	3,812	9.7
Total	\$39,053	100.0%	\$39,311	100.0%
Geography				
California	\$ 9,683	24.8%	\$ 9,653	24.6%
Washington	3,680	9.4	3,427	8.7
Minnesota	1,717	4.4	1,869	4.7
Colorado	1,684	4.3	1,680	4.3
Texas	1,662	4.3	1,600	4.1
Oregon	1,526	3.9	1,738	4.4
Florida	1,520	3.9	1,265	3.2
Illinois	1,409	3.6	1,487	3.8
Wisconsin	1,391	3.6	1,585	4.0
Ohio	1,215	3.1	1,213	3.1
All other states	13,566	34.7	13,794	35.1
Total	\$39,053	100.0%	\$39,311	100.0%

Commercial Real Estate The Company's portfolio of commercial real estate loans, which includes commercial mortgages and construction and development loans, decreased \$258 million (0.7 percent) at December 31, 2021, compared with December 31, 2020. The decrease was primarily the result of customers paying down balances. Average commercial real estate loans decreased \$1.8 billion (4.4 percent) in 2021, compared with 2020. Table 9 provides a summary of commercial real estate loans by property type and geographical location.

At December 31, 2021 and 2020, \$72 million and \$80 million, respectively, of tax-exempt industrial development loans were

secured by real estate. The Company's commercial mortgage and construction and development loans had unfunded commitments of \$11.8 billion and \$11.3 billion at December 31, 2021 and 2020, respectively.

The Company also finances the operations of real estate developers and other entities with operations related to real estate. These loans are not secured directly by real estate but have similar characteristics to commercial real estate loans. These loans were included in the commercial loan category and totaled \$16.6 billion and \$14.0 billion at December 31, 2021 and 2020, respectively.

TABLE 10 Residential Mortgages by Geography

At December 31 (Dollars in Millions)	2021		2020	
	Loans	Percent	Loans	Percent
California	\$23,568	30.8%	\$22,994	30.2%
Washington	4,002	5.2	3,943	5.2
Minnesota	3,767	4.9	4,378	5.7
Colorado	3,612	4.7	3,777	5.0
Illinois	3,392	4.4	3,786	5.0
Florida	3,340	4.4	3,112	4.1
Arizona	2,684	3.5	2,865	3.8
Oregon	2,332	3.1	2,399	3.1
Texas	2,209	2.9	2,244	2.9
Ohio	2,072	2.7	2,241	2.9
All other states	25,515	33.4	24,416	32.1
Total	\$76,493	100.0%	\$76,155	100.0%

Residential Mortgages Residential mortgages held in the loan portfolio at December 31, 2021, increased \$338 million (0.4 percent) compared to December 31, 2020, due to increased loan portfolio production and slower payoffs. Average residential mortgages increased \$962 million (1.3 percent) in 2021, compared with 2020. Residential mortgages originated and placed in the Company's loan portfolio include well-secured jumbo mortgages and branch-originated first lien home equity loans to borrowers with high credit quality.

Credit Card Total credit card loans increased \$154 million (0.7 percent) at December 31, 2021, compared with December 31, 2020, reflecting increased consumer spending.

Average credit card balances decreased \$687 million (3.1 percent) in 2021, compared with 2020.

Other Retail Total other retail loans, which include retail leasing, home equity and second mortgages and other retail loans, increased \$4.9 billion (8.7 percent) at December 31, 2021, compared with December 31, 2020, reflecting increases in auto loans and installment loans, partially offset by decreases in home equity loans and retail leasing balances. Average other retail loans increased \$2.3 billion (4.1 percent) in 2021, compared with 2020. Tables 10, 11 and 12 provide a geographic summary of residential mortgages, credit card loans and other retail loans outstanding, respectively, as of December 31, 2021 and 2020.

TABLE 11 Credit Card Loans by Geography

At December 31 (Dollars in Millions)	2021		2020	
	Loans	Percent	Loans	Percent
California	\$ 2,134	9.5%	\$ 2,175	9.7%
Texas	1,343	6.0	1,300	5.8
Ohio	1,113	4.9	1,153	5.2
Minnesota	1,109	4.9	1,126	5.0
Illinois	1,108	4.9	1,095	4.9
Florida	1,046	4.6	974	4.4
Wisconsin	895	4.0	926	4.1
Michigan	822	3.7	848	3.8
Colorado	761	3.4	773	3.5
Washington	757	3.4	789	3.5
All other states	11,412	50.7	11,187	50.1
Total	\$22,500	100.0%	\$22,346	100.0%

TABLE 12 Other Retail Loans by Geography

At December 31 (Dollars in Millions)	2021		2020	
	Loans	Percent	Loans	Percent
California	\$ 9,605	15.5%	\$ 9,179	16.1%
Texas	7,570	12.2	6,381	11.2
Florida	3,850	6.2	3,135	5.5
Minnesota	2,947	4.8	3,009	5.3
Illinois	2,692	4.3	2,571	4.5
Ohio	2,634	4.2	2,579	4.5
New York	2,014	3.3	1,766	3.1
Washington	1,913	3.1	1,809	3.2
Colorado	1,859	3.0	1,886	3.3
Missouri	1,683	2.7	1,687	2.9
All other states	25,192	40.7	23,022	40.4
Total	\$61,959	100.0%	\$57,024	100.0%

The Company generally retains portfolio loans through maturity; however, the Company's intent may change over time based upon various factors such as ongoing asset/liability management activities, assessment of product profitability, credit risk, liquidity needs, and capital implications. If the Company's intent or ability to hold an existing portfolio loan changes, it is transferred to loans held for sale.

Loans Held for Sale Loans held for sale, consisting primarily of residential mortgages to be sold in the secondary market, were

\$7.8 billion at December 31, 2021, compared with \$8.8 billion at December 31, 2020. The decrease in loans held for sale was principally due to a lower level of mortgage loan closings in late 2021, compared with the same period of 2020. Almost all of the residential mortgage loans the Company originates or purchases for sale follow guidelines that allow the loans to be sold into existing, highly liquid secondary markets; in particular in government agency transactions and to government sponsored enterprises ("GSEs").

TABLE 13 Investment Securities

At December 31 (Dollars in Millions)	2021				2020			
	Amortized Cost	Fair Value	Weighted-Average Maturity in Years	Weighted-Average Yield ^(d)	Amortized Cost	Fair Value	Weighted-Average Maturity in Years	Weighted-Average Yield ^(d)
Held-to-maturity								
Mortgage-backed securities ^(a)	\$ 41,858	\$ 41,812	7.4	1.45%	\$ —	\$ —	—	—%
Total held-to-maturity	\$ 41,858	\$ 41,812	7.4	1.45%	\$ —	\$ —	—	—%
Available-for-sale								
U.S. Treasury and agencies	\$ 36,648	\$ 36,609	6.7	1.54%	\$ 21,954	\$ 22,391	3.8	1.37%
Mortgage-backed securities ^(a)	85,394	85,564	4.9	1.58	103,282	105,374	3.0	1.47
Asset-backed securities ^(a)	62	66	5.2	1.53	200	205	6.2	1.47
Obligations of state and political subdivisions ^{(b)(c)} . . .	10,130	10,717	6.6	3.67	8,166	8,861	6.3	3.99
Other	7	7	3.4	2.07	9	9	.1	1.81
Total available-for-sale	\$132,241	\$132,963	5.5	1.73%	\$133,611	\$136,840	3.4	1.61%

(a) Information related to asset and mortgage-backed securities included above is presented based upon weighted-average maturities that take into account anticipated future prepayments.

(b) Information related to obligations of state and political subdivisions is presented based upon yield to first optional call date if the security is purchased at a premium, and yield to maturity if the security is purchased at par or a discount.

(c) Maturity calculations for obligations of state and political subdivisions are based on the first optional call date for securities with a fair value above par and the contractual maturity date for securities with a fair value equal to or below par.

(d) Yields on investment securities are computed based on amortized cost balances. Weighted-average yields for obligations of state and political subdivisions are presented on a fully-taxable equivalent basis based on a federal income tax rate of 21 percent.

Investment Securities The Company uses its investment securities portfolio to manage interest rate risk, provide liquidity (including the ability to meet regulatory requirements), generate interest and dividend income, and as collateral for public deposits and wholesale funding sources. While the Company intends to hold its investment securities indefinitely, it may sell available-for-sale investment securities in response to structural changes in the balance sheet and related interest rate risk and to meet liquidity requirements, among other factors.

Investment securities totaled \$174.8 billion at December 31, 2021, compared with \$136.8 billion at December 31, 2020. The \$38.0 billion (27.8 percent) increase reflected \$41.9 billion of net investment purchases, partially offset by a \$3.8 billion unfavorable change in net unrealized gains (losses) on available-for-sale investment securities. During the fourth quarter of 2021, the Company transferred \$43.1 billion amortized cost (\$41.8 billion fair value) of available-for-sale investment securities to the held-to-maturity category to reflect its new intent for these securities. The Company had no outstanding investment securities classified as held-to-maturity at December 31, 2020.

Average investment securities were \$154.7 billion in 2021, compared with \$126.0 billion in 2020. The weighted-average yield of the available-for-sale investment securities portfolio was 1.73 percent at December 31, 2021, compared with 1.61 percent at December 31, 2020. The weighted-average maturity of the available-for-sale investment securities portfolio was 5.5 years at December 31, 2021, compared with 3.4 years at December 31, 2020. The weighted-average yield of the held-to-maturity investment securities portfolio was 1.45 percent at December 31, 2021. The weighted-average maturity of the held-to-maturity investment securities portfolio was 7.4 years at December 31, 2021. Investment securities by type are shown in Table 13.

The Company's available-for-sale investment securities are carried at fair value with changes in fair value reflected in other comprehensive income (loss) unless a portion of a security's unrealized loss is related to credit and an allowance for credit losses is necessary. At December 31, 2021, the Company's net unrealized gains on available-for-sale investment securities were \$722 million, compared with \$3.2 billion at December 31, 2020. The unfavorable change in net unrealized gains was primarily due to decreases in the fair value of mortgage-backed and U.S. Treasury securities as a result of changes in interest rates, partially offset by the impact of the transfer of available-for-sale investment securities to the held-to-maturity category. Gross unrealized losses on available-for-sale investment securities totaled \$812 million at December 31, 2021, compared with \$53 million at December 31, 2020. When evaluating credit losses, the Company considers various factors such as the nature of the investment security, the credit ratings or financial condition of the

issuer, the extent of the unrealized loss, expected cash flows of the underlying collateral, the existence of any government or agency guarantees, and market conditions. At December 31, 2021, the Company had no plans to sell securities with unrealized losses, and believes it is more likely than not that it would not be required to sell such securities before recovery of their amortized cost.

Refer to Notes 5 and 22 in the Notes to Consolidated Financial Statements for further information on investment securities.

Deposits Total deposits were \$456.1 billion at December 31, 2021, compared with \$429.8 billion at December 31, 2020. The \$26.3 billion (6.1 percent) increase in total deposits reflected increases in noninterest-bearing and total savings deposits, partially offset by a decrease in time deposits. Average total deposits in 2021 increased \$35.7 billion (8.9 percent) over 2020.

Noninterest-bearing deposits at December 31, 2021, increased \$16.8 billion (14.2 percent) from December 31, 2020. The increase was driven by higher Wealth Management and Investment Services, and Corporate and Commercial Banking balances. Average noninterest-bearing deposits increased \$28.7 billion (29.1 percent) in 2021, compared with 2020.

Interest-bearing savings deposits increased \$17.5 billion (6.2 percent) at December 31, 2021, compared with December 31, 2020. The increase was related to higher interest checking and savings account deposit balances, partially offset by lower money market deposit balances. Interest checking balances increased \$19.2 billion (20.0 percent) primarily due to higher Consumer and Business Banking, and Corporate and Commercial Banking balances. Savings account balances increased \$8.8 billion (15.3 percent), driven by higher Consumer and Business Banking balances. Money market deposit balances decreased \$10.4 billion (8.2 percent), primarily due to lower Wealth Management and Investment Services balances, partially offset by higher Corporate and Commercial Banking balances. Average interest-bearing savings deposits increased \$20.4 billion (7.8 percent) in 2021, compared with 2020, reflecting higher Consumer and Business Banking balances, partially offset by lower Corporate and Commercial Banking balances.

Interest-bearing time deposits at December 31, 2021, decreased \$8.0 billion (26.2 percent), compared with December 31, 2020. Average time deposits decreased \$13.4 billion (35.3 percent) in 2021, compared with 2020. The decreases were primarily driven by lower Corporate and Commercial Banking, Consumer and Business Banking, and Wealth Management and Investment Services balances. Changes in time deposits are primarily related to those deposits managed as an alternative to other funding sources, based largely on relative pricing and liquidity characteristics.

TABLE 14 Deposits

The composition of deposits was as follows:

At December 31 (Dollars in Millions)	2021		2020	
	Amount	Percent of Total	Amount	Percent of Total
Noninterest-bearing deposits	\$134,901	29.6%	\$118,089	27.5%
Interest-bearing deposits				
Interest checking	115,108	25.2	95,894	22.3
Money market savings	117,619	25.8	128,058	29.8
Savings accounts	65,790	14.4	57,035	13.3
Total savings deposits	298,517	65.4	280,987	65.4
Domestic time deposits less than \$250,000	11,303	2.5	14,187	3.3
Domestic time deposits greater than \$250,000	2,743	.6	4,413	1.0
Foreign time deposits	8,619	1.9	12,094	2.8
Total interest-bearing deposits	321,182	70.4	311,681	72.5
Total deposits ^(a)	\$456,083	100.0%	\$429,770	100.0%

(a) Includes \$238.0 billion and \$239.0 billion of deposits at December 31, 2021 and 2020, respectively, that are not subject to any federal, state or foreign deposit insurance program.

The maturity of domestic time deposits in excess of the insurance limit and those time deposits not subject to any federal, state or foreign deposit insurance program at December 31, 2021 was as follows:

(Dollars in Millions)	Domestic Time Deposits Greater Than \$250,000	Foreign Time Deposits	Total
Three months or less	\$1,107	\$8,619	\$ 9,726
Three months through six months	365	—	365
Six months through one year	742	—	742
Thereafter	529	—	529
Total	\$2,743	\$8,619	\$11,362

Borrowings The Company utilizes both short-term and long-term borrowings as part of its asset/liability management and funding strategies. Short-term borrowings, which include federal funds purchased, commercial paper, repurchase agreements, borrowings secured by high-grade assets and other short-term borrowings, were \$11.8 billion at December 31, 2021 and 2020. The \$30 million (0.3 percent) increase in short-term borrowings at December 31, 2021, compared with December 31, 2020, reflected higher repurchase agreement and commercial paper balances, mostly offset by lower federal funds purchased balances.

Long-term debt was \$32.1 billion at December 31, 2021, compared with \$41.3 billion at December 31, 2020. The \$9.2 billion (22.2 percent) decrease was primarily due to \$7.0 billion of bank note repayments and maturities, \$3.0 billion of medium-term note repayments and a \$1.0 billion decrease in Federal Home Loan Bank ("FHLB") advances, partially offset by \$1.0 billion of bank note and \$1.3 billion of subordinated note issuances.

Refer to Notes 13 and 14 of the Notes to Consolidated Financial Statements for additional information regarding short-term borrowings and long-term debt, and the "Liquidity Risk Management" section for discussion of liquidity management of the Company.

Corporate Risk Profile

Overview Managing risks is an essential part of successfully operating a financial services company. The Company's Board of Directors has approved a risk management framework which establishes governance and risk management requirements for all risk-taking activities. This framework includes Company and business line risk appetite statements which set boundaries for the types and amount of risk that may be undertaken in pursuing business objectives and initiatives. The Board of Directors, primarily through its Risk Management Committee, oversees performance relative to the risk management framework, risk appetite statements, and other policy requirements.

The Executive Risk Committee ("ERC"), which is chaired by the Chief Risk Officer and includes the Chief Executive Officer and other members of the executive management team, oversees execution against the risk management framework and risk appetite statements. The ERC focuses on current and emerging risks, including strategic and reputation risks, by directing timely and comprehensive actions. Senior operating committees have also been established, each responsible for overseeing a specified category of risk.

The Company's most prominent risk exposures are credit, interest rate, market, liquidity, operational, compliance, strategic, and reputation. Leveraging the Company's risk management framework, the specific impacts of COVID-19 and related risks

are identified for each of the most prominent exposures. With respect to direct impacts from COVID-19, oversight and governance is managed through a centralized command center with frequent reporting to the Managing Committee and ERC. The Board of Directors also oversees the Company's responsiveness to the COVID-19 pandemic.

Credit risk is the risk of loss associated with a change in the credit profile or the failure of a borrower or counterparty to meet its contractual obligations. Interest rate risk is the current or prospective risk to earnings and capital, or market valuations, arising from the impact of changes in interest rates. Market risk arises from fluctuations in interest rates, foreign exchange rates, and security prices that may result in changes in the values of financial instruments, such as trading and available-for-sale securities, mortgage loans held for sale ("MLHFS"), MSRs and derivatives that are accounted for on a fair value basis. Liquidity risk is the risk that financial condition or overall safety and soundness is adversely affected by the Company's inability, or perceived inability, to meet its cash flow obligations in a timely and complete manner in either normal or stressed conditions. Operational risk is the risk to current or projected financial condition and resilience arising from inadequate or failed internal processes or systems, people (including human errors or misconduct), or adverse external events, including the risk of loss resulting from breaches in data security. Operational risk can also include the risk of loss due to failures by third parties with which the Company does business. Compliance risk is the risk that the Company may suffer legal or regulatory sanctions, financial losses, and reputational damage if it fails to adhere to compliance requirements and the Company's compliance policies. Strategic risk is the risk to current or projected financial condition and resilience arising from adverse business decisions, poor implementation of business decisions, or lack of responsiveness to changes in the banking industry and operating environment. Reputation risk is the risk to current or anticipated earnings, capital, or franchise or enterprise value arising from negative public opinion. This risk may impair the Company's competitiveness by affecting its ability to establish new relationships or services, or continue serving existing relationships. In addition to the risks identified above, other risk factors exist that may impact the Company. Refer to "Risk Factors" beginning on page 137, for a detailed discussion of these factors.

The Company's Board and management-level governance committees are supported by a "three lines of defense" model for establishing effective checks and balances. The first line of defense, the business lines, manages risks in conformity with established limits and policy requirements. In turn, business line leaders and their risk officers establish programs to ensure conformity with these limits and policy requirements. The second line of defense, which includes the Chief Risk Officer's organization as well as policy and oversight activities of corporate support functions, translates risk appetite and strategy into actionable risk limits and policies. The second line of defense monitors first line of defense conformity with limits and policies,

and provides reporting and escalation of emerging risks and other concerns to senior management and the Risk Management Committee of the Board of Directors. The third line of defense, internal audit, is responsible for providing the Audit Committee of the Board of Directors and senior management with independent assessment and assurance regarding the effectiveness of the Company's governance, risk management and control processes.

Management regularly provides reports to the Risk Management Committee of the Board of Directors. The Risk Management Committee discusses with management the Company's risk management performance, and provides a summary of key risks to the entire Board of Directors, covering the status of existing matters, areas of potential future concern and specific information on certain types of loss events. The Risk Management Committee considers quarterly reports by management assessing the Company's performance relative to the risk appetite statements and the associated risk limits, including:

- Macroeconomic environment and other qualitative considerations, such as regulatory and compliance changes, litigation developments, and technology and cybersecurity;
- Credit measures, including adversely rated and nonperforming loans, leveraged transactions, credit concentrations and lending limits;
- Interest rate and market risk, including market value and net income simulation, and trading-related Value at Risk ("VaR");
- Liquidity risk, including funding projections under various stressed scenarios;
- Operational and compliance risk, including losses stemming from events such as fraud, processing errors, control breaches, breaches in data security or adverse business decisions, as well as reporting on technology performance, and various legal and regulatory compliance measures;
- Capital ratios and projections, including regulatory measures and stressed scenarios; and
- Strategic and reputation risk considerations, impacts and responses.

Credit Risk Management The Company's strategy for credit risk management includes well-defined, centralized credit policies, uniform underwriting criteria, and ongoing risk monitoring and review processes for all commercial and consumer credit exposures. The strategy also emphasizes diversification on a geographic, industry and customer level, regular credit examinations and management reviews of loans exhibiting deterioration of credit quality. The Risk Management Committee oversees the Company's credit risk management process.

In addition, credit quality ratings as defined by the Company, are an important part of the Company's overall credit risk management and evaluation of its allowance for credit losses. Loans with a pass rating represent those loans not classified on the Company's rating scale for problem credits, as minimal credit risk has been identified. Loans with a special mention or classified rating, including consumer lending and small business loans that are 90 days or more past due and still accruing, nonaccrual

loans, those loans considered troubled debt restructurings (“TDRs”), and loans in a junior lien position that are current but are behind a first lien position on nonaccrual, encompass all loans held by the Company that it considers to have a potential or well-defined weakness that may put full collection of contractual cash flows at risk. The Company’s internal credit quality ratings for consumer loans are primarily based on delinquency and nonperforming status, except for a limited population of larger loans within those portfolios that are individually evaluated. For this limited population, the determination of the internal credit quality rating may also consider collateral value and customer cash flows. Refer to Notes 1 and 6 in the Notes to Consolidated Financial Statements for further discussion of the Company’s loan portfolios including internal credit quality ratings.

The Company categorizes its loan portfolio into two segments, which is the level at which it develops and documents a systematic methodology to determine the allowance for credit losses. The Company’s two loan portfolio segments are commercial lending and consumer lending.

The commercial lending segment includes loans and leases made to small business, middle market, large corporate, commercial real estate, financial institution, non-profit and public sector customers. Key risk characteristics relevant to commercial lending segment loans include the industry and geography of the borrower’s business, purpose of the loan, repayment source, borrower’s debt capacity and financial flexibility, loan covenants, and nature of pledged collateral, if any, as well as macroeconomic factors such as unemployment rates, gross domestic product levels, corporate bond spreads and long-term interest rates, all of which have been impacted by the COVID-19 pandemic. These risk characteristics, among others, are considered in determining estimates about the likelihood of default by the borrowers and the severity of loss in the event of default. The Company considers these risk characteristics in assigning internal risk ratings to, or forecasting losses on, these loans, which are the significant factors in determining the allowance for credit losses for loans in the commercial lending segment.

The consumer lending segment represents loans and leases made to consumer customers, including residential mortgages, credit card loans, and other retail loans such as revolving consumer lines, auto loans and leases, home equity loans and lines, and student loans, a run-off portfolio. Home equity or second mortgage loans are junior lien closed-end accounts fully disbursed at origination. These loans typically are fixed rate loans, secured by residential real estate, with a 10- or 15-year fixed payment amortization schedule. Home equity lines are revolving accounts giving the borrower the ability to draw and repay balances repeatedly, up to a maximum commitment, and are secured by residential real estate. These include accounts in either a first or junior lien position. Typical terms on home equity lines in the portfolio are variable rates benchmarked to the prime rate, with a 10- or 15-year draw period during which a minimum payment is equivalent to the monthly interest, followed by a 20- or 10-year amortization period, respectively. At December 31,

2021, substantially all of the Company’s home equity lines were in the draw period. Approximately \$1.2 billion, or 13 percent, of the outstanding home equity line balances at December 31, 2021, will enter the amortization period within the next 36 months. Key risk characteristics relevant to consumer lending segment loans primarily relate to the borrowers’ capacity and willingness to repay and include unemployment rates, consumer bankruptcy filings and other macroeconomic factors, customer payment history and credit scores, and in some cases, updated loan-to-value (“LTV”) information reflecting current market conditions on real estate-based loans. These and other risk characteristics, including risk resulting from the COVID-19 pandemic, are reflected in forecasts of delinquency levels, bankruptcies and losses which are the primary factors in determining the allowance for credit losses for the consumer lending segment.

The Company further disaggregates its loan portfolio segments into various classes based on their underlying risk characteristics. The two classes within the commercial lending segment are commercial loans and commercial real estate loans. The three classes within the consumer lending segment are residential mortgages, credit card loans and other retail loans.

Because business processes and credit risks associated with unfunded credit commitments are essentially the same as for loans, the Company utilizes similar processes to estimate its liability for unfunded credit commitments. The Company also engages in non-lending activities that may give rise to credit risk, including derivative transactions for balance sheet hedging purposes, foreign exchange transactions, deposit overdrafts and interest rate contracts for customers, investments in securities and other financial assets, and settlement risk, including Automated Clearing House transactions and the processing of credit card transactions for merchants. These activities are subject to credit review, analysis and approval processes.

Economic and Other Factors In evaluating its credit risk, the Company considers changes, if any, in underwriting activities, the loan portfolio composition (including product mix and geographic, industry or customer-specific concentrations), collateral values, trends in loan performance and macroeconomic factors, such as changes in unemployment rates, gross domestic product levels and consumer bankruptcy filings, as well as the potential impact on customers and the domestic economy resulting from the COVID-19 pandemic.

During the first half of 2020, the COVID-19 pandemic and the mitigation efforts put in place by companies, consumers and governmental authorities to contain it, created the most severe negative impact to the domestic economy since the Great Depression. During 2021, factors affecting economic conditions, including the enactment of additional benefits from government stimulus programs and broad vaccine availability in the United States, have contributed to economic improvement. As a result, economic projections for both the gross domestic product and unemployment levels improved from the prior year. However, economic uncertainty remains associated with supply chain concerns, rising inflationary concerns and additional virus variants.

Credit Diversification The Company manages its credit risk, in part, through diversification of its loan portfolio which is achieved through limit setting by product type criteria, such as industry, and identification of credit concentrations. As part of its normal business activities, the Company offers a broad array of traditional commercial lending products and specialized products such as asset-based lending, commercial lease financing, agricultural credit, warehouse mortgage lending, small business lending, commercial real estate lending, health care lending and correspondent banking financing. The Company also offers an array of consumer lending products, including residential mortgages, credit card loans, auto loans, retail leases, home equity loans and lines, revolving credit arrangements and other consumer loans. These consumer lending products are primarily offered through the branch office network, home mortgage and loan production offices, mobile and on-line banking, and indirect distribution channels, such as auto and recreational vehicle dealers. The Company monitors and manages the portfolio diversification by industry, customer and geography. Table 6 provides information with respect to the overall product diversification and changes in the mix during 2021.

The commercial loan class is diversified among various industries with higher concentrations in real estate and financial institutions. Additionally, the commercial loan class is diversified across the Company's geographical markets, with a higher concentration in California. Table 8 provides a summary of significant industry groups and geographical locations of commercial loans outstanding at December 31, 2021 and 2020.

The commercial real estate loan class reflects the Company's focus on serving business owners within states encompassing its branch office network, as well as regional and national investment-based real estate owners and builders. Within the commercial real estate loan class, different property types have varying degrees of credit risk. Table 9 provides a summary of the significant property types and geographical locations of commercial real estate loans outstanding at December 31, 2021 and 2020. At December 31, 2021, approximately 21.1 percent of the commercial real estate loans represented business owner-occupied properties that tend to exhibit less credit risk than non

owner-occupied properties. The investment-based real estate mortgages are diversified among various property types with somewhat higher concentrations in multi-family, office, industrial and retail properties. From a geographical perspective, the Company's commercial real estate loan class is generally well diversified, with a higher concentration in California.

The Company's consumer lending segment utilizes several distinct business processes and channels to originate consumer credit, including traditional branch lending, mobile and on-line banking, indirect lending, alliance partnerships and correspondent banks. Each distinct underwriting and origination activity manages unique credit risk characteristics and prices its loan production commensurate with the differing risk profiles.

Residential mortgage originations are generally limited to prime borrowers and are performed through the Company's branches, loan production offices, mobile and on-line services, and a wholesale network of originators. The Company may retain residential mortgage loans it originates on its balance sheet or sell the loans into the secondary market while retaining the servicing rights and customer relationships. Utilizing the secondary markets enables the Company to effectively reduce its credit and other asset/liability risks. For residential mortgages that are retained in the Company's portfolio and for home equity and second mortgages, credit risk is also diversified by geography and managed by adherence to LTV and borrower credit criteria during the underwriting process.

The Company estimates updated LTV information on its outstanding residential mortgages quarterly, based on a method that combines automated valuation model updates and relevant home price indices. LTV is the ratio of the loan's outstanding principal balance to the current estimate of property value. For home equity and second mortgages, combined loan-to-value ("CLTV") is the combination of the first mortgage original principal balance and the second lien outstanding principal balance, relative to the current estimate of property value. Certain loans do not have an LTV or CLTV, primarily due to lack of availability of relevant automated valuation model and/or home price indices values, or lack of necessary valuation data on acquired loans.

The following tables provide summary information of residential mortgages and home equity and second mortgages by LTV at December 31, 2021:

Residential Mortgages (Dollars in Millions)	Interest Only Amortizing		Percent Total of Total	
Loan-to-Value				
Less than or equal to 80% . . .	\$3,680	\$62,380	\$66,060	86.4%
Over 80% through 90%	—	1,946	1,946	2.5
Over 90% through 100%	—	193	193	.3
Over 100%	—	72	72	.1
No LTV available	—	22	22	—
Loans purchased from GNMA mortgage pools ^(a)	—	8,200	8,200	10.7
Total ^(b)	\$3,680	\$72,813	\$76,493	100.0%

(a) Represents loans purchased from Government National Mortgage Association ("GNMA") mortgage pools whose payments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs.

(b) At December 31, 2021, approximately \$418 million of residential mortgage balances were considered sub-prime.

Home Equity and Second Mortgages (Dollars in Millions)	Lines	Loans	Total	Percent of Total
Loan-to-Value / Combined Loan-to-Value				
Less than or equal to 80%	\$9,132	\$638	\$ 9,770	93.5%
Over 80% through 90%	282	223	505	4.8
Over 90% through 100%	47	23	70	.7
Over 100%	38	4	42	.4
No LTV/CLTV available	56	3	59	.6
Total ^(a)	\$9,555	\$891	\$10,446	100.0%

(a) At December 31, 2021, approximately \$33 million of home equity and second mortgage balances were considered sub-prime.

Home equity and second mortgages were \$10.4 billion at December 31, 2021, compared with \$12.5 billion at December 31, 2020, and included \$3.0 billion of home equity lines in a first lien position and \$7.4 billion of home equity and second mortgage loans and lines in a junior lien position. Loans and lines in a junior lien position at December 31, 2021, included approximately \$2.6 billion of loans and lines for which the Company also serviced the related first lien loan, and

approximately \$4.8 billion where the Company did not service the related first lien loan. The Company was able to determine the status of the related first liens using information the Company has as the servicer of the first lien or information reported on customer credit bureau files. The Company also evaluates other indicators of credit risk for these junior lien loans and lines, including delinquency, estimated average CLTV ratios and updated weighted-average credit scores in making its assessment of credit risk, related loss estimates and determining the allowance for credit losses.

The following table provides a summary of delinquency statistics and other credit quality indicators for the Company's junior lien positions at December 31, 2021:

(Dollars in Millions)	Junior Liens Behind		
	Company Owned or Serviced First Lien	Third Party First Lien	Total
Total	\$2,594	\$4,795	\$7,389
Percent 30 - 89 days past due . . . . .	.53%	.56%	.55%
Percent 90 days or more past due . . . . .	.11%	.08%	.09%
Weighted-average CLTV	58%	56%	57%
Weighted-average credit score	782	783	782

See the "Analysis and Determination of the Allowance for Credit Losses" section for additional information on how the Company determines the allowance for credit losses for loans in a junior lien position.

Credit card and other retail loans are diversified across customer segments and geographies. Diversification in the credit card portfolio is achieved with broad customer relationship distribution through the Company's and financial institution partners' branches, retail and affinity partners, and digital channels.

Tables 10, 11 and 12 provide a geographical summary of the residential mortgage, credit card and other retail loan portfolios, respectively.

TABLE 15 Delinquent Loan Ratios as a Percent of Ending Loan Balances

At December 31 90 days or more past due excluding nonperforming loans	2021	2020
Commercial		
Commercial .....	.05%	.06%
Lease financing	—	—
Total commercial .....	.04	.05
Commercial Real Estate		
Commercial mortgages	—	—
Construction and development .....	.10	.02
Total commercial real estate .....	.03	.01
Residential Mortgages^(a) .....	.24	.18
Credit Card .....	.73	.88
Other Retail		
Retail leasing .....	.04	.05
Home equity and second mortgages .....	.35	.36
Other .....	.06	.10
Total other retail .....	.11	.15
Total loans .....	.15%	.16%
At December 31 90 days or more past due including nonperforming loans	2021	2020
Commercial .....	.20%	.42%
Commercial real estate .....	.76	1.15
Residential mortgages ^(a) .....	.53	.50
Credit card .....	.73	.88
Other retail .....	.35	.42
Total loans .....	.42%	.57%

(a) Delinquent loan ratios exclude \$1.5 billion and \$1.8 billion at December 31, 2021 and 2020, respectively, of loans purchased from GNMA mortgage pools whose repayments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs. Including these loans, the ratio of residential mortgages 90 days or more past due including all nonperforming loans was 2.43 percent and 2.87 percent at December 31, 2021 and 2020, respectively.

Loan Delinquencies Trends in delinquency ratios are an indicator, among other considerations, of credit risk within the Company's loan portfolios. The entire balance of a loan account is considered delinquent if the minimum payment contractually required to be made is not received by the date specified on the billing statement. The Company measures delinquencies, both including and excluding nonperforming loans, to enable comparability with other companies. Delinquent loans purchased from GNMA mortgage pools whose repayments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs, are excluded from delinquency statistics. In addition, in certain situations, a consumer lending customer's account may be re-aged to remove it from delinquent status. Generally, the purpose of re-aging accounts is to assist customers who have recently overcome temporary financial difficulties and have demonstrated both the ability and willingness to resume regular payments.

In addition, the Company may re-age the consumer lending account of a customer who has experienced longer-term financial difficulties and apply modified, concessionary terms and conditions to the account. Commercial lending loans are generally not subject to re-aging policies.

Accruing loans 90 days or more past due totaled \$472 million at December 31, 2021, compared with \$477 million at December 31, 2020. Accruing loans 90 days or more past due are not included in nonperforming assets and continue to accrue interest because they are adequately secured by collateral, are in the process of collection and are reasonably expected to result in repayment or restoration to current status, or are managed in homogeneous portfolios with specified charge-off timeframes adhering to regulatory guidelines. The ratio of accruing loans 90 days or more past due to total loans was 0.15 percent at December 31, 2021, compared with 0.16 percent at December 31, 2020.

The following table provides summary delinquency information for residential mortgages, credit card and other retail loans included in the consumer lending segment:

At December 31 (Dollars in Millions)	Amount		As a Percent of Ending Loan Balances	
	2021	2020	2021	2020
Residential Mortgages^(a)				
30-89 days	\$124	\$244	.15%	.32%
90 days or more	181	137	.24	.18
Nonperforming	226	245	.30	.32
Total	\$531	\$626	.69%	.82%
Credit Card				
30-89 days	\$193	\$231	.86%	1.04%
90 days or more	165	197	.73	.88
Nonperforming	—	—	—	—
Total	\$358	\$428	1.59%	1.92%
Other Retail				
Retail Leasing				
30-89 days	\$ 29	\$ 35	.40%	.43%
90 days or more	3	4	.04	.05
Nonperforming	10	13	.14	.16
Total	\$ 42	\$ 52	.58%	.64%
Home Equity and Second Mortgages				
30-89 days	\$ 55	\$ 68	.53%	.54%
90 days or more	37	45	.35	.36
Nonperforming	116	107	1.11	.86
Total	\$208	\$220	1.99%	1.76%
Other^(b)				
30-89 days	\$191	\$215	.43%	.60%
90 days or more	26	37	.06	.10
Nonperforming	24	34	.05	.09
Total	\$241	\$286	.54%	.79%

(a) Excludes \$.8 billion of loans 30-89 days past due and \$1.5 billion of loans 90 days or more past due at December 31, 2021, purchased from GNMA mortgage pools that continue to accrue interest, compared with \$1.4 billion and \$1.8 billion at December 31, 2020, respectively.

(b) Includes revolving credit, installment, automobile and student loans.

Restructured Loans In certain circumstances, the Company may modify the terms of a loan to maximize the collection of amounts due when a borrower is experiencing financial difficulties or is expected to experience difficulties in the near-term. In most cases the modification is either a concessionary reduction in interest rate, extension of the maturity date or reduction in the principal balance that would otherwise not be considered.

Troubled Debt Restructurings Concessionary modifications are classified as TDRs unless the modification results in only an insignificant delay in the payments to be received. TDRs accrue interest if the borrower complies with the revised terms and conditions and has demonstrated repayment performance at a

level commensurate with the modified terms over several payment cycles, which is generally six months or greater. At December 31, 2021, performing TDRs were \$3.1 billion, compared with \$3.6 billion at December 31, 2020.

The Company continues to work with customers to modify loans for borrowers who are experiencing financial difficulties. Many of the Company's TDRs are determined on a case-by-case basis in connection with ongoing loan collection processes. The modifications vary within each of the Company's loan classes. Commercial lending segment TDRs generally include extensions of the maturity date and may be accompanied by an increase or decrease to the interest rate. The Company may also work with the borrower to make other changes to the loan to mitigate losses, such as obtaining additional collateral and/or guarantees to support the loan.

The Company has also implemented certain residential mortgage loan restructuring programs that may result in TDRs. The Company modifies residential mortgage loans under Federal Housing Administration, United States Department of Veterans Affairs, and its own internal programs. Under these programs, the Company offers qualifying homeowners the opportunity to permanently modify their loan and achieve more affordable monthly payments by providing loan concessions. These concessions may include adjustments to interest rates, conversion of adjustable rates to fixed rates, extensions of maturity dates or deferrals of payments, capitalization of accrued interest and/or outstanding advances, or in limited situations, partial forgiveness of loan principal. In most instances, participation in residential mortgage loan restructuring programs requires the customer to complete a short-term trial period. A permanent loan modification is contingent on the customer successfully completing the trial period arrangement, and the loan documents are not modified until that time. The Company reports loans in a trial period arrangement as TDRs and continues to report them as TDRs after the trial period.

Credit card and other retail loan TDRs are generally part of distinct restructuring programs providing customers modification solutions over a specified time period, generally up to 60 months.

In accordance with regulatory guidance, the Company considers secured consumer loans that have had debt discharged through bankruptcy where the borrower has not reaffirmed the debt to be TDRs. If the loan amount exceeds the collateral value, the loan is charged down to collateral value and the remaining amount is reported as nonperforming.

Loan modifications or concessions granted to customers resulting directly from the effects of the COVID-19 pandemic, who were otherwise in current payment status, are not considered to be TDRs.

The following table provides a summary of TDRs by loan class, including the delinquency status for TDRs that continue to accrue interest and TDRs included in nonperforming assets:

At December 31, 2021 (Dollars in Millions)	Performing TDRs	As a Percent of Performing TDRs		Nonperforming TDRs	Total TDRs
		30-89 Days Past Due	90 Days or More Past Due		
Commercial	\$ 130	5.0%	2.9%	\$ 77 ^(a)	\$ 207
Commercial real estate	92	1.2	—	219 ^(b)	311
Residential mortgages	1,363	3.0	4.9	126	1,489 ^(d)
Credit card	234	10.9	5.0	—	234
Other retail	164	11.0	5.9	38 ^(c)	202 ^(e)
TDRs, excluding loans purchased from GNMA mortgage pools	1,983	4.7	4.6	460	2,443
Loans purchased from GNMA mortgage pools ^(g)	1,071	—	—	—	1,071 ^(f)
Total	\$3,054	3.0%	3.0%	\$460	\$3,514

(a) Primarily represents loans less than six months from the modification date that have not met the performance period required to return to accrual status (generally six months) and small business credit cards with a modified rate equal to 0 percent.

(b) Primarily represents loans less than six months from the modification date that have not met the performance period required to return to accrual status (generally six months).

(c) Primarily represents loans with a modified rate equal to 0 percent.

(d) Includes \$231 million of residential mortgage loans to borrowers that have had debt discharged through bankruptcy and \$22 million in trial period arrangements or previously placed in trial period arrangements but not successfully completed.

(e) Includes \$69 million of other retail loans to borrowers that have had debt discharged through bankruptcy and \$14 million in trial period arrangements or previously placed in trial period arrangements but not successfully completed.

(f) Includes \$177 million of Federal Housing Administration and United States Department of Veterans Affairs residential mortgage loans to borrowers that have had debt discharged through bankruptcy and \$132 million in trial period arrangements or previously placed in trial period arrangements but not successfully completed.

(g) Approximately 8.5 percent and 35.8 percent of the total TDR loans purchased from GNMA mortgage pools are 30-89 days past due and 90 days or more past due, respectively, but are not classified as delinquent as their repayments are insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs.

Short-term and Other Loan Modifications The Company makes short-term and other modifications that it does not consider to be TDRs, in limited circumstances, to assist borrowers experiencing temporary hardships. Short-term consumer lending modification programs include payment reductions, deferrals of up to three past due payments, and the ability to return to current status if the borrower makes required payments. The Company may also make short-term modifications to commercial lending loans, with the most common modification being an extension of the maturity date of three months or less. Such extensions generally are used when the maturity date is imminent and the borrower is experiencing some level of financial stress, but the Company believes the borrower will pay all contractual amounts owed.

COVID-19 Payment Relief The Company has offered payment relief, including forbearance, payment deferrals and other customer accommodations, to assist borrowers that have experienced financial hardship resulting from the effects of the COVID-19 pandemic. The majority of these borrowers were not delinquent on payments at the time they received the payment relief. Most of the borrowers who received account modifications are no longer participating in these payment relief programs, as the programs are generally short-term. At December 31, 2021, less than 3,000 accounts representing approximately \$304 million in loan balances, were currently in the Company's payment relief programs. Borrowers participating in these programs at December 31, 2021 primarily represented those receiving payment forbearance on residential mortgages; payment relief for other loan products is insignificant. These amounts exclude loans purchased from GNMA mortgage pools whose repayments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veteran Affairs

and have received COVID-19 payment relief under the respective government agency's programs.

Nonperforming Assets The level of nonperforming assets represents another indicator of the potential for future credit losses. Nonperforming assets include nonaccrual loans, restructured loans not performing in accordance with modified terms and not accruing interest, restructured loans that have not met the performance period required to return to accrual status, other real estate owned ("OREO") and other nonperforming assets owned by the Company. Interest payments collected from assets on nonaccrual status are generally applied against the principal balance and not recorded as income. However, interest income may be recognized for interest payments if the remaining carrying amount of the loan is believed to be collectible.

At December 31, 2021, total nonperforming assets were \$878 million, compared with \$1.3 billion at December 31, 2020. The \$420 million (32.4 percent) decrease in nonperforming assets, from December 31, 2020 to December 31, 2021, was driven by decreases in nonperforming commercial and commercial real estate loans. The ratio of total nonperforming assets to total loans and other real estate was 0.28 percent at December 31, 2021, compared with 0.44 percent at December 31, 2020. Nonperforming assets are expected to continue to decline over the next several quarters. However, some manageable levels of elevated nonperforming assets in certain industries and loan categories impacted by the pandemic may experience longer recovery periods.

OREO was \$22 million at December 31, 2021, compared with \$24 million at December 31, 2020, and was related to foreclosed properties that previously secured loan balances. These balances exclude foreclosed GNMA loans whose repayments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs.

TABLE 16 Nonperforming Assets^(a)

At December 31 (Dollars in Millions)

	2021	2020
Commercial		
Commercial	\$ 139	\$ 321
Lease financing	35	54
Total commercial	174	375
Commercial Real Estate		
Commercial mortgages	213	411
Construction and development	71	39
Total commercial real estate	284	450
Residential Mortgages^(b)	226	245
Credit Card	—	—
Other Retail		
Retail leasing	10	13
Home equity and second mortgages	116	107
Other	24	34
Total other retail	150	154
Total nonperforming loans ⁽¹⁾	834	1,224
Other Real Estate^(c)	22	24
Other Assets	22	50
Total nonperforming assets	\$ 878	\$ 1,298
Accruing loans 90 days or more past due ^(b)	\$ 472	\$ 477
Period-end loans ⁽²⁾	\$312,028	\$297,707
Nonperforming loans to total loans ^{(1)/(2)}	.27%	.41%
Nonperforming assets to total loans plus other real estate ^(c)	.28%	.44%

Changes in Nonperforming Assets

(Dollars in Millions)	Commercial and Commercial Real Estate	Residential Mortgages, Credit Card and Other Retail	Total
Balance December 31, 2020	\$ 854	\$ 444	\$1,298
Additions to nonperforming assets			
New nonaccrual loans and foreclosed properties	316	212	528
Advances on loans	10	1	11
Total additions	326	213	539
Reductions in nonperforming assets			
Paydowns, payoffs	(292)	(101)	(393)
Net sales	(178)	(14)	(192)
Return to performing status	(129)	(111)	(240)
Charge-offs ^(d)	(120)	(14)	(134)
Total reductions	(719)	(240)	(959)
Net additions to (reductions in) nonperforming assets	(393)	(27)	(420)
Balance December 31, 2021	\$ 461	\$ 417	\$ 878

(a) Throughout this document, nonperforming assets and related ratios do not include accruing loans 90 days or more past due.

(b) Excludes \$1.5 billion and \$1.8 billion at December 31, 2021 and 2020, respectively, of loans purchased from GNMA mortgage pools that are 90 days or more past due that continue to accrue interest, as their repayments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs.

(c) Foreclosed GNMA loans of \$22 million and \$33 million at December 31, 2021 and 2020, respectively, continue to accrue interest and are recorded as other assets and excluded from nonperforming assets because they are insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs.

(d) Charge-offs exclude actions for certain card products and loan sales that were not classified as nonperforming at the time the charge-off occurred.

TABLE 17 Net Charge-offs as a Percent of Average Loans Outstanding

Year Ended December 31 (Dollars in Millions)	2021			2020			2019		
	Average Loan Balance	Net Charge-offs	Percent	Average Loan Balance	Net Charge-offs	Percent	Average Loan Balance	Net Charge-offs	Percent
Commercial									
Commercial	\$ 97,649	\$ 97	.10%	\$ 108,367	\$ 483	.45%	\$ 97,697	\$ 273	.28%
Lease financing	5,206	6	.12	5,600	30	.54	5,501	12	.22
Total commercial	102,855	103	.10	113,967	513	.45	103,198	285	.28
Commercial real estate									
Commercial mortgages	27,997	(14)	(.05)	29,641	185	.62	28,595	12	.04
Construction	10,784	16	.15	10,907	2	.02	10,791	2	.02
Total commercial real estate	38,781	2	.01	40,548	187	.46	39,386	14	.04
Residential mortgages	74,629	(32)	(.04)	73,667	(12)	(.02)	67,747	3	—
Credit card	21,645	512	2.37	22,332	829	3.71	23,309	893	3.83
Other retail									
Retail leasing	7,710	2	.03	8,405	81	.96	8,515	13	.15
Home equity and second mortgages	11,228	(10)	(.09)	13,894	(4)	(.03)	15,659	(3)	(.02)
Other	40,117	105	.26	34,456	192	.56	32,872	249	.76
Total other retail	59,055	97	.16	56,755	269	.47	57,046	259	.45
Total loans	\$ 296,965	\$ 682	.23%	\$ 307,269	\$ 1,786	.58%	\$ 290,686	\$ 1,454	.50%

Analysis of Loan Net Charge-offs Total loan net charge-offs were \$682 million in 2021, compared with \$1.8 billion in 2020. The \$1.1 billion (61.8 percent) decrease in total net charge-offs in 2021, compared with 2020, reflected improvement across most loan categories, associated with improving economic conditions, borrower liquidity and strong asset prices in the market that support repayment and recovery on problem loans. The ratio of total loan net charge-offs to average loans outstanding was 0.23 percent in 2021, compared with 0.58 percent in 2020.

Commercial and commercial real estate loan net charge-offs for 2021 were \$105 million (0.07 percent of average loans outstanding), compared with \$700 million (0.45 percent of average loans outstanding) in 2020. The decrease in net charge-offs in 2021, compared with 2020, reflected lower charge-offs as a result of improving economic conditions in 2021.

Residential mortgage loan net charge-offs for 2021 reflected a net recovery of \$32 million (0.04 percent of average loans outstanding), compared with a net recovery of \$12 million (0.02 percent of average loans outstanding) in 2020. Credit card loan net charge-offs in 2021 were \$512 million (2.37 percent of average loans outstanding), compared with \$829 million (3.71 percent of average loans outstanding) in 2020. Other retail loan net charge-offs for 2021 were \$97 million (0.16 percent of average loans outstanding), compared with \$269 million (0.47 percent of average loans outstanding) in 2020. The decrease in total residential mortgage, credit card and other retail loan net charge-offs in 2021, compared with 2020, reflected improving economic conditions. The Company expects net charge-offs to return to more normalized levels over time.

Analysis and Determination of the Allowance for Credit Losses

The allowance for credit losses is established for current expected credit losses on the Company's loan and lease portfolio, including unfunded credit commitments. The allowance considers expected losses for the remaining lives of the applicable assets, inclusive of expected recoveries. The allowance for credit losses is increased through provisions charged to earnings and reduced by net charge-offs.

Management evaluates the appropriateness of the allowance for credit losses on a quarterly basis. Multiple economic scenarios are considered over a three-year reasonable and supportable forecast period, which includes increasing consideration of historical loss experience over years two and three. These economic scenarios are constructed with interrelated projections of multiple economic variables, and loss estimates are produced that consider the historical correlation of those economic variables with credit losses. After the forecast period, the Company fully reverts to long-term historical loss experience, adjusted for prepayments and characteristics of the current loan and lease portfolio, to estimate losses over the remaining life of the portfolio. The economic scenarios are updated at least quarterly and are designed to provide a range of reasonable estimates from better to worse than current expectations. Scenarios are weighted based on the Company's expectation of economic conditions for the foreseeable future and reflect significant judgment and consideration of uncertainties that exist. Final loss estimates also consider factors affecting credit losses not reflected in the scenarios, due to the unique aspects of current conditions and expectations. These factors may include, but are not limited to, loan servicing practices, regulatory guidance, and/or fiscal and monetary policy actions.

Because business processes and credit risks associated with unfunded credit commitments are essentially the same as for loans, the Company utilizes similar processes to estimate its

liability for unfunded credit commitments, which is included in other liabilities in the Consolidated Balance Sheet. Both the allowance for loan losses and the liability for unfunded credit commitments are included in the Company's analysis of credit losses and reported reserve ratios.

The allowance recorded for credit losses utilizes forward-looking expected loss models to consider a variety of factors affecting lifetime credit losses. These factors include, but are not limited to, macroeconomic variables such as unemployment rates, real estate prices, gross domestic product levels and corporate bonds spreads, as well as loan and borrower characteristics, such as internal risk ratings on commercial loans and consumer credit scores, delinquency status, collateral type and available valuation information, consideration of end-of-term losses on lease residuals, and the remaining term of the loan, adjusted for expected prepayments. For each loan portfolio, model estimates are adjusted as necessary to consider any relevant changes in portfolio composition, lending policies, underwriting standards, risk management practices, economic conditions or other factors that may affect the accuracy of the model. Expected credit loss estimates also include consideration of expected cash recoveries on loans previously charged-off or expected recoveries on collateral-dependent loans where recovery is expected through sale of the collateral. Where loans do not exhibit similar risk characteristics, an individual analysis is performed to consider expected credit losses.

The allowance recorded for individually evaluated loans greater than \$5 million in the commercial lending segment is based on an analysis utilizing expected cash flows discounted using the original effective interest rate, the observable market price of the loan, or the fair value of the collateral, less selling costs, for collateral-dependent loans as appropriate. For commercial TDRs individually evaluated for impairment, attributes of the borrower are the primary factors in determining the allowance for credit losses. However, historical loss experience is also incorporated into the allowance methodology applied to this category of loans. Commercial lending segment TDR loans may be collectively evaluated for impairment where observed performance history, including defaults, is a primary driver of the loss allocation.

The allowance recorded for TDR loans in the consumer lending segment is determined on a homogenous pool basis utilizing expected cash flows discounted using the original effective interest rate of the pool. The expected cash flows on TDR loans consider subsequent payment defaults since modification, the borrower's ability to pay under the restructured terms, and the timing and amount of payments. The allowance for collateral-dependent loans in the consumer lending segment is determined based on the current fair value of the collateral less costs to sell.

When evaluating the appropriateness of the allowance for credit losses for any loans and lines in a junior lien position, the Company considers the delinquency and modification status of the first lien. At December 31, 2021, the Company serviced the first lien on 35 percent of the home equity loans and lines in a

junior lien position. The Company also considers the status of first lien mortgage accounts reported on customer credit bureau files when the first lien is not serviced by the Company. Regardless of whether the Company services the first lien, an assessment is made of economic conditions, problem loans, recent loss experience and other factors in determining the allowance for credit losses. Based on the available information, the Company estimated \$224 million or 2.1 percent of its total home equity portfolio at December 31, 2021, represented non-delinquent junior liens where the first lien was delinquent or modified, excluding loans in COVID-related forbearance programs.

The Company considers historical loss experience on the loans and lines in a junior lien position to establish loss estimates for junior lien loans and lines the Company services that are current, but the first lien is delinquent or modified. The historical long-term average loss experience related to junior liens has been relatively limited (less than 1 percent of the total portfolio annually), and estimates are adjusted to consider current collateral support and portfolio risk characteristics. These include updated credit scores and collateral estimates obtained on the Company's home equity portfolio each quarter. In its evaluation of the allowance for credit losses, the Company also considers the increased risk of loss associated with home equity lines that are contractually scheduled to convert from a revolving status to a fully amortizing payment.

Beginning January 1, 2020, when a loan portfolio is purchased, the acquired loans are divided into those considered purchased with more than insignificant credit deterioration ("PCD") and those not considered purchased with more than insignificant credit deterioration. An allowance is established for each population and considers product mix, risk characteristics of the portfolio, bankruptcy experience, delinquency status and refreshed LTV ratios when possible. The allowance established for purchased loans not considered PCD is recognized through provision expense upon acquisition, whereas the allowance established for loans considered PCD at acquisition is offset by an increase in the basis of the acquired loans. Any subsequent increases and decreases in the allowance related to purchased loans, regardless of PCD status, are recognized through provision expense, with charge-offs charged to the allowance. The Company did not have a material amount of PCD loans included in its loan portfolio at December 31, 2021.

The Company's methodology for determining the appropriate allowance for credit losses also considers the imprecision inherent in the methodologies used and allocated to the various loan portfolios. As a result, amounts determined under the methodologies described above are adjusted by management to consider the potential impact of other qualitative factors not captured in quantitative model adjustments which include, but are not limited to, the following: model imprecision, imprecision in economic scenario assumptions, and emerging risks related to either changes in the economic environment that are affecting specific portfolios, or changes in portfolio concentrations over time that may affect model performance. The consideration of these items results in adjustments to allowance amounts included in the Company's allowance for credit losses for each loan portfolio.

TABLE 18 Summary of Allowance for Credit Losses

(Dollars in Millions)

	2021	2020	2019
Balance at beginning of year	\$ 8,010	\$ 4,491	\$ 4,441
Change in accounting principle ^(a)	—	1,499	—
Charge-Offs			
Commercial			
Commercial	206	536	380
Lease financing	16	39	19
Total commercial	222	575	399
Commercial real estate			
Commercial mortgages	9	202	17
Construction and development	20	8	4
Total commercial real estate	29	210	21
Residential mortgages	18	19	34
Credit card	686	975	1,028
Other retail			
Retail leasing	26	101	24
Home equity and second mortgages	12	16	19
Other	215	284	342
Total other retail	253	401	385
Total charge-offs	1,208	2,180	1,867
Recoveries			
Commercial			
Commercial	109	53	107
Lease financing	10	9	7
Total commercial	119	62	114
Commercial real estate			
Commercial mortgages	23	17	5
Construction and development	4	6	2
Total commercial real estate	27	23	7
Residential mortgages	50	31	31
Credit card	174	146	135
Other retail			
Retail leasing	24	20	11
Home equity and second mortgages	22	20	22
Other	110	92	93
Total other retail	156	132	126
Total recoveries	526	394	413
Net Charge-Offs			
Commercial			
Commercial	97	483	273
Lease financing	6	30	12
Total commercial	103	513	285
Commercial real estate			
Commercial mortgages	(14)	185	12
Construction and development	16	2	2
Total commercial real estate	2	187	14
Residential mortgages	(32)	(12)	3
Credit card	512	829	893
Other retail			
Retail leasing	2	81	13
Home equity and second mortgages	(10)	(4)	(3)
Other	105	192	249
Total other retail	97	269	259
Total net charge-offs	682	1,786	1,454
Provision for credit losses	(1,173)	3,806	1,504
Balance at end of year	\$ 6,155	\$ 8,010	\$ 4,491
Components			
Allowance for loan losses	\$ 5,724	\$ 7,314	\$ 4,020
Liability for unfunded credit commitments	431	696	471
Total allowance for credit losses ⁽¹⁾	\$ 6,155	\$ 8,010	\$ 4,491
Period-end loans ⁽²⁾	\$312,028	\$297,707	\$296,102
Nonperforming loans ⁽³⁾	834	1,224	692
Allowance for Credit Losses as a Percentage of			
Period-end loans ^{(1)/(2)}	1.97%	2.69%	1.52%
Nonperforming loans ^{(1)/(3)}	738	654	649
Nonperforming and accruing loans 90 days or more past due	471	471	346
Nonperforming assets	701	617	542
Net charge-offs	902	448	309

(a) Effective January 1, 2020, the Company adopted accounting guidance which changed impairment recognition of financial instruments to a model that is based on expected losses rather than incurred losses.

TABLE 19 Allocation of the Allowance for Credit Losses

At December 31 (Dollars in Millions)	Allowance Amount		Allowance as a Percent of Loans	
	2021	2020	2021	2020
Commercial				
Commercial	\$1,779	\$2,344	1.66%	2.41%
Lease financing	70	79	1.37	1.42
Total commercial	1,849	2,423	1.65	2.36
Commercial Real Estate				
Commercial mortgages	699	894	2.43	3.14
Construction and development	424	650	4.12	6.00
Total commercial real estate	1,123	1,544	2.88	3.93
Residential Mortgages	565	573	.74	.75
Credit Card	1,673	2,355	7.44	10.54
Other Retail				
Retail leasing	136	252	1.87	3.09
Home equity and second mortgages	231	349	2.21	2.80
Other	578	514	1.31	1.41
Total other retail	945	1,115	1.53	1.96
Total allowance	\$6,155	\$8,010	1.97%	2.69%

The results of the analysis are evaluated quarterly to confirm the estimates are appropriate for each loan portfolio. Table 19 shows the amount of the allowance for credit losses by loan class and underlying portfolio category.

Although the Company determined the amount of each element of the allowance separately and considers this process to be an important credit management tool, the entire allowance for credit losses is available for the entire loan portfolio. The actual amount of losses can vary significantly from the estimated amounts.

At December 31, 2021, the allowance for credit losses was \$6.2 billion (1.97 percent of period-end loans), compared with an allowance of \$8.0 billion (2.69 percent of period-end loans) at December 31, 2020. The ratio of the allowance for credit losses to nonperforming loans was 738 percent at December 31, 2021, compared with 654 percent at December 31, 2020. The ratio of the allowance for credit losses to annual loan net charge-offs at December 31, 2021, was 902 percent, compared with 448 percent at December 31, 2020. Management determined the allowance for credit losses was appropriate at December 31, 2021 and 2020.

The decrease in the allowance for credit losses of \$1.9 billion (23.2 percent) at December 31, 2021, compared with December 31, 2020, reflected factors affecting economic

conditions during 2021, including the enactment of additional benefits from government stimulus programs and broad vaccine availability in the United States that has reduced the risks associated with COVID-19, contributing to an economic recovery. However, economic uncertainty remains associated with supply chain concerns, rising inflationary concerns and additional virus variants. In addition to these factors, expected loss estimates consider various factors including customer specific information impacting changes in risk ratings, projected delinquencies and potential effects of diminishing liquidity without support of mortgage forbearance and direct federal stimulus. Consumer credit trends continued to perform better than expected in 2021, while select wholesale portfolios continue to be monitored for pandemic related impacts.

Changes in economic conditions considered in estimating the allowance for credit losses at December 31, 2021 included improvements in projected gross domestic product and unemployment levels, which reflected the additional government stimulus and availability of vaccines. These factors are evaluated through a combination of quantitative calculations using economic scenarios and qualitative assessments that consider the high degree of uncertainty related to the unprecedented levels of both economic stress and the stimulus response.

The following table summarizes the baseline forecast for key economic variables the Company used in its estimate of the allowance for credit losses at December 31, 2021 and 2020:

	December 31, 2021	December 31, 2020
United States unemployment rate for the three months ending ^(a)		
December 31, 2021	4.3%	6.8%
June 30, 2022	3.6	6.2
December 31, 2022	3.5	5.4
United States real gross domestic product for the three months ending ^(b)		
December 31, 2021	2.8%	1.5%
June 30, 2022	5.0	3.8
December 31, 2022	6.4	5.7

(a) Reflects quarterly average of forecasted reported United States unemployment rate.

(b) Reflects cumulative change from December 31, 2019.

Baseline economic forecasts are used in combination with alternative scenarios and historical loss experience as is considered reasonable and supportable to inform the Company's allowance for credit losses. Changes in the allowance for credit losses are based on a variety of factors, including loan balance changes, portfolio credit quality and mix changes, and changes in general economic conditions and expectations (including for unemployment and gross domestic product), among other factors.

Based on economic conditions at December 31, 2021, it was difficult to estimate the length and severity of the longer term effects on certain industry sectors that may result from COVID-19 and the impact of other factors that may influence the level of eventual losses and corresponding requirements for the allowance for credit losses, including the impact of inflationary pressures on certain lending sectors and diminishing liquidity after economic stimulus programs and accommodations delaying mortgage and rent payments end. While reserves consider the uncertainty in these estimates, the unpredictability of the COVID-19 pandemic could result in the recognition of credit losses in the Company's loan portfolios and increases in the allowance for credit losses. Scenarios worse than the Company's expected outcome at December 31, 2021 include risks that government stimulus in response to the COVID-19 pandemic is less effective than expected, or that a longer or more severe health crisis prolongs the downturn in economic activity, potentially reducing the number of businesses that are ultimately able to resume operations after the crisis has passed. Other factors considered include concerns around inflationary pressures, new virus variants, sustainability of asset values and borrower liquidity.

The allowance for credit losses related to commercial lending segment loans decreased \$995 million during the year ended December 31, 2021, due to improvements in general economic conditions and portfolio credit quality that included some return of economic activity in certain industry sectors affected by COVID-19.

The allowance for credit losses related to consumer lending segment loans decreased \$860 million during the year ended December 31, 2021, due to improving economic risks, including those due to decreased unemployment, along with continued

strong underlying credit quality that supports expectations of long-term repayment.

Residual Value Risk Management The Company manages its risk to changes in the residual value of leased vehicles, office and business equipment, and other assets through disciplined residual valuation setting at the inception of a lease, diversification of its leased assets, regular residual asset valuation reviews and monitoring of residual value gains or losses upon the disposition of assets. Lease originations are subject to the same well-defined underwriting standards referred to in the "Credit Risk Management" section, which includes an evaluation of the residual value risk. Retail lease residual value risk is mitigated further by effective end-of-term marketing of off-lease vehicles.

Included in the retail leasing portfolio was approximately \$5.6 billion of retail leasing residuals at December 31, 2021, compared with \$6.3 billion at December 31, 2020. The Company monitors concentrations of leases by manufacturer and vehicle type. As of December 31, 2021, vehicle lease residuals related to sport utility vehicles were 46.7 percent of the portfolio, while truck and crossover utility vehicle classes represented approximately 32.5 percent and 14.7 percent of the portfolio, respectively. At year-end 2021, the individual vehicle model with the largest residual value outstanding represented 14.9 percent of the aggregate residual value of all vehicles in the portfolio. At December 31, 2021 and 2020, the weighted-average origination term of the portfolio was 41 months. At December 31, 2021, the commercial leasing portfolio had \$515 million of residuals, compared with \$498 million at December 31, 2020. At year-end 2021, lease residuals related to trucks and other transportation equipment represented 33.4 percent of the total residual portfolio, while business and office equipment represented 29.7 percent.

Operational Risk Management. The Company operates in many different businesses in diverse markets and relies on the ability of its employees and systems to process a high number of transactions. Operational risk is inherent in all business activities, and the management of this risk is important to the achievement of the Company's objectives. Business lines have direct and primary responsibility and accountability for identifying, controlling, and monitoring operational risks embedded in their

business activities, including those additional or increased risks created by the economic and financial disruptions, and the Company's alternative working arrangements resulting from the COVID-19 pandemic. The Company maintains a system of controls with the objective of providing proper transaction authorization and execution, proper system operations, proper oversight of third parties with whom it does business, safeguarding of assets from misuse or theft, and ensuring the reliability and security of financial and other data.

Business continuation and disaster recovery planning is also critical to effectively managing operational risks. Each business unit of the Company is required to develop, maintain and test these plans at least annually to ensure that recovery activities, if needed, can support mission critical functions, including technology, networks and data centers supporting customer applications and business operations.

While the Company believes it has designed effective processes to minimize operational risks, there is no absolute assurance that business disruption or operational losses would not occur from an external event or internal control breakdown. On an ongoing basis, management makes process changes and investments to enhance its systems of internal controls and business continuity and disaster recovery plans.

In the past, the Company has experienced attack attempts on its computer systems, including various denial-of-service attacks on customer-facing websites. The Company has not experienced any material losses relating to these attempts, as a result of its controls, processes and systems to protect its networks, computers, software and data from attack, damage or unauthorized access but future attacks could be more disruptive or damaging. Attack attempts on the Company's computer systems are evolving and increasing, and the Company continues to develop and enhance its controls and processes to protect against these attempts.

Compliance Risk Management The Company may suffer legal or regulatory sanctions, material financial loss, or damage to its reputation through failure to comply with laws, regulations, rules, standards of good practice, and codes of conduct, including those related to compliance with Bank Secrecy Act/anti-money laundering requirements, sanctions compliance requirements as administered by the Office of Foreign Assets Control, consumer protection and other requirements. The Company has controls and processes in place for the assessment, identification, monitoring, management and reporting of compliance risks and issues, including those created or increased by the economic and

financial disruptions caused by the COVID-19 pandemic. Refer to "Supervision and Regulation" in the Company's Annual Report on Form 10-K for further discussion of the regulatory framework applicable to bank holding companies and their subsidiaries.

Interest Rate Risk Management In the banking industry, changes in interest rates are a significant risk that can impact earnings and the safety and soundness of an entity. The Company manages its exposure to changes in interest rates through asset and liability management activities within guidelines established by its Asset Liability Management Committee ("ALCO") and approved by the Board of Directors. The ALCO has the responsibility for approving and ensuring compliance with the ALCO management policies, including interest rate risk exposure. One way the Company measures and analyzes its interest rate risk is through net interest income simulation analysis.

Simulation analysis incorporates substantially all of the Company's assets and liabilities and off-balance sheet instruments, together with forecasted changes in the balance sheet and assumptions that reflect the current interest rate environment. Through this simulation, management estimates the impact on net interest income of various interest rate changes that differ in the direction, amount and speed of change over time, as well as the shape of the yield curve. This simulation includes assumptions about how the balance sheet is likely to be affected by changes in loan and deposit growth. Assumptions are made to project interest rates for new loans and deposits based on historical analysis, management's outlook and re-pricing strategies. These assumptions are reviewed and validated on a periodic basis with sensitivity analysis being provided for key variables of the simulation. The results are reviewed monthly by the ALCO and are used to guide asset/liability management strategies.

The Company manages its interest rate risk position by holding assets with desired interest rate risk characteristics on its balance sheet, implementing certain pricing strategies for loans and deposits and selecting derivatives and various funding and investment portfolio strategies.

Table 20 summarizes the projected impact to net interest income over the next 12 months of various potential interest rate changes. The sensitivity of the projected impact to net interest income over the next 12 months is dependent on balance sheet growth, product mix, deposit behavior, pricing and funding decisions. While the Company utilizes models and assumptions based on historical information and expected behaviors, actual outcomes could vary significantly.

TABLE 20 Sensitivity of Net Interest Income

	December 31, 2021				December 31, 2020			
	Down 50 bps Immediate	Up 50 bps Immediate	Down 200 bps Gradual	Up 200 bps Gradual	Down 50 bps Immediate	Up 50 bps Immediate	Down 200 bps Gradual	Up 200 bps Gradual
Net interest income	(3.77)%	3.09%	*	5.39%	(4.48)%	4.58%	*	6.57%

* Given the level of interest rates, downward rate scenario is not computed.

Use of Derivatives to Manage Interest Rate and Other Risks

To manage the sensitivity of earnings and capital to interest rate, prepayment, credit, price and foreign currency fluctuations (asset and liability management positions), the Company enters into derivative transactions. The Company uses derivatives for asset and liability management purposes primarily in the following ways:

- To convert fixed-rate debt and available-for-sale investment securities from fixed-rate payments to floating-rate payments;
- To convert floating-rate debt from floating-rate payments to fixed-rate payments;
- To mitigate changes in value of the Company's unfunded mortgage loan commitments, funded MLHFS and MSRs;
- To mitigate remeasurement volatility of foreign currency denominated balances; and
- To mitigate the volatility of the Company's net investment in foreign operations driven by fluctuations in foreign currency exchange rates.

In addition, the Company enters into interest rate and foreign exchange derivative contracts to support the business requirements of its customers (customer-related positions). The Company minimizes the market and liquidity risks of customer-related positions by either entering into similar offsetting positions with broker-dealers, or on a portfolio basis by entering into other derivative or non-derivative financial instruments that partially or fully offset the exposure from these customer-related positions. The Company may enter into derivative contracts that are either exchange-traded, centrally cleared through clearinghouses or over-the-counter. The Company does not utilize derivatives for speculative purposes.

The Company does not designate all of the derivatives that it enters into for risk management purposes as accounting hedges because of the inefficiency of applying the accounting requirements and may instead elect fair value accounting for the related hedged items. In particular, the Company enters into interest rate swaps, swaptions, forward commitments to buy to-be-announced securities ("TBAs"), U.S. Treasury and Eurodollar futures and options on U.S. Treasury futures to mitigate fluctuations in the value of its MSRs, but does not designate those derivatives as accounting hedges. The estimated net sensitivity to changes in interest rates of the fair value of the MSRs and the related derivative instruments at December 31, 2021, to an immediate 25, 50 and 100 bps downward movement in interest rates would be a decrease of approximately \$8 million, \$15 million and \$22 million, respectively. An immediate upward movement in interest rates at December 31, 2021, of 25, 50 and 100 bps would result in an increase of approximately \$8 million, an increase of \$9 million and a decrease of \$25 million, in the fair value of the MSRs and related derivative instruments, respectively. Refer to Note 10 of the Notes to Consolidated Financial Statements for additional information regarding MSRs.

Additionally, the Company uses forward commitments to sell TBAs and other commitments to sell residential mortgage loans at specified prices to economically hedge the interest rate risk in its residential mortgage loan production activities. At December 31,

2021, the Company had \$8.6 billion of forward commitments to sell, hedging \$5.4 billion of MLHFS and \$4.7 billion of unfunded mortgage loan commitments. The forward commitments to sell and the unfunded mortgage loan commitments on loans intended to be sold are considered derivatives under the accounting guidance related to accounting for derivative instruments and hedging activities. The Company has elected the fair value option for the MLHFS.

Derivatives are subject to credit risk associated with counterparties to the contracts. Credit risk associated with derivatives is measured by the Company based on the probability of counterparty default, including consideration of the COVID-19 pandemic. The Company manages the credit risk of its derivative positions by diversifying its positions among various counterparties, by entering into master netting arrangements, and, where possible, by requiring collateral arrangements. The Company may also transfer counterparty credit risk related to interest rate swaps to third parties through the use of risk participation agreements. In addition, certain interest rate swaps, interest rate forwards and credit contracts are required to be centrally cleared through clearinghouses to further mitigate counterparty credit risk.

For additional information on derivatives and hedging activities, refer to Notes 20 and 21 in the Notes to Consolidated Financial Statements.

LIBOR Transition In July 2017, the United Kingdom's Financial Conduct Authority (the "FCA") announced that it would no longer require banks to submit rates for the London InterBank Offered Rate ("LIBOR") after 2021. In March 2021, the FCA and the administrator of LIBOR announced that, with respect to the most commonly used tenors of United States Dollar LIBOR, LIBOR will no longer be published on a representative basis after June 30, 2023. The publication of all other tenors of United States Dollar LIBOR ceased to be provided or ceased to be representative after December 31, 2021. The Company holds financial instruments impacted by the discontinuance of LIBOR, including certain loans, investment securities, derivatives, borrowings and other financial instruments that use LIBOR as the benchmark rate. The Company also provides various services to customers in its capacities as trustee and servicer, which involve financial instruments that will be similarly impacted by the discontinuance of LIBOR.

The Company has transitioned financial instruments associated to LIBOR currencies and tenors that ceased or became nonrepresentative on December 31, 2021 to alternative reference rates, with limited exceptions. The Company also anticipates that additional financial instruments associated to the remaining United States Dollar LIBOR tenors will require transition to a new reference rate by June 30, 2023. This transition will occur over time as many of these arrangements do not have an alternative rate referenced in their contracts or a clear path for the parties to agree upon an alternative reference rate and therefore require remediation. For residual exposure related to these rates after June 30, 2023, the Company is assessing the applicability of relevant contractual and statutory solutions. Certain states have passed legislation, and federal legislation has been proposed,

that would transition contracts from LIBOR to an alternative reference rate for any contracts with non-existent or impracticable fallback language. The Company is assessing the impact of such legislative solutions to its various products.

In order to facilitate the transition process, the Company has instituted a LIBOR Transition Office and commenced an enterprise-wide project to identify, assess, monitor and mitigate risks associated with the expected discontinuance or unavailability of LIBOR, actively engage with industry working groups and regulators, achieve operational readiness for the use of alternative reference rates and engage impacted customers to remediate and transition impacted instruments. The Company has also invested in updating its systems, models, procedures and internal infrastructure as part of the transition program. Additionally, in alignment with guidance from United States banking agencies and the FCA, the Company has ceased the use of LIBOR as a reference rate in new contracts, with limited exceptions, and continues to increase the usage of alternative reference rates such as the Secured Overnight Financing Rate ("SOFR"). The Company has also adopted industry best practice guidelines for fallback language for new transactions, converted its cleared interest rate swaps discounting to SOFR discounting, and distributed communications related to the transition to certain impacted parties, both inside and outside the Company. Refer to "Risk Factors" beginning on page 137, for further discussion on potential risks that could adversely affect the Company's financial results as a result of the LIBOR transition.

Market Risk Management In addition to interest rate risk, the Company is exposed to other forms of market risk, principally related to trading activities which support customers' strategies to manage their own foreign currency, interest rate risk and funding activities. For purposes of its internal capital adequacy assessment process, the Company considers risk arising from its trading activities, as well as the remeasurement volatility of foreign currency denominated balances included on its Consolidated Balance Sheet (collectively, "Covered Positions"), employing methodologies consistent with the requirements of regulatory rules for market risk. The Company's Market Risk Committee ("MRC"), within the framework of the ALCO, oversees market risk management. The MRC monitors and reviews the Company's Covered Positions and establishes policies for market risk management, including exposure limits for each portfolio. The Company uses a VaR approach to measure general market risk. Theoretically, VaR represents the statistical risk of loss the Company has to adverse market movements over a one-day time horizon. The Company uses the Historical Simulation method to calculate VaR for its Covered Positions measured at the ninety-ninth percentile using a one-year look-back period for distributions derived from past market data. The market factors used in the calculations include those pertinent to market risks inherent in the underlying trading portfolios, principally those that affect the Company's corporate bond trading business, foreign

currency transaction business, client derivatives business, loan trading business and municipal securities business, as well as those inherent in the Company's foreign denominated balances and the derivatives used to mitigate the related measurement volatility. On average, the Company expects the one-day VaR to be exceeded by actual losses two to three times per year related to these positions. The Company monitors the accuracy of internal VaR models and modeling processes by back-testing model performance, regularly updating the historical data used by the VaR models and regular model validations to assess the accuracy of the models' input, processing, and reporting components. All models are required to be independently reviewed and approved prior to being placed in use. If the Company were to experience market losses in excess of the estimated VaR more often than expected, the VaR models and associated assumptions would be analyzed and adjusted.

The average, high, low and period-end one-day VaR amounts for the Company's Covered Positions were as follows:

Year Ended December 31 (Dollars in Millions)	2021	2020
Average	\$2	\$2
High	4	3
Low	1	1
Period-end	2	2

The Company did not experience any actual losses for its combined Covered Positions that exceeded VaR during the year ended December 31, 2021. Given the market volatility in the first quarter of 2020 resulting from effects of the COVID-19 pandemic, the Company experienced actual losses for its combined Covered Positions that exceeded VaR five times during the year ended December 31, 2020. The Company stress tests its market risk measurements to provide management with perspectives on market events that may not be captured by its VaR models, including worst case historical market movement combinations that have not necessarily occurred on the same date.

The Company calculates Stressed VaR using the same underlying methodology and model as VaR, except that a historical continuous one-year look-back period is utilized that reflects a period of significant financial stress appropriate to the Company's Covered Positions. The period selected by the Company includes the significant market volatility of the last four months of 2008.

The average, high, low and period-end one-day Stressed VaR amounts for the Company's Covered Positions were as follows:

Year Ended December 31 (Dollars in Millions)	2021	2020
Average	\$7	\$6
High	9	8
Low	5	4
Period-end	7	5

Valuations of positions in client derivatives and foreign currency activities are based on discounted cash flow or other valuation techniques using market-based assumptions. These valuations are compared to third-party quotes or other market prices to determine if there are significant variances. Significant variances are approved by senior management in the Company's corporate functions. Valuation of positions in the corporate bond trading, loan trading and municipal securities businesses are based on trader marks. These trader marks are evaluated against third-party prices, with significant variances approved by senior management in the Company's corporate functions.

The Company also measures the market risk of its hedging activities related to residential MLHFS and MSRs using the Historical Simulation method. The VaRs are measured at the ninety-ninth percentile and employ factors pertinent to the market risks inherent in the valuation of the assets and hedges. A one-year look-back period is used to obtain past market data for the models.

The average, high and low VaR amounts for the residential MLHFS and related hedges and the MSRs and related hedges were as follows:

Year Ended December 31 (Dollars in Millions)			
	2021	2020	
Residential Mortgage Loans Held For Sale and Related Hedges			
Average	\$ 9	\$10	
High	19	22	
Low	4	2	
Mortgage Servicing Rights and Related Hedges			
Average	\$ 4	\$19	
High	11	54	
Low	1	1	

Liquidity Risk Management The Company's liquidity risk management process is designed to identify, measure, and manage the Company's funding and liquidity risk to meet its daily funding needs and to address expected and unexpected changes in its funding requirements. The Company engages in various activities to manage its liquidity risk. These activities include diversifying its funding sources, stress testing, and holding readily-marketable assets which can be used as a source of liquidity if needed. In addition, the Company's profitable operations, sound credit quality and strong capital position have enabled it to develop a large and reliable base of core deposit funding within its market areas and in domestic and global capital markets.

The Company's Board of Directors approves the Company's liquidity policy. The Risk Management Committee of the Company's Board of Directors oversees the Company's liquidity risk management process and approves a contingency funding plan. The ALCO reviews the Company's liquidity policy and limits, and regularly assesses the Company's ability to meet funding requirements arising from adverse company-specific or market events.

The Company's liquidity policy requires it to maintain diversified wholesale funding sources to avoid maturity, entity and

market concentrations. The Company operates a Cayman Islands branch for issuing Eurodollar time deposits. In addition, the Company has relationships with dealers to issue national market retail and institutional savings certificates and short-term and medium-term notes. The Company also maintains a significant correspondent banking network and relationships. Accordingly, the Company has access to national federal funds, funding through repurchase agreements and sources of stable certificates of deposit and commercial paper.

The Company regularly projects its funding needs under various stress scenarios and maintains a contingency funding plan consistent with the Company's access to diversified sources of contingent funding. The Company maintains a substantial level of total available liquidity in the form of on-balance sheet and off-balance sheet funding sources. These liquidity sources include cash at the Federal Reserve Bank and certain European central banks, unencumbered liquid assets, and capacity to borrow from the FHLB and at the Federal Reserve Bank's Discount Window. Unencumbered liquid assets in the Company's investment securities portfolio provides asset liquidity through the Company's ability to sell the securities or pledge and borrow against them. At December 31, 2021, the fair value of unencumbered investment securities totaled \$144.0 billion, compared with \$125.9 billion at December 31, 2020. Refer to Note 5 of the Notes to Consolidated Financial Statements and "Balance Sheet Analysis" for further information on investment securities maturities and trends. Asset liquidity is further enhanced by the Company's practice of pledging loans to access secured borrowing facilities through the FHLB and Federal Reserve Bank. At December 31, 2021, the Company could have borrowed a total of an additional \$101.0 billion from the FHLB and Federal Reserve Bank based on collateral available for additional borrowings.

The Company's diversified deposit base provides a sizeable source of relatively stable and low-cost funding, while reducing the Company's reliance on the wholesale markets. Total deposits were \$456.1 billion at December 31, 2021, compared with \$429.8 billion at December 31, 2020. Refer to Note 12 of the Notes to Consolidated Financial Statements and "Balance Sheet Analysis" for further information on the maturities, terms and trends of the Company's deposits.

Additional funding is provided by long-term debt and short-term borrowings. Long-term debt was \$32.1 billion at December 31, 2021, and is an important funding source because of its multi-year borrowing structure. Refer to Note 14 of the Notes to Consolidated Financial Statements for information on the terms and maturities of the Company's long-term debt issuances and "Balance Sheet Analysis" for discussion on long-term debt trends. Short-term borrowings were \$11.8 billion at December 31, 2021, and supplement the Company's other funding sources. Refer to Note 13 of the Notes to Consolidated Financial Statements and "Balance Sheet Analysis" for further information on the terms and trends of the Company's short-term borrowings.

The Company's ability to raise negotiated funding at competitive prices is influenced by rating agencies' views of the Company's credit quality, liquidity, capital and earnings. Table 21 details the rating agencies' most recent assessments.

TABLE 21 Credit Ratings

	Moody's	S&P Global Ratings	Fitch Ratings	DBRS Morningstar
U.S. Bancorp				
Long-term issuer rating	A2	A+	AA-	AA
Short-term issuer rating		A-1	F1+	R-1 (middle)
Senior unsecured debt	A2	A+	A+	AA
Subordinated debt	A2	A	A	AA (low)
Junior subordinated debt	A3			
Preferred stock	Baa1	BBB+	BBB+	A
Commercial paper	P-1		F1+	
U.S. Bank National Association				
Long-term issuer rating	A1	AA-	AA-	AA (high)
Short-term issuer rating	P-1	A-1+	F1+	R-1 (high)
Long-term deposits	Aa2		AA	AA (high)
Short-term deposits	P-1		F1+	
Senior unsecured debt	A1	AA-	AA-	AA (high)
Subordinated debt	A1	A+		AA
Commercial paper	P-1	A-1+	F1+	
Counterparty risk assessment	Aa3(cr)/P-1(cr)			
Counterparty risk rating	A1/P-1			
Baseline credit assessment	a1			

In addition to assessing liquidity risk on a consolidated basis, the Company monitors the parent company's liquidity. The parent company's routine funding requirements consist primarily of operating expenses, dividends paid to shareholders, debt service, repurchases of common stock and funds used for acquisitions. The parent company obtains funding to meet its obligations from dividends collected from its subsidiaries and the issuance of debt and capital securities. The Company establishes limits for the minimal number of months into the future where the parent company can meet existing and forecasted obligations with cash and securities held that can be readily monetized. The Company measures and manages this limit in both normal and adverse conditions. The Company maintains sufficient funding to meet expected capital and debt service obligations for 24 months without the support of dividends from subsidiaries and assuming access to the wholesale markets is maintained. The Company maintains sufficient liquidity to meet its capital and debt service obligations for 12 months under adverse conditions without the support of dividends from subsidiaries or access to the wholesale markets. The parent company is currently well in excess of required liquidity minimums.

Under United States Securities and Exchange Commission rules, the parent company is classified as a "well-known seasoned issuer," which allows it to file a registration statement that does not have a limit on issuance capacity. "Well-known seasoned issuers" generally include those companies with outstanding common securities with a market value of at least \$700 million held by non-affiliated parties or those companies that have issued at least \$1 billion in aggregate principal amount of non-convertible securities, other than common equity, in the last three years. However, the parent company's ability to issue debt and other securities under a registration statement filed with the United States Securities and Exchange Commission under

these rules is limited by the debt issuance authority granted by the Company's Board of Directors and/or the ALCO policy.

At December 31, 2021, parent company long-term debt outstanding was \$18.9 billion, compared with \$20.9 billion at December 31, 2020. The decrease was primarily due to \$3.0 billion of medium-term note repayments, partially offset by \$1.3 billion of subordinated note issuances. As of December 31, 2021, there was \$2.3 billion of parent company debt scheduled to mature in 2022. Future debt maturities may be met through medium-term note and capital security issuances and dividends from subsidiaries, as well as from parent company cash and cash equivalents.

Dividend payments to the Company by its subsidiary bank are subject to regulatory review and statutory limitations and, in some instances, regulatory approval. In general, dividends to the parent company from its banking subsidiary are limited by rules which compare dividends to net income for regulatorily-defined periods. For further information, see Note 25 of the Notes to Consolidated Financial Statements.

The Company is subject to a regulatory Liquidity Coverage Ratio ("LCR") requirement which requires banks to maintain an adequate level of unencumbered high quality liquid assets to meet estimated liquidity needs over a 30-day stressed period. At December 31, 2021, the Company was compliant with this requirement.

Beginning July 1, 2021, the Company is also subject to a regulatory Net Stable Funding Ratio ("NSFR") requirement which requires banks to maintain a minimum level of stable funding based on the liquidity characteristics of their assets, commitments, and derivative exposures over a one-year time horizon. At December 31, 2021, the Company was compliant with this requirement.

European Exposures The Company provides merchant processing and corporate trust services in Europe either directly or through banking affiliations in Europe. Revenue generated from sources in Europe represented approximately 2 percent of the Company's total net revenue for 2021. Operating cash for these businesses is deposited on a short-term basis typically with certain European central banks. For deposits placed at other European banks, exposure is mitigated by the Company placing deposits at multiple banks and managing the amounts on deposit at any bank based on institution-specific deposit limits. At December 31, 2021, the Company had an aggregate amount on deposit with European banks of approximately \$9.8 billion, predominately with the Central Bank of Ireland and Bank of England.

In addition, the Company provides financing to domestic multinational corporations that generate revenue from customers in European countries, transacts with various European banks as counterparties to certain derivative-related activities, and through a subsidiary, manages money market funds that hold certain investments in European sovereign debt. Any deterioration in economic conditions in Europe is not expected to have a significant effect on the Company related to these activities.

Commitments, Contingent Liabilities and Other Contractual Obligations The Company participates in many different contractual arrangements which may or may not be recorded on its balance sheet, with unrelated or unconsolidated entities, under which the Company has an obligation to pay certain amounts, provide credit or liquidity enhancements or market risk support. These arrangements also include any obligation related to a variable interest held in an unconsolidated entity that provides financing, liquidity, credit enhancement or market risk support. The Company has not utilized private label asset securitizations as a source of funding.

In the ordinary course of business, the Company enters into contractual obligations that may require future cash payments, including funding for customer loan requests, customer deposit maturities and withdrawals, debt service, leases for premises and equipment, and other cash commitments including \$3.3 billion of contractual interest payments at December 31, 2021. Refer to Notes 7, 12, 14, 17 and 23 in the Notes to Consolidated Financial Statements for information on the Company's operating lease obligations, deposits, long-term debt, benefit obligations and guarantees and other commitments, respectively.

Commitments to extend credit are legally binding and generally have fixed expiration dates or other termination clauses. Many of the Company's commitments to extend credit expire without being drawn and, therefore, total commitment amounts do not necessarily represent future liquidity requirements or the Company's exposure to credit loss. Commitments to extend credit also include consumer credit lines that are cancelable upon notification to the consumer. Total contractual amounts of commitments to extend credit at December 31, 2021 were \$355.1 billion. The Company also issues and confirms various types of letters of credit, including

standby and commercial. Total contractual amounts of letters of credit at December 31, 2021 were \$10.5 billion. For more information on the Company's commitments to extend credit and letters of credit, refer to Note 23 in the Notes to Consolidated Financial Statements.

The Company's off-balance sheet arrangements with unconsolidated entities primarily consist of private investment funds or partnerships that make equity investments, provide debt financing or support community-based investments in tax-advantaged projects. In addition to providing investment returns, these arrangements in many cases assist the Company in complying with requirements of the Community Reinvestment Act. The investments in these entities generate a return primarily through the realization of federal and state income tax credits and other tax benefits, such as tax deductions from operating losses of the investments, over specified time periods. The entities in which the Company invests are generally considered variable interest entities ("VIEs"). The Company's recorded investment in these entities, net of contractual equity investment commitments of \$1.9 billion, was \$2.6 billion at December 31, 2021.

The Company also has non-controlling financial investments in private funds and partnerships considered VIEs. The Company's recorded investment in these entities was approximately \$40 million at December 31, 2021, and the Company had unfunded commitments to invest an additional \$44 million. For more information on the Company's interests in unconsolidated VIEs, refer to Note 8 in the Notes to Consolidated Financial Statements.

Guarantees are contingent commitments issued by the Company to customers or other third parties requiring the Company to perform if certain conditions exist or upon the occurrence or nonoccurrence of a specified event, such as a scheduled payment to be made under contract. The Company's primary guarantees include commitments from securities lending activities in which indemnifications are provided to customers; indemnification or buy-back provisions related to sales of loans and tax credit investments; and merchant charge-back guarantees through the Company's involvement in providing merchant processing services. For certain guarantees, the Company may have access to collateral to support the guarantee, or through the exercise of other recourse provisions, be able to offset some or all of any payments made under these guarantees.

The Company and certain of its subsidiaries, along with other Visa U.S.A. Inc. member banks, have a contingent guarantee obligation to indemnify Visa Inc. for potential losses arising from antitrust lawsuits challenging the practices of Visa U.S.A. Inc. and MasterCard International. The indemnification by the Company and other Visa U.S.A. Inc. member banks has no maximum amount. Refer to Note 23 in the Notes to Consolidated Financial Statements for further details regarding guarantees, other commitments, and contingent liabilities, including maximum potential future payments and current carrying amounts.

Capital Management The Company is committed to managing capital to maintain strong protection for depositors and creditors and for maximum shareholder benefit. The Company continually assesses its business risks and capital position. The Company also manages its capital to exceed regulatory capital requirements for banking organizations. To achieve its capital goals, the Company employs a variety of capital management tools, including dividends, common share repurchases, and the issuance of subordinated debt, non-cumulative perpetual preferred stock, common stock and other capital instruments.

The Company repurchased approximately 28 million shares of its common stock in 2021, compared with approximately 31 million shares in 2020. The average price paid for the shares repurchased in 2021 was \$54.18 per share, compared with \$53.32 per share in 2020. Beginning in March of 2020 and continuing through the remainder of 2020, the Company suspended all common stock repurchases except for those done exclusively in connection with its stock-based compensation programs. This action was initially taken to maintain strong capital levels given the impact and uncertainties of COVID-19 on the economy and global markets. Due to continued economic uncertainty, the Federal Reserve Board implemented measures beginning in the third quarter of 2020 and extending through the second quarter of 2021, restricting capital distributions of all large bank holding companies, including the Company. These restrictions limited the aggregate amount of common stock dividends and share repurchases to an amount that did not exceed the average net income of the four preceding calendar quarters. Based on the results of the December 2020 Federal Reserve Board Stress Test, the Company announced on December 22, 2020 that its Board of Directors had approved an authorization to repurchase \$3.0 billion of its common stock beginning January 1, 2021, and repurchased \$1.5 billion of its common stock during the first six months of 2021 under this program. The Company suspended all common stock repurchases at the beginning of the third quarter of 2021, except for those done exclusively in connection with its stock-based compensation programs, due to its recently announced pending acquisition of MUFG Union Bank's core regional banking franchise. The Company does not expect to commence repurchasing its common stock again until the second half of 2022, or after the acquisition closes in order to build capital prior to the acquisition.

Based on the results of the 2021 Federal Reserve Board Annual Stress Test, the Company announced on September 14, 2021 that its Board of Directors had approved a regular quarterly dividend of \$0.46 per common share. This represented a 9.5 percent increase over the previous dividend rate per common share of \$0.42 per quarter.

The Company will continue to monitor its capital position and may adjust its capital distributions based on economic conditions and its financial performance. Capital distributions, including dividends and stock repurchases, are subject to the approval of the Company's Board of Directors and will align with regulatory requirements. For a more complete analysis of

activities impacting shareholders' equity and capital management programs, refer to Note 15 of the Notes to Consolidated Financial Statements.

Total U.S. Bancorp shareholders' equity was \$54.9 billion at December 31, 2021, compared with \$53.1 billion at December 31, 2020. The increase was primarily the result of corporate earnings, partially offset by changes in unrealized gains and losses on available-for-sale investment securities included in other comprehensive income (loss), dividends and common share repurchases.

The regulatory capital requirements effective for the Company follow Basel III, with the Company being subject to calculating its capital adequacy as a percentage of risk-weighted assets under the standardized approach. Under Basel III, banking regulators define minimum capital requirements for banks and financial services holding companies. These requirements are expressed in the form of a minimum common equity tier 1 capital ratio, tier 1 capital ratio, total risk-based capital ratio, tier 1 leverage ratio and a tier 1 total leverage exposure, or supplementary leverage, ratio. The Company's minimum required level for these ratios at December 31, 2021, which include a stress capital buffer of 2.5 percent for the common equity tier 1 capital, tier 1 capital and total capital ratios, was 7.0 percent, 8.5 percent, 10.5 percent, 4.0 percent, and 3.0 percent, respectively. The Company targets its regulatory capital levels, at both the bank and bank holding company level, to exceed the "well-capitalized" threshold for these ratios under the FDIC Improvement Act prompt corrective action provisions that are applicable to all banks. At December 31, 2021, the minimum "well-capitalized" thresholds under the prompt corrective action framework for the common equity tier 1 capital ratio, tier 1 capital ratio, total risk-based capital ratio, tier 1 leverage ratio, and tier 1 total leverage exposure ratio was 6.5 percent, 8.0 percent, 10.0 percent, 5.0 percent, and 3.0 percent, respectively. Beginning in 2020, the Company elected to adopt a rule issued in 2020 by its regulators which permits banking organizations who adopt accounting guidance related to the impairment of financial instruments based on the current expected credit losses ("CECL") methodology during 2020, the option to defer the impact of the effect of that guidance at adoption plus 25 percent of its quarterly credit reserve increases over the next two years on its regulatory capital requirements, followed by a three-year transition period to phase in the cumulative deferred impact. As of December 31, 2021, the Company's bank subsidiary met all regulatory capital ratios to be considered "well-capitalized". There are no conditions or events since December 31, 2021 that management believes have changed the risk-based category of its covered subsidiary bank.

As an approved mortgage seller and servicer, U.S. Bank National Association, through its mortgage banking division, is required to maintain various levels of shareholder's equity, as specified by various agencies, including the United States Department of Housing and Urban Development, Government National Mortgage Association, Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. At December 31, 2021, U.S. Bank National Association met these requirements.

TABLE 22 Regulatory Capital Ratios

At December 31 (Dollars in Millions)

2021

2020

Basel III standardized approach:

Common equity tier 1 capital	\$ 41,701	\$ 38,045
Tier 1 capital	48,516	44,474
Total risk-based capital	56,250	52,602
Risk-weighted assets	418,571	393,648
Common equity tier 1 capital as a percent of risk-weighted assets	10.0%	9.7%
Tier 1 capital as a percent of risk-weighted assets	11.6	11.3
Total risk-based capital as a percent of risk-weighted assets	13.4	13.4
Tier 1 capital as a percent of adjusted quarterly average assets (leverage ratio)	8.6	8.3
Tier 1 capital as a percent of total on- and off-balance sheet leverage exposure (total leverage exposure ratio)	6.9	7.3

Table 22 provides a summary of statutory regulatory capital ratios in effect for the Company at December 31, 2021 and 2020. All regulatory ratios exceeded regulatory “well-capitalized” requirements.

The Company believes certain other capital ratios are useful in evaluating its capital adequacy. At December 31, 2021, the Company’s tangible common equity, as a percent of tangible assets and as a percent of risk-weighted assets determined in accordance with transitional regulatory capital requirements related to the CECL methodology under the standardized approach, was 6.8 percent and 9.2 percent, respectively, compared with 6.9 percent and 9.5 percent at December 31, 2020, respectively. In addition, the Company’s common equity tier 1 capital to risk-weighted assets ratio, reflecting the full implementation of the CECL methodology was 9.6 percent at December 31, 2021, compared with 9.3 percent at December 31, 2020. Refer to “Non-GAAP Financial Measures” beginning on page 60 for further information on these other capital ratios.

Line of Business Financial Review

The Company’s major lines of business are Corporate and Commercial Banking, Consumer and Business Banking, Wealth Management and Investment Services, Payment Services, and Treasury and Corporate Support. These operating segments are components of the Company about which financial information is prepared and is evaluated regularly by management in deciding how to allocate resources and assess performance.

Basis for Financial Presentation Business line results are derived from the Company’s business unit profitability reporting systems by specifically attributing managed balance sheet assets, deposits and other liabilities and their related income or expense. Refer to Note 24 of the Notes to Consolidated Financial Statements for further information on the business lines’ basis for financial presentation.

Designations, assignments and allocations change from time to time as management systems are enhanced, methods of evaluating performance or product lines change or business segments are realigned to better respond to the Company’s diverse customer base. During 2021, certain organization and

methodology changes were made and, accordingly, 2020 results were restated and presented on a comparable basis.

Corporate and Commercial Banking Corporate and Commercial Banking offers lending, equipment finance and small-ticket leasing, depository services, treasury management, capital markets services, international trade services and other financial services to middle market, large corporate, commercial real estate, financial institution, non-profit and public sector clients. Corporate and Commercial Banking contributed \$1.6 billion of the Company’s net income in 2021, or a decrease of \$33 million (2.0 percent), compared with 2020.

Net revenue decreased \$593 million (13.1 percent) in 2021, compared with 2020. Net interest income, on a taxable-equivalent basis, decreased \$511 million (15.0 percent) in 2021, compared with 2020, primarily due to the impact of declining interest rates on the margin benefit from deposits as well as lower average loan balances, partially offset by favorable deposit mix with higher noninterest-bearing deposit balances and slightly higher loan spreads. Noninterest income decreased \$82 million (7.3 percent) in 2021, compared with 2020, primarily driven by lower capital markets activities and trading revenue, partially offset by continued stronger treasury management fees due to core growth driven by the economic recovery.

Noninterest expense decreased \$33 million (1.9 percent) in 2021, compared with 2020, primarily due to lower FDIC insurance expense and higher capitalized loan costs, partially offset by an increase in net shared services expense driven by investment in infrastructure and technology development. The provision for credit losses decreased \$515 million (85.3 percent) in 2021, compared with 2020, primarily due to a decrease in the reserve allocation driven by improving portfolio credit quality in 2021, compared with deteriorating credit quality in 2020.

Consumer and Business Banking Consumer and Business Banking delivers products and services through banking offices, telephone servicing and sales, on-line services, direct mail, ATM processing and mobile devices. It encompasses community banking, metropolitan banking and indirect lending, as well as mortgage banking. Consumer and Business Banking contributed \$2.3 billion of the Company’s net income in 2021, or a decrease of \$103 million (4.3 percent), compared with 2020.

Net revenue decreased \$358 million (4.0 percent) in 2021, compared with 2020. Net interest income, on a taxable-equivalent basis, increased \$318 million (5.5 percent) in 2021, compared with 2020, reflecting continued strong growth in deposit balances as well as favorable deposit mix, favorable loan spreads driven by growth in installment loans, and higher loan fees driven by loan forgiveness related to the SBA's Paycheck Protection Program. These increases in net interest income were partially offset by lower deposit spreads and loan balances. Noninterest income decreased \$676 million (21.3 percent) in 2021, compared with 2020, primarily due to lower mortgage banking revenue reflecting lower application volume and related gain on sale margins as refinancing activities declined, along with a reduction in the fair value of MSRs, net of hedging activities, partially offset by higher gains on GNMA loan sales and higher retail product fees driven by retail leasing end of term residual gains.

Noninterest expense increased \$216 million (3.9 percent) in 2021, compared with 2020, primarily due to increases in net shared services expense due to investments in digital capabilities and higher compensation expense related to merit increases, business growth and revenue-related compensation driven by business production. The provision for credit losses decreased \$435 million in 2021, compared with 2020, due to a decrease in the reserve allocation reflecting improved credit quality in the current year.

Wealth Management and Investment Services Wealth Management and Investment Services provides private banking, financial advisory services, investment management, retail brokerage services, insurance, trust, custody and fund servicing through four businesses: Wealth Management, Global Corporate Trust & Custody, U.S. Bancorp Asset Management and Fund Services. Wealth Management and Investment Services contributed \$837 million of the Company's net income in 2021, or a decrease of \$104 million (11.1 percent), compared with 2020.

Net revenue decreased \$45 million (1.4 percent) in 2021, compared with 2020. Net interest income, on a taxable-equivalent basis, decreased \$244 million (19.6 percent) in 2021, compared with 2020, primarily due to the declining margin benefit from deposits, partially offset by higher noninterest-bearing deposit balances driving favorable deposit mix, as well as higher average loan balances. Noninterest income increased \$199 million (9.8 percent) in 2021, compared with 2020, primarily due to core business growth in trust and investment

management fees and investment products fees, both driven by favorable market conditions, partially offset by higher fee waivers related to money market funds.

Noninterest expense increased \$86 million (4.4 percent) in 2021, compared with 2020, reflecting higher compensation expense as a result of merit increases, higher performance-based incentives related to investment sales volumes and core business growth, and an increase in net shared services expense, partially offset by lower other noninterest expense due to the allocation to the business line of previously reserved legal matters in 2020. The provision for credit losses increased \$7 million (17.5 percent) in 2021, compared with 2020, due to increased loan loss provisions supporting stronger balance sheet growth in 2021 compared to 2020.

Payment Services Payment Services includes consumer and business credit cards, stored-value cards, debit cards, corporate, government and purchasing card services, consumer lines of credit and merchant processing. Payment Services contributed \$1.7 billion of the Company's net income in 2021, or an increase of \$420 million (32.3 percent), compared with 2020.

Net revenue increased \$322 million (5.7 percent) in 2021, compared with 2020. Net interest income, on a taxable-equivalent basis, decreased \$104 million (4.1 percent) in 2021, compared with 2020, primarily due to lower loan balances and yields driven by higher credit card payment rates by customers. Noninterest income increased \$426 million (13.6 percent) in 2021, compared with 2020, mainly due to continued strengthening of consumer and business spending across most sectors driven by government stimulus, local jurisdictions reducing restrictions and consumer behaviors normalizing. As a result, there was strong growth in merchant processing services revenue driven by increased sales volume and higher merchant fees, partially offset by higher rebates. There was also solid growth in corporate payment products revenue driven by improving business spending across all product groups. Credit and debit card revenue increased, driven by stronger sales volume and fee activity.

Noninterest expense increased \$93 million (2.8 percent) in 2021, compared with 2020, due to lower marketing costs during 2020 reflecting the timing of marketing campaigns, along with incremental costs related to the prepaid card business in 2021. The provision for credit losses decreased \$332 million (48.8 percent) in 2021, compared with 2020, primarily driven by improved credit quality in 2021.

TABLE 23 Line of Business Financial Performance

Year Ended December 31 (Dollars in Millions)	Corporate and Commercial Banking			Consumer and Business Banking			
	2021	2020	Percent Change	2021	2020	Percent Change	
Condensed Income Statement							
Net interest income (taxable-equivalent basis)	\$ 2,900	\$ 3,411	(15.0)%	\$ 6,077	\$ 5,759	5.5%	
Noninterest income	1,035	1,117	(7.3)	2,501	3,177	(21.3)	
Total net revenue	3,935	4,528	(13.1)	8,578	8,936	(4.0)	
Noninterest expense	1,678	1,711	(1.9)	5,690	5,470	4.0	
Other intangibles	—	—	—	12	16	(25.0)	
Total noninterest expense	1,678	1,711	(1.9)	5,702	5,486	3.9	
Income before provision and income taxes	2,257	2,817	(19.9)	2,876	3,450	(16.6)	
Provision for credit losses	89	604	(85.3)	(144)	291	*	
Income (loss) before income taxes	2,168	2,213	(2.0)	3,020	3,159	(4.4)	
Income taxes and taxable-equivalent adjustment	542	554	(2.2)	755	791	(4.6)	
Net income (loss)	1,626	1,659	(2.0)	2,265	2,368	(4.3)	
Net (income) loss attributable to noncontrolling interests	—	—	—	—	—	—	
Net income (loss) attributable to U.S. Bancorp	\$ 1,626	\$ 1,659	(2.0)	\$ 2,265	\$ 2,368	(4.3)	
Average Balance Sheet							
Commercial	\$ 78,351	\$ 89,841	(12.8)%	\$ 8,656	\$ 9,127	(5.2)%	
Commercial real estate	24,819	25,692	(3.4)	10,944	11,977	(8.6)	
Residential mortgages	26	19	36.8	67,442	67,981	(.8)	
Credit card	—	—	—	—	—	—	
Other retail	12	11	9.1	54,040	52,174	3.6	
Total loans	103,208	115,563	(10.7)	141,082	141,259	(.1)	
Goodwill	1,715	1,647	4.1	3,428	3,500	(2.1)	
Other intangible assets	5	6	(16.7)	2,760	2,105	31.1	
Assets	115,194	128,038	(10.0)	161,571	159,191	1.5	
Noninterest-bearing deposits	61,272	44,309	38.3	33,855	30,467	11.1	
Interest checking	14,306	14,359	(.4)	69,718	55,512	25.6	
Savings products	47,815	54,578	(12.4)	75,404	62,702	20.3	
Time deposits	9,125	19,201	(52.5)	13,312	13,322	(.1)	
Total deposits	132,518	132,447	.1	192,289	162,003	18.7	
Total U.S. Bancorp shareholders' equity	13,928	15,063	(7.5)	12,337	12,739	(3.2)	

* Not meaningful

Wealth Management and Investment Services			Payment Services			Treasury and Corporate Support			Consolidated Company		
2021	2020	Percent Change	2021	2020	Percent Change	2021	2020	Percent Change	2021	2020	Percent Change
\$ 1,002	\$ 1,246	(19.6)%	\$ 2,458	\$ 2,562	(4.1)%	\$ 163	\$ (54)	*%	\$ 12,600	\$ 12,924	(2.5)%
2,221	2,022	9.8	3,550	3,124	13.6	920	961	(4.3)	10,227	10,401	(1.7)
3,223	3,268	(1.4)	6,008	5,686	5.7	1,083	907	19.4	22,827	23,325	(2.1)
2,045	1,961	4.3	3,231	3,123	3.5	925	928	(.3)	13,569	13,193	2.8
14	12	16.7	133	148	(10.1)	—	—	—	159	176	(9.7)
2,059	1,973	4.4	3,364	3,271	2.8	925	928	(.3)	13,728	13,369	2.7
1,164	1,295	(10.1)	2,644	2,415	9.5	158	(21)	*	9,099	9,956	(8.6)
47	40	17.5	349	681	(48.8)	(1,514)	2,190	*	(1,173)	3,806	*
1,117	1,255	(11.0)	2,295	1,734	32.4	1,672	(2,211)	*	10,272	6,150	67.0
280	314	(10.8)	575	434	32.5	135	(928)	*	2,287	1,165	96.3
837	941	(11.1)	1,720	1,300	32.3	1,537	(1,283)	*	7,985	4,985	60.2
—	—	—	—	—	—	(22)	(26)	15.4	(22)	(26)	15.4
\$ 837	\$ 941	(11.1)	\$ 1,720	\$ 1,300	32.3	\$ 1,515	\$ (1,309)	*	\$ 7,963	\$ 4,959	60.6
\$ 5,407	\$ 4,755	13.7%	\$ 9,004	\$ 8,936	.8%	\$ 1,437	\$ 1,308	9.9%	\$102,855	\$113,967	(9.8)%
735	738	(.4)	—	—	—	2,283	2,141	6.6	38,781	40,548	(4.4)
7,159	5,664	26.4	—	—	—	2	3	(33.3)	74,629	73,667	1.3
—	—	—	21,645	22,332	(3.1)	—	—	—	21,645	22,332	(3.1)
4,796	4,299	11.6	207	271	(23.6)	—	—	—	59,055	56,755	4.1
18,097	15,456	17.1	30,856	31,539	(2.2)	3,722	3,452	7.8	296,965	307,269	(3.4)
1,628	1,617	.7	3,185	3,060	4.1	—	—	—	9,956	9,824	1.3
84	39	*	508	581	(12.6)	—	—	—	3,357	2,731	22.9
21,236	18,564	14.4	36,553	36,497	.2	221,978	188,917	17.5	556,532	531,207	4.8
24,587	17,149	43.4	4,861	4,351	11.7	2,629	2,263	16.2	127,204	98,539	29.1
18,605	14,147	31.5	—	—	—	569	258	*	103,198	84,276	22.5
55,243	59,768	(7.6)	145	120	20.8	780	760	2.6	179,387	177,928	.8
1,770	3,610	(51.0)	—	1	*	285	1,738	(83.6)	24,492	37,872	(35.3)
100,205	94,674	5.8	5,006	4,472	11.9	4,263	5,019	(15.1)	434,281	398,615	8.9
3,154	2,936	7.4	7,643	7,462	2.4	16,748	14,046	19.2	53,810	52,246	3.0

Treasury and Corporate Support Treasury and Corporate Support includes the Company's investment portfolios, funding, capital management, interest rate risk management, income taxes not allocated to the business lines, including most investments in tax-advantaged projects, and the residual aggregate of those expenses associated with corporate activities that are managed on a consolidated basis. Treasury and Corporate Support recorded net income of \$1.5 billion in 2021, compared with a net loss of \$1.3 billion in 2020.

Net revenue increased \$176 million (19.4 percent) in 2021, compared with 2020. Net interest income, on a taxable-equivalent basis, increased \$217 million in 2021, compared with 2020, due to favorable funding and deposit mix. Noninterest income decreased \$41 million (4.3 percent) in 2021, compared with 2020, reflecting lower securities gains and changes in other noninterest income due to lower equity investment income and lower gains on sales of businesses in 2021, offset by the impact of asset impairments in 2020 as a result of branch closures.

Noninterest expense decreased \$3 million (0.3 percent) in 2021, compared with 2020, primarily due to lower COVID-19 related expenses compared with the prior year, including recognizing liabilities related to future delivery exposures for merchant and airline processing, lower net shared services expense, lower amortization related to tax-advantaged investments and lower severance and other accruals. These decreases were partially offset by higher compensation expense as a result of higher performance-based incentives and merit increases, as well as higher employee benefits driven by higher medical claims. The provision for credit losses was \$3.7 billion lower in 2021, compared with 2020, reflecting the residual impact of changes in the allowance for credit losses being impacted by improving economic conditions in the current year, compared to deteriorating conditions in the prior year.

Income taxes are assessed to each line of business at a managerial tax rate of 25.0 percent with the residual tax expense or benefit to arrive at the consolidated effective tax rate included in Treasury and Corporate Support.

Non-GAAP Financial Measures

In addition to capital ratios defined by banking regulators, the Company considers various other measures when evaluating capital utilization and adequacy, including:

- Tangible common equity to tangible assets,
- Tangible common equity to risk-weighted assets, and
- Common equity tier 1 capital to risk-weighted assets, reflecting the full implementation of the CECL methodology.

These capital measures are viewed by management as useful additional methods of evaluating the Company's utilization of its capital held and the level of capital available to withstand unexpected negative market or economic conditions. Additionally, presentation of these measures allows investors, analysts and banking regulators to assess the Company's capital position relative to other financial services companies. These capital measures are not defined in generally accepted accounting principles ("GAAP"), or are not currently effective or defined in banking regulations. In addition, certain of these measures differ from currently effective capital ratios defined by banking regulations principally in that the currently effective ratios, which are subject to certain transitional provisions, temporarily exclude the impact of the 2020 adoption of accounting guidance related to impairment of financial instruments based on the CECL methodology. As a result, these capital measures disclosed by the Company may be considered non-GAAP financial measures. Management believes this information helps investors assess trends in the Company's capital adequacy.

The Company also discloses net interest income and related ratios and analysis on a taxable-equivalent basis, which may also be considered non-GAAP financial measures. The Company believes this presentation to be the preferred industry measurement of net interest income as it provides a relevant comparison of net interest income arising from taxable and tax-exempt sources. In addition, certain performance measures, including the efficiency ratio and net interest margin utilize net interest income on a taxable-equivalent basis.

There may be limits in the usefulness of these measures to investors. As a result, the Company encourages readers to consider the consolidated financial statements and other financial information contained in this report in their entirety, and not to rely on any single financial measure.

The following table shows the Company's calculation of these non-GAAP financial measures:

At December 31 (Dollars in Millions)	2021	2020
Total equity	\$ 55,387	\$ 53,725
Preferred stock	(6,371)	(5,983)
Noncontrolling interests	(469)	(630)
Goodwill (net of deferred tax liability) ⁽¹⁾	(9,323)	(9,014)
Intangible assets, other than mortgage servicing rights	(785)	(654)
Tangible common equity ^(a)	38,439	37,444
Common equity tier 1 capital, determined in accordance with transitional regulatory capital requirements related to the CECL methodology implementation	41,701	38,045
Adjustments ⁽²⁾	(1,733)	(1,733)
Common equity tier 1 capital, reflecting the full implementation of the CECL methodology ^(b)	39,968	36,312
Total assets	573,284	553,905
Goodwill (net of deferred tax liability) ⁽¹⁾	(9,323)	(9,014)
Intangible assets, other than mortgage servicing rights	(785)	(654)
Tangible assets ^(c)	563,176	544,237
Risk-weighted assets, determined in accordance with prescribed regulatory capital requirements effective for the Company ^(d)	418,571	393,648
Adjustments ⁽³⁾	(357)	(1,471)
Risk-weighted assets, reflecting the full implementation of the CECL methodology ^(e)	418,214	392,177
Ratios		
Tangible common equity to tangible assets ^{(a)/(c)}	6.8%	6.9%
Tangible common equity to risk-weighted assets ^{(a)/(d)}	9.2	9.5
Common equity tier 1 capital to risk-weighted assets, reflecting the full implementation of the CECL methodology ^{(b)/(e)}	9.6	9.3

	Year Ended December 31		
	2021	2020	2019
Net interest income	\$ 12,494	\$ 12,825	\$ 13,052
Taxable-equivalent adjustment ⁽⁴⁾	106	99	103
Net interest income, on a taxable-equivalent basis	12,600	12,924	13,155
Net interest income, on a taxable-equivalent basis (as calculated above)	12,600	12,924	13,155
Noninterest income	10,227	10,401	9,831
Less: Securities gains (losses), net	103	177	73
Total net revenue, excluding net securities gains (losses) ^(f)	22,724	23,148	22,913
Noninterest expense ^(g)	13,728	13,369	12,785
Efficiency ratio ^{(g)/(f)}	60.4%	57.8%	55.8%

	Year Ended December 31, 2021		
	Net Revenue	Net Revenue as a Percent of the Consolidated Company	Net Revenue as a Percent of the Consolidated Company Excluding Treasury and Corporate Support
Corporate and Commercial Banking	\$ 3,935	17%	18%
Consumer and Business Banking	8,578	38	39
Wealth Management and Investment Services	3,223	14	15
Payment Services	6,008	26	28
Treasury and Corporate Support	1,083	5	
Consolidated Company	22,827	100%	
Less: Treasury and Corporate Support	1,083		
Consolidated Company excluding Treasury and Corporate Support	\$ 21,744		100%

(1) Includes goodwill related to certain investments in unconsolidated financial institutions per prescribed regulatory requirements.

(2) Includes the estimated increase in the allowance for credit losses related to the adoption of the CECL methodology net of deferred taxes.

(3) Includes the impact of the estimated increase in the allowance for credit losses related to the adoption of the CECL methodology.

(4) Based on federal income tax rate of 21 percent for those assets and liabilities whose income or expense is not included for federal income tax purposes.

Accounting Changes

Note 2 of the Notes to Consolidated Financial Statements discusses accounting standards recently issued but not yet required to be adopted and the expected impact of these changes in accounting standards. To the extent the adoption of new accounting standards materially affects the Company's financial condition or results of operations, the impacts are discussed in the applicable section(s) of the Management's Discussion and Analysis and the Notes to Consolidated Financial Statements.

Critical Accounting Policies

The accounting and reporting policies of the Company comply with accounting principles generally accepted in the United States and conform to general practices within the banking industry. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions. The Company's financial position and results of operations can be affected by these estimates and assumptions, which are integral to understanding the Company's financial statements. Critical accounting policies are those policies management believes are the most important to the portrayal of the Company's financial condition and results, and require management to make estimates that are difficult, subjective or complex. Most accounting policies are not considered by management to be critical accounting policies. Several factors are considered in determining whether or not a policy is critical in the preparation of financial statements. These factors include, among other things, whether the estimates are significant to the financial statements, the nature of the estimates, the ability to readily validate the estimates with other information (including third-party sources or available prices), sensitivity of the estimates to changes in economic conditions and whether alternative accounting methods may be utilized under GAAP. Management has discussed the development and the selection of critical accounting policies with the Company's Audit Committee.

Significant accounting policies are discussed in Note 1 of the Notes to Consolidated Financial Statements. Those policies considered to be critical accounting policies are described below.

Allowance for Credit Losses Management's evaluation of the appropriate allowance for credit losses is often the most critical of all the accounting estimates for a banking institution. It is an inherently subjective process impacted by many factors as discussed throughout the Management's Discussion and Analysis section of the Annual Report.

The methods utilized to estimate the allowance for credit losses, key assumptions and quantitative and qualitative information considered by management in determining the appropriate allowance for credit losses at December 31, 2021 are discussed in the "Credit Risk Management" section. Although methodologies utilized to determine each element of the allowance reflect management's assessment of credit risk, imprecision exists in these measurement tools due in part to

subjective judgments involved and an inherent lag in the data available to quantify current conditions and events that affect credit loss reserve estimates.

Given the many quantitative variables and subjective factors affecting the credit portfolio, changes in the allowance for credit losses may not directly coincide with changes in the risk ratings of the credit portfolio reflected in the risk rating process. This is in part due to the timing of the risk rating process in relation to changes in the business cycle, the exposure and mix of loans within risk rating categories, levels of nonperforming loans and the timing of charge-offs and expected recoveries. The allowance for credit losses on commercial lending segment loans measures the expected loss content on the remaining portfolio exposure, while nonperforming loans and net charge-offs are measures of specific impairment events that have already been confirmed. Therefore, the degree of change in the forward-looking expected loss in the commercial lending allowance may differ from the level of changes in nonperforming loans and net charge-offs. Management maintains an appropriate allowance for credit losses by updating allowance rates to reflect changes in expected losses, including expected changes in economic or business cycle conditions. Some factors considered in determining the appropriate allowance for credit losses are more readily quantifiable while other factors require extensive qualitative judgment in determining the overall level of the allowance for credit losses.

The Company considers a range of economic scenarios in its determination of the allowance for credit losses. These scenarios are constructed with interrelated projections of multiple economic variables, and loss estimates are produced that consider the historical correlation of those economic variables with credit losses, and also the expectation that conditions will eventually normalize over the longer run. Scenarios worse than the Company's expected outcome at December 31, 2021 include risks that government stimulus in response to the COVID-19 pandemic is less effective than expected, or that a longer or more severe health crisis prolongs the downturn in economic activity, potentially reducing the number of businesses that are ultimately able to continue operations after the crisis has passed.

Under the range of economic scenarios considered, the allowance for credit losses would have been lower by \$832 million or higher by \$1.5 billion. This range reflects the sensitivity of the allowance for credit losses specifically related to the scenarios and weights considered as of December 31, 2021, and does not consider other potential adjustments that could increase or decrease loss estimates calculated using alternative economic scenarios.

Because several quantitative and qualitative factors are considered in determining the allowance for credit losses, these sensitivity analyses do not necessarily reflect the nature and extent of future changes in the allowance for credit losses. They are intended to provide insights into the impact of adverse changes in the economy on the Company's modeled loss estimates for the loan portfolio and do not imply any expectation of future deterioration in the risk rating or loss rates. Given current

processes employed by the Company, management believes the risk ratings and loss model estimates currently assigned are appropriate. It is possible that others, given the same information, may at any point in time reach different reasonable conclusions that could be significant to the Company's financial statements. Refer to the "Analysis and Determination of the Allowance for Credit Losses" section for further information.

Fair Value Estimates A portion of the Company's assets and liabilities are carried at fair value on the Consolidated Balance Sheet, with changes in fair value recorded either through earnings or other comprehensive income (loss) in accordance with applicable accounting principles generally accepted in the United States. These include all of the Company's available-for-sale investment securities, derivatives and other trading instruments, MSRs and MLHFS. The estimation of fair value also affects other loans held for sale, which are recorded at the lower-of-cost-or-fair value. The determination of fair value is important for certain other assets that are periodically evaluated for impairment using fair value estimates, including goodwill and other intangible assets, impaired loans, OREO and other repossessed assets.

Fair value is generally defined as the exit price at which an asset or liability could be exchanged in a current transaction between willing, unrelated parties, other than in a forced or liquidation sale. Fair value is based on quoted market prices in an active market, or if market prices are not available, is estimated using models employing techniques such as matrix pricing or discounting expected cash flows. The significant assumptions used in the models, which include assumptions for interest rates, discount rates, prepayments and credit losses, are independently verified against observable market data where possible. Where observable market data is not available, the estimate of fair value becomes more subjective and involves a high degree of judgment. In this circumstance, fair value is estimated based on management's judgment regarding the value that market participants would assign to the asset or liability. This valuation process takes into consideration factors such as market illiquidity. Imprecision in estimating these factors can impact the amount recorded on the balance sheet for a particular asset or liability with related impacts to earnings or other comprehensive income (loss).

When available, trading and available-for-sale securities are valued based on quoted market prices. However, certain securities are traded less actively and, therefore, quoted market prices may not be available. The determination of fair value may require benchmarking to similar instruments or performing a discounted cash flow analysis using estimates of future cash flows and prepayment, interest and default rates. For more information on investment securities, refer to Note 5 of the Notes to Consolidated Financial Statements.

As few derivative contracts are listed on an exchange, the majority of the Company's derivative positions are valued using valuation techniques that use readily observable market inputs. Certain derivatives, however, must be valued using techniques that include unobservable inputs. For these instruments, the significant assumptions must be estimated and, therefore, are

subject to judgment. Note 20 of the Notes to Consolidated Financial Statements provides a summary of the Company's derivative positions.

Refer to Note 22 of the Notes to Consolidated Financial Statements for additional information regarding estimations of fair value.

Mortgage Servicing Rights MSRs are capitalized as separate assets when loans are sold and servicing is retained, or may be purchased from others. The Company records MSRs at fair value. Because MSRs do not trade in an active market with readily observable prices, the Company determines the fair value by estimating the present value of the asset's future cash flows utilizing market-based prepayment rates, option adjusted spread, and other assumptions validated through comparison to trade information, industry surveys and independent third-party valuations. Changes in the fair value of MSRs are recorded in earnings during the period in which they occur. Risks inherent in the valuation of MSRs include higher than expected prepayment rates and/or delayed receipt of cash flows. The Company utilizes derivatives, including interest rate swaps, swaptions, forward commitments to buy TBAs, U.S. Treasury and Eurodollar futures and options on U.S. Treasury futures, to mitigate the valuation risk. Refer to Notes 10 and 22 of the Notes to Consolidated Financial Statements for additional information on the assumptions used in determining the fair value of MSRs and an analysis of the sensitivity to changes in interest rates of the fair value of the MSRs portfolio and the related derivative instruments used to mitigate the valuation risk.

Income Taxes The Company estimates income tax expense based on amounts expected to be owed to the various tax jurisdictions in which it operates, including federal, state and local domestic jurisdictions, and an insignificant amount to foreign jurisdictions. The estimated income tax expense is reported in the Consolidated Statement of Income. Accrued taxes are reported in other assets or other liabilities on the Consolidated Balance Sheet and represent the net estimated amount due to or to be received from taxing jurisdictions either currently or deferred to future periods. Deferred taxes arise from differences between assets and liabilities measured for financial reporting purposes versus income tax reporting purposes. Deferred tax assets are recognized if, in management's judgment, their realizability is determined to be more likely than not. Uncertain tax positions that meet the more likely than not recognition threshold are measured to determine the amount of benefit to recognize. An uncertain tax position is measured at the largest amount of benefit management believes is more likely than not to be realized upon settlement. In estimating accrued taxes, the Company assesses the relative merits and risks of the appropriate tax treatment considering statutory, judicial and regulatory guidance in the context of the tax position. Because of the complexity of tax laws and regulations, interpretation can be difficult and subject to legal judgment given specific facts and circumstances. It is possible that others, given the same information, may at any point in time reach different reasonable conclusions regarding the estimated amounts of accrued taxes.

Changes in the estimate of accrued taxes occur periodically due to changes in tax rates, interpretations of tax laws, the status of examinations being conducted by various taxing authorities, and newly enacted statutory, judicial and regulatory guidance that impacts the relative merits and risks of tax positions. These changes, when they occur, affect accrued taxes and can be significant to the operating results of the Company. Refer to Note 19 of the Notes to Consolidated Financial Statements for additional information regarding income taxes.

Controls and Procedures

Under the supervision and with the participation of the Company's management, including its principal executive officer and principal financial officer, the Company has evaluated the effectiveness of the design and operation of its disclosure controls and procedures (as defined in Rules 13a-15(e) and

15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")). Based upon this evaluation, the principal executive officer and principal financial officer have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures were effective.

During the most recently completed fiscal quarter, there was no change made in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

The annual report of the Company's management on internal control over financial reporting is provided on page 65. The audit report of Ernst & Young LLP, the Company's independent accountants, regarding the Company's internal control over financial reporting is provided on page 68.

Report of Management

Responsibility for the financial statements and other information presented throughout this Annual Report rests with the management of U.S. Bancorp. The Company believes the consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States and present the substance of transactions based on the circumstances and management's best estimates and judgment.

In meeting its responsibilities for the reliability of the financial statements, management is responsible for establishing and maintaining an adequate system of internal control over financial reporting as defined by Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. The Company's system of internal control is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of publicly filed financial statements in accordance with accounting principles generally accepted in the United States.

To test compliance, the Company carries out an extensive audit program. This program includes a review for compliance with written policies and procedures and a comprehensive review of the adequacy and effectiveness of the system of internal control. Although control procedures are designed and tested, it must be recognized that there are limits inherent in all systems of internal control and, therefore, errors and irregularities may nevertheless occur. Also, estimates and judgments are required to assess and balance the relative cost and expected benefits of the controls. Projection of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Board of Directors of the Company has an Audit Committee composed of directors who are independent of U.S. Bancorp. The Audit Committee meets periodically with management, the internal auditors and the independent accountants to consider audit results and to discuss internal accounting control, auditing and financial reporting matters.

Management assessed the effectiveness of the Company's system of internal control over financial reporting as of December 31, 2021. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in its Internal Control-Integrated Framework (2013 framework). Based on our assessment and those criteria, management believes the Company designed and maintained effective internal control over financial reporting as of December 31, 2021.

The Company's independent registered accountants, Ernst & Young LLP, have been engaged to render an independent professional opinion on the financial statements and issue an audit report on the Company's internal control over financial reporting. Their opinion on the financial statements appearing on pages 66 and 67 and their audit report on internal control over financial reporting appearing on page 68 are based on procedures conducted in accordance with auditing standards of the Public Company Accounting Oversight Board (United States).

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of U.S. Bancorp

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of U.S. Bancorp (the Company) as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2021 based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 22, 2022 expressed an unqualified opinion thereon.

Adoption of New Accounting Standard

As discussed in Notes 1 and 6 to the consolidated financial statements, the Company changed its method for accounting for credit losses in 2020.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Allowance for Credit Losses

<i>Description of the Matter</i>	The Company's loan and lease portfolio and the associated allowance for credit losses (ACL), were \$312.0 billion and \$6.2 billion as of December 31, 2021, respectively. The provision for credit losses was a benefit of \$1.2 billion for the year ended December 31, 2021. As discussed in Notes 1 and 6 to the financial statements, the ACL is established for current expected credit losses on the Company's loan and lease portfolio, including unfunded credit commitments, by utilizing forward-looking expected loss models. When determining expected losses, the Company uses multiple probability weighted economic scenarios over a reasonable and supportable forecast period and then fully reverts to historical loss experience to estimate losses over the remaining asset lives. Model estimates are adjusted to consider any relevant changes in portfolio composition, lending policies, underwriting standards, risk management practices or economic conditions that would affect the accuracy of the model. Additionally, management may adjust ACL for other qualitative factors such as model imprecision, imprecision in economic scenario assumptions, and emerging risks related to either changes in the environment that are affecting specific portfolio segments, or changes in portfolio concentrations.
----------------------------------	--

*How We
Addressed the
Matter in Our
Audit*

Auditing management's ACL estimate and related provision for credit losses was complex due to the highly judgmental nature of the probability weighted economic scenarios, expected loss models, as well as model and qualitative factor adjustments.

We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's process for establishing the ACL, including management's controls over: 1) selection and implementation of forward-looking economic scenarios and the probability weights assigned to them; 2) expected loss models, including model validation, implementation, monitoring, the completeness and accuracy of key inputs and assumptions used in the models, and management's output assessment and related adjustments; 3) adjustments to reflect management's consideration of qualitative factors; 4) the ACL methodology and governance process.

With the support of specialists, we assessed the economic scenarios and related probability weights by, among other procedures, evaluating management's methodology and agreeing a sample of key economic variables used to external sources. We also performed and considered the results of various sensitivity analyses and analytical procedures, including comparison of a sample of the key economic variables to alternative external sources, historical statistics and peer bank information.

With respect to expected loss models, with the support of specialists, we evaluated model calculation design and reperformed the calculation for a sample of models. We also tested the appropriateness of key inputs and assumptions used in these models by agreeing a sample of inputs to internal sources. As to model adjustments, with the support of specialists, we evaluated management's estimate methodology and assessment of factors that could potentially impact the accuracy of expected loss models. We also recalculated a sample of model adjustments and tested internal and external data used by agreeing a sample of inputs to internal and external sources.

Regarding the completeness of qualitative factors identified and incorporated into measuring the ACL, we evaluated the potential impact of imprecision in the expected loss models and economic scenario assumptions; emerging risks related to changes in the environment impacting specific portfolio segments and portfolio concentrations. We also evaluated and tested internal and external data used in the qualitative adjustments by agreeing significant inputs and underlying data to internal and external sources.

We evaluated the overall ACL amount, including model estimates and adjustments, qualitative factors adjustments, and whether the recorded ACL appropriately reflects expected credit losses on the loan and lease portfolio and unfunded credit commitments. We reviewed historical loss statistics, peer-bank information, subsequent events and transactions and considered whether they corroborate or contradict the Company's measurement of the ACL. We searched for and evaluated information that corroborates or contradicts management's forecasted assumptions and related probability weights as well as identification and measurement of adjustments to model estimates and qualitative factors.

The logo for Ernst & Young LLP, featuring the company name in a stylized, handwritten-style script.

We have served as the Company's auditor since 2003.

Minneapolis, Minnesota
February 22, 2022

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of U.S. Bancorp

Opinion on Internal Control over Financial Reporting

We have audited U.S. Bancorp's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, U.S. Bancorp (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and our report dated February 22, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report of Management. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The logo for Ernst & Young LLP is written in a stylized, cursive script. The words "Ernst & Young" are in a larger, more prominent font, with "LLP" in a smaller font to the right.

Minneapolis, Minnesota
February 22, 2022

Consolidated Financial Statements and Notes Table of Contents

Consolidated Financial Statements

Consolidated Balance Sheet	70
Consolidated Statement of Income	71
Consolidated Statement of Comprehensive Income	72
Consolidated Statement of Shareholders' Equity	73
Consolidated Statement of Cash Flows	74

Notes to Consolidated Financial Statements

Note 1 — Significant Accounting Policies	75
Note 2 — Accounting Changes	82
Note 3 — Business Combinations	82
Note 4 — Restrictions on Cash and Due From Banks	82
Note 5 — Investment Securities	83
Note 6 — Loans and Allowance for Credit Losses	86
Note 7 — Leases	92
Note 8 — Accounting for Transfers and Servicing of Financial Assets and Variable Interest Entities	93
Note 9 — Premises and Equipment	94
Note 10 — Mortgage Servicing Rights	95
Note 11 — Intangible Assets	96
Note 12 — Deposits	97
Note 13 — Short-Term Borrowings	97
Note 14 — Long-Term Debt	98
Note 15 — Shareholders' Equity	99
Note 16 — Earnings Per Share	104
Note 17 — Employee Benefits	104
Note 18 — Stock-Based Compensation	109
Note 19 — Income Taxes	111
Note 20 — Derivative Instruments	113
Note 21 — Netting Arrangements for Certain Financial Instruments and Securities Financing Activities	117
Note 22 — Fair Values of Assets and Liabilities	120
Note 23 — Guarantees and Contingent Liabilities	126
Note 24 — Business Segments	129
Note 25 — U.S. Bancorp (Parent Company)	132
Note 26 — Subsequent Events	133

U.S. Bancorp

Consolidated Balance Sheet

At December 31 (Dollars in Millions)

2021

2020

Assets

Cash and due from banks	\$ 28,905	\$ 62,580
Investment securities		
Held-to-maturity (2021 fair value \$41,812)	41,858	—
Available-for-sale (\$557 and \$402 pledged as collateral, respectively) ^(a)	132,963	136,840
Loans held for sale (including \$6,623 and \$8,524 of mortgage loans carried at fair value, respectively)	7,775	8,761
Loans		
Commercial	112,023	102,871
Commercial real estate	39,053	39,311
Residential mortgages	76,493	76,155
Credit card	22,500	22,346
Other retail	61,959	57,024
Total loans	312,028	297,707
Less allowance for loan losses	(5,724)	(7,314)
Net loans	306,304	290,393
Premises and equipment	3,305	3,468
Goodwill	10,262	9,918
Other intangible assets	3,738	2,864
Other assets (including \$1,193 and \$1,255 of trading securities at fair value pledged as collateral, respectively) ^(a)	38,174	39,081
Total assets	<u>\$573,284</u>	<u>\$553,905</u>

Liabilities and Shareholders' Equity

Deposits		
Noninterest-bearing	\$134,901	\$118,089
Interest-bearing	321,182	311,681
Total deposits	456,083	429,770
Short-term borrowings	11,796	11,766
Long-term debt	32,125	41,297
Other liabilities	17,893	17,347
Total liabilities	517,897	500,180
Shareholders' equity		
Preferred stock	6,371	5,983
Common stock, par value \$0.01 a share — authorized: 4,000,000,000 shares; issued: 2021 and 2020 — 2,125,725,742 shares	21	21
Capital surplus	8,539	8,511
Retained earnings	69,201	64,188
Less cost of common stock in treasury: 2021 — 642,223,571 shares; 2020 — 618,618,084 shares	(27,271)	(25,930)
Accumulated other comprehensive income (loss)	(1,943)	322
Total U.S. Bancorp shareholders' equity	54,918	53,095
Noncontrolling interests	469	630
Total equity	55,387	53,725
Total liabilities and equity	<u>\$573,284</u>	<u>\$553,905</u>

^(a) Includes only collateral pledged by the Company where counterparties have the right to sell or pledge the collateral.
See Notes to Consolidated Financial Statements.

U.S. Bancorp

Consolidated Statement of Income

Year Ended December 31 (Dollars and Shares in Millions, Except Per Share Data)

	2021	2020	2019
Interest Income			
Loans	\$10,747	\$12,018	\$14,099
Loans held for sale	232	216	162
Investment securities	2,365	2,428	2,893
Other interest income	143	178	340
Total interest income	13,487	14,840	17,494
Interest Expense			
Deposits	320	950	2,855
Short-term borrowings	70	141	360
Long-term debt	603	924	1,227
Total interest expense	993	2,015	4,442
Net interest income	12,494	12,825	13,052
Provision for credit losses	(1,173)	3,806	1,504
Net interest income after provision for credit losses	13,667	9,019	11,548
Noninterest Income			
Credit and debit card revenue	1,507	1,338	1,413
Corporate payment products revenue	575	497	664
Merchant processing services	1,449	1,261	1,601
Trust and investment management fees	1,832	1,736	1,673
Deposit service charges	724	677	909
Treasury management fees	614	568	578
Commercial products revenue	1,102	1,143	934
Mortgage banking revenue	1,361	2,064	874
Investment products fees	239	192	186
Securities gains (losses), net	103	177	73
Other	721	748	926
Total noninterest income	10,227	10,401	9,831
Noninterest Expense			
Compensation	7,299	6,635	6,325
Employee benefits	1,429	1,303	1,286
Net occupancy and equipment	1,048	1,092	1,123
Professional services	492	430	454
Marketing and business development	366	318	426
Technology and communications	1,454	1,294	1,095
Postage, printing and supplies	274	288	290
Other intangibles	159	176	168
Other	1,207	1,833	1,618
Total noninterest expense	13,728	13,369	12,785
Income before income taxes	10,166	6,051	8,594
Applicable income taxes	2,181	1,066	1,648
Net income	7,985	4,985	6,946
Net (income) loss attributable to noncontrolling interests	(22)	(26)	(32)
Net income attributable to U.S. Bancorp	\$ 7,963	\$ 4,959	\$ 6,914
Net income applicable to U.S. Bancorp common shareholders	\$ 7,605	\$ 4,621	\$ 6,583
Earnings per common share	\$ 5.11	\$ 3.06	\$ 4.16
Diluted earnings per common share	\$ 5.10	\$ 3.06	\$ 4.16
Average common shares outstanding	1,489	1,509	1,581
Average diluted common shares outstanding	1,490	1,510	1,583

See Notes to Consolidated Financial Statements.

U.S. Bancorp

Consolidated Statement of Comprehensive Income

Year Ended December 31 (Dollars in Millions)	2021	2020	2019
Net income	\$ 7,985	\$4,985	\$6,946
Other Comprehensive Income (Loss)			
Changes in unrealized gains (losses) on investment securities available-for-sale	(3,698)	2,905	1,693
Unrealized gains (losses) on held-to-maturity investment securities transferred to available-for-sale	—	—	141
Changes in unrealized gains (losses) on derivative hedges	125	(194)	(229)
Foreign currency translation	35	2	26
Changes in unrealized gains (losses) on retirement plans	400	(401)	(380)
Reclassification to earnings of realized (gains) losses	104	(42)	20
Income taxes related to other comprehensive income (loss)	769	(575)	(322)
Total other comprehensive income (loss)	(2,265)	1,695	949
Comprehensive income	5,720	6,680	7,895
Comprehensive (income) loss attributable to noncontrolling interests	(22)	(26)	(32)
Comprehensive income attributable to U.S. Bancorp	\$ 5,698	\$6,654	\$7,863

See Notes to Consolidated Financial Statements.

U.S. Bancorp

Consolidated Statement of Shareholders' Equity

	U.S. Bancorp Shareholders									
	Common Shares Outstanding	Preferred Stock	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total U.S. Bancorp Shareholders' Equity	Noncontrolling Interests	Total Equity
(Dollars and Shares in Millions, Except Per Share Data)										
Balance December 31, 2018	1,608	\$ 5,984	\$21	\$8,469	\$59,065	\$(20,188)	\$ (2,322)	\$51,029	\$ 628	\$51,657
Changes in accounting principle					2			2		2
Net income (loss)					6,914			6,914	32	6,946
Other comprehensive income (loss)							949	949		949
Preferred stock dividends ^(a)					(302)			(302)		(302)
Common stock dividends (\$1.58 per share)					(2,493)			(2,493)		(2,493)
Issuance of common and treasury stock	7			(174)		263		89		89
Purchase of treasury stock	(81)					(4,515)		(4,515)		(4,515)
Distributions to noncontrolling interests									(31)	(31)
Net other changes in noncontrolling interests									1	1
Stock option and restricted stock grants				180				180		180
Balance December 31, 2019	1,534	\$ 5,984	\$21	\$8,475	\$63,186	\$(24,440)	\$ (1,373)	\$51,853	\$ 630	\$52,483
Change in accounting principle ^(b)					(1,099)			(1,099)		(1,099)
Net income (loss)					4,959			4,959	26	4,985
Other comprehensive income (loss)							1,695	1,695		1,695
Preferred stock dividends ^(c)					(304)			(304)		(304)
Common stock dividends (\$1.68 per share)					(2,541)			(2,541)		(2,541)
Issuance of preferred stock		486						486		486
Call of preferred stock		(487)			(13)			(500)		(500)
Issuance of common and treasury stock	4			(154)		171		17		17
Purchase of treasury stock	(31)					(1,661)		(1,661)		(1,661)
Distributions to noncontrolling interests									(25)	(25)
Net other changes in noncontrolling interests									(1)	(1)
Stock option and restricted stock grants				190				190		190
Balance December 31, 2020	1,507	\$ 5,983	\$21	\$8,511	\$64,188	\$(25,930)	\$ 322	\$53,095	\$ 630	\$53,725
Net income (loss)					7,963			7,963	22	7,985
Other comprehensive income (loss)							(2,265)	(2,265)		(2,265)
Preferred stock dividends ^(d)					(303)			(303)		(303)
Common stock dividends (\$1.76 per share)					(2,630)			(2,630)		(2,630)
Issuance of preferred stock		2,221						2,221		2,221
Call and redemption of preferred stock		(1,833)			(17)			(1,850)		(1,850)
Issuance of common and treasury stock	5			(169)		215		46		46
Purchase of treasury stock	(28)					(1,556)		(1,556)		(1,556)
Distributions to noncontrolling interests									(20)	(20)
Purchase of noncontrolling interests									(167)	(167)
Net other changes in noncontrolling interests									4	4
Stock option and restricted stock grants				197				197		197
Balance December 31, 2021	1,484	\$ 6,371	\$21	\$8,539	\$69,201	\$(27,271)	\$ (1,943)	\$54,918	\$ 469	\$55,387

(a) Reflects dividends declared per share on the Company's Series A, Series B, Series F, Series H, Series I, Series J and Series K Non-Cumulative Perpetual Preferred Stock of \$3,654.95, \$887.15, \$1,625.00, \$1,287.52, \$1,281.25, \$1,325.00 and \$1,375.00, respectively.

(b) Effective January 1, 2020, the Company adopted accounting guidance which changed impairment recognition of financial instruments to a model that is based on expected losses rather than incurred losses. Upon adoption, the Company increased its allowance for credit losses and reduced retained earnings net of deferred taxes through a cumulative-effect adjustment.

(c) Reflects dividends declared per share on the Company's Series A, Series B, Series F, Series H, Series I, Series J, Series K and Series L Non-Cumulative Perpetual Preferred Stock of \$3,558.332, \$889.58, \$1,625.00, \$1,287.52, \$1,281.25, \$1,325.00, \$1,375.00 and \$203.13, respectively.

(d) Reflects dividends declared per share on the Company's Series A, Series B, Series F, Series I, Series J, Series K, Series L, Series M and Series N Non-Cumulative Perpetual Preferred Stock of \$3,548.61, \$887.153, \$1,625.00, \$232.953, \$1,325.00, \$1,375.00, \$937.50, \$952.778 and \$202.986, respectively.

See Notes to Consolidated Financial Statements.

U.S. Bancorp

Consolidated Statement of Cash Flows

Year Ended December 31 (Dollars in Millions)

2021

2020

2019

Operating Activities

Net income attributable to U.S. Bancorp	\$ 7,963	\$ 4,959	\$ 6,914
Adjustments to reconcile net income to net cash provided by operating activities			
Provision for credit losses	(1,173)	3,806	1,504
Depreciation and amortization of premises and equipment	338	351	334
Amortization of intangibles	159	176	168
(Gain) loss on sale of loans held for sale	(1,135)	(2,193)	(762)
(Gain) loss on sale of securities and other assets	(398)	(344)	(469)
Loans originated for sale, net of repayments	(72,627)	(67,449)	(36,561)
Proceeds from sales of loans held for sale	74,315	65,468	33,303
Other, net	2,428	(1,058)	458
Net cash provided by operating activities	9,870	3,716	4,889

Investing Activities

Proceeds from sales of available-for-sale investment securities	16,075	15,596	11,252
Proceeds from maturities of held-to-maturity investment securities	1,093	—	9,137
Proceeds from maturities of available-for-sale investment securities	41,199	40,639	11,454
Purchases of held-to-maturity investment securities	(1,088)	—	(6,701)
Purchases of available-for-sale investment securities	(99,045)	(68,662)	(33,814)
Net (increase) decrease in loans outstanding	(17,459)	6,350	(9,871)
Proceeds from sales of loans	6,183	2,250	2,899
Purchases of loans	(4,466)	(11,622)	(3,805)
Net decrease (increase) in securities purchased under agreements to resell	18	645	(816)
Other, net	3	(636)	(1,295)
Net cash used in investing activities	(57,487)	(15,440)	(21,560)

Financing Activities

Net increase in deposits	26,313	67,854	16,441
Net increase (decrease) in short-term borrowings	30	(11,957)	9,584
Proceeds from issuance of long-term debt	2,626	14,501	9,899
Principal payments or redemption of long-term debt	(11,432)	(14,476)	(11,119)
Proceeds from issuance of preferred stock	2,221	486	—
Proceeds from issuance of common stock	43	15	88
Repurchase of preferred stock	(1,250)	—	—
Repurchase of common stock	(1,555)	(1,672)	(4,525)
Cash dividends paid on preferred stock	(308)	(300)	(302)
Cash dividends paid on common stock	(2,579)	(2,552)	(2,443)
Purchase of noncontrolling interests	(167)	—	—
Net cash provided by financing activities	13,942	51,899	17,623
Change in cash and due from banks	(33,675)	40,175	952
Cash and due from banks at beginning of period	62,580	22,405	21,453
Cash and due from banks at end of period	\$ 28,905	\$ 62,580	\$ 22,405

Supplemental Cash Flow Disclosures

Cash paid for income taxes	\$ 535	\$ 1,025	\$ 941
Cash paid for interest	1,061	2,199	4,404
Noncash transfer of held-to-maturity investment securities to available-for-sale	—	—	43,596
Noncash transfer of available-for-sale investment securities to held-to-maturity	41,823	—	—
Net noncash transfers to foreclosed property	14	23	60
Acquisitions			
Assets (sold) acquired	\$ 749	\$ 828	\$ 407
Liabilities sold (assumed)	(88)	(272)	36
Net	\$ 661	\$ 556	\$ 443

See Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

NOTE 1 Significant Accounting Policies

U.S. Bancorp is a financial services holding company headquartered in Minneapolis, Minnesota, serving millions of local, national and global customers. U.S. Bancorp and its subsidiaries (the “Company”) provide a full range of financial services, including lending and depository services through banking offices principally in the Midwest and West regions of the United States, through on-line services, over mobile devices and through other distribution channels. The Company also engages in credit card, merchant, and ATM processing, mortgage banking, cash management, capital markets, insurance, trust and investment management, brokerage, and leasing activities, principally in domestic markets.

Basis of Presentation The consolidated financial statements include the accounts of the Company and its subsidiaries and all variable interest entities (“VIEs”) for which the Company has both the power to direct the activities of the VIE that most significantly impact the VIE’s economic performance, and the obligation to absorb losses or right to receive benefits of the VIE that could potentially be significant to the VIE. Consolidation eliminates intercompany accounts and transactions. Certain items in prior periods have been reclassified to conform to the current period presentation.

Uses of Estimates The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual experience could differ from those estimates and assumptions.

Securities

Realized gains or losses on securities are determined on a trade date basis based on the specific amortized cost of the investments sold.

Trading Securities Securities held for resale are classified as trading securities and are included in other assets and reported at fair value. Changes in fair value and realized gains or losses are reported in noninterest income.

Available-for-sale Securities Debt securities that are not trading securities but may be sold before maturity in response to changes in the Company’s interest rate risk profile, funding needs, demand for collateralized deposits by public entities or other reasons, are carried at fair value with unrealized net gains or losses reported within other comprehensive income (loss). Declines in fair value related to credit, if any, are recorded through the establishment of an allowance for credit losses.

Held-to-maturity Securities Debt securities for which the Company has the positive intent and ability to hold to maturity are reported at historical cost adjusted for amortization of premiums and accretion of discounts. Expected credit losses, if any, are recorded through the establishment of an allowance for credit losses.

Securities Purchased Under Agreements to Resell and Securities Sold Under Agreements to Repurchase Securities purchased under agreements to resell and securities sold under agreements to repurchase are accounted for as collateralized financing transactions with a receivable or payable recorded at the amounts at which the securities were acquired or sold, plus accrued interest. Collateral requirements are continually monitored and additional collateral is received or provided as required. The Company records a receivable or payable for cash collateral paid or received.

Equity Investments

Equity investments in entities where the Company has a significant influence (generally between 20 percent and 50 percent ownership), but does not control the entity, are accounted for using the equity method. Investments in limited partnerships and similarly structured limited liability companies where the Company’s ownership interest is greater than 5 percent are accounted for using the equity method. Equity investments not using the equity method are accounted for at fair value with changes in fair value and realized gains or losses reported in noninterest income, unless fair value is not readily determinable, in which case the investment is carried at cost subject to adjustments for any observable market transactions on the same or similar instruments of the investee. Most of the Company’s equity investments do not have readily determinable fair values. All equity investments are evaluated for impairment at least annually and more frequently if certain criteria are met.

Loans

The Company offers a broad array of lending products and categorizes its loan portfolio into two segments, which is the level at which it develops and documents a systematic methodology to determine the allowance for credit losses. The Company’s two loan portfolio segments are commercial lending and consumer lending. The Company further disaggregates its loan portfolio segments into various classes based on their underlying risk characteristics. The two classes within the commercial lending segment are commercial loans and commercial real estate loans. The three classes within the consumer lending segment are residential mortgages, credit card loans and other retail loans.

Originated Loans Held for Investment Loans the Company originates as held for investment are reported at the principal amount outstanding, net of unearned interest income and deferred fees and costs, and any direct principal charge-offs. Interest income is accrued on the unpaid principal balances as earned. Loan and commitment fees and certain direct loan origination costs are deferred and recognized over the life of the loan and/or commitment period as yield adjustments.

Purchased Loans All purchased loans are recorded at fair value at the date of purchase and those acquired on or after January 1,

2020 are divided into those considered purchased with more than insignificant credit deterioration ("PCD") and those not considered purchased with more than insignificant credit deterioration. An allowance for credit losses is established for each population and considers product mix, risk characteristics of the portfolio, bankruptcy experience, delinquency status and refreshed loan-to-value ratios when possible. The allowance for credit losses established for purchased loans not considered PCD is recognized through provision expense upon acquisition, whereas the allowance for credit losses established for loans considered PCD at acquisition is offset by an increase in the basis of the acquired loans. Any subsequent increases and decreases in the allowance for credit losses related to purchased loans, regardless of PCD status, are recognized through provision expense, with charge-offs charged to the allowance. The Company did not have a material amount of PCD loans included in its loan portfolio at December 31, 2021. In accordance with applicable authoritative accounting guidance, purchased loans acquired prior to January 1, 2020 were initially measured at fair value, inclusive of any credit discounts, and an allowance for credit losses was not recorded as of the acquisition date.

Commitments to Extend Credit Unfunded commitments for residential mortgage loans intended to be held for sale are considered derivatives and recorded in other assets and other liabilities on the Consolidated Balance Sheet at fair value with changes in fair value recorded in noninterest income. All other unfunded loan commitments are not considered derivatives and are not reported on the Consolidated Balance Sheet. Reserves for credit exposure on all other unfunded credit commitments are recorded in other liabilities.

Allowance for Credit Losses Beginning January 1, 2020, the allowance for credit losses is established for current expected credit losses on the Company's loan and lease portfolio, including unfunded credit commitments. The allowance considers expected losses for the remaining lives of the applicable assets, inclusive of expected recoveries. The allowance for credit losses is increased through provisions charged to earnings and reduced by net charge-offs. Management evaluates the appropriateness of the allowance for credit losses on a quarterly basis.

Multiple economic scenarios are considered over a three-year reasonable and supportable forecast period, which includes increasing consideration of historical loss experience over years two and three. These economic scenarios are constructed with interrelated projections of multiple economic variables, and loss estimates are produced that consider the historical correlation of those economic variables with credit losses. After the forecast period, the Company fully reverts to long-term historical loss experience, adjusted for prepayments and characteristics of the current loan and lease portfolio, to estimate losses over the remaining life of the portfolio. The economic scenarios are updated at least quarterly and are designed to provide a range of reasonable estimates, from better to worse than current expectations. Scenarios are weighted based on the Company's

expectation of economic conditions for the foreseeable future and reflect significant judgment and consideration of uncertainties that exist. Final loss estimates also consider factors affecting credit losses not reflected in the scenarios, due to the unique aspects of current conditions and expectations. These factors may include, but are not limited to, loan servicing practices, regulatory guidance, and/or fiscal and monetary policy actions.

The allowance recorded for credit losses utilizes forward-looking expected loss models to consider a variety of factors affecting lifetime credit losses. These factors include, but are not limited to, macroeconomic variables such as unemployment rates, real estate prices, gross domestic product levels and corporate bond spreads, as well as loan and borrower characteristics, such as internal risk ratings on commercial loans and consumer credit scores, delinquency status, collateral type and available valuation information, consideration of end-of-term losses on lease residuals, and the remaining term of the loan, adjusted for expected prepayments. For each loan portfolio, model estimates are adjusted as necessary to consider any relevant changes in portfolio composition, lending policies, underwriting standards, risk management practices, economic conditions or other factors that would affect the accuracy of the model. Expected credit loss estimates also include consideration of expected cash recoveries on loans previously charged-off or expected recoveries on collateral dependent loans where recovery is expected through sale of the collateral. Where loans do not exhibit similar risk characteristics, an individual analysis is performed to consider expected credit losses. The allowance recorded for individually evaluated loans greater than \$5 million in the commercial lending segment is based on an analysis utilizing expected cash flows discounted using the original effective interest rate, the observable market price of the loan, or the fair value of the collateral, less selling costs, for collateral-dependent loans as appropriate.

The allowance recorded for Troubled Debt Restructuring ("TDR") loans in the consumer lending segment is determined on a homogenous pool basis utilizing expected cash flows discounted using the original effective interest rate of the pool. TDRs generally do not include loan modifications granted to customers resulting directly from the economic effects of the COVID-19 pandemic, who were otherwise in current payment status. The expected cash flows on TDR loans consider subsequent payment defaults since modification, the borrower's ability to pay under the restructured terms, and the timing and amount of payments. The allowance for collateral-dependent loans in the consumer lending segment is determined based on the fair value of the collateral less costs to sell. With respect to the commercial lending segment, TDRs may be collectively evaluated for impairment where observed performance history, including defaults, is a primary driver of the loss allocation. For commercial TDRs individually evaluated for impairment, attributes of the borrower are the primary factors in determining the allowance for credit losses. However, historical loss experience is also incorporated into the allowance methodology applied to this category of loans.

The Company's methodology for determining the appropriate allowance for credit losses also considers the imprecision inherent in the methodologies used and allocated to the various loan portfolios. As a result, amounts determined under the methodologies described above are adjusted by management to consider the potential impact of other qualitative factors not captured in the quantitative model adjustments which include, but are not limited to, the following: model imprecision, imprecision in economic scenario assumptions, and emerging risks related to either changes in the economic environment that are affecting specific portfolios, or changes in portfolio concentrations over time that may affect model performance. The consideration of these items results in adjustments to allowance amounts included in the Company's allowance for credit losses for each loan portfolio.

The Company also assesses the credit risk associated with off-balance sheet loan commitments, letters of credit, investment securities and derivatives. Credit risk associated with derivatives is reflected in the fair values recorded for those positions. The liability for off-balance sheet credit exposure related to loan commitments and other credit guarantees is included in other liabilities. Because business processes and credit risks associated with unfunded credit commitments are essentially the same as for loans, the Company utilizes similar processes to estimate its liability for unfunded credit commitments.

The results of the analysis are evaluated quarterly to confirm the estimates are appropriate for each specific loan portfolio, as well as the entire loan portfolio, as the entire allowance for credit losses is available for the entire loan portfolio.

Prior to January 1, 2020, the allowance for credit losses was established based on an incurred loss model. The allowance recorded for loans in the commercial lending segment was based on the migration analysis of commercial loans and actual loss experience. The allowance recorded for loans in the consumer lending segment was determined on a homogenous pool basis and primarily included consideration of delinquency status and historical losses. In addition to the amounts determined under the methodologies described above, management also considered the potential impact of qualitative factors.

Credit Quality The credit quality of the Company's loan portfolios is assessed as a function of net credit losses, levels of nonperforming assets and delinquencies, and credit quality ratings as defined by the Company.

For all loan portfolio classes, loans are considered past due based on the number of days delinquent except for monthly amortizing loans which are classified delinquent based upon the number of contractually required payments not made (for example, two missed payments is considered 30 days delinquent). When a loan is placed on nonaccrual status, unpaid accrued interest is reversed, reducing interest income in the current period.

Commercial lending segment loans are generally placed on nonaccrual status when the collection of principal and interest has become 90 days past due or is otherwise considered doubtful. Commercial lending segment loans are generally fully charged down if unsecured by collateral or partially charged down to the fair value of the collateral securing the loan, less costs to sell, when the loan is placed on nonaccrual.

Consumer lending segment loans are generally charged-off at a specific number of days or payments past due. Residential mortgages and other retail loans secured by 1-4 family properties are generally charged down to the fair value of the collateral securing the loan, less costs to sell, at 180 days past due. Residential mortgage loans and lines in a first lien position are placed on nonaccrual status in instances where a partial charge-off occurs unless the loan is well secured and in the process of collection. Residential mortgage loans and lines in a junior lien position secured by 1-4 family properties are placed on nonaccrual status at 120 days past due or when they are behind a first lien that has become 180 days or greater past due or placed on nonaccrual status. Any secured consumer lending segment loan whose borrower has had debt discharged through bankruptcy, for which the loan amount exceeds the fair value of the collateral, is charged down to the fair value of the related collateral and the remaining balance is placed on nonaccrual status. Credit card loans continue to accrue interest until the account is charged-off. Credit cards are charged-off at 180 days past due. Other retail loans not secured by 1-4 family properties are charged-off at 120 days past due; and revolving consumer lines are charged-off at 180 days past due. Similar to credit cards, other retail loans are generally not placed on nonaccrual status because of the relative short period of time to charge-off. Certain retail customers having financial difficulties may have the terms of their credit card and other loan agreements modified to require only principal payments and, as such, are reported as nonaccrual.

For all loan classes, interest payments received on nonaccrual loans are generally recorded as a reduction to a loan's carrying amount while a loan is on nonaccrual and are recognized as interest income upon payoff of the loan. However, interest income may be recognized for interest payments if the remaining carrying amount of the loan is believed to be collectible. In certain circumstances, loans in any class may be restored to accrual status, such as when a loan has demonstrated sustained repayment performance or no amounts are past due and prospects for future payment are no longer in doubt; or when the loan becomes well secured and is in the process of collection. Loans where there has been a partial charge-off may be returned to accrual status if all principal and interest (including amounts previously charged-off) is expected to be collected and the loan is current.

The Company classifies its loan portfolio classes using internal credit quality ratings on a quarterly basis. These ratings include pass, special mention and classified, and are an important part of the Company's overall credit risk management process and evaluation of the allowance for credit losses. Loans with a pass rating represent those loans not classified on the Company's rating scale for problem credits, as minimal credit risk has been identified. Special mention loans are those loans that have a potential weakness deserving management's close attention. Classified loans are those loans where a well-defined weakness has been identified that may put full collection of contractual cash flows at risk. It is possible that others, given the same information, may reach different reasonable conclusions regarding the credit quality rating classification of specific loans.

Troubled Debt Restructurings In certain circumstances, the Company may modify the terms of a loan to maximize the collection of amounts due when a borrower is experiencing financial difficulties or is expected to experience difficulties in the near-term. Concessionary modifications are classified as TDRs unless the modification results in only an insignificant delay in payments to be received. The Company recognizes interest on TDRs if the borrower complies with the revised terms and conditions as agreed upon with the Company and has demonstrated repayment performance at a level commensurate with the modified terms over several payment cycles, which is generally six months or greater. To the extent a previous restructuring was insignificant, the Company considers the cumulative effect of past restructurings related to the receivable when determining whether a current restructuring is a TDR.

The Company has implemented certain restructuring programs that may result in TDRs. However, many of the Company's TDRs are also determined on a case-by-case basis in connection with ongoing loan collection processes.

For the commercial lending segment, modifications generally result in the Company working with borrowers on a case-by-case basis. Commercial and commercial real estate modifications generally include extensions of the maturity date and may be accompanied by an increase or decrease to the interest rate, which may not be deemed a market interest rate. In addition, the Company may work with the borrower in identifying other changes that mitigate loss to the Company, which may include additional collateral or guarantees to support the loan. To a lesser extent, the Company may waive contractual principal. The Company classifies all of the above concessions as TDRs to the extent the Company determines that the borrower is experiencing financial difficulty.

Modifications for the consumer lending segment are generally part of programs the Company has initiated. The Company modifies residential mortgage loans under Federal Housing Administration, United States Department of Veterans Affairs, or its own internal programs. Under these programs, the Company offers qualifying homeowners the opportunity to permanently modify their loan and achieve more affordable monthly payments by providing loan concessions. These concessions may include adjustments to interest rates, conversion of adjustable rates to fixed rates, extension of maturity dates or deferrals of payments, capitalization of accrued interest and/or outstanding advances, or in limited situations, partial forgiveness of loan principal. In most instances, participation in residential mortgage loan restructuring programs requires the customer to complete a short-term trial period. A permanent loan modification is contingent on the customer successfully completing the trial period arrangement, and the loan documents are not modified until that time. The Company reports loans in a trial period arrangement as TDRs and continues to report them as TDRs after the trial period.

Credit card and other retail loan TDRs are generally part of distinct restructuring programs providing customers experiencing financial difficulty with modifications whereby balances may be amortized up to 60 months, and generally include waiver of fees and reduced interest rates.

In addition, the Company considers secured loans to consumer borrowers that have debt discharged through bankruptcy where the borrower has not reaffirmed the debt to be TDRs.

Loan modifications or concessions granted to borrowers resulting directly from the effects of the COVID-19 pandemic, who were otherwise in current payment status, are not considered to be TDRs.

Leases The Company, as a lessor, originates retail and commercial leases either directly to the consumer or indirectly through dealer networks. Retail leases, primarily automobiles, have 3 to 5 year terms. Commercial leases may include high dollar assets such as aircraft or lower cost items such as office equipment. At lease inception, retail lease customers are provided with an end-of-term purchase option, which is based on the expected fair value of the automobile at the expiration of the lease. Automobile leases do not typically contain options to extend or terminate the lease. Equipment leases may contain various types of purchase options. Some option amounts are a stated value, while others are determined using the fair market value at the time of option exercise.

Residual values on leased assets are reviewed regularly for impairment. Residual valuations for retail leases are based on independent assessments of expected used automobile sale prices at the end of the lease term. Impairment tests are conducted based on these valuations considering the probability of the lessee returning the asset to the Company, re-marketing efforts, insurance coverage and ancillary fees and costs. Valuations for commercial leases are based upon external or internal management appraisals. The Company manages its risk to changes in the residual value of leased vehicles, office and business equipment, and other assets through disciplined residual valuation setting at the inception of a lease, diversification of its leased assets, regular residual asset valuation reviews and monitoring of residual value gains or losses upon the disposition of assets. Retail lease residual value risk is mitigated further by the purchase of residual value insurance coverage and effective end-of-term marketing of off-lease vehicles.

The Company, as lessee, leases certain assets for use in its operations. Leased assets primarily include retail branches, operations centers and other corporate locations, and, to a lesser extent, office and computer equipment. For each lease with an original term greater than 12 months, the Company records a lease liability and a corresponding right of use ("ROU") asset. The Company accounts for the lease and non-lease components in the majority of its lease contracts as a single lease component, with the determination of the lease liability at lease inception based on the present value of the consideration to be paid under the contract. The discount rate used by the Company is determined at commencement of the lease using a secured rate for a similar term as the period of the lease. The Company's leases do not include significant variable lease payments.

Certain of the Company's real estate leases include options to extend. Lease extension options are generally exercisable at market rates. Such option periods do not provide a significant

incentive, and their exercise is not reasonably certain. Accordingly, the Company does not generally recognize payments occurring during option periods in the calculation of its ROU assets and lease liabilities.

Other Real Estate Other real estate owned (“OREO”) is included in other assets, and is property acquired through foreclosure or other proceedings on defaulted loans. OREO is initially recorded at fair value, less estimated selling costs. The fair value of OREO is evaluated regularly and any decreases in value along with holding costs, such as taxes and insurance, are reported in noninterest expense.

Loans Held For Sale

Loans held for sale (“LHFS”) represent mortgage loans intended to be sold in the secondary market and other loans that management has an active plan to sell. LHFS are carried at the lower-of-cost-or-fair value as determined on an aggregate basis by type of loan with the exception of loans for which the Company has elected fair value accounting, which are carried at fair value. Any writedowns to fair value upon the transfer of loans to LHFS are reflected in loan charge-offs.

Where an election is made to carry the LHFS at fair value, any change in fair value is recognized in noninterest income. Where an election is made to carry LHFS at lower-of-cost-or-fair value, any further decreases are recognized in noninterest income and increases in fair value above the loan cost basis are not recognized until the loans are sold. Fair value elections are made at the time of origination or purchase based on the Company’s fair value election policy. The Company has elected fair value accounting for substantially all its mortgage loans held for sale (“MLHFS”).

Derivative Financial Instruments

In the ordinary course of business, the Company enters into derivative transactions to manage various risks and to accommodate the business requirements of its customers. Derivative instruments are reported in other assets or other liabilities at fair value. Changes in a derivative’s fair value are recognized currently in earnings unless specific hedge accounting criteria are met.

All derivative instruments that qualify and are designated for hedge accounting are recorded at fair value and classified as either a hedge of the fair value of a recognized asset or liability (“fair value hedge”); a hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (“cash flow hedge”); or a hedge of the volatility of a net investment in foreign operations driven by changes in foreign currency exchange rates (“net investment hedge”). Changes in the fair value of a derivative that is highly effective and designated as a fair value hedge, and the offsetting changes in the fair value of the hedged item, are recorded in earnings. Changes in the fair value of a derivative that is highly effective and designated as a cash flow hedge are recorded in

other comprehensive income (loss) until cash flows of the hedged item are realized. Changes in the fair value of net investment hedges that are highly effective are recorded in other comprehensive income (loss). The Company performs an assessment, at inception and, at a minimum, quarterly thereafter, to determine the effectiveness of the derivative in offsetting changes in the value or cash flows of the hedged item(s).

If a derivative designated as a cash flow hedge is terminated or ceases to be highly effective, the gain or loss in other comprehensive income (loss) is amortized to earnings over the period the forecasted hedged transactions impact earnings. If a hedged forecasted transaction is no longer probable, hedge accounting is ceased and any gain or loss included in other comprehensive income (loss) is reported in earnings immediately, unless the forecasted transaction is at least reasonably possible of occurring, whereby the amounts remain within other comprehensive income (loss).

Revenue Recognition

In the ordinary course of business, the Company recognizes income derived from various revenue generating activities. Certain revenues are generated from contracts where they are recognized when, or as services or products are transferred to customers for amounts the Company expects to be entitled. Revenue generating activities related to financial assets and liabilities are also recognized; including mortgage servicing fees, loan commitment fees, foreign currency remeasurements, and gains and losses on securities, equity investments and unconsolidated subsidiaries. Certain specific policies include the following:

Credit and Debit Card Revenue Credit and debit card revenue includes interchange from credit and debit cards processed through card association networks, annual fees, and other transaction and account management fees. Interchange rates are generally set by the credit card associations and based on purchase volumes and other factors. The Company records interchange as services are provided. Transaction and account management fees are recognized as services are provided, except for annual fees which are recognized over the applicable period. Costs for rewards programs and certain payments to partners and credit card associations are also recorded within credit and debit card revenue when services are provided. The Company predominately records credit and debit card revenue within the Payment Services line of business.

Corporate Payment Products Revenue Corporate payment products revenue primarily includes interchange from commercial card products processed through card association networks and revenue from proprietary network transactions. The Company records corporate payment products revenue as services are provided. Certain payments to credit card associations and customers are also recorded within corporate payment products revenue as services are provided. Corporate payment products revenue is recorded within the Payment Services line of business.

Merchant Processing Services Merchant processing services revenue consists principally of merchant discount and other transaction and account management fees charged to merchants for the electronic processing of card association network transactions, less interchange paid to the card-issuing bank, card association assessments, and revenue sharing amounts. All of these are recognized at the time the merchant's services are performed. The Company may enter into revenue sharing agreements with referral partners or in connection with purchases of merchant contracts from sellers. The revenue sharing amounts are determined primarily on sales volume processed or revenue generated for a particular group of merchants. Merchant processing revenue also includes revenues related to point-of-sale equipment recorded as sales when the equipment is shipped or as earned for equipment rentals. The Company records merchant processing services revenue within the Payment Services line of business.

Trust and Investment Management Fees Trust and investment management fees are recognized over the period in which services are performed and are based on a percentage of the fair value of the assets under management or administration, fixed based on account type, or transaction-based fees. Services provided to clients include trustee, transfer agent, custodian, fiscal agent, escrow, fund accounting and administration services. Services provided to mutual funds may include selling, distribution and marketing services. Trust and investment management fees are predominately recorded within the Wealth Management and Investment Services line of business.

Deposit Service Charges Deposit service charges include service charges on deposit accounts received under depository agreements with customers to provide access to deposited funds, serve as a custodian of funds, and when applicable, pay interest on deposits. Checking or savings accounts may contain fees for various services used on a day to day basis by a customer. Fees are recognized as services are delivered to and consumed by the customer, or as penalty fees are charged. Deposit service charges also include revenue generated from ATM transaction processing and settlement services which is recognized at the time the services are performed. Certain payments to partners and card associations related to ATM processing services are also recorded within deposit service charges as services are provided. Deposit service charges are reported primarily within the Consumer and Business Banking line of business.

Treasury Management Fees Treasury management fees include fees for a broad range of products and services that enables customers to manage their cash more efficiently. These products and services include cash and investment management, receivables management, disbursement services, funds transfer services, and information reporting. Revenue is recognized as products and services are provided to customers. The Company reflects a discount calculated on monthly average collected customer balances. Total treasury management fees are reported primarily within the Corporate and Commercial Banking and Consumer and Business Banking lines of business.

Commercial Products Revenue Commercial products revenue primarily includes revenue related to ancillary services provided to Corporate and Commercial Banking and Consumer and Business Banking customers, including standby letter of credit fees, non-yield related loan fees, capital markets related revenue, sales of direct financing leases, and loan and syndication fees. Sales of direct financing leases are recognized at the point of sale. In addition, the Company may lead or participate with a group of underwriters in raising investment capital on behalf of securities issuers and charge underwriting fees. These fees are recognized at securities issuance. The Company, in its role as lead underwriter, arranges deal structuring and use of outside vendors for the underwriting group. The Company recognizes only those fees and expenses related to its underwriting commitment.

Mortgage Banking Revenue Mortgage banking revenue includes revenue derived from mortgages originated and subsequently sold, generally with servicing retained. The primary components include: gains and losses on mortgage sales; servicing revenue; changes in fair value for mortgage loans originated with the intent to sell and measured at fair value under the fair value option; changes in fair value for derivative commitments to purchase and originate mortgage loans; changes in the fair value of mortgage servicing rights ("MSRs"); and the impact of risk management activities associated with the mortgage origination pipeline, funded loans and MSRs. Net interest income from mortgage loans is recorded in interest income. Refer to Other Significant Policies in Note 1, as well as Note 10 and Note 22 for a further discussion of MSRs. Mortgage banking revenue is reported within the Consumer and Business Banking line of business.

Investment Products Fees Investment products fees include commissions related to the execution of requested security trades, distribution fees from sale of mutual funds, and investment advisory fees. Commissions and investment advisory fees are recognized as services are delivered to and utilized by the customer. Distribution fees are received over time, are dependent on the consumer maintaining their mutual fund asset position and the value of such position. These revenues are estimated and recognized at the point a significant reversal of revenue becomes remote. Investment products fees are predominately reported within the Wealth Management and Investment Services line of business.

Other Noninterest Income Other noninterest income is primarily related to financial assets including income on unconsolidated subsidiaries and equity method investments, gains on sale of other investments and corporate owned life insurance proceeds. The Company reports other noninterest income across all lines of business.

Other Significant Policies

Goodwill and Other Intangible Assets Goodwill is recorded on acquired businesses if the purchase price exceeds the fair value of the net assets acquired. Other intangible assets are recorded

at their fair value upon completion of a business acquisition or certain other transactions, and generally represent the value of customer contracts or relationships. Goodwill is not amortized but is subject, at a minimum, to annual tests for impairment at a reporting unit level. In certain situations, an interim impairment test may be required if events occur or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Other intangible assets are amortized over their estimated useful lives, using straight-line and accelerated methods and are subject to impairment if events or circumstances indicate a possible inability to realize the carrying amount. Determining the amount of goodwill impairment, if any, includes assessing whether the carrying value of a reporting unit exceeds its fair value. Determining the amount of other intangible asset impairment, if any, includes assessing the present value of the estimated future cash flows associated with the intangible asset and comparing it to the carrying amount of the asset.

Income Taxes Deferred taxes are recorded to reflect the tax consequences on future years of differences between the tax basis of assets and liabilities and their financial reporting carrying amounts. The Company uses the deferral method of accounting on investments that generate investment tax credits. Under this method, the investment tax credits are recognized as a reduction to the related asset. For certain investments in qualified affordable housing projects, the Company presents the expense in tax expense rather than noninterest expense.

Mortgage Servicing Rights MSRs are capitalized as separate assets when loans are sold and servicing is retained or if they are purchased from others. MSRs are recorded at fair value. The Company determines the fair value by estimating the present value of the asset's future cash flows utilizing market-based prepayment rates, option adjusted spread, and other assumptions validated through comparison to trade information, industry surveys and independent third-party valuations. Changes in the fair value of MSRs are recorded in earnings as mortgage banking revenue during the period in which they occur.

Pensions For purposes of its pension plans, the Company utilizes its fiscal year-end as the measurement date. At the measurement date, plan assets are determined based on fair value, generally representing observable market prices or the net asset value provided by the funds' trustee or administrator. The actuarial cost method used to compute the pension liabilities and related expense is the projected unit credit method. The projected benefit obligation is principally determined based on the present value of projected benefit distributions at an assumed discount rate. The discount rate utilized is based on the investment yield of high quality corporate bonds available in the marketplace with maturities equal to projected cash flows of future benefit payments as of the measurement date. Periodic pension expense (or income) includes service costs, interest costs based on the assumed discount rate, the expected return on plan assets based on an actuarially derived market-related value and amortization of actuarial gains and losses. Service cost is included in employee benefits expense on the Consolidated

Statement of Income, with all other components of periodic pension expense included in other noninterest expense on the Consolidated Statement of Income. Pension accounting reflects the long-term nature of benefit obligations and the investment horizon of plan assets, and can have the effect of reducing earnings volatility related to short-term changes in interest rates and market valuations. Actuarial gains and losses include the impact of plan amendments and various unrecognized gains and losses which are deferred and amortized over the future service periods of active employees or the remaining life expectancies of inactive participants. The market-related value utilized to determine the expected return on plan assets is based on fair value adjusted for the difference between expected returns and actual performance of plan assets. The unrealized difference between actual experience and expected returns is included in expense over a period of approximately 15 years for active employees and approximately 30 years for inactive participants. The overfunded or underfunded status of each plan is recorded as an asset or liability on the Consolidated Balance Sheet, with changes in that status recognized through other comprehensive income (loss).

Premises and Equipment Premises and equipment are stated at cost less accumulated depreciation and depreciated primarily on a straight-line basis over the estimated life of the assets. Estimated useful lives range up to 40 years for newly constructed buildings and from 3 to 25 years for furniture and equipment.

The Company, as lessee, records an ROU asset for each lease with an original term greater than 12 months. ROU assets are included in premises and equipment, with the corresponding lease liabilities included in long-term debt and other liabilities.

Capitalized Software The Company capitalizes certain costs associated with the acquisition or development of internal-use software. Once the software is ready for its intended use, these costs are amortized on a straight-line basis over the software's expected useful life and reviewed for impairment on an ongoing basis. Estimated useful lives are generally 3 years, but may range up to 7 years.

Stock-Based Compensation The Company grants stock-based awards, which may include restricted stock, restricted stock units and options to purchase common stock of the Company. Stock option grants are for a fixed number of shares to employees and directors with an exercise price equal to the fair value of the shares at the date of grant. Restricted stock and restricted stock unit grants are awarded at no cost to the recipient. Stock-based compensation for awards is recognized in the Company's results of operations over the vesting period. The Company immediately recognizes compensation cost of awards to employees that meet retirement status, despite their continued active employment. The amortization of stock-based compensation reflects estimated forfeitures adjusted for actual forfeiture experience. As compensation expense is recognized, a deferred tax asset is recorded that represents an estimate of the future tax deduction from exercise or release of restrictions. At the time stock-based awards are exercised, cancelled, expire, or

restrictions are released, the Company may be required to recognize an adjustment to tax expense, depending on the market price of the Company's common stock at that time.

Per Share Calculations Earnings per common share is calculated using the two-class method under which earnings are allocated to common shareholders and holders of participating securities. Unvested stock-based compensation awards that contain nonforfeitable rights to dividends or dividend equivalents are considered participating securities under the two-class method. Net income applicable to U.S. Bancorp common shareholders is then divided by the weighted-average number of common shares outstanding to determine earnings per common share. Diluted earnings per common share is calculated by adjusting income and outstanding shares, assuming conversion of all potentially dilutive securities.

NOTE 2 Accounting Changes

Reference Interest Rate Transition In March 2020, the FASB issued accounting guidance, providing temporary optional expedients and exceptions to the guidance in United States generally accepted accounting principles on contract modifications and hedge accounting, to ease the financial reporting burdens related to the expected market transition from the London Interbank Offered Rate ("LIBOR") and other interbank offered rates to alternative reference rates. Under the guidance, a company can elect not to apply certain modification accounting requirements to contracts affected by reference rate transition, if certain criteria are met. A company that makes this election would not be required to remeasure the contracts at the modification date or reassess a previous accounting determination. This guidance also permits a company to elect various optional expedients that would allow it to continue applying hedge accounting for hedging relationships affected by reference rate transition, if certain criteria are met. The guidance is effective upon issuance and generally can be applied through December 31, 2022. The Company is in the process of evaluating and applying, as applicable, the optional expedients

and exceptions in accounting for eligible contract modifications, eligible existing hedging relationships and new hedging relationships available through December 31, 2022. The adoption of this guidance has not had, and is expected to continue to not have, a material impact on the Company's financial statements.

NOTE 3 Business Combinations

In September 2021, the Company announced that it has entered into a definitive agreement to acquire MUFG Union Bank's core regional banking franchise from Mitsubishi UFJ Financial Group ("MUFG"), for an expected purchase price of approximately \$8.0 billion, including \$5.5 billion in cash and approximately 44 million shares of the Company's common stock. The transaction excludes the purchase of MUFG Union Bank's Global Corporate & Investment Bank, certain middle and back office functions, and other assets. MUFG Union Bank currently has approximately 300 branches in California, Washington and Oregon and is expected to add approximately \$105 billion in total assets, \$58 billion of loans and \$90 billion of deposits to the Company's consolidated balance sheet. The transaction is expected to close in the first half of 2022, subject to customary closing conditions, including regulatory approvals.

NOTE 4 Restrictions on Cash and Due from Banks

Banking regulators require bank subsidiaries to maintain minimum average reserve balances, either in the form of vault cash or reserve balances held with central banks or other financial institutions. The amount of required reserve balances were approximately \$78 million and \$73 million at December 31, 2021 and 2020, respectively. The Company held balances at central banks and other financial institutions of \$23.0 billion and \$55.4 billion at December 31, 2021 and 2020, respectively, to meet these requirements and for other purposes. These balances are included in cash and due from banks on the Consolidated Balance Sheet.

NOTE 5 Investment Securities

The amortized cost, gross unrealized holding gains and losses, and fair value of held-to-maturity and available-for-sale investment securities at December 31 were as follows:

(Dollars in Millions)	2021				2020			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Held-to-maturity								
Residential agency mortgage-backed securities	\$ 41,858	\$ 2	\$ (48)	\$ 41,812	\$ —	\$ —	\$ —	\$ —
Total held-to-maturity	\$ 41,858	\$ 2	\$ (48)	\$ 41,812	\$ —	\$ —	\$ —	\$ —
Available-for-sale								
U.S. Treasury and agencies	\$ 36,648	\$ 205	\$ (244)	\$ 36,609	\$ 21,954	\$ 462	\$ (25)	\$ 22,391
Mortgage-backed securities								
Residential agency	76,761	665	(347)	77,079	98,031	1,950	(13)	99,968
Commercial agency	8,633	53	(201)	8,485	5,251	170	(15)	5,406
Asset-backed securities	62	4	—	66	200	5	—	205
Obligations of state and political subdivisions	10,130	607	(20)	10,717	8,166	695	—	8,861
Other	7	—	—	7	9	—	—	9
Total available-for-sale	\$132,241	\$1,534	\$ (812)	\$132,963	\$133,611	\$3,282	\$ (53)	\$136,840

During the fourth quarter of 2021, the Company transferred \$43.1 billion amortized cost (\$41.8 billion fair value) of available-for-sale investment securities to the held-to-maturity category to reflect its new intent for these securities.

Investment securities with a fair value of \$30.7 billion at December 31, 2021, and \$11.0 billion at December 31, 2020, were pledged to secure public, private and trust deposits,

repurchase agreements and for other purposes required by contractual obligation or law. Included in these amounts were securities where the Company and certain counterparties have agreements granting the counterparties the right to sell or pledge the securities. Investment securities securing these types of arrangements had a fair value of \$557 million at December 31, 2021, and \$402 million at December 31, 2020.

The following table provides information about the amount of interest income from taxable and non-taxable investment securities:

Year Ended December 31 (Dollars in Millions)	2021	2020	2019
Taxable	\$2,103	\$2,201	\$2,680
Non-taxable	262	227	213
Total interest income from investment securities	\$2,365	\$2,428	\$2,893

The following table provides information about the amount of gross gains and losses realized through the sales of available-for-sale investment securities:

Year Ended December 31 (Dollars in Millions)	2021	2020	2019
Realized gains	\$122	\$200	\$ 99
Realized losses	(19)	(23)	(26)
Net realized gains	\$103	\$177	\$ 73
Income tax on net realized gains	\$ 26	\$ 45	\$ 18

The Company conducts a regular assessment of its available-for-sale investment securities with unrealized losses to determine whether all or some portion of a security's unrealized loss is related to credit and an allowance for credit losses is necessary. If the Company intends to sell or it is more likely than not the Company will be required to sell an investment security, the amortized cost of the security is written down to fair value. When evaluating credit losses, the Company considers various factors such as the nature of the investment security, the credit ratings or financial condition of the issuer, the extent of the unrealized loss,

expected cash flows of underlying collateral, the existence of any government or agency guarantees, and market conditions. The Company measures the allowance for credit losses using market information where available and discounting the cash flows at the original effective rate of the investment security. The allowance for credit losses is adjusted each period through earnings and can be subsequently recovered. The allowance for credit losses on the Company's available-for-sale investment securities was immaterial at December 31, 2021 and December 31, 2020.

At December 31, 2021, certain investment securities had a fair value below amortized cost. The following table shows the gross unrealized losses and fair value of the Company's available-for-sale investment securities with unrealized losses, aggregated by investment category and length of time the individual investment securities have been in continuous unrealized loss positions, at December 31, 2021:

(Dollars in Millions)	Less Than 12 Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Treasury and agencies	\$11,445	\$(100)	\$2,879	\$(144)	\$14,324	\$(244)
Residential agency mortgage-backed securities	39,720	(342)	263	(5)	39,983	(347)
Commercial agency mortgage-backed securities	4,463	(104)	1,764	(97)	6,227	(201)
Asset-backed securities	—	—	2	—	2	—
Obligations of state and political subdivisions	1,500	(20)	—	—	1,500	(20)
Other	6	—	—	—	6	—
Total investment securities	\$57,134	\$(566)	\$4,908	\$(246)	\$62,042	\$(812)

These unrealized losses primarily relate to changes in interest rates and market spreads subsequent to purchase of these available-for-sale investment securities. U.S. Treasury and agencies securities and agency mortgage-backed securities are issued, guaranteed or otherwise supported by the United States government. The Company's obligations of state and political subdivisions are generally high grade. Accordingly, the Company does not consider these unrealized losses to be credit-related and an allowance for credit losses is not necessary. In general, the issuers of the investment securities are contractually prohibited from prepayment at less than par, and the Company did not pay significant purchase premiums for these investment securities. At December 31, 2021, the Company had no plans to

sell investment securities with unrealized losses, and believes it is more likely than not it would not be required to sell such investment securities before recovery of their amortized cost.

During the year ended December 31, 2021 and 2020, the Company did not purchase any investment securities that had more-than-insignificant credit deterioration.

All of the Company's held-to-maturity investment securities are highly rated agency mortgage-backed securities that are guaranteed or otherwise supported by the United States government and have no history of credit losses. Accordingly the Company does not expect to incur any credit losses on held-to-maturity investment securities and has no allowance for credit losses recorded for these securities.

The following table provides information about the amortized cost, fair value and yield by maturity date of the investment securities outstanding at December 31, 2021:

(Dollars in Millions)	Amortized Cost	Fair Value	Weighted- Average Maturity in Years	Weighted- Average Yield ^(e)
Held-to-maturity				
Mortgage-Backed Securities ^(a)				
Maturing in one year or less	\$ —	\$ —	—	—%
Maturing after one year through five years	2	2	4.8	1.69
Maturing after five years through ten years	41,856	41,810	7.4	1.45
Maturing after ten years	—	—	—	—
Total	<u>\$ 41,858</u>	<u>\$ 41,812</u>	<u>7.4</u>	<u>1.45%</u>
Total held-to-maturity	<u>\$ 41,858</u>	<u>\$ 41,812</u>	<u>7.4</u>	<u>1.45%</u>
Available-for-sale				
U.S. Treasury and Agencies				
Maturing in one year or less	\$ 2,724	\$ 2,744	.6	1.91%
Maturing after one year through five years	8,400	8,483	2.9	1.52
Maturing after five years through ten years	22,469	22,378	8.1	1.44
Maturing after ten years	3,055	3,004	12.0	1.99
Total	<u>\$ 36,648</u>	<u>\$ 36,609</u>	<u>6.7</u>	<u>1.54%</u>
Mortgage-Backed Securities ^(a)				
Maturing in one year or less	\$ 104	\$ 104	.7	2.02%
Maturing after one year through five years	42,711	43,267	3.6	1.47
Maturing after five years through ten years	42,560	42,174	6.3	1.70
Maturing after ten years	19	19	12.4	1.24
Total	<u>\$ 85,394</u>	<u>\$ 85,564</u>	<u>4.9</u>	<u>1.58%</u>
Asset-Backed Securities ^(a)				
Maturing in one year or less	\$ —	\$ —	.5	2.69%
Maturing after one year through five years	3	4	2.6	1.62
Maturing after five years through ten years	59	61	5.3	1.52
Maturing after ten years	—	1	12.9	2.41
Total	<u>\$ 62</u>	<u>\$ 66</u>	<u>5.2</u>	<u>1.53%</u>
Obligations of State and Political Subdivisions ^(b) ^(c)				
Maturing in one year or less	\$ 393	\$ 398	.5	4.30%
Maturing after one year through five years	2,954	3,178	4.1	4.25
Maturing after five years through ten years	6,217	6,579	7.2	3.45
Maturing after ten years	566	562	17.7	2.58
Total	<u>\$ 10,130</u>	<u>\$ 10,717</u>	<u>6.6</u>	<u>3.67%</u>
Other				
Maturing in one year or less	\$ —	\$ —	—	—%
Maturing after one year through five years	7	7	3.4	2.07
Maturing after five years through ten years	—	—	—	—
Maturing after ten years	—	—	—	—
Total	<u>\$ 7</u>	<u>\$ 7</u>	<u>3.4</u>	<u>2.07%</u>
Total available-for-sale ^(d)	<u>\$132,241</u>	<u>\$132,963</u>	<u>5.5</u>	<u>1.73%</u>

(a) Information related to asset and mortgage-backed securities included above is presented based upon weighted-average maturities that take into account anticipated future prepayments.

(b) Information related to obligations of state and political subdivisions is presented based upon yield to first optional call date if the security is purchased at a premium, and yield to maturity if the security is purchased at par or a discount.

(c) Maturity calculations for obligations of state and political subdivisions are based on the first optional call date for securities with a fair value above par and the contractual maturity date for securities with a fair value equal to or below par.

(d) The weighted-average maturity of total available-for-sale investment securities was 3.4 years at December 31, 2020, with a corresponding weighted-average yield of 1.61 percent.

(e) Weighted-average yields for obligations of state and political subdivisions are presented on a fully-taxable equivalent basis based on a federal income tax rate of 21 percent. Yields on investment securities are computed based on amortized cost balances, excluding any premiums or discounts recorded related to the transfer of investment securities at fair value from available-for-sale to held-to-maturity.

NOTE 6 Loans and Allowance for Credit Losses

The composition of the loan portfolio at December 31, disaggregated by class and underlying specific portfolio type, was as follows:

(Dollars in Millions)	2021	2020
Commercial		
Commercial	\$106,912	\$ 97,315
Lease financing	5,111	5,556
Total commercial	112,023	102,871
Commercial Real Estate		
Commercial mortgages	28,757	28,472
Construction and development	10,296	10,839
Total commercial real estate	39,053	39,311
Residential Mortgages		
Residential mortgages	67,546	66,525
Home equity loans, first liens	8,947	9,630
Total residential mortgages	76,493	76,155
Credit Card	22,500	22,346
Other Retail		
Retail leasing	7,256	8,150
Home equity and second mortgages	10,446	12,472
Revolving credit	2,750	2,688
Installment	16,514	13,823
Automobile	24,866	19,722
Student	127	169
Total other retail	61,959	57,024
Total loans	\$312,028	\$297,707

The Company had loans of \$92.1 billion at December 31, 2021, and \$96.1 billion at December 31, 2020, pledged at the Federal Home Loan Bank, and loans of \$76.9 billion at December 31, 2021, and \$67.8 billion at December 31, 2020, pledged at the Federal Reserve Bank.

The Company offers a broad array of lending products to consumer and commercial customers, in various industries, across several geographical locations, predominately in the states in which it has Consumer and Business Banking offices. Collateral for commercial and commercial real estate loans may include marketable securities, accounts receivable, inventory, equipment, real estate, or the related property.

Originated loans are reported at the principal amount outstanding, net of unearned interest and deferred fees and costs, and any partial charge-offs recorded. Net unearned interest and deferred fees and costs amounted to \$475 million at December 31, 2021 and \$763 million at December 31, 2020. All

purchased loans are recorded at fair value at the date of purchase. Beginning January 1, 2020, the Company evaluates purchased loans for more-than-insignificant deterioration at the date of purchase in accordance with applicable authoritative accounting guidance. Purchased loans that have experienced more-than-insignificant deterioration from origination are considered purchased credit deteriorated loans. All other purchased loans are considered non-purchased credit deteriorated loans.

Allowance for Credit Losses Beginning January 1, 2020, the allowance for credit losses is established for current expected credit losses on the Company's loan and lease portfolio, including unfunded credit commitments. The allowance considers expected losses for the remaining lives of the applicable assets, inclusive of expected recoveries. The allowance for credit losses is increased through provisions charged to earnings and reduced by net charge-offs.

Activity in the allowance for credit losses by portfolio class was as follows:

(Dollars in Millions)	Commercial	Commercial Real Estate	Residential Mortgages	Credit Card	Other Retail	Total Loans
Balance at December 31, 2020	\$2,423	\$1,544	\$573	\$2,355	\$1,115	\$ 8,010
Add						
Provision for credit losses	(471)	(419)	(40)	(170)	(73)	(1,173)
Deduct						
Loans charged-off	222	29	18	686	253	1,208
Less recoveries of loans charged-off	(119)	(27)	(50)	(174)	(156)	(526)
Net loan charge-offs (recoveries)	103	2	(32)	512	97	682
Balance at December 31, 2021	\$1,849	\$1,123	\$565	\$1,673	\$ 945	\$ 6,155
Balance at December 31, 2019	\$1,484	\$ 799	\$433	\$1,128	\$ 647	\$ 4,491
Add						
Change in accounting principle (a)	378	(122)	(30)	872	401	1,499
Provision for credit losses	1,074	1,054	158	1,184	336	3,806
Deduct						
Loans charged-off	575	210	19	975	401	2,180
Less recoveries of loans charged-off	(62)	(23)	(31)	(146)	(132)	(394)
Net loan charge-offs (recoveries)	513	187	(12)	829	269	1,786
Balance at December 31, 2020	\$2,423	\$1,544	\$573	\$2,355	\$1,115	\$ 8,010
Balance at December 31, 2018	\$1,454	\$ 800	\$455	\$1,102	\$ 630	\$ 4,441
Add						
Provision for credit losses	315	13	(19)	919	276	1,504
Deduct						
Loans charged-off	399	21	34	1,028	385	1,867
Less recoveries of loans charged-off	(114)	(7)	(31)	(135)	(126)	(413)
Net loan charge-offs (recoveries)	285	14	3	893	259	1,454
Balance at December 31, 2019	\$1,484	\$ 799	\$433	\$1,128	\$ 647	\$ 4,491

(a) Effective January 1, 2020, the Company adopted accounting guidance which changed impairment recognition of financial instruments to a model that is based on expected losses rather than incurred losses.

The decrease in the allowance for credit losses from December 31, 2020 to December 31, 2021 reflected factors affecting economic conditions during 2021, including the enactment of additional benefits from government stimulus programs and broad vaccine availability in the United States that has reduced the risks associated with COVID-19, contributing to an economic recovery. However, economic uncertainty remains associated with supply chain concerns, rising inflationary concerns and additional virus variants.

Credit Quality The credit quality of the Company's loan portfolios is assessed as a function of net credit losses, levels of nonperforming assets and delinquencies, and credit quality ratings as defined by the Company. These credit quality ratings are an important part of the Company's overall credit risk management process and evaluation of the allowance for credit losses.

The following table provides a summary of loans by portfolio class, including the delinquency status of those that continue to accrue interest, and those that are nonperforming:

	Accruing				
(Dollars in Millions)	Current	30-89 Days Past Due	90 Days or More Past Due	Nonperforming ^(a)	Total
December 31, 2021					
Commercial	\$111,270	\$ 530	\$ 49	\$ 174	\$112,023
Commercial real estate	38,678	80	11	284	39,053
Residential mortgages ^(a)	75,962	124	181	226	76,493
Credit card	22,142	193	165	—	22,500
Other retail	61,468	275	66	150	61,959
Total loans	<u>\$309,520</u>	<u>\$1,202</u>	<u>\$472</u>	<u>\$ 834</u>	<u>\$312,028</u>
December 31, 2020					
Commercial	\$102,127	\$ 314	\$ 55	\$ 375	\$102,871
Commercial real estate	38,676	183	2	450	39,311
Residential mortgages ^(a)	75,529	244	137	245	76,155
Credit card	21,918	231	197	—	22,346
Other retail	56,466	318	86	154	57,024
Total loans	<u>\$294,716</u>	<u>\$1,290</u>	<u>\$477</u>	<u>\$1,224</u>	<u>\$297,707</u>

(a) At December 31, 2021, \$791 million of loans 30–89 days past due and \$1.5 billion of loans 90 days or more past due purchased from Government National Mortgage Association (“GNMA”) mortgage pools whose repayments are insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs, were classified as current, compared with \$1.4 billion and \$1.8 billion at December 31, 2020, respectively.

(b) Substantially all nonperforming loans at December 31, 2021 and 2020, had an associated allowance for credit losses. The Company recognized interest income on nonperforming loans of \$16 million and \$23 million for the years ended December 31, 2021 and 2020, respectively, compared to what would have been recognized at the original contractual terms of the loans of \$34 million and \$45 million, respectively.

At December 31, 2021, total nonperforming assets held by the Company were \$878 million, compared with \$1.3 billion at December 31, 2020. Total nonperforming assets included \$834 million of nonperforming loans, \$22 million of OREO and \$22 million of other nonperforming assets owned by the Company at December 31, 2021, compared with \$1.2 billion, \$24 million and \$50 million, respectively at December 31, 2020.

At December 31, 2021, the amount of foreclosed residential real estate held by the Company, and included in OREO, was \$22 million, compared with \$23 million at December 31, 2020. These amounts excluded \$22 million and \$33 million at December 31, 2021 and December 31, 2020, respectively, of

foreclosed residential real estate related to mortgage loans whose payments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs. In addition, the amount of residential mortgage loans secured by residential real estate in the process of foreclosure at December 31, 2021 and December 31, 2020, was \$696 million and \$1.0 billion, respectively, of which \$555 million and \$812 million, respectively, related to loans purchased from Government National Mortgage Association (“GNMA”) mortgage pools whose repayments are insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs.

The following table provides a summary of loans by portfolio class and the Company's internal credit quality rating:

(Dollars in Millions)	December 31, 2021					December 31, 2020				
	Pass	Criticized			Total	Pass	Criticized			Total
		Special Mention	Classified ^(a)	Total Criticized			Special Mention	Classified ^(a)	Total Criticized	
Commercial										
Originated in 2021	\$ 51,155	\$ 387	\$ 287	\$ 674	\$ 51,829	\$ —	\$ —	\$ —	\$ —	\$ —
Originated in 2020	14,091	304	133	437	14,528	34,557	1,335	1,753	3,088	37,645
Originated in 2019	10,159	151	54	205	10,364	17,867	269	349	618	18,485
Originated in 2018	5,122	3	36	39	5,161	12,349	351	176	527	12,876
Originated in 2017	2,149	2	38	40	2,189	5,257	117	270	387	5,644
Originated prior to 2017	2,774	28	43	71	2,845	4,954	128	115	243	5,197
Revolving	24,722	268	117	385	25,107	22,445	299	280	579	23,024
Total commercial	110,172	1,143	708	1,851	112,023	97,429	2,499	2,943	5,442	102,871
Commercial real estate										
Originated in 2021	13,364	6	990	996	14,360	—	—	—	—	—
Originated in 2020	7,459	198	263	461	7,920	9,446	461	1,137	1,598	11,044
Originated in 2019	6,368	251	610	861	7,229	9,514	454	1,005	1,459	10,973
Originated in 2018	2,996	29	229	258	3,254	6,053	411	639	1,050	7,103
Originated in 2017	1,662	38	113	151	1,813	2,650	198	340	538	3,188
Originated prior to 2017	2,811	17	111	128	2,939	4,762	240	309	549	5,311
Revolving	1,494	1	43	44	1,538	1,445	9	238	247	1,692
Total commercial real estate	36,154	540	2,359	2,899	39,053	33,870	1,773	3,668	5,441	39,311
Residential mortgages^(b)										
Originated in 2021	29,882	—	3	3	29,885	—	—	—	—	—
Originated in 2020	15,948	1	8	9	15,957	23,262	1	3	4	23,266
Originated in 2019	6,938	—	36	36	6,974	13,969	1	17	18	13,987
Originated in 2018	2,889	—	30	30	2,919	5,670	1	22	23	5,693
Originated in 2017	3,796	—	30	30	3,826	6,918	1	24	25	6,943
Originated prior to 2017	16,619	—	312	312	16,931	25,921	2	342	344	26,265
Revolving	1	—	—	—	1	1	—	—	—	1
Total residential mortgages	76,073	1	419	420	76,493	75,741	6	408	414	76,155
Credit card ^(c)	22,335	—	165	165	22,500	22,149	—	197	197	22,346
Other retail										
Originated in 2021	22,455	—	6	6	22,461	—	—	—	—	—
Originated in 2020	12,071	—	9	9	12,080	17,589	—	7	7	17,596
Originated in 2019	7,223	—	17	17	7,240	11,605	—	23	23	11,628
Originated in 2018	3,285	—	14	14	3,299	6,814	—	27	27	6,841
Originated in 2017	1,726	—	9	9	1,735	3,879	—	22	22	3,901
Originated prior to 2017	1,973	—	15	15	1,988	3,731	—	29	29	3,760
Revolving	12,532	—	112	112	12,644	12,647	—	110	110	12,757
Revolving converted to term . .	472	—	40	40	512	503	—	38	38	541
Total other retail	61,737	—	222	222	61,959	56,768	—	256	256	57,024
Total loans	\$306,471	\$1,684	\$3,873	\$5,557	\$312,028	\$285,957	\$4,278	\$7,472	\$11,750	\$297,707
Total outstanding commitments	\$662,363	\$3,372	\$5,684	\$9,056	\$671,419	\$627,606	\$8,772	\$9,374	\$18,146	\$645,752

Note: Year of origination is based on the origination date of a loan, or for existing loans the date when the maturity date, pricing or commitment amount is amended.

(a) Classified rating on consumer loans primarily based on delinquency status.

(b) At December 31, 2021, \$1.5 billion of GNMA loans 90 days or more past due and \$1.1 billion of restructured GNMA loans whose repayments are insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs were classified with a pass rating, compared with \$1.8 billion and \$1.4 billion at December 31, 2020, respectively.

(c) All credit card loans are considered revolving loans.

Troubled Debt Restructurings In certain circumstances, the Company may modify the terms of a loan to maximize the collection of amounts due when a borrower is experiencing financial difficulties or is expected to experience difficulties in the near-term. The following table provides a summary of loans modified as TDRs for the years ended December 31, by portfolio class:

(Dollars in Millions)	Number of Loans	Pre-Modification Outstanding Loan Balance	Post-Modification Outstanding Loan Balance
2021			
Commercial	2,156	\$ 140	\$ 127
Commercial real estate	112	193	179
Residential mortgages	977	329	328
Credit card	25,297	144	146
Other retail	2,576	74	67
Total loans, excluding loans purchased from GNMA mortgage pools	31,118	880	847
Loans purchased from GNMA mortgage pools	2,311	334	346
Total loans	33,429	\$1,214	\$1,193
2020			
Commercial	3,423	\$ 628	\$ 493
Commercial real estate	149	262	218
Residential mortgages	1,176	402	401
Credit card	23,549	135	136
Other retail	4,027	117	114
Total loans, excluding loans purchased from GNMA mortgage pools	32,324	1,544	1,362
Loans purchased from GNMA mortgage pools	4,630	667	659
Total loans	36,954	\$2,211	\$2,021
2019			
Commercial	3,445	\$ 376	\$ 359
Commercial real estate	136	129	125
Residential mortgages	417	55	54
Credit card	34,247	185	186
Other retail	2,952	63	61
Total loans, excluding loans purchased from GNMA mortgage pools	41,197	808	785
Loans purchased from GNMA mortgage pools	6,257	856	827
Total loans	47,454	\$1,664	\$1,612

Residential mortgages, home equity and second mortgages, and loans purchased from GNMA mortgage pools in the table above include trial period arrangements offered to customers during the periods presented. The post-modification balances for these loans reflect the current outstanding balance until a permanent modification is made. In addition, the post-modification balances typically include capitalization of unpaid accrued interest and/or fees under the various modification

programs. At December 31, 2021, 7 residential mortgages, 2 home equity and second mortgage loans and 34 loans purchased from GNMA mortgage pools with outstanding balances of \$1 million, less than \$1 million and \$4 million, respectively, were in a trial period and have estimated post-modification balances of \$1 million, less than \$1 million and \$5 million, respectively, assuming permanent modification occurs at the end of the trial period.

The following table provides a summary of TDR loans that defaulted (fully or partially charged-off or became 90 days or more past due) for the years ended December 31, that were modified as TDRs within 12 months previous to default:

(Dollars in Millions)	Number of Loans	Amount Defaulted
2021		
Commercial	1,084	\$ 32
Commercial real estate	16	7
Residential mortgages	81	9
Credit card	7,700	43
Other retail	714	11
Total loans, excluding loans purchased from GNMA mortgage pools	9,595	102
Loans purchased from GNMA mortgage pools	176	26
Total loans	<u>9,771</u>	<u>\$128</u>
2020		
Commercial	1,148	\$ 80
Commercial real estate	50	30
Residential mortgages	38	5
Credit card	6,688	35
Other retail	307	4
Total loans, excluding loans purchased from GNMA mortgage pools	8,231	154
Loans purchased from GNMA mortgage pools	498	66
Total loans	<u>8,729</u>	<u>\$220</u>
2019		
Commercial	1,040	\$ 46
Commercial real estate	36	24
Residential mortgages	137	15
Credit card	8,273	40
Other retail	380	10
Total loans, excluding loans purchased from GNMA mortgage pools	9,866	135
Loans purchased from GNMA mortgage pools	997	131
Total loans	<u>10,863</u>	<u>\$266</u>

In addition to the defaults in the table above, the Company had a total of 17 residential mortgage loans, home equity and second mortgage loans and loans purchased from GNMA mortgage pools for the year ended December 31, 2021, where borrowers did not successfully complete the trial period arrangement and, therefore, are no longer eligible for a

permanent modification under the applicable modification program. These loans had aggregate outstanding balances of \$2 million for the year ended December 31, 2021.

As of December 31, 2021, the Company had \$132 million of commitments to lend additional funds to borrowers whose terms of their outstanding owed balances have been modified in TDRs.

NOTE 7 Leases

The Company, as a lessor, originates retail and commercial leases either directly to the consumer or indirectly through dealer networks. Retail leases consist primarily of automobiles, while

commercial leases may include high dollar assets such as aircraft or lower cost items such as office equipment.

The components of the net investment in sales-type and direct financing leases, at December 31, were as follows:

(Dollars in Millions)	2021	2020
Lease receivables	\$10,738	\$11,890
Unguaranteed residual values accruing to the lessor's benefit	1,610	1,787
Total net investment in sales-type and direct financing leases	\$12,348	\$13,677

The Company, as a lessor, recorded \$888 million, \$952 million and \$996 million of revenue on its Consolidated Statement of Income for the years ended December 31, 2021, 2020 and

2019, respectively, primarily consisting of interest income on sales-type and direct financing leases.

The contractual future lease payments to be received by the Company, at December 31, 2021, were as follows:

(Dollars in Millions)	Sales-type and direct financing leases	Operating leases
2022	\$ 3,926	\$136
2023	3,293	104
2024	2,402	68
2025	963	44
2026	281	15
Thereafter	540	8
Total lease payments	11,405	\$375
Amounts representing interest	(667)	
Lease receivables	\$10,738	

The Company, as lessee, leases certain assets for use in its operations. Leased assets primarily include retail branches, operations centers and other corporate locations, and, to a lesser extent, office and computer equipment. For each lease with an original term greater than 12 months, the Company records a lease liability and a corresponding right of use ("ROU") asset. At December 31, 2021, the Company's ROU assets included in premises and equipment and lease liabilities included in long-term debt and other liabilities, were \$1.2 billion and \$1.3 billion,

respectively, compared with \$1.1 billion of ROU assets and \$1.3 billion of lease liabilities at December 31, 2020, respectively.

Total costs incurred by the Company, as a lessee, were \$364 million, \$374 million and \$394 million for the years ended December 31, 2021, 2020 and 2019, respectively, and principally related to contractual lease payments on operating leases. The Company's leases do not impose significant covenants or other restrictions on the Company.

The following table presents amounts relevant to the Company's assets leased for use in its operations for the years ended December 31:

(Dollars in Millions)	2021	2020	2019
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	\$288	\$305	\$302
Operating cash flows from finance leases	5	6	7
Financing cash flows from finance leases	12	12	10
Right of use assets obtained in exchange for new operating lease liabilities	164	128	134
Right of use assets obtained in exchange for new finance lease liabilities	75	6	10

The following table presents the weighted-average remaining lease terms and discount rates of the Company's assets leased for use in its operations at December 31:

	2021	2020
Weighted-average remaining lease term of operating leases (in years)	7.0	7.0
Weighted-average remaining lease term of finance leases (in years)	9.5	9.6
Weighted-average discount rate of operating leases	2.7%	3.0%
Weighted-average discount rate of finance leases	9.3%	12.5%

The contractual future lease obligations of the Company at December 31, 2021, were as follows:

(Dollars in Millions)	Operating leases	Finance leases
2022	\$ 278	\$ 27
2023	240	27
2024	194	24
2025	145	16
2026	105	10
Thereafter	329	32
Total lease payments	1,291	136
Amounts representing interest	(121)	(23)
Lease liabilities	\$1,170	\$113

NOTE 8 Accounting for Transfers and Servicing of Financial Assets and Variable Interest Entities

The Company transfers financial assets in the normal course of business. The majority of the Company's financial asset transfers are residential mortgage loan sales primarily to government-sponsored enterprises ("GSEs"), transfers of tax-advantaged investments, commercial loan sales through participation agreements, and other individual or portfolio loan and securities sales. In accordance with the accounting guidance for asset transfers, the Company considers any ongoing involvement with transferred assets in determining whether the assets can be derecognized from the balance sheet. Guarantees provided to certain third parties in connection with the transfer of assets are further discussed in Note 23.

For loans sold under participation agreements, the Company also considers whether the terms of the loan participation agreement meet the accounting definition of a participating interest. With the exception of servicing and certain performance-based guarantees, the Company's continuing involvement with financial assets sold is minimal and generally limited to market customary representation and warranty clauses. Any gain or loss on sale depends on the previous carrying amount of the transferred financial assets, the consideration received, and any liabilities incurred in exchange for the transferred assets. Upon transfer, any servicing assets and other interests that continue to be held by the Company are initially recognized at fair value. For further information on MSR's, refer to Note 10. On a limited basis, the Company may acquire and package high-grade corporate bonds for select corporate customers, in which the Company generally has no continuing involvement with these transactions. Additionally, the Company is an authorized GNMA issuer and issues GNMA securities on a regular basis. The Company has no other asset securitizations or similar asset-backed financing arrangements that are off-balance sheet.

The Company also provides financial support primarily through the use of waivers of trust and investment management fees associated with various unconsolidated registered money market funds it manages. The Company provided \$250 million, \$89 million and \$30 million of support to the funds during the years ended December 31, 2021, 2020 and 2019, respectively.

The Company is involved in various entities that are considered to be VIEs. The Company's investments in VIEs are

primarily related to investments promoting affordable housing, community development and renewable energy sources. Some of these tax-advantaged investments support the Company's regulatory compliance with the Community Reinvestment Act. The Company's investments in these entities generate a return primarily through the realization of federal and state income tax credits, and other tax benefits, such as tax deductions from operating losses of the investments, over specified time periods. These tax credits are recognized as a reduction of tax expense or, for investments qualifying as investment tax credits, as a reduction to the related investment asset. The Company recognized federal and state income tax credits related to its affordable housing and other tax-advantaged investments in tax expense of \$508 million, \$578 million and \$615 million for the years ended December 31, 2021, 2020 and 2019, respectively. The Company also recognized \$418 million, \$414 million and \$506 million of investment tax credits for the years ended December 31, 2021, 2020 and 2019, respectively. The Company recognized \$468 million, \$545 million and \$557 million of expenses related to all of these investments for the years ended December 31, 2021, 2020 and 2019, respectively, of which \$336 million, \$367 million and \$318 million, respectively, were included in tax expense and the remaining amounts were included in noninterest expense.

The Company is not required to consolidate VIEs in which it has concluded it does not have a controlling financial interest, and thus is not the primary beneficiary. In such cases, the Company does not have both the power to direct the entities' most significant activities and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIEs.

The Company's investments in these unconsolidated VIEs are carried in other assets on the Consolidated Balance Sheet. The Company's unfunded capital and other commitments related to these unconsolidated VIEs are generally carried in other liabilities on the Consolidated Balance Sheet. The Company's maximum exposure to loss from these unconsolidated VIEs include the investment recorded on the Company's Consolidated Balance Sheet, net of unfunded capital commitments, and previously recorded tax credits which remain subject to recapture by taxing

authorities based on compliance features required to be met at the project level. While the Company believes potential losses from these investments are remote, the maximum exposure was determined by assuming a scenario where the community-based business and housing projects completely fail and do not meet certain government compliance requirements resulting in recapture of the related tax credits.

The following table provides a summary of investments in community development and tax-advantaged VIEs that the Company has not consolidated:

At December 31 (Dollars in Millions)	2021	2020
Investment carrying amount	\$4,484	\$ 5,378
Unfunded capital and other commitments	1,890	2,334
Maximum exposure to loss	9,899	11,219

The Company also has noncontrolling financial investments in private investment funds and partnerships considered to be VIEs, which are not consolidated. The Company's recorded investment in these entities, carried in other assets on the Consolidated Balance Sheet, was approximately \$40 million at December 31, 2021 and \$35 million at December 31, 2020. The maximum exposure to loss related to these VIEs was \$84 million at December 31, 2021 and \$57 million at December 31, 2020, representing the Company's investment balance and its unfunded commitments to invest additional amounts.

The Company's individual net investments in unconsolidated VIEs, which exclude any unfunded capital commitments, ranged from less than \$1 million to \$75 million at December 31, 2021, compared with less than \$1 million to \$78 million at December 31, 2020.

The Company is required to consolidate VIEs in which it has concluded it has a controlling financial interest. The Company sponsors entities to which it transfers its interests in tax-advantaged investments to third parties. At December 31, 2021, approximately \$5.0 billion of the Company's assets and \$3.4 billion of its liabilities included on the Consolidated Balance Sheet were related to community development and tax-advantaged investment VIEs which the Company has consolidated, primarily related to these transfers. These amounts compared to \$4.9 billion and \$3.7 billion, respectively, at December 31, 2020. The majority of the assets of these consolidated VIEs are reported in other assets, and the liabilities are reported in long-term debt and other liabilities. The assets of a particular VIE are the primary source of funds to settle its obligations. The creditors of the VIEs do not have recourse to the general credit of the Company. The Company's exposure to the consolidated VIEs is generally limited to the carrying value of its variable interests plus any related tax credits previously recognized or transferred to others with a guarantee.

In addition, the Company sponsors a municipal bond securities tender option bond program. The Company controls the activities of the program's entities, is entitled to the residual returns and provides liquidity and remarketing arrangements to the program. As a result, the Company has consolidated the program's entities. At December 31, 2021, \$1.7 billion of available-for-sale investment securities and \$1.2 billion of short-term borrowings on the Consolidated Balance Sheet were related to the tender option bond program, compared with \$2.4 billion of available-for-sale investment securities and \$1.5 billion of short-term borrowings at December 31, 2020.

NOTE 9 Premises and Equipment

Premises and equipment at December 31 consisted of the following:

(Dollars in Millions)	2021	2020
Land	\$ 445	\$ 487
Buildings and improvements	3,161	3,519
Furniture, fixtures and equipment	3,438	3,439
Right of use assets on operating leases	1,014	1,038
Right of use assets on finance leases	172	110
Construction in progress	23	25
	8,253	8,618
Less accumulated depreciation and amortization	(4,948)	(5,150)
Total	\$ 3,305	\$ 3,468

NOTE 10 Mortgage Servicing Rights

The Company capitalizes MSRs as separate assets when loans are sold and servicing is retained. MSRs may also be purchased from others. The Company carries MSRs at fair value, with changes in the fair value recorded in earnings during the period in which they occur. The Company serviced \$222.4 billion of residential mortgage loans for others at December 31, 2021, and \$211.8 billion at December 31, 2020, including subserviced mortgages with no corresponding MSR asset. Included in mortgage banking revenue are the MSR fair value changes arising

from market rate and model assumption changes, net of the value change in derivatives used to economically hedge MSRs. These changes resulted in a net loss of \$183 million, a net gain of \$18 million, and a net loss of \$24 million for the years ended December 31, 2021, 2020 and 2019, respectively. Loan servicing and ancillary fees, not including valuation changes, included in mortgage banking revenue were \$725 million, \$718 million and \$734 million for the years ended December 31, 2021, 2020 and 2019, respectively.

Changes in fair value of capitalized MSRs are summarized as follows:

(Dollars in Millions)	2021	2020	2019
Balance at beginning of period	\$ 2,210	\$ 2,546	\$ 2,791
Rights purchased	42	34	20
Rights capitalized	1,136	1,030	559
Rights sold ^(a)	2	3	5
Changes in fair value of MSRs			
Due to fluctuations in market interest rates ^(b)	272	(719)	(390)
Due to revised assumptions or models ^(c)	(196)	(12)	23
Other changes in fair value ^(d)	(513)	(672)	(462)
Balance at end of period	\$ 2,953	\$ 2,210	\$ 2,546

(a) MSRs sold include those having a negative fair value, resulting from the loans being severely delinquent.

(b) Includes changes in MSR value associated with changes in market interest rates, including estimated prepayment rates and anticipated earnings on escrow deposits.

(c) Includes changes in MSR value not caused by changes in market interest rates, such as changes in assumed cost to service, ancillary income and option adjusted spread, as well as the impact of any model changes.

(d) Primarily the change in MSR value from passage of time and cash flows realized (decay), but also includes the impact of changes to expected cash flows not associated with changes in market interest rates, such as the impact of delinquencies.

The estimated sensitivity to changes in interest rates of the fair value of the MSR portfolio and the related derivative instruments was as follows:

(Dollars in Millions)	2021						2020					
	Down 100 bps	Down 50 bps	Down 25 bps	Up 25 bps	Up 50 bps	Up 100 bps	Down 100 bps	Down 50 bps	Down 25 bps	Up 25 bps	Up 50 bps	Up 100 bps
MSR portfolio	\$(636)	\$(324)	\$(160)	\$ 150	\$ 287	\$ 511	\$(442)	\$(271)	\$(150)	\$ 169	\$ 343	\$ 671
Derivative instrument hedges	614	309	152	(142)	(278)	(536)	523	281	145	(149)	(304)	(625)
Net sensitivity	\$ (22)	\$ (15)	\$ (8)	\$ 8	\$ 9	\$ (25)	\$ 81	\$ 10	\$ (5)	\$ 20	\$ 39	\$ 46

The fair value of MSRs and their sensitivity to changes in interest rates is influenced by the mix of the servicing portfolio and characteristics of each segment of the portfolio. The Company's servicing portfolio consists of the distinct portfolios of government-insured mortgages, conventional mortgages and Housing Finance Agency ("HFA") mortgages. The servicing portfolios are predominantly comprised of fixed-rate agency loans

with limited adjustable-rate or jumbo mortgage loans. The HFA servicing portfolio is comprised of loans originated under state and local housing authority program guidelines which assist purchases by first-time or low- to moderate-income homebuyers through a favorable rate subsidy, down payment and/or closing cost assistance on government- and conventional-insured mortgages.

A summary of the Company's MSRs and related characteristics by portfolio as of December 31 was as follows:

(Dollars in Millions)	2021				2020			
	HFA	Government	Conventional ^(d)	Total	HFA	Government	Conventional ^(d)	Total
Servicing portfolio ^(a)	\$40,652	\$21,919	\$156,382	\$218,953	\$40,396	\$25,474	\$143,085	\$208,955
Fair value	\$ 527	\$ 308	\$ 2,118	\$ 2,953	\$ 406	\$ 261	\$ 1,543	\$ 2,210
Value (bps) ^(b)	130	141	135	135	101	102	108	106
Weighted-average servicing fees (bps)	36	41	30	32	35	40	30	32
Multiple (value/servicing fees)	3.63	3.43	4.50	4.18	2.87	2.56	3.55	3.26
Weighted-average note rate	4.07%	3.70%	3.41%	3.56%	4.43%	3.91%	3.78%	3.92%
Weighted-average age (in years)	3.8	5.9	3.3	3.7	3.8	5.6	4.2	4.3
Weighted-average expected prepayment (constant prepayment rate)	11.5%	13.2%	9.6%	10.3%	14.1%	18.0%	13.8%	14.4%
Weighted-average expected life (in years)	6.5	5.6	6.9	6.7	5.6	4.3	5.5	5.4
Weighted-average option adjusted spread ^(c)	7.3%	7.3%	6.3%	6.6%	7.7%	7.3%	6.2%	6.6%

(a) Represents principal balance of mortgages having corresponding MSR asset.

(b) Calculated as fair value divided by the servicing portfolio.

(c) Option adjusted spread is the incremental spread added to the risk-free rate to reflect optionality and other risk inherent in the MSRs.

(d) Represents loans sold primarily to GSEs.

NOTE 11 Intangible Assets

Intangible assets consisted of the following:

At December 31 (Dollars in Millions)	2021	2020
Goodwill	\$10,262	\$ 9,918
Merchant processing contracts	195	235
Core deposit benefits	49	64
Mortgage servicing rights	2,953	2,210
Trust relationships	62	19
Other identified intangibles	479	336
Total	\$14,000	\$12,782

Aggregate amortization expense consisted of the following:

Year Ended December 31 (Dollars in Millions)	2021	2020	2019
Merchant processing contracts	\$ 45	\$ 49	\$ 45
Core deposit benefits	15	18	22
Trust relationships	10	9	10
Other identified intangibles	89	100	91
Total	\$159	\$176	\$168

The estimated amortization expense for the next five years is as follows:

(Dollars in Millions)	
2022	\$154
2023	111
2024	89
2025	63
2026	50

The following table reflects the changes in the carrying value of goodwill for the years ended December 31, 2021, 2020 and 2019:

(Dollars in Millions)	Corporate and Commercial Banking	Consumer and Business Banking	Wealth Management and Investment Services	Payment Services	Treasury and Corporate Support	Consolidated Company
Balance at December 31, 2018	\$1,647	\$3,475	\$1,618	\$2,629	\$—	\$ 9,369
Goodwill acquired	—	—	—	285	—	285
Foreign exchange translation and other	—	—	(1)	2	—	1
Balance at December 31, 2019	\$1,647	\$3,475	\$1,617	\$2,916	\$—	\$ 9,655
Goodwill acquired	—	—	—	180	—	180
Foreign exchange translation and other	—	—	2	81	—	83
Balance at December 31, 2020	\$1,647	\$3,475	\$1,619	\$3,177	\$—	\$ 9,918
Goodwill acquired	—	35	144	192	—	371
Foreign exchange translation and other	265	(265)	(2)	(25)	—	(27)
Balance at December 31, 2021	\$1,912	\$3,245	\$1,761	\$3,344	\$—	\$10,262

NOTE 12 Deposits

The composition of deposits at December 31 was as follows:

(Dollars in Millions)	2021	2020
Noninterest-bearing deposits	\$134,901	\$118,089
Interest-bearing deposits		
Interest checking	115,108	95,894
Money market savings	117,619	128,058
Savings accounts	65,790	57,035
Time deposits	22,665	30,694
Total interest-bearing deposits	321,182	311,681
Total deposits	\$456,083	\$429,770

The maturities of time deposits outstanding at December 31, 2021 were as follows:

(Dollars in Millions)	
2022	\$17,637
2023	2,298
2024	1,640
2025	655
2026	434
Thereafter	1
Total	\$22,665

NOTE 13 Short-Term Borrowings

Short-term borrowings at December 31 consisted of the following:

(Dollars in Millions)	2021	2020
Federal funds purchased	\$ 628	\$ 777
Securities sold under agreements to repurchase	1,575	1,430
Commercial paper	6,026	6,007
Other short-term borrowings	3,567	3,552
Total	\$11,796	\$11,766

NOTE 14 Long-Term Debt

Long-term debt (debt with original maturities of more than one year) at December 31 consisted of the following:

(Dollars in Millions)	Rate Type	Rate ^(a)	Maturity Date	2021	2020
U.S. Bancorp (Parent Company)					
Subordinated notes	Fixed	2.950%	2022	\$ 1,300	\$ 1,300
	Fixed	3.600%	2024	1,000	1,000
	Fixed	7.500%	2026	199	199
	Fixed	3.100%	2026	1,000	1,000
	Fixed	3.000%	2029	1,000	1,000
	Fixed	2.491%	2036	1,300	—
Medium-term notes	Fixed	.850% - 3.950%	2022 - 2030	12,631	15,492
	Floating	.855%	2021	—	250
Other ^(b)				472	683
Subtotal				18,902	20,924
Subsidiaries					
Federal Home Loan Bank advances	Fixed	6.440% - 8.250%	2023 - 2026	2	1,003
	Floating ^(d)	.384% - .710%	2022 - 2026	3,272	3,272
Bank notes	Fixed	1.950% - 3.400%	2022 - 2025	5,700	9,100
	Floating ^(d)	— % - .604%	2022 - 2059	3,337	5,888
Other ^(c)				912	1,110
Subtotal				13,223	20,373
Total				\$32,125	\$41,297

(a) Weighted-average interest rates of medium-term notes, Federal Home Loan Bank advances and bank notes were 2.51 percent, .65 percent and 1.80 percent, respectively.

(b) Includes debt issuance fees and unrealized gains and losses and deferred amounts relating to derivative instruments.

(c) Includes consolidated community development and tax-advantaged investment VIEs, finance lease obligations, debt issuance fees, and unrealized gains and losses and deferred amounts relating to derivative instruments.

(d) Includes \$3.3 billion of Federal Home Loan Bank advances and \$2.3 billion of bank notes, whose interest is calculated by reference to LIBOR. The outstanding debt contains fallback provisions in the event that LIBOR is no longer published or quoted, but these fallback provisions have not yet been utilized.

The Company has arrangements with the Federal Home Loan Bank and Federal Reserve Bank whereby the Company could have borrowed an additional \$101.0 billion and \$96.5 billion at December 31, 2021 and 2020, respectively, based on collateral available.

Maturities of long-term debt outstanding at December 31, 2021, were:

(Dollars in Millions)	Parent Company	Consolidated
2022	\$ 2,311	\$ 4,834
2023	—	3,847
2024	5,740	5,768
2025	2,240	5,804
2026	2,685	4,200
Thereafter	5,926	7,672
Total	\$18,902	\$32,125

NOTE 15 Shareholders' Equity

At December 31, 2021 and 2020, the Company had authority to issue 4 billion shares of common stock and 50 million shares of preferred stock. The Company had 1.5 billion shares of common stock outstanding at December 31, 2021 and 2020. The

Company had 36 million shares of common stock reserved for future issuances, primarily under its stock incentive plans at December 31, 2021.

The number of shares issued and outstanding and the carrying amount of each outstanding series of the Company's preferred stock were as follows:

At December 31 (Dollars in Millions)	2021				2020			
	Shares Issued and Outstanding	Liquidation Preference	Discount	Carrying Amount	Shares Issued and Outstanding	Liquidation Preference	Discount	Carrying Amount
Series A	12,510	\$1,251	\$145	\$1,106	12,510	\$1,251	\$ 145	\$ 1,106
Series B	40,000	1,000	—	1,000	40,000	1,000	—	1,000
Series F	—	—	—	—	44,000	1,100	12	1,088
Series I	—	—	—	—	30,000	750	5	745
Series J	40,000	1,000	7	993	40,000	1,000	7	993
Series K	23,000	575	10	565	23,000	575	10	565
Series L	20,000	500	14	486	20,000	500	14	486
Series M	30,000	750	21	729	—	—	—	—
Series N	60,000	1,500	8	1,492	—	—	—	—
Total preferred stock ^(a)	225,510	\$6,576	\$205	\$6,371	209,510	\$6,176	\$ 193	\$ 5,983

(a) The par value of all shares issued and outstanding at December 31, 2021 and 2020, was \$1.00 per share.

During 2021, the Company issued depositary shares representing an ownership interest in 60,000 shares of Series N Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock with a liquidation preference of \$25,000 per share (the "Series N Preferred Stock"). The Series N Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to 3.70 percent from the date of issuance to, but excluding, January 15, 2027, and thereafter will accrue and be payable quarterly at a floating rate per annum equal to the five-year treasury rate plus 2.541 percent. The Series N Preferred Stock is redeemable at the Company's option, in whole or in part, on or after January 15, 2027. The Series N Preferred Stock is redeemable at the Company's option, in whole, but not in part, prior to January 15, 2027 within 90 days following an official administrative or judicial decision, amendment to, or change in the laws or regulations that would not allow the Company to treat the full liquidation value of the Series N Preferred Stock as Tier 1 capital for purposes of the capital adequacy guidelines of the Federal Reserve Board.

During 2021, the Company issued depositary shares representing an ownership interest in 30,000 shares of Series M Non-Cumulative Perpetual Preferred Stock with a liquidation preference of \$25,000 per share (the "Series M Preferred Stock"). The Series M Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to 4.00 percent. The Series M Preferred Stock is redeemable at the Company's option, in whole or in part, on or after April 15, 2026. The Series M Preferred Stock is redeemable at the Company's option, in whole, but not in part, prior to April 15, 2026 within 90 days following an official administrative or judicial decision, amendment to, or change in the laws or regulations that would not allow the

Company to treat the full liquidation value of the Series M Preferred Stock as Tier 1 capital for purposes of the capital adequacy guidelines of the Federal Reserve Board.

During 2020, the Company issued depositary shares representing an ownership interest in 20,000 shares of Series L Non-Cumulative Perpetual Preferred Stock with a liquidation preference of \$25,000 per share (the "Series L Preferred Stock"). The Series L Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to 3.75 percent. The Series L Preferred Stock is redeemable at the Company's option, in whole or in part, on or after January 15, 2026. The Series L Preferred Stock is redeemable at the Company's option, in whole, but not in part, prior to January 15, 2026 within 90 days following an official administrative or judicial decision, amendment to, or change in the laws or regulations that would not allow the Company to treat the full liquidation value of the Series L Preferred Stock as Tier 1 capital for purposes of the capital adequacy guidelines of the Federal Reserve Board.

During 2018, the Company issued depositary shares representing an ownership interest in 23,000 shares of Series K Non-Cumulative Perpetual Preferred Stock with a liquidation preference of \$25,000 per share (the "Series K Preferred Stock"). The Series K Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to 5.50 percent. The Series K Preferred Stock is redeemable at the Company's option, in whole or in part, on or after October 15, 2023. The Series K Preferred Stock is redeemable at the Company's option, in whole, but not in part, prior to October 15, 2023 within 90 days following an official administrative or judicial decision, amendment to, or change in the laws or regulations that would not allow the

Company to treat the full liquidation value of the Series K Preferred Stock as Tier 1 capital for purposes of the capital adequacy guidelines of the Federal Reserve Board.

During 2017, the Company issued depositary shares representing an ownership interest in 40,000 shares of Series J Non-Cumulative Perpetual Preferred Stock with a liquidation preference of \$25,000 per share (the "Series J Preferred Stock"). The Series J Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable semiannually, in arrears, at a rate per annum equal to 5.300 percent from the date of issuance to, but excluding, April 15, 2027, and thereafter will accrue and be payable quarterly at a floating rate per annum equal to the three-month London Interbank Offered Rate ("LIBOR") plus 2.914 percent. The Series J Preferred Stock is redeemable at the Company's option, in whole or in part, on or after April 15, 2027. The Series J Preferred Stock is redeemable at the Company's option, in whole, but not in part, prior to April 15, 2027 within 90 days following an official administrative or judicial decision, amendment to, or change in the laws or regulations that would not allow the Company to treat the full liquidation value of the Series J Preferred Stock as Tier 1 capital for purposes of the capital adequacy guidelines of the Federal Reserve Board.

During 2015, the Company issued depositary shares representing an ownership interest in 30,000 shares of Series I Non-Cumulative Perpetual Preferred Stock with a liquidation preference of \$25,000 per share (the "Series I Preferred Stock"). During 2021, the Company redeemed all outstanding shares of the Series I Preferred Stock at a redemption price equal to the liquidation preference amount. The Company included a \$5 million loss in the computation of diluted earnings per common share for 2021, which represents the stock issuance costs recorded in preferred stock upon the issuance of the Series I Preferred Stock that were reclassified to retained earnings on the date the Company provided notice of its intent to redeem the outstanding shares.

During 2012, the Company issued depositary shares representing an ownership interest in 44,000 shares of Series F Non-Cumulative Perpetual Preferred Stock with a liquidation preference of \$25,000 per share (the "Series F Preferred Stock"). During 2021, the Company provided notice of its intent to redeem all outstanding shares of the Series F Preferred Stock during the first quarter of 2022. The Company removed the outstanding liquidation preference amount of the Series F Preferred Stock from shareholders' equity and included it in other liabilities on the Consolidated Balance Sheet as of December 31, 2021, because upon the notification date it became mandatorily redeemable. The liquidation preference amount equals the redemption price for all outstanding shares of the Series F Preferred Stock. The Company included a \$12 million loss in the computation of diluted earnings per common share for 2021, which represents the stock issuance costs recorded in preferred stock upon the issuance of the Series F Preferred Stock that were reclassified to retained earnings on the notification date.

Effective January 15, 2022, the Company redeemed all outstanding shares of the Series F Preferred Stock.

During 2010, the Company issued depositary shares representing an ownership interest in 5,746 shares of Series A Non-Cumulative Perpetual Preferred Stock (the "Series A Preferred Stock") to investors, in exchange for their portion of USB Capital IX Income Trust Securities. During 2011, the Company issued depositary shares representing an ownership interest in 6,764 shares of Series A Preferred Stock to USB Capital IX, thereby settling the stock purchase contract established between the Company and USB Capital IX as part of the 2006 issuance of USB Capital IX Income Trust Securities. The preferred shares were issued to USB Capital IX for the purchase price specified in the stock forward purchase contract. The Series A Preferred Stock has a liquidation preference of \$100,000 per share, no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to the greater of three-month LIBOR plus 1.02 percent or 3.50 percent. The Series A Preferred Stock is redeemable at the Company's option, subject to prior approval by the Federal Reserve Board.

During 2006, the Company issued depositary shares representing an ownership interest in 40,000 shares of Series B Non-Cumulative Perpetual Preferred Stock with a liquidation preference of \$25,000 per share (the "Series B Preferred Stock"). The Series B Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to the greater of three-month LIBOR plus .60 percent, or 3.50 percent. The Series B Preferred Stock is redeemable at the Company's option, subject to the prior approval of the Federal Reserve Board.

Dividends for certain of the Company's outstanding series of preferred stock described above are, or will in the future be, calculated by reference to LIBOR. The outstanding series contain fallback provisions in the event that LIBOR is no longer published or quoted, but these fallback provisions have not yet been utilized.

During 2021, 2020 and 2019, the Company repurchased shares of its common stock under various authorizations approved by its Board of Directors. Beginning in March of 2020 and continuing through the remainder of 2020, the Company suspended all common stock repurchases except for those done exclusively in connection with its stock-based compensation programs. This action was initially taken to maintain strong capital levels given the impact and uncertainties of COVID-19 on the economy and global markets. Due to continued economic uncertainty, the Federal Reserve Board implemented measures beginning in the third quarter of 2020 and extending through the second quarter of 2021, restricting capital distributions of all large bank holding companies, including the Company. These restrictions limited the aggregate amount of common stock dividends and share repurchases to an amount that did not exceed the average net income of the four preceding calendar

quarters. Based on the results of the December 2020 Federal Reserve Board Stress Test, the Company announced on December 22, 2020 that its Board of Directors had approved an authorization to repurchase \$3.0 billion of its common stock beginning January 1, 2021, and repurchased \$1.5 billion of its common stock during the first six months of 2021 under this program. The Company suspended all common stock repurchases at the beginning of the third quarter of 2021, except for those done exclusively in connection with its stock-based compensation programs, due to its recently announced pending acquisition of MUFG Union Bank's core regional banking

franchise. The Company does not expect to commence repurchasing its common stock again until the second half of 2022, or after the acquisition closes in order to build capital prior to the acquisition.

The following table summarizes the Company's common stock repurchased in each of the last three years:

(Dollars and Shares in Millions)	Shares	Value
2021	28	\$1,556
2020	31	1,661
2019	81	4,515

Shareholders' equity is affected by transactions and valuations of asset and liability positions that require adjustments to accumulated other comprehensive income (loss). The reconciliation of the transactions affecting accumulated other comprehensive income (loss) included in shareholders' equity for the years ended December 31, is as follows:

(Dollars in Millions)	Unrealized Gains (Losses) on Investment Securities Available-For-Sale	Unrealized Gains (Losses) on Investment Securities Transferred From Available-For-Sale to Held-To-Maturity	Unrealized Gains (Losses) on Derivative Hedges	Unrealized Gains (Losses) on Retirement Plans	Foreign Currency Translation	Total
2021						
Balance at beginning of period	\$ 2,417	\$ —	\$(189)	\$(1,842)	\$(64)	\$ 322
Changes in unrealized gains (losses)	(3,698)	—	125	400	—	(3,173)
Transfer of securities from available-for-sale to held-to-maturity	1,289	(1,289)	—	—	—	—
Foreign currency translation adjustment ^(a) ..	—	—	—	—	35	35
Reclassification to earnings of realized (gains) losses	(103)	36	14	157	—	104
Applicable income taxes	635	318	(35)	(141)	(8)	769
Balance at end of period	\$ 540	\$ (935)	\$ (85)	\$(1,426)	\$(37)	\$(1,943)
2020						
Balance at beginning of period	\$ 379	\$ —	\$(51)	\$(1,636)	\$(65)	\$(1,373)
Changes in unrealized gains (losses)	2,905	—	(194)	(401)	—	2,310
Foreign currency translation adjustment ^(a) ..	—	—	—	—	2	2
Reclassification to earnings of realized (gains) losses	(177)	—	10	125	—	(42)
Applicable income taxes	(690)	—	46	70	(1)	(575)
Balance at end of period	\$ 2,417	\$ —	\$(189)	\$(1,842)	\$(64)	\$ 322
2019						
Balance at beginning of period	\$ (946)	\$ 14	\$ 112	\$(1,418)	\$(84)	\$(2,322)
Changes in unrealized gains (losses)	1,693	—	(229)	(380)	—	1,084
Unrealized gains (losses) on held-to-maturity investment securities transferred to available-for-sale	150	(9)	—	—	—	141
Foreign currency translation adjustment ^(a) ..	—	—	—	—	26	26
Reclassification to earnings of realized (gains) losses	(73)	(7)	11	89	—	20
Applicable income taxes	(445)	2	55	73	(7)	(322)
Balance at end of period	\$ 379	\$ —	\$ (51)	\$(1,636)	\$(65)	\$(1,373)

(a) Represents the impact of changes in foreign currency exchange rates on the Company's investment in foreign operations and related hedges.

Additional detail about the impact to net income for items reclassified out of accumulated other comprehensive income (loss) and into earnings for the years ended December 31, is as follows:

(Dollars in Millions)	Impact to Net Income			Affected Line Item in the Consolidated Statement of Income
	2021	2020	2019	
Unrealized gains (losses) on investment securities available-for-sale				
Realized gains (losses) on sale of investment securities	\$ 103	\$ 177	\$ 73	Securities gains (losses), net
	(26)	(45)	(18)	Applicable income taxes
	77	132	55	Net-of-tax
Unrealized gains (losses) on investment securities transferred from available-for-sale to held-to-maturity				
Amortization of unrealized gains	(36)	—	7	Interest income
	9	—	(2)	Applicable income taxes
	(27)	—	5	Net-of-tax
Unrealized gains (losses) on derivative hedges				
Realized gains (losses) on derivative hedges	(14)	(10)	(11)	Interest expense
	4	3	3	Applicable income taxes
	(10)	(7)	(8)	Net-of-tax
Unrealized gains (losses) on retirement plans				
Actuarial gains (losses) and prior service cost (credit) amortization	(157)	(125)	(89)	Other noninterest expense
	40	32	22	Applicable income taxes
	(117)	(93)	(67)	Net-of-tax
Total impact to net income	\$ (77)	\$ 32	\$ (15)	

Regulatory Capital The Company uses certain measures defined by bank regulatory agencies to assess its capital. The regulatory capital requirements effective for the Company follow Basel III, with the Company being subject to calculating its capital adequacy as a percentage of risk-weighted assets under the standardized approach.

Tier 1 capital is considered core capital and includes common shareholders' equity adjusted for the aggregate impact of certain items included in other comprehensive income (loss) ("common equity tier 1 capital"), plus qualifying preferred stock, trust preferred securities and noncontrolling interests in consolidated subsidiaries subject to certain limitations. Total risk-based capital includes Tier 1 capital and other items such as subordinated debt and the allowance for credit losses. Capital measures are stated as a percentage of risk-weighted assets, which are measured based on their perceived credit risks and include certain off-balance sheet exposures, such as unfunded

loan commitments, letters of credit, and derivative contracts. Beginning in 2020, the Company elected to adopt a rule issued in 2020 by its regulators which permits banking organizations who adopt accounting guidance related to the impairment of financial instruments based on the current expected credit losses methodology during 2020, the option to defer the impact of the effect of that guidance at adoption plus 25 percent of its quarterly credit reserve increases over the next two years on its regulatory capital requirements, followed by a three-year transition period to phase in the cumulative deferred impact.

The Company is also subject to leverage ratio requirements, which is defined as Tier 1 capital as a percentage of adjusted average assets under the standardized approach and Tier 1 capital as a percentage of total on- and off-balance sheet leverage exposure under more risk-sensitive advanced approaches.

The following table provides a summary of the regulatory capital requirements in effect, along with the actual components and ratios for the Company and its bank subsidiary, at December 31, 2021 and 2020:

(Dollars in Millions)	U.S. Bancorp		U.S. Bank National Association	
	2021	2020	2021	2020
Basel III standardized approach:				
Common shareholders' equity	\$ 48,547	\$ 47,112	\$ 51,465	\$ 52,589
Less intangible assets				
Goodwill (net of deferred tax liability)	(9,323)	(9,014)	(9,209)	(9,034)
Other disallowed intangible assets	(785)	(654)	(754)	(654)
Other ^(a)	3,262	601	3,498	1,254
Total common equity tier 1 capital	41,701	38,045	45,000	44,155
Qualifying preferred stock	6,371	5,983	—	—
Noncontrolling interests eligible for tier 1 capital	450	451	450	451
Other ^(b)	(6)	(5)	(6)	(6)
Total tier 1 capital	48,516	44,474	45,444	44,600
Eligible portion of allowance for credit losses	4,081	4,905	4,081	4,850
Subordinated debt and noncontrolling interests eligible for tier 2 capital	3,653	3,223	3,600	3,517
Total tier 2 capital	7,734	8,128	7,681	8,367
Total risk-based capital	\$ 56,250	\$ 52,602	\$ 53,125	\$ 52,967
Risk-weighted assets	\$418,571	\$393,648	\$412,979	\$387,388
Common equity tier 1 capital as a percent of risk-weighted assets	10.0%	9.7%	10.9%	11.4%
Tier 1 capital as a percent of risk-weighted assets	11.6	11.3	11.0	11.5
Total risk-based capital as a percent of risk-weighted assets	13.4	13.4	12.9	13.7
Tier 1 capital as a percent of adjusted quarterly average assets (leverage ratio)	8.6	8.3	8.2	8.4
Tier 1 capital as a percent of total on- and off-balance sheet leverage exposure (total leverage exposure ratio)	6.9	7.3	6.6	6.8

	Minimum ^(c)	Well-Capitalized
Bank Regulatory Capital Requirements		
Common equity tier 1 capital as a percent of risk-weighted assets	7.0%	6.5% ^(d)
Tier 1 capital as a percent of risk-weighted assets	8.5	8.0
Total risk-based capital as a percent of risk-weighted assets	10.5	10.0
Tier 1 capital as a percent of adjusted quarterly average assets (leverage ratio)	4.0	5.0 ^(d)
Tier 1 capital as a percent of total on- and off-balance sheet leverage exposure (total leverage exposure ratio)	3.0	3.0

(a) Includes the impact of items included in other comprehensive income (loss), such as unrealized gains (losses) on available-for-sale securities, accumulated net gains on cash flow hedges, pension liability adjustments, etc., and the portion of deferred tax assets related to net operating loss and tax credit carryforwards not eligible for common equity tier 1 capital. Excludes the impact of the 2020 adoption of accounting guidance related to impairment of financial instruments based on the CECL methodology included in retained earnings.

(b) Includes the remaining portion of deferred tax assets not eligible for total tier 1 capital.

(c) The minimum common equity tier 1 capital, tier 1 capital and total risk-based capital ratio requirements reflect a stress capital buffer requirement of 2.5 percent. Banks and financial services holding companies must maintain minimum capital levels, including a stress capital buffer requirement, to avoid limitations on capital distributions and certain discretionary compensation payments.

(d) A minimum well-capitalized threshold does not apply to U.S. Bancorp for this ratio as it is not formally defined under applicable banking regulations for bank holding companies.

Noncontrolling interests principally represent third-party investors' interests in consolidated entities, including preferred stock of consolidated subsidiaries. During 2006, the Company's banking subsidiary formed USB Realty Corp., a real estate investment trust, for the purpose of issuing 5,000 shares of Fixed-to-Floating Rate Exchangeable Non-cumulative Perpetual Series A Preferred Stock with a liquidation preference of \$100,000 per share ("Series A Preferred Securities") to third-party investors. Dividends on the Series A Preferred Securities, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to three-month LIBOR plus 1.147 percent. If USB Realty Corp. has not declared a dividend on the Series A Preferred Securities before the dividend payment date for any

dividend period, such dividend shall not be cumulative and shall cease to accrue and be payable, and USB Realty Corp. will have no obligation to pay dividends accrued for such dividend period, whether or not dividends on the Series A Preferred Securities are declared for any future dividend period.

The Series A Preferred Securities will be redeemable, in whole or in part, at the option of USB Realty Corp. on each fifth anniversary after the dividend payment date occurring in January 2012. Any redemption will be subject to the approval of the Office of the Comptroller of the Currency. During 2016, the Company purchased 500 shares of the Series A Preferred Securities held by third-party investors. As of December 31, 2021, 4,500 shares of the Series A Preferred Securities remain outstanding.

NOTE 16 Earnings Per Share

The components of earnings per share were:

Year Ended December 31

(Dollars and Shares in Millions, Except Per Share Data)

	2021	2020	2019
Net income attributable to U.S. Bancorp	\$7,963	\$4,959	\$6,914
Preferred dividends	(303)	(304)	(302)
Impact of preferred stock call and redemption	(17) ^(a)	(13) ^(b)	—
Earnings allocated to participating stock awards	(38)	(21)	(29)
Net income applicable to U.S. Bancorp common shareholders	<u>\$7,605</u>	<u>\$4,621</u>	<u>\$6,583</u>
Average common shares outstanding	1,489	1,509	1,581
Net effect of the exercise and assumed purchase of stock awards	1	1	2
Average diluted common shares outstanding	<u>1,490</u>	<u>1,510</u>	<u>1,583</u>
Earnings per common share	\$ 5.11	\$ 3.06	\$ 4.16
Diluted earnings per common share	<u>\$ 5.10</u>	<u>\$ 3.06</u>	<u>\$ 4.16</u>

(a) Represents stock issuance costs originally recorded in preferred stock upon the issuance of the Company's Series I and Series F Preferred Stock that were reclassified to retained earnings on the date the Company announced its intent to redeem the outstanding shares.

(b) Represents stock issuance costs originally recorded in preferred stock upon the issuance of the Company's Series H Preferred Stock that were reclassified to retained earnings on the date the Company announced its intent to redeem the outstanding shares.

Options outstanding at December 31, 2020 and 2019, to purchase 2 million and 1 million common shares, respectively, were not included in the computation of diluted earnings per share for the years ended December 31, 2020 and 2019, because they were antidilutive.

NOTE 17 Employee Benefits

Employee Retirement Savings Plan The Company has a defined contribution retirement savings plan that covers substantially all its employees. Qualified employees are allowed to contribute up to 75 percent of their annual compensation, subject to Internal Revenue Service limits, through salary deductions under Section 401(k) of the Internal Revenue Code. Employee contributions are invested at their direction among a variety of investment alternatives. Employee contributions are 100 percent matched by the Company, up to four percent of each employee's eligible annual compensation. The Company's matching contribution vests immediately and is invested in the same manner as each employee's future contribution elections. Total expense for the Company's matching contributions was \$213 million, \$192 million and \$179 million in 2021, 2020 and 2019, respectively.

Pension Plans The Company has two tax qualified noncontributory defined benefit pension plans: the U.S. Bank Pension Plan and the U.S. Bank Legacy Pension Plan. The U.S. Bank Legacy Pension Plan was established effective January 1, 2020, to receive a transfer from the U.S. Bank Pension Plan of the accrued benefits and related plan assets of participants who terminated employment prior to January 1, 2020. The two plans have substantively identical terms. The plans provide benefits to substantially all the Company's employees. Participants receive annual cash balance pay credits based on eligible pay multiplied by a percentage determined by their age and years of service. Participants also receive an annual interest credit. Employees become vested upon completing three years of vesting service. For participants in the plans before 2010 that elected to stay under their existing formula, pension benefits are provided to eligible employees based on years of service, multiplied by a

percentage of their final average pay. Additionally, as a result of past plan mergers, a portion of pension benefits may also be provided using a cash balance benefit formula where only interest credits continue to be credited to participants' accounts.

In general, the Company's qualified pension plans' funding objectives include maintaining a funded status sufficient to meet participant benefit obligations over time while reducing long-term funding requirements and pension costs. The Company has an established process for evaluating the plans, their performance and significant plan assumptions, including the assumed discount rate and the long-term rate of return ("LTROR"). Although plan assumptions are established annually, the Company may update its analysis on an interim basis in order to be responsive to significant events that occur during the year, such as plan mergers and amendments. The Company's Compensation and Human Resources Committee (the "Committee") oversees the Company's process of evaluating the plans, their performance and significant plan assumptions.

The Company's funding policy is to contribute amounts to its plans sufficient to meet the minimum funding requirements of the Employee Retirement Income Security Act of 1974, as amended by the Pension Protection Act, plus such additional amounts as the Company determines to be appropriate. The Company did not contribute to its qualified pension plans in 2021 and contributed \$1.1 billion in 2020. The Company does not expect to contribute to the plans in 2022. Any contributions made to the qualified plans are invested in accordance with established investment policies and asset allocation strategies.

In addition to the funded qualified pension plans, the Company maintains a non-qualified plan that is unfunded and provides benefits to certain employees. The assumptions used in

computing the accumulated benefit obligation, the projected benefit obligation and net pension expense are substantially consistent with those assumptions used for the funded qualified plans. In 2022, the Company expects to contribute approximately \$26 million to its non-qualified pension plan which equals the 2022 expected benefit payments.

Postretirement Welfare Plan In addition to providing pension benefits, the Company provides health care and death benefits to certain former employees who retired prior to January 1, 2014.

Employees retiring after December 31, 2013, are not eligible for retiree health care benefits. Prior to December 31, 2020, the postretirement welfare plan operated as a voluntary employees' beneficiary association ("VEBA") plan. Effective December 31, 2020, the VEBA trust was dissolved and the postretirement welfare plan now operates as an unfunded plan. In 2022, the Company expects to contribute approximately \$4 million to its postretirement welfare plan which equals the 2022 expected benefit payments net of participant contributions.

The following table summarizes the changes in benefit obligations and plan assets for the years ended December 31, and the funded status and amounts recognized in the Consolidated Balance Sheet at December 31 for the retirement plans:

(Dollars in Millions)	Pension Plans		Postretirement Welfare Plan	
	2021	2020	2021	2020
Change In Projected Benefit Obligation^(a)				
Benefit obligation at beginning of measurement period	\$ 7,805	\$ 6,829	\$ 38	\$ 47
Service cost	265	235	—	—
Interest cost	219	235	1	1
Participants' contributions	—	—	4	6
Plan amendments	—	(18)	—	—
Actuarial (gain) loss	(4)	754	(2)	(4)
Lump sum settlements	(71)	(55)	—	—
Benefit payments	(184)	(175)	(7)	(13)
Federal subsidy on benefits paid	—	—	—	1
Benefit obligation at end of measurement period ^(b)	\$ 8,030	\$ 7,805	\$ 34	\$ 38
Change In Fair Value Of Plan Assets				
Fair value at beginning of measurement period	\$ 7,498	\$ 5,838	\$ —	\$ 84
Actual return on plan assets	844	737	—	1
Employer contributions	26	1,153	3	5
Participants' contributions	—	—	4	6
Lump sum settlements	(71)	(55)	—	—
Benefit payments	(184)	(175)	(7)	(13)
Other Changes ^(c)	—	—	—	(83)
Fair value at end of measurement period	\$ 8,113	\$ 7,498	\$ —	\$ —
Funded (Unfunded) Status	\$ 83	\$ (307)	\$ (34)	\$ (38)
Components Of The Consolidated Balance Sheet				
Noncurrent benefit asset	\$ 776	\$ 369	\$ —	\$ —
Current benefit liability	(26)	(27)	(5)	(5)
Noncurrent benefit liability	(667)	(649)	(29)	(33)
Recognized amount	\$ 83	\$ (307)	\$ (34)	\$ (38)
Accumulated Other Comprehensive Income (Loss), Pretax				
Net actuarial (loss) gain	\$(1,989)	\$(2,557)	\$ 58	\$ 63
Net prior service credit (cost)	16	18	8	11
Recognized amount	\$(1,973)	\$(2,539)	\$ 66	\$ 74

(a) The increase in the projected benefit obligation for 2021 was primarily due to demographic experience partially offset by a higher discount rate, and the increase for 2020 was primarily due to a lower discount rate.

(b) At December 31, 2021 and 2020, the accumulated benefit obligation for all pension plans was \$7.3 billion and \$7.1 billion, respectively.

(c) The fair value of postretirement welfare plan assets decreased in 2020 due to the dissolution of the VEBA trust. Prior to dissolution, the remaining assets in the VEBA trust were used to pay benefits under other programs of the Company's health and welfare plan, as permitted by the VEBA trust agreement. The postretirement welfare plan now operates as an unfunded plan.

The following table provides information for pension plans with benefit obligations in excess of plan assets at December 31:

(Dollars in Millions)	2021	2020
Pension Plans with Projected Benefit Obligations in Excess of Plan Assets		
Projected benefit obligation	\$692	\$676
Fair value of plan assets	—	—
Pension Plans with Accumulated Benefit Obligations in Excess of Plan Assets		
Accumulated benefit obligation	\$631	\$628
Fair value of plan assets	—	—

The following table sets forth the components of net periodic benefit cost and other amounts recognized in accumulated other comprehensive income (loss) for the years ended December 31 for the retirement plans:

(Dollars in Millions)	Pension Plans			Postretirement Welfare Plan		
	2021	2020	2019	2021	2020	2019
Components Of Net Periodic Benefit Cost						
Service cost	\$ 265	\$ 235	\$ 192	\$ —	\$ —	\$ —
Interest cost	219	235	249	1	1	2
Expected return on plan assets	(450)	(403)	(383)	—	(3)	(3)
Prior service cost (credit) and transition obligation (asset) amortization	(2)	—	—	(3)	(3)	(3)
Actuarial loss (gain) amortization	169	134	98	(7)	(6)	(6)
Net periodic benefit cost	\$ 201	\$ 201	\$ 156	\$ (9)	\$ (11)	\$ (10)
Other Changes In Plan Assets And Benefit Obligations						
Recognized In Other Comprehensive Income (Loss)						
Net actuarial gain (loss) arising during the year	\$ 398	\$ (420)	\$ (388)	\$ 2	\$ 1	\$ 7
Net actuarial loss (gain) amortized during the year	169	134	98	(7)	(6)	(6)
Net prior service (cost) credit and transition (obligation) asset arising during the year	—	18	—	—	—	—
Net prior service cost (credit) and transition obligation (asset) amortized during the year	(2)	—	—	(3)	(3)	(3)
Total recognized in other comprehensive income (loss)	\$ 565	\$ (268)	\$ (290)	\$ (8)	\$ (8)	\$ (2)
Total recognized in net periodic benefit cost and other comprehensive income (loss)	\$ 364	\$ (469)	\$ (446)	\$ 1	\$ 3	\$ 8

The following table sets forth weighted average assumptions used to determine the projected benefit obligations at December 31:

(Dollars in Millions)	Pension Plans		Postretirement Welfare Plan	
	2021	2020	2021	2020
Discount rate ^(a)	3.00%	2.75%	2.37%	1.82%
Cash balance interest crediting rate	3.00	3.00	*	*
Rate of compensation increase ^(b)	3.56	3.56	*	*
Health care cost trend rate ^(c)				
Prior to age 65			5.75%	6.00%
After age 65			5.75%	6.00%

(a) The discount rates were developed using a cash flow matching bond model with a modified duration for the qualified pension plan, legacy pension plan, non-qualified pension plan and postretirement welfare plan of 17.8, 12.2, 12.4, and 5.8 years, respectively, for 2021, and 18.6, 12.9, 12.5 and 6.1 years, respectively, for 2020.

(b) Determined on an active liability-weighted basis.

(c) The 2021 and 2020 pre-65 and post-65 rates are both assumed to decrease gradually to 5.00 percent by 2025 and remain at this level thereafter.

* Not applicable

The following table sets forth weighted average assumptions used to determine net periodic benefit cost for the years ended December 31:

(Dollars in Millions)	Pension Plans			Postretirement Welfare Plan		
	2021	2020	2019	2021	2020	2019
Discount rate ^(a)	2.75%	3.40%	4.45%	2.37%	2.80%	4.05%
Cash balance interest crediting rate	3.00	3.00	3.00	*	*	*
Expected return on plan assets ^(b)	6.50	7.25	7.25	*	3.50	3.50
Rate of compensation increase ^(c)	3.56	3.56	3.52	*	*	*
Health care cost trend rate ^(d)						
Prior to age 65				5.75%	6.25%	6.50%
After age 65				5.75	6.25	10.00

(a) The discount rates were developed using a cash flow matching bond model with a modified duration for the qualified pension plan, legacy pension plan, non-qualified pension plan and postretirement welfare plan of 18.6, 12.9, 12.5 and 6.1 years, respectively, for 2021, and for the qualified pension plan, non-qualified pension plan and postretirement welfare plan of 15.8, 12.3 and 6.1 years, respectively, for 2020.

(b) With the help of an independent pension consultant, the Company considers several sources when developing its expected long-term rates of return on plan assets assumptions, including, but not limited to, past returns and estimates of future returns given the plans' asset allocation, economic conditions, and peer group LTROR information. The Company determines its expected long-term rates of return reflecting current economic conditions and plan assets.

(c) Determined on an active liability weighted basis.

(d) The 2021, 2020 and 2019 pre-65 and post-65 rates are both assumed to decrease gradually to 5.00 percent by 2025 and remain at that level thereafter.

* Not applicable

Investment Policies and Asset Allocation In establishing its investment policies and asset allocation strategies, the Company considers expected returns and the volatility associated with different strategies. An independent consultant performs modeling that projects numerous outcomes using a broad range of possible scenarios, including a mix of possible rates of inflation and economic growth. Starting with current economic information, the model bases its projections on past relationships between inflation, fixed income rates and equity returns when these types of economic conditions have existed over the previous 30 years, both in the United States and in foreign countries. Estimated future returns and other actuarially determined adjustments are also considered in calculating the estimated return on assets.

Generally, based on historical performance of the various investment asset classes, investments in equities have outperformed other investment classes but are subject to higher volatility. In an effort to minimize volatility, while recognizing the long-term up-side potential of investing in equities, the Committee has determined that a target asset allocation of 35 percent long duration bonds, 30 percent global equities, 10 percent real assets, 10 percent private equity funds, 5 percent domestic mid-small cap equities, 5 percent emerging markets equities, and 5 percent hedge funds is appropriate.

The following table summarizes plan investment assets measured at fair value at December 31:

(Dollars in Millions)	Qualified Pension Plans							
	2021				2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 43	\$ –	\$–	\$ 43	\$ 975	\$ –	\$–	\$ 975
Debt securities	1,022	1,096	–	2,118	894	1,224	–	2,118
Mutual funds								
Debt securities	–	409	–	409	–	371	–	371
Emerging markets equity securities	–	188	–	188	–	174	–	174
Other	–	–	4	4	–	–	6	6
	\$1,065	\$1,693	\$4	2,762	\$1,869	\$1,769	\$6	3,644
Plan investment assets not classified in fair value hierarchy ^(a) :								
Collective investment funds								
Domestic equity securities				1,958				1,515
Mid-small cap equity securities ^(b)				433				431
International equity securities				867				718
Domestic real estate securities				829				520
Hedge funds ^(c)				450				251
Private equity funds ^(d)				814				419
Total plan investment assets at fair value				\$8,113				\$7,498

(a) These investments are valued based on net asset value per share as a practical expedient; fair values are provided to reconcile to total investment assets of the plans at fair value.

(b) At December 31, 2021 and 2020, securities included \$433 million and \$431 million in domestic equities, respectively.

(c) This category consists of several investment strategies diversified across several hedge fund managers.

(d) This category consists of several investment strategies diversified across several private equity fund managers.

At December 31, 2021 and 2020, plan assets included an asset management arrangement with a related party totaling \$55.3 million and \$1.0 billion, respectively.

In accordance with authoritative accounting guidance, the Company groups plan assets into a three-level hierarchy for valuation techniques used to measure their fair value based on whether the valuation inputs are observable or unobservable. Refer to Note 22 for further discussion on these levels.

The assets of the qualified pension plans include investments in equity and U.S. Treasury securities whose fair values are determined based on quoted prices in active markets and are classified within Level 1 of the fair value hierarchy. The qualified pension plans also invest in U.S. agency, corporate and municipal debt securities, which are all valued based on observable market prices or data by third party pricing services, and mutual funds which are valued based on quoted net asset values provided by the trustee of the fund; these assets are classified as Level 2. Additionally, the qualified pension plans invest in certain assets that are valued based on net asset values as a practical expedient, including investments in collective investment funds, hedge funds, and private equity funds; the net asset values are provided by the fund trustee or administrator and are not classified in the fair value hierarchy.

The following table summarizes the changes in fair value for qualified pension plans investment assets measured at fair value using significant unobservable inputs (Level 3) for the years ended December 31:

(Dollars in Millions)	2021	2020	2019
	Other	Other	Other
Balance at beginning of period	\$ 6	\$3	\$3
Unrealized gains (losses) relating to assets still held at end of year	(2)	3	—
Purchases, sales, and settlements, net	—	—	—
Balance at end of period	\$ 4	\$6	\$3

The following benefit payments are expected to be paid from the retirement plans for the years ended December 31:

(Dollars in Millions)	Pension Plans	Postretirement Welfare Plan ^(a)
2022	\$ 264	\$ 4
2023	286	4
2024	305	4
2025	357	3
2026	347	3
2027-2031	1,975	11

(a) Net of expected retiree contributions and before Medicare Part D subsidy.

NOTE 18 Stock-Based Compensation

As part of its employee and director compensation programs, the Company currently may grant certain stock awards under the provisions of its stock incentive plan. The plan provides for grants of options to purchase shares of common stock at a fixed price equal to the fair value of the underlying stock at the date of grant. Option grants are generally exercisable up to ten years from the date of grant. In addition, the plan provides for grants of shares of common stock or stock units that are subject to restriction on transfer prior to vesting. Most stock and unit awards vest over

three to five years and are subject to forfeiture if certain vesting requirements are not met. Stock incentive plans of acquired companies are generally terminated at the merger closing dates. Participants under such plans receive the Company's common stock, or options to buy the Company's common stock, based on the conversion terms of the various merger agreements. At December 31, 2021, there were 24 million shares (subject to adjustment for forfeitures) available for grant under the Company's stock incentive plan.

Stock Option Awards

The following is a summary of stock options outstanding and exercised under prior and existing stock incentive plans of the Company:

Year Ended December 31	Stock Options/Shares	Weighted- Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value (in millions)
2021				
Number outstanding at beginning of period	5,180,391	\$40.38		
Exercised	(1,281,646)	33.66		
Cancelled ^(a)	(8,614)	48.20		
Number outstanding at end of period ^(b)	3,890,131	\$42.58	3.3	\$ 53
Exercisable at end of period	3,890,131	\$42.58	3.3	\$ 53
2020				
Number outstanding at beginning of period	5,718,256	\$39.25		
Exercised	(513,293)	27.48		
Cancelled ^(a)	(24,572)	45.08		
Number outstanding at end of period ^(b)	5,180,391	\$40.38	3.7	\$ 32
Exercisable at end of period	4,942,077	\$39.68	3.6	\$ 34
2019				
Number outstanding at beginning of period	9,115,010	\$34.52		
Exercised	(3,333,467)	26.36		
Cancelled ^(a)	(63,287)	36.74		
Number outstanding at end of period ^(b)	5,718,256	\$39.25	4.4	\$115
Exercisable at end of period	4,869,805	\$37.67	4.0	\$105

Note: The Company did not grant any stock option awards during 2021, 2020 and 2019.

(a) Options cancelled include both non-vested (i.e., forfeitures) and vested options.

(b) Outstanding options include stock-based awards that may be forfeited in future periods. The impact of the estimated forfeitures is reflected in compensation expense.

Stock-based compensation expense is based on the estimated fair value of the award at the date of grant or modification. The fair value of each option award is estimated on the date of grant using the Black-Scholes option-pricing model, requiring the use of subjective assumptions. Because employee

stock options have characteristics that differ from those of traded options, including vesting provisions and trading limitations that impact their liquidity, the determined value used to measure compensation expense may vary from the actual fair value of the employee stock options.

The following summarizes certain stock option activity of the Company:

Year Ended December 31 (Dollars in Millions)	2021	2020	2019
Fair value of options vested	\$ 3	\$ 7	\$10
Intrinsic value of options exercised	27	11	95
Cash received from options exercised	43	14	88
Tax benefit realized from options exercised	7	3	24

To satisfy option exercises, the Company predominantly uses treasury stock.

Additional information regarding stock options outstanding as of December 31, 2021, is as follows:

Range of Exercise Prices	Outstanding Options			Exercisable Options	
	Shares	Weighted-Average Remaining Contractual Life (Years)	Weighted-Average Exercise Price	Shares	Weighted-Average Exercise Price
\$25.01—\$30.00	251,126	.1	\$28.63	251,126	\$28.63
\$30.01—\$35.00	446,538	1.1	33.98	446,538	33.98
\$35.01—\$40.00	1,051,053	4.1	39.49	1,051,053	39.49
\$40.01—\$45.00	1,269,994	2.7	42.43	1,269,994	42.43
\$45.01—\$50.00	—	—	—	—	—
\$50.01—\$55.01	871,420	5.1	54.96	871,420	54.96
	3,890,131	3.3	\$42.58	3,890,131	\$42.58

Restricted Stock and Unit Awards

A summary of the status of the Company's restricted shares of stock and unit awards is presented below:

Year Ended December 31	2021		2020		2019	
	Shares	Weighted-Average Grant-Date Fair Value	Shares	Weighted-Average Grant-Date Fair Value	Shares	Weighted-Average Grant-Date Fair Value
Outstanding at beginning of period	6,343,313	\$51.38	6,606,833	\$48.99	6,719,298	\$48.17
Granted	4,512,995	52.54	3,552,923	53.90	3,519,474	50.45
Vested	(3,793,978)	53.27	(3,534,770)	49.28	(3,270,778)	48.69
Cancelled	(249,577)	52.83	(281,673)	53.51	(361,161)	50.55
Outstanding at end of period	6,812,753	\$51.04	6,343,313	\$51.38	6,606,833	\$48.99

The total fair value of shares vested was \$191 million, \$182 million and \$175 million for the years ended December 31, 2021, 2020 and 2019, respectively. Stock-based compensation expense was \$207 million, \$189 million and \$178 million for the years ended December 31, 2021, 2020 and 2019, respectively. On an after-tax basis, stock-based compensation was \$155 million, \$142 million and \$133 million for the years ended

December 31, 2021, 2020 and 2019, respectively. As of December 31, 2021, there was \$155 million of total unrecognized compensation cost related to nonvested share-based arrangements granted under the plans. That cost is expected to be recognized over a weighted-average period of 1.9 years as compensation expense.

NOTE 19 Income Taxes

The components of income tax expense were:

Year Ended December 31 (Dollars in Millions)	2021	2020	2019
Federal			
Current	\$1,203	\$1,146	\$1,162
Deferred	469	(291)	166
Federal income tax	1,672	855	1,328
State			
Current	398	355	379
Deferred	111	(144)	(59)
State income tax	509	211	320
Total income tax provision	\$2,181	\$1,066	\$1,648

A reconciliation of expected income tax expense at the federal statutory rate of 21 percent to the Company's applicable income tax expense follows:

Year Ended December 31 (Dollars in Millions)	2021	2020	2019
Tax at statutory rate	\$2,135	\$1,271	\$1,805
State income tax, at statutory rates, net of federal tax benefit	439	240	355
Tax effect of			
Tax credits and benefits, net of related expenses	(331)	(370)	(424)
Tax-exempt income	(114)	(117)	(120)
Nondeductible legal and regulatory expenses	24	29	23
Other items ^(a)	28	13	9
Applicable income taxes	\$2,181	\$1,066	\$1,648

(a) Includes excess tax benefits associated with stock-based compensation and adjustments related to deferred tax assets and liabilities.

The tax effects of fair value adjustments on securities available-for-sale, derivative instruments in cash flow hedges, foreign currency translation adjustments, and pension and post-retirement plans are recorded directly to shareholders' equity as part of other comprehensive income (loss).

In preparing its tax returns, the Company is required to interpret complex tax laws and regulations and utilize income and cost allocation methods to determine its taxable income. On an ongoing basis, the Company is subject to examinations by federal, state, local and foreign taxing authorities that may give

rise to differing interpretations of these complex laws, regulations and methods. Due to the nature of the examination process, it generally takes years before these examinations are completed and matters are resolved. Federal tax examinations for all years ending through December 31, 2014 are completed and resolved. The Company's tax returns for the years ended December 31, 2015, 2016, 2017 and 2018 are under examination by the Internal Revenue Service. The years open to examination by foreign, state and local government authorities vary by jurisdiction.

A reconciliation of the changes in the federal, state and foreign uncertain tax position balances are summarized as follows:

Year Ended December 31 (Dollars in Millions)	2021	2020	2019
Balance at beginning of period	\$474	\$432	\$335
Additions for tax positions taken in prior years	14	62	168
Additions for tax positions taken in the current year	7	6	6
Exam resolutions	(1)	(8)	(62)
Statute expirations	(7)	(18)	(15)
Balance at end of period	\$487	\$474	\$432

The total amount of uncertain tax positions that, if recognized, would impact the effective income tax rate as of December 31, 2021, 2020 and 2019, were \$285 million, \$280 million and \$274 million, respectively. The Company classifies interest and penalties related to uncertain tax positions as a component of income tax expense. At December 31, 2021, the Company's uncertain tax position balance included \$45 million of accrued interest and penalties. During the years

ended December 31, 2021, 2020 and 2019 the Company recorded approximately \$5 million, \$5 million and \$7 million, respectively, in interest and penalties on uncertain tax positions.

Deferred income tax assets and liabilities reflect the tax effect of estimated temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for the same items for income tax reporting purposes.

The significant components of the Company's net deferred tax asset (liability) follows:

At December 31 (Dollars in Millions)

2021

2020

Deferred Tax Assets

Federal, state and foreign net operating loss and credit carryforwards	\$ 2,331	\$ 2,495
Allowance for credit losses	1,561	2,042
Accrued expenses	568	554
Obligation for operating leases	281	293
Securities available-for-sale and financial instruments	163	—
Stock compensation	76	84
Pension and postretirement benefits	8	108
Partnerships and other investment assets	—	9
Other deferred tax assets, net	451	383
Gross deferred tax assets	5,439	5,968

Deferred Tax Liabilities

Leasing activities	(2,263)	(2,511)
Goodwill and other intangible assets	(845)	(802)
Mortgage servicing rights	(593)	(408)
Right of use operating leases	(246)	(249)
Fixed assets	(238)	(226)
Loans	(85)	(112)
Partnerships and other investment assets	(8)	—
Securities available-for-sale and financial instruments	—	(755)
Other deferred tax liabilities, net	(127)	(145)
Gross deferred tax liabilities	(4,405)	(5,208)
Valuation allowance	(249)	(163)

Net Deferred Tax Asset	\$ 785	\$ 597
-------------------------------	---------------	---------------

The Company has approximately \$2.8 billion of federal, state and foreign net operating loss carryforwards which expire at various times beginning in 2022. A substantial portion of these carryforwards relate to state-only net operating losses, for which the related deferred tax asset is subject to a full valuation allowance as the carryforwards are not expected to be realized within the carryforward period. Management has determined it is more likely than not the other net deferred tax assets could be realized through carry back to taxable income in prior years, future reversals of existing taxable temporary differences and future taxable income.

In addition, the Company has \$2.1 billion of federal credit carryforwards which expire at various times through 2041 which

are not subject to a valuation allowance as management believes that it is more likely than not that the credits will be utilized within the carryforward period.

At December 31, 2021, retained earnings included approximately \$102 million of base year reserves of acquired thrift institutions, for which no deferred federal income tax liability has been recognized. These base year reserves would be recaptured if certain subsidiaries of the Company cease to qualify as a bank for federal income tax purposes. The base year reserves also remain subject to income tax penalty provisions that, in general, require recapture upon certain stock redemptions of, and excess distributions to, stockholders.

NOTE 20 Derivative Instruments

In the ordinary course of business, the Company enters into derivative transactions to manage various risks and to accommodate the business requirements of its customers. The Company recognizes all derivatives on the Consolidated Balance Sheet at fair value in other assets or in other liabilities. On the date the Company enters into a derivative contract, the derivative is designated as either a fair value hedge, cash flow hedge, net investment hedge, or a designation is not made as it is a customer-related transaction, an economic hedge for asset/liability risk management purposes or another stand-alone derivative created through the Company's operations ("free-standing derivative"). When a derivative is designated as a fair value, cash flow or net investment hedge, the Company performs an assessment, at inception and, at a minimum, quarterly thereafter, to determine the effectiveness of the derivative in offsetting changes in the value or cash flows of the hedged item(s).

Fair Value Hedges These derivatives are interest rate swaps the Company uses to hedge the change in fair value related to interest rate changes of its underlying available-for-sale investment securities and fixed-rate debt. Changes in the fair value of derivatives designated as fair value hedges, and changes in the fair value of the hedged items, are recorded in earnings.

Cash Flow Hedges These derivatives are interest rate swaps the Company uses to hedge the forecasted cash flows from its underlying variable-rate debt. Changes in the fair value of derivatives designated as cash flow hedges are recorded in other comprehensive income (loss) until the cash flows of the hedged items are realized. If a derivative designated as a cash flow hedge is terminated or ceases to be highly effective, the gain or loss in other comprehensive income (loss) is amortized to earnings over the period the forecasted hedged transactions impact earnings. If a hedged forecasted transaction is no longer probable, hedge accounting is ceased and any gain or loss included in other comprehensive income (loss) is reported in earnings immediately, unless the forecasted transaction is at least reasonably possible of occurring, whereby the amounts remain within other comprehensive income (loss). At December 31, 2021, the Company had \$85 million (net-of-tax) of realized and unrealized losses on derivatives classified as cash flow hedges recorded in other comprehensive income (loss), compared with \$189 million (net-of-tax) of realized and unrealized losses at December 31, 2020. The estimated amount to be reclassified from other

comprehensive income (loss) into earnings during the next 12 months is a loss of \$27 million (net-of-tax). All cash flow hedges were highly effective for the year ended December 31, 2021. There were no cash flow hedges at December 31, 2021.

Net Investment Hedges The Company uses forward commitments to sell specified amounts of certain foreign currencies, and non-derivative debt instruments, to hedge the volatility of its net investment in foreign operations driven by fluctuations in foreign currency exchange rates. The carrying amount of non-derivative debt instruments designated as net investment hedges was \$1.3 billion at December 31, 2021, compared with \$1.4 billion December 31, 2020.

Other Derivative Positions The Company enters into free-standing derivatives to mitigate interest rate risk and for other risk management purposes. These derivatives include forward commitments to sell to-be-announced securities ("TBAs") and other commitments to sell residential mortgage loans, which are used to economically hedge the interest rate risk related to mortgage loans held for sale ("MLHFS") and unfunded mortgage loan commitments. The Company also enters into interest rate swaps, swaptions, forward commitments to buy TBAs, U.S. Treasury and Eurodollar futures and options on U.S. Treasury futures to economically hedge the change in the fair value of the Company's MSRs. The Company also enters into foreign currency forwards to economically hedge remeasurement gains and losses the Company recognizes on foreign currency denominated assets and liabilities. In addition, the Company acts as a seller and buyer of interest rate derivatives and foreign exchange contracts for its customers. The Company mitigates the market and liquidity risk associated with these customer derivatives by entering into similar offsetting positions with broker-dealers, or on a portfolio basis by entering into other derivative or non-derivative financial instruments that partially or fully offset the exposure to earnings from these customer-related positions. The Company's customer derivatives and related hedges are monitored and reviewed by the Company's Market Risk Committee, which establishes policies for market risk management, including exposure limits for each portfolio. The Company also has derivative contracts that are created through its operations, including certain unfunded mortgage loan commitments and swap agreements related to the sale of a portion of its Class B common and preferred shares of Visa Inc. Refer to Note 22 for further information on these swap agreements.

The following table summarizes the asset and liability management derivative positions of the Company at December 31:

(Dollars in Millions)	2021			2020		
	Notional Value	Fair Value		Notional Value	Fair Value	
		Assets	Liabilities		Assets	Liabilities
Fair value hedges						
Interest rate contracts						
Receive fixed/pay floating swaps	\$ 12,350	\$ –	\$ –	\$ 8,400	\$ –	\$ –
Pay fixed/receive floating swaps	16,650	–	–	100	–	–
Cash flow hedges						
Interest rate contracts						
Pay fixed/receive floating swaps	–	–	–	3,250	–	–
Net investment hedges						
Foreign exchange forward contracts	793	–	4	815	–	3
Other economic hedges						
Interest rate contracts						
Futures and forwards						
Buy	9,322	10	16	18,356	73	5
Sell	29,348	25	27	39,416	48	157
Options						
Purchased	18,570	256	–	11,610	121	–
Written	9,662	52	231	12,843	202	198
Receive fixed/pay floating swaps	9,653	–	–	11,971	–	–
Pay fixed/receive floating swaps	7,033	–	–	8,616	–	–
Foreign exchange forward contracts	735	2	6	633	1	2
Equity contracts	209	5	–	172	3	–
Other ^(a)	1,792	–	125	1,879	1	183
Total	\$116,117	\$350	\$409	\$118,061	\$449	\$548

(a) Includes derivative liability swap agreements related to the sale of a portion of the Company's Class B common and preferred shares of Visa Inc. The Visa swap agreements had a total notional value and fair value of \$1.8 billion and \$125 million at December 31, 2021, respectively, compared to \$1.8 billion and \$182 million at December 31, 2020, respectively. In addition, includes short-term underwriting purchase and sale commitments with total asset and liability notional values of \$4 million at December 31, 2021, and \$47 million at December 31, 2020.

The following table summarizes the customer-related derivative positions of the Company at December 31:

(Dollars in Millions)	2021			2020		
	Notional Value	Fair Value		Notional Value	Fair Value	
		Assets	Liabilities		Assets	Liabilities
Interest rate contracts						
Receive fixed/pay floating swaps	\$178,701	\$2,007	\$ 438	\$156,886	\$3,782	\$ 99
Pay fixed/receive floating swaps	174,176	134	670	150,011	2	1,239
Other ^(a)	16,267	1	2	16,308	6	3
Options						
Purchased	89,679	194	36	74,109	111	46
Written	85,211	36	176	69,941	46	81
Futures						
Buy	3,607	–	–	2,775	–	–
Sell	3,941	–	–	4,090	–	–
Foreign exchange rate contracts						
Forwards, spots and swaps	89,321	1,145	1,143	90,837	1,590	1,565
Options						
Purchased	805	19	–	519	14	–
Written	805	–	19	519	–	14
Credit contracts	9,331	1	5	10,355	1	7
Total	\$651,844	\$3,537	\$2,489	\$576,350	\$5,552	\$3,054

(a) Primarily represents floating rate interest rate swaps that pay based on differentials between specified interest rate indexes.

The table below shows the effective portion of the gains (losses) recognized in other comprehensive income (loss) and the gains (losses) reclassified from other comprehensive income (loss) into earnings (net-of-tax) for the years ended December 31:

(Dollars in Millions)	Gains (Losses) Recognized in Other Comprehensive Income (Loss)			Gains (Losses) Reclassified from Other Comprehensive Income (Loss) into Earnings		
	2021	2020	2019	2021	2020	2019
Asset and Liability Management Positions						
Cash flow hedges						
Interest rate contracts	\$94	\$(145)	\$(171)	\$(10)	\$(7)	\$(8)
Net investment hedges						
Foreign exchange forward contracts	19	(21)	3	—	—	—
Non-derivative debt instruments	84	(90)	13	—	—	—

Note: The Company does not exclude components from effectiveness testing for cash flow and net investment hedges.

The table below shows the effect of fair value and cash flow hedge accounting on the Consolidated Statement of Income for the years ended December 31:

(Dollars in Millions)	Interest Income			Interest Expense		
	2021	2020	2019	2021	2020	2019
Total amount of income and expense line items presented in the Consolidated Statement of Income in which the effects of fair value or cash flow hedges are recorded	\$13,487	\$14,840	\$17,494	\$ 993	\$2,015	\$4,442
Asset and Liability Management Positions						
Fair value hedges						
Interest rate contract derivatives	17	1	—	232	(134)	(44)
Hedged items	(19)	(1)	—	(232)	134	44
Cash flow hedges						
Interest rate contract derivatives	—	—	—	14	10	11

Note: The Company does not exclude components from effectiveness testing for fair value and cash flow hedges. The Company reclassified losses of \$53 million and \$41 million into earnings during the years ended December 31, 2021 and 2020, respectively, as a result of realized cash flows on discontinued cash flow hedges. The Company did not reclassify gains or losses into earnings as a result of realized cash flows on discontinued cash flow hedges during the year ended December 31, 2019. No amounts were reclassified into earnings on discontinued cash flow hedges because it is probable the original hedged forecasted cash flows will not occur.

The table below shows cumulative hedging adjustments and the carrying amount of assets and liabilities designated in fair value hedges:

At December 31 (Dollars in Millions)	Carrying Amount of the Hedged Assets and Liabilities		Cumulative Hedging Adjustment ^(a)	
	2021	2020	2021	2020
Line Item in the Consolidated Balance Sheet				
Available-for-sale investment securities	\$16,445	\$ 99	\$ (26)	\$(1)
Long-term debt	12,278	8,567	585	903

(a) The cumulative hedging adjustment related to discontinued hedging relationships on available-for-sale investment securities and long-term debt was \$(6) million and \$640 million, respectively, at December 31, 2021. The cumulative hedging adjustment related to discontinued hedging relationships on long-term debt was \$726 million at December 31, 2020.

The table below shows the gains (losses) recognized in earnings for other economic hedges and the customer-related positions for the years ended December 31:

(Dollars in Millions)	Location of Gains (Losses) Recognized in Earnings	2021	2020	2019
Asset and Liability Management				
Positions				
Other economic hedges				
Interest rate contracts				
Futures and forwards	Mortgage banking revenue/ other noninterest income	\$ 511	\$ 82	\$ 34
Purchased and written options	Mortgage banking revenue	527	1,527	432
Swaps	Mortgage banking revenue	(197)	598	316
Foreign exchange forward contracts	Other noninterest income	1	3	(24)
Equity contracts	Compensation expense	7	3	—
Other	Other noninterest income	5	(70)	(140)
Customer-Related Positions				
Interest rate contracts				
Swaps	Commercial products revenue	110	135	82
Purchased and written options	Commercial products revenue	(5)	(8)	10
Futures	Commercial products revenue	3	(18)	(5)
Foreign exchange rate contracts				
Forwards, spots and swaps	Commercial products revenue	93	78	82
Purchased and written options	Commercial products revenue	1	1	1
Credit contracts	Commercial products revenue	(7)	(32)	(18)

Derivatives are subject to credit risk associated with counterparties to the derivative contracts. The Company measures that credit risk using a credit valuation adjustment and includes it within the fair value of the derivative. The Company manages counterparty credit risk through diversification of its derivative positions among various counterparties, by entering into derivative positions that are centrally cleared through clearinghouses, by entering into master netting arrangements and, where possible, by requiring collateral arrangements. A master netting arrangement allows two counterparties, who have multiple derivative contracts with each other, the ability to net settle amounts under all contracts, including any related collateral, through a single payment and in a single currency. Collateral arrangements generally require the counterparty to deliver collateral (typically cash or U.S. Treasury and agency securities) equal to the Company's net derivative receivable, subject to minimum transfer and credit rating requirements.

The Company's collateral arrangements are predominately bilateral and, therefore, contain provisions that require collateralization of the Company's net liability derivative positions. Required collateral coverage is based on net liability thresholds and may be contingent upon the Company's credit rating from two of the nationally recognized statistical rating organizations. If the Company's credit rating were to fall below credit ratings thresholds established in the collateral arrangements, the counterparties to the derivatives could request immediate additional collateral coverage up to and including full collateral coverage for derivatives in a net liability position. The aggregate fair value of all derivatives under collateral arrangements that were in a net liability position at December 31, 2021, was \$731 million. At December 31, 2021, the Company had \$508 million of cash posted as collateral against this net liability position.

NOTE 21 Netting Arrangements for Certain Financial Instruments and Securities Financing Activities

The Company's derivative portfolio consists of bilateral over-the-counter trades, certain interest rate derivatives and credit contracts required to be centrally cleared through clearinghouses per current regulations, and exchange-traded positions which may include U.S. Treasury and Eurodollar futures or options on U.S. Treasury futures. Of the Company's \$768.0 billion total notional amount of derivative positions at December 31, 2021, \$402.0 billion related to bilateral over-the-counter trades, \$345.1 billion related to those centrally cleared through clearinghouses and \$20.9 billion related to those that were exchange-traded. The Company's derivative contracts typically include offsetting rights (referred to as netting arrangements), and depending on expected volume, credit risk, and counterparty preference, collateral maintenance may be required. For all derivatives under collateral support arrangements, fair value is determined daily and, depending on the collateral maintenance requirements, the Company and a counterparty may receive or deliver collateral, based upon the net fair value of all derivative positions between the Company and the counterparty. Collateral is typically cash, but securities may be allowed under collateral arrangements with certain counterparties. Receivables and payables related to cash collateral are included in other assets and other liabilities on the Consolidated Balance Sheet, along with the related derivative asset and liability fair values. Any securities pledged to counterparties as collateral remain on the Consolidated Balance Sheet. Securities received from counterparties as collateral are not recognized on the Consolidated Balance Sheet, unless the counterparty defaults. In general, securities used as collateral can be sold, repledged or otherwise used by the party in possession. No restrictions exist on the use of cash collateral by either party. Refer to Note 20 for further discussion of the Company's derivatives, including collateral arrangements.

As part of the Company's treasury and broker-dealer operations, the Company executes transactions that are treated as securities sold under agreements to repurchase or securities purchased under agreements to resell, both of which are

accounted for as collateralized financings. Securities sold under agreements to repurchase include repurchase agreements and securities loaned transactions. Securities purchased under agreements to resell include reverse repurchase agreements and securities borrowed transactions. For securities sold under agreements to repurchase, the Company records a liability for the cash received, which is included in short-term borrowings on the Consolidated Balance Sheet. For securities purchased under agreements to resell, the Company records a receivable for the cash paid, which is included in other assets on the Consolidated Balance Sheet.

Securities transferred to counterparties under repurchase agreements and securities loaned transactions continue to be recognized on the Consolidated Balance Sheet, are measured at fair value, and are included in investment securities or other assets. Securities received from counterparties under reverse repurchase agreements and securities borrowed transactions are not recognized on the Consolidated Balance Sheet unless the counterparty defaults. The securities transferred under repurchase and reverse repurchase transactions typically are U.S. Treasury and agency securities, residential agency mortgage-backed securities or corporate debt securities. The securities loaned or borrowed typically are corporate debt securities traded by the Company's broker-dealer subsidiary. In general, the securities transferred can be sold, repledged or otherwise used by the party in possession. No restrictions exist on the use of cash collateral by either party. Repurchase/reverse repurchase and securities loaned/borrowed transactions expose the Company to counterparty risk. The Company manages this risk by performing assessments, independent of business line managers, and establishing concentration limits on each counterparty. Additionally, these transactions include collateral arrangements that require the fair values of the underlying securities to be determined daily, resulting in cash being obtained or refunded to counterparties to maintain specified collateral levels.

The following table summarizes the maturities by category of collateral pledged for repurchase agreements and securities loaned transactions:

(Dollars in Millions)	Overnight and Continuous	Less Than 30 Days	30-89 Days	Greater Than 90 Days	Total
December 31, 2021					
Repurchase agreements					
U.S. Treasury and agencies	\$ 378	\$—	\$—	\$—	\$ 378
Residential agency mortgage-backed securities	551	—	—	—	551
Corporate debt securities	646	—	—	—	646
Total repurchase agreements	1,575	—	—	—	1,575
Securities loaned					
Corporate debt securities	169	—	—	—	169
Total securities loaned	169	—	—	—	169
Gross amount of recognized liabilities	<u>\$1,744</u>	<u>\$—</u>	<u>\$—</u>	<u>\$—</u>	<u>\$1,744</u>
December 31, 2020					
Repurchase agreements					
U.S. Treasury and agencies	\$ 472	\$—	\$—	\$—	\$ 472
Residential agency mortgage-backed securities	398	—	—	—	398
Corporate debt securities	560	—	—	—	560
Total repurchase agreements	1,430	—	—	—	1,430
Securities loaned					
Corporate debt securities	218	—	—	—	218
Total securities loaned	218	—	—	—	218
Gross amount of recognized liabilities	<u>\$1,648</u>	<u>\$—</u>	<u>\$—</u>	<u>\$—</u>	<u>\$1,648</u>

The Company executes its derivative, repurchase/reverse repurchase and securities loaned/borrowed transactions under the respective industry standard agreements. These agreements include master netting arrangements that allow for multiple contracts executed with the same counterparty to be viewed as a single arrangement. This allows for net settlement of a single amount on a daily basis. In the event of default, the master netting arrangement provides for close-out netting, which allows all of these positions with the defaulting counterparty to be terminated and net settled with a single payment amount.

The Company has elected to offset the assets and liabilities under netting arrangements for the balance sheet presentation of the majority of its derivative counterparties. The netting occurs at the counterparty level, and includes all assets and liabilities related to the derivative contracts, including those associated with cash collateral received or delivered. The Company has not elected to offset the assets and liabilities under netting arrangements for the balance sheet presentation of repurchase/reverse repurchase and securities loaned/borrowed transactions.

The following tables provide information on the Company's netting adjustments, and items not offset on the Consolidated Balance Sheet but available for offset in the event of default:

(Dollars in Millions)	Gross Recognized Assets	Gross Amounts Offset on the Consolidated Balance Sheet ^(a)	Net Amounts Presented on the Consolidated Balance Sheet	Gross Amounts Not Offset on the Consolidated Balance Sheet		Net Amount
				Financial Instruments ^(b)	Collateral Received ^(c)	
December 31, 2021						
Derivative assets ^(d)	\$3,830	\$(1,609)	\$2,221	\$(142)	\$ (106)	\$1,973
Reverse repurchase agreements	359	—	359	(249)	(110)	—
Securities borrowed	1,868	—	1,868	—	(1,818)	50
Total	\$6,057	\$(1,609)	\$4,448	\$(391)	\$(2,034)	\$2,023

December 31, 2020						
Derivative assets ^(d)	\$5,744	\$(1,874)	\$3,870	\$(109)	\$ (287)	\$3,474
Reverse repurchase agreements	377	—	377	(262)	(115)	—
Securities borrowed	1,716	—	1,716	—	(1,670)	46
Total	\$7,837	\$(1,874)	\$5,963	\$(371)	\$(2,072)	\$3,520

(a) Includes \$528 million and \$898 million of cash collateral related payables that were netted against derivative assets at December 31, 2021 and 2020, respectively.

(b) For derivative assets this includes any derivative liability fair values that could be offset in the event of counterparty default; for reverse repurchase agreements this includes any repurchase agreement payables that could be offset in the event of counterparty default; for securities borrowed this includes any securities loaned payables that could be offset in the event of counterparty default.

(c) Includes the fair value of securities received by the Company from the counterparty. These securities are not included on the Consolidated Balance Sheet unless the counterparty defaults.

(d) Excludes \$57 million and \$257 million at December 31, 2021 and 2020, respectively, of derivative assets not subject to netting arrangements.

(Dollars in Millions)	Gross Recognized Liabilities	Gross Amounts Offset on the Consolidated Balance Sheet ^(a)	Net Amounts Presented on the Consolidated Balance Sheet	Gross Amounts Not Offset on the Consolidated Balance Sheet		Net Amount
				Financial Instruments ^(b)	Collateral Pledged ^(c)	
December 31, 2021						
Derivative liabilities ^(d)	\$2,761	\$(1,589)	\$1,172	\$(142)	\$ —	\$1,030
Repurchase agreements	1,575	—	1,575	(249)	(1,326)	—
Securities loaned	169	—	169	—	(167)	2
Total	\$4,505	\$(1,589)	\$2,916	\$(391)	\$(1,493)	\$1,032
December 31, 2020						
Derivative liabilities ^(d)	\$3,419	\$(2,312)	\$1,107	\$(109)	\$ —	\$ 998
Repurchase agreements	1,430	—	1,430	(262)	(1,168)	—
Securities loaned	218	—	218	—	(215)	3
Total	\$5,067	\$(2,312)	\$2,755	\$(371)	\$(1,383)	\$1,001

(a) Includes \$508 million and \$1.3 billion of cash collateral related receivables that were netted against derivative liabilities at December 31, 2021 and 2020, respectively.

(b) For derivative liabilities this includes any derivative asset fair values that could be offset in the event of counterparty default; for repurchase agreements this includes any reverse repurchase agreement receivables that could be offset in the event of counterparty default; for securities loaned this includes any securities borrowed receivables that could be offset in the event of counterparty default.

(c) Includes the fair value of securities pledged by the Company to the counterparty. These securities are included on the Consolidated Balance Sheet unless the Company defaults.

(d) Excludes \$137 million and \$183 million at December 31, 2021 and 2020, respectively, of derivative liabilities not subject to netting arrangements.

NOTE 22 Fair Values of Assets and Liabilities

The Company uses fair value measurements for the initial recording of certain assets and liabilities, periodic remeasurement of certain assets and liabilities, and disclosures. Derivatives, trading and available-for-sale investment securities, MSRs and substantially all MLHFS are recorded at fair value on a recurring basis. Additionally, from time to time, the Company may be required to record at fair value other assets on a nonrecurring basis, such as loans held for sale, loans held for investment and certain other assets. These nonrecurring fair value adjustments typically involve application of lower-of-cost-or-fair value accounting or impairment write-downs of individual assets.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. A fair value measurement reflects all of the assumptions that market participants would use in pricing the asset or liability, including assumptions about the risk inherent in a particular valuation technique, the effect of a restriction on the sale or use of an asset and the risk of nonperformance.

The Company groups its assets and liabilities measured at fair value into a three-level hierarchy for valuation techniques used to measure financial assets and financial liabilities at fair value. This hierarchy is based on whether the valuation inputs are observable or unobservable. These levels are:

- Level 1 — Quoted prices in active markets for identical assets or liabilities. Level 1 includes U.S. Treasury securities, as well as exchange-traded instruments.
- Level 2 — Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 includes debt securities that are traded less frequently than exchange-traded instruments and which are typically valued using third party pricing services; derivative contracts and other assets and liabilities, including securities, whose value is determined using a pricing model with inputs that are observable in the market or can be derived principally from or corroborated by observable market data; and MLHFS whose values are determined using quoted prices for similar assets or pricing models with inputs that are observable in the market or can be corroborated by observable market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category includes MSRs and certain derivative contracts.

Valuation Methodologies

The valuation methodologies used by the Company to measure financial assets and liabilities at fair value are described below. In addition, the following section includes an indication of the level of the fair value hierarchy in which the assets or liabilities are classified. Where appropriate, the descriptions include information about the valuation models and key inputs to those models. During the years ended December 31, 2021, 2020 and 2019, there were no significant changes to the valuation techniques used by the Company to measure fair value.

Available-For-Sale Investment Securities When quoted market prices for identical securities are available in an active market, these prices are used to determine fair value and these securities are classified within Level 1 of the fair value hierarchy. Level 1 investment securities include U.S. Treasury and exchange-traded securities.

For other securities, quoted market prices may not be readily available for the specific securities. When possible, the Company determines fair value based on market observable information, including quoted market prices for similar securities, inactive transaction prices, and broker quotes. These securities are classified within Level 2 of the fair value hierarchy. Level 2 valuations are generally provided by a third-party pricing service. Level 2 investment securities are predominantly agency mortgage-backed securities, certain other asset-backed securities, obligations of state and political subdivisions and agency debt securities.

Mortgage Loans Held For Sale MLHFS measured at fair value, for which an active secondary market and readily available market prices exist, are initially valued at the transaction price and are subsequently valued by comparison to instruments with similar collateral and risk profiles. MLHFS are classified within Level 2. Included in mortgage banking revenue was a net loss of \$145 million, a net gain of \$362 million and a net gain of \$73 million for the years ended December 31, 2021, 2020 and 2019, respectively, from the changes to fair value of these MLHFS under fair value option accounting guidance. Changes in fair value due to instrument specific credit risk were immaterial. Interest income for MLHFS is measured based on contractual interest rates and reported as interest income on the Consolidated Statement of Income. Electing to measure MLHFS at fair value reduces certain timing differences and better matches changes in fair value of these assets with changes in the value of the derivative instruments used to economically hedge them without the burden of complying with the requirements for hedge accounting.

Mortgage Servicing Rights MSRs are valued using a discounted cash flow methodology, and are classified within Level 3. The Company determines fair value of the MSRs by projecting future cash flows for different interest rate scenarios using prepayment rates and other assumptions, and discounts

these cash flows using a risk adjusted rate based on option adjusted spread levels. There is minimal observable market activity for MSRs on comparable portfolios and, therefore, the determination of fair value requires significant management judgment. Refer to Note 10 for further information on MSR valuation assumptions.

Derivatives The majority of derivatives held by the Company are executed over-the-counter or centrally cleared through clearinghouses and are valued using market standard cash flow valuation techniques. The models incorporate inputs, depending on the type of derivative, including interest rate curves, foreign exchange rates and volatility. All derivative values incorporate an assessment of the risk of counterparty nonperformance, measured based on the Company's evaluation of credit risk including external assessments of credit risk. The Company monitors and manages its nonperformance risk by considering its ability to net derivative positions under master netting arrangements, as well as collateral received or provided under collateral arrangements. Accordingly, the Company has elected to measure the fair value of derivatives, at a counterparty level, on a net basis. The majority of the derivatives are classified within Level 2 of the fair value hierarchy, as the significant inputs to the models, including nonperformance risk, are observable. However, certain derivative transactions are with counterparties where risk of nonperformance cannot be observed in the market and, therefore, the credit valuation adjustments result in these derivatives being classified within Level 3 of the fair value hierarchy.

The Company also has other derivative contracts that are created through its operations, including commitments to purchase and originate mortgage loans and swap agreements executed in conjunction with the sale of a portion of its Class B common and preferred shares of Visa Inc. (the "Visa swaps"). The mortgage loan commitments are valued by pricing models that include market observable and unobservable inputs, which result in the commitments being classified within Level 3 of the fair value hierarchy. The unobservable inputs include assumptions about the percentage of commitments that actually become a closed loan and the MSR value that is inherent in the underlying loan value. The Visa swaps require payments by either the Company or the purchaser of the Visa Inc. Class B common and preferred

shares when there are changes in the conversion rate of the Visa Inc. Class B common and preferred shares to Visa Inc. Class A common and preferred shares, respectively, as well as quarterly payments to the purchaser based on specified terms of the agreements. Management reviews and updates the Visa swaps fair value in conjunction with its review of Visa Inc. related litigation contingencies, and the associated escrow funding. The expected litigation resolution impacts the Visa Inc. Class B common share to Visa Inc. Class A common share conversion rate, as well as the ultimate termination date for the Visa swaps. Accordingly, the Visa swaps are classified within Level 3. Refer to Note 23 for further information on the Visa Inc. restructuring and related card association litigation.

Significant Unobservable Inputs of Level 3 Assets and Liabilities

The following section provides information to facilitate an understanding of the uncertainty in the fair value measurements for the Company's Level 3 assets and liabilities recorded at fair value on the Consolidated Balance Sheet. This section includes a description of the significant inputs used by the Company and a description of any interrelationships between these inputs. The discussion below excludes nonrecurring fair value measurements of collateral value used for impairment measures for loans and OREO. These valuations utilize third party appraisal or broker price opinions, and are classified as Level 3 due to the significant judgment involved.

Mortgage Servicing Rights The significant unobservable inputs used in the fair value measurement of the Company's MSRs are expected prepayments and the option adjusted spread that is added to the risk-free rate to discount projected cash flows. Significant increases in either of these inputs in isolation would have resulted in a significantly lower fair value measurement. Significant decreases in either of these inputs in isolation would have resulted in a significantly higher fair value measurement. There is no direct interrelationship between prepayments and option adjusted spread. Prepayment rates generally move in the opposite direction of market interest rates. Option adjusted spread is generally impacted by changes in market return requirements.

The following table shows the significant valuation assumption ranges for MSRs at December 31, 2021:

	Minimum	Maximum	Weighted-Average ^(a)
Expected prepayment	3%	13%	10%
Option adjusted spread	6	11	7

(a) Determined based on the relative fair value of the related mortgage loans serviced.

Derivatives The Company has two distinct Level 3 derivative portfolios: (i) the Company's commitments to purchase and originate mortgage loans that meet the requirements of a derivative and (ii) the Company's asset/liability and customer-related derivatives that are Level 3 due to unobservable inputs related to measurement of risk of nonperformance by the counterparty. In addition, the Company's Visa swaps are classified within Level 3.

The significant unobservable inputs used in the fair value measurement of the Company's derivative commitments to

purchase and originate mortgage loans are the percentage of commitments that actually become a closed loan and the MSR value that is inherent in the underlying loan value. A significant increase in the rate of loans that close would have resulted in a larger derivative asset or liability. A significant increase in the inherent MSR value would have resulted in an increase in the derivative asset or a reduction in the derivative liability. Expected loan close rates and the inherent MSR values are directly impacted by changes in market rates and will generally move in the same direction as interest rates.

The following table shows the significant valuation assumption ranges for the Company's derivative commitments to purchase and originate mortgage loans at December 31, 2021:

	Minimum	Maximum	Weighted-Average ^(a)
Expected loan close rate	2%	100%	80%
Inherent MSR value (basis points per loan)	14	181	116

(a) Determined based on the relative fair value of the related mortgage loans.

The significant unobservable input used in the fair value measurement of certain of the Company's asset/liability and customer-related derivatives is the credit valuation adjustment related to the risk of counterparty nonperformance. A significant increase in the credit valuation adjustment would have resulted in a lower fair value measurement. A significant decrease in the credit valuation adjustment would have resulted in a higher fair value measurement. The credit valuation adjustment is impacted by changes in market rates, volatility, market implied credit spreads, and loss recovery rates, as well as the Company's assessment of the counterparty's credit position. At December 31, 2021, the minimum, maximum and weighted-average credit valuation adjustment as a percentage of the net

fair value of the counterparty's derivative contracts prior to adjustment was 0 percent, 1,744 percent and 3 percent, respectively.

The significant unobservable inputs used in the fair value measurement of the Visa swaps are management's estimate of the probability of certain litigation scenarios occurring, and the timing of the resolution of the related litigation loss estimates in excess, or shortfall, of the Company's proportional share of escrow funds. An increase in the loss estimate or a delay in the resolution of the related litigation would have resulted in an increase in the derivative liability. A decrease in the loss estimate or an acceleration of the resolution of the related litigation would have resulted in a decrease in the derivative liability.

The following table summarizes the balances of assets and liabilities measured at fair value on a recurring basis:

(Dollars in Millions)	Level 1	Level 2	Level 3	Netting	Total
December 31, 2021					
Available-for-sale securities					
U.S. Treasury and agencies	\$30,917	\$ 5,692	\$ —	\$ —	\$ 36,609
Mortgage-backed securities					
Residential agency	—	77,079	—	—	77,079
Commercial agency	—	8,485	—	—	8,485
Asset-backed securities	—	59	7	—	66
Obligations of state and political subdivisions	—	10,716	1	—	10,717
Other	—	7	—	—	7
Total available-for-sale	30,917	102,038	8	—	132,963
Mortgage loans held for sale	—	6,623	—	—	6,623
Mortgage servicing rights	—	—	2,953	—	2,953
Derivative assets	8	2,490	1,389	(1,609)	2,278
Other assets	278	1,921	—	—	2,199
Total	\$31,203	\$113,072	\$4,350	\$(1,609)	\$147,016
Derivative liabilities	\$ —	\$ 2,308	\$ 590	\$(1,589)	\$ 1,309
Short-term borrowings and other liabilities ^(a)	209	1,837	—	—	2,046
Total	\$ 209	\$ 4,145	\$ 590	\$(1,589)	\$ 3,355
December 31, 2020					
Available-for-sale securities					
U.S. Treasury and agencies	\$19,251	\$ 3,140	\$ —	\$ —	\$ 22,391
Mortgage-backed securities					
Residential agency	—	99,968	—	—	99,968
Commercial agency	—	5,406	—	—	5,406
Asset-backed securities	—	198	7	—	205
Obligations of state and political subdivisions	—	8,860	1	—	8,861
Other	—	9	—	—	9
Total available-for-sale	19,251	117,581	8	—	136,840
Mortgage loans held for sale	—	8,524	—	—	8,524
Mortgage servicing rights	—	—	2,210	—	2,210
Derivative assets	4	3,235	2,762	(1,874)	4,127
Other assets	302	1,601	—	—	1,903
Total	\$19,557	\$130,941	\$4,980	\$(1,874)	\$153,604
Derivative liabilities	\$ —	\$ 3,166	\$ 436	\$(2,312)	\$ 1,290
Short-term borrowings and other liabilities ^(a)	85	1,672	—	—	1,757
Total	\$ 85	\$ 4,838	\$ 436	\$(2,312)	\$ 3,047

Note: Excluded from the table above are equity investments without readily determinable fair values. The Company has elected to carry these investments at historical cost, adjusted for impairment and any changes resulting from observable price changes for identical or similar investments of the issuer. The aggregate carrying amount of these equity investments was \$79 million and \$85 million at December 31, 2021 and 2020, respectively. The Company has not recorded impairments or adjustments for observable price changes on these equity investments during 2021 and 2020, or on a cumulative basis.

(a) Primarily represents the Company's obligation on securities sold short required to be accounted for at fair value per applicable accounting guidance.

The following table presents the changes in fair value for all assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31:

(Dollars in Millions)	Beginning of Period Balance	Net Gains (Losses) Included in Net Income	Net Gains (Losses) Included in Other Comprehensive Income (Loss)	Purchases	Sales	Principal Payments	Issuances	Settlements	Transfers into Level 3	End of Period Balance	Net Change in Unrealized Gains (Losses) Relating to Assets and Liabilities Held at End of Period
2021											
Available-for-sale securities											
Asset-backed securities	\$ 7	\$ -	\$1	\$ -	\$ -	\$ (1)	\$ -	\$ -	\$ -	\$ 7	\$ 1
Obligations of state and political subdivisions	1	-	-	-	-	-	-	-	-	1	-
Total available-for-sale	8	-	1	-	-	(1)	-	-	-	8	1
Mortgage servicing rights	2,210	(437) ^(a)	-	42	2	-	1,136 ^(c)	-	-	2,953	(437) ^(a)
Net derivative assets and liabilities	2,326	(924) ^(b)	-	337	(3)	-	-	(937)	-	799	(968) ^(d)
2020											
Available-for-sale securities											
Asset-backed securities	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ (1)	\$ -	\$ -	\$ -	\$ 7	\$ -
Obligations of state and political subdivisions	1	-	-	-	-	-	-	-	-	1	-
Total available-for-sale	9	-	-	-	-	(1)	-	-	-	8	-
Mortgage servicing rights	2,546	(1,403) ^(a)	-	34	3	-	1,030 ^(c)	-	-	2,210	(1,403) ^(a)
Net derivative assets and liabilities	810	2,922 ^(e)	-	247	(3)	-	-	(1,650)	-	2,326	1,649 ^(f)
2019											
Available-for-sale securities											
Asset-backed securities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$8	\$ 8	\$ -
Obligations of state and political subdivisions	-	-	-	-	-	-	-	-	1	1	-
Total available-for-sale	-	-	-	-	-	-	-	-	9	9	-
Mortgage servicing rights	2,791	(829) ^(a)	-	20	5	-	559 ^(c)	-	-	2,546	(829) ^(a)
Net derivative assets and liabilities	80	769 ^(g)	-	142	(9)	-	-	(172)	-	810	782 ^(h)

(a) Included in mortgage banking revenue.

(b) Approximately \$666 million, \$(1.6) billion and \$5 million included in mortgage banking revenue, commercial products revenue and other noninterest income, respectively.

(c) Represents MSR's capitalized during the period.

(d) Approximately \$42 million, \$(1.0) billion and \$5 million included in mortgage banking revenue, commercial products revenue and other noninterest income, respectively.

(e) Approximately \$1.9 billion, \$1.1 billion and \$(70) million included in mortgage banking revenue, commercial products revenue and other noninterest income, respectively.

(f) Approximately \$247 million, \$1.5 billion and \$(70) million included in mortgage banking revenue, commercial products revenue and other noninterest income, respectively.

(g) Approximately \$482 million, \$428 million and \$(141) million included in mortgage banking revenue, commercial products revenue and other noninterest income, respectively.

(h) Approximately \$35 million, \$888 million and \$(141) million included in mortgage banking revenue, commercial products revenue and other noninterest income, respectively.

The Company is also required periodically to measure certain other financial assets at fair value on a nonrecurring basis. These measurements of fair value usually result from the application of lower-of-cost-or-fair value accounting or write-downs of individual assets. The following table summarizes the balances as of the measurement date of assets measured at fair value on a nonrecurring basis, and still held as of December 31:

(Dollars in Millions)	2021				2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Loans ^(a)	\$-	\$-	\$59	\$59	\$-	\$-	\$385	\$385
Other assets ^(b)	-	-	77	77	-	-	30	30

(a) Represents the carrying value of loans for which adjustments were based on the fair value of the collateral, excluding loans fully charged-off.

(b) Primarily represents the fair value of foreclosed properties that were measured at fair value based on an appraisal or broker price opinion of the collateral subsequent to their initial acquisition.

The following table summarizes losses recognized related to nonrecurring fair value measurements of individual assets or portfolios for the years ended December 31:

(Dollars in Millions)	2021	2020	2019
Loans ^(a)	\$60	\$426	\$122
Other assets ^(b)	25	21	17

(a) Represents write-downs of loans which were based on the fair value of the collateral, excluding loans fully charged-off.

(b) Primarily represents related losses of foreclosed properties that were measured at fair value subsequent to their initial acquisition.

Fair Value Option

The following table summarizes the differences between the aggregate fair value carrying amount of MLHFS for which the fair value option has been elected and the aggregate unpaid principal amount that the Company is contractually obligated to receive at maturity as of December 31:

(Dollars in Millions)	2021			2020		
	Fair Value Carrying Amount	Aggregate Unpaid Principal	Carrying Amount Over (Under) Unpaid Principal	Fair Value Carrying Amount	Aggregate Unpaid Principal	Carrying Amount Over (Under) Unpaid Principal
Total loans	\$6,623	\$6,453	\$170	\$8,524	\$8,136	\$388
Nonaccrual loans	1	1	—	1	1	—
Loans 90 days or more past due	2	2	—	2	2	—

Fair Value of Financial Instruments

The following section summarizes the estimated fair value for financial instruments accounted for at amortized cost as of December 31, 2021 and 2020. In accordance with disclosure guidance related to fair values of financial instruments, the Company did not include assets and liabilities that are not financial instruments, such as the value of goodwill, long-term

relationships with deposit, credit card, merchant processing and trust customers, other purchased intangibles, premises and equipment, deferred taxes and other liabilities. Additionally, in accordance with the disclosure guidance, receivables and payables due in one year or less, insurance contracts, equity investments not accounted for at fair value, and deposits with no defined or contractual maturities are excluded.

The estimated fair values of the Company's financial instruments as of December 31, are shown in the table below:

	2021					2020				
(Dollars in Millions)	Carrying Amount	Fair Value				Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
Financial Assets										
Cash and due from banks	\$ 28,905	\$28,905	\$ —	\$ —	\$ 28,905	\$ 62,580	\$62,580	\$ —	\$ —	\$ 62,580
Federal funds sold and securities purchased under resale agreements	359	—	359	—	359	377	—	377	—	377
Investment securities held-to-maturity	41,858	—	41,812	—	41,812	—	—	—	—	—
Loans held for sale ^(a)	1,152	—	—	1,152	1,152	237	—	—	237	237
Loans	306,304	—	—	312,724	312,724	290,393	—	—	300,419	300,419
Other ^(b)	1,521	—	630	891	1,521	1,772	—	731	1,041	1,772
Financial Liabilities										
Time deposits	22,665	—	22,644	—	22,644	30,694	—	30,864	—	30,864
Short-term borrowings ^(c)	9,750	—	9,646	—	9,646	10,009	—	9,956	—	9,956
Long-term debt	32,125	—	32,547	—	32,547	41,297	—	42,485	—	42,485
Other ^(d)	3,862	—	1,170	2,692	3,862	4,052	—	1,234	2,818	4,052

(a) Excludes mortgages held for sale for which the fair value option under applicable accounting guidance was elected.

(b) Includes investments in Federal Reserve Bank and Federal Home Loan Bank stock and tax-advantaged investments.

(c) Excludes the Company's obligation on securities sold short required to be accounted for at fair value per applicable accounting guidance.

(d) Includes operating lease liabilities and liabilities related to tax-advantaged investments.

The fair value of unfunded commitments, deferred non-yield related loan fees, standby letters of credit and other guarantees is approximately equal to their carrying value. The carrying value of unfunded commitments, deferred non-yield related loan fees and

standby letters of credit was \$495 million and \$774 million at December 31, 2021 and 2020, respectively. The carrying value of other guarantees was \$245 million and \$362 million at December 31, 2021 and 2020, respectively.

NOTE 23 Guarantees and Contingent Liabilities

Visa Restructuring and Card Association Litigation The Company's payment services business issues credit and debit cards and acquires credit and debit card transactions through the Visa U.S.A. Inc. card association or its affiliates (collectively "Visa"). In 2007, Visa completed a restructuring and issued shares of Visa Inc. common stock to its financial institution members in contemplation of its initial public offering ("IPO") completed in the first quarter of 2008 (the "Visa Reorganization"). As a part of the Visa Reorganization, the Company received its proportionate number of shares of Visa Inc. common stock, which were subsequently converted to Class B shares of Visa Inc. ("Class B shares").

Visa U.S.A. Inc. ("Visa U.S.A.") and MasterCard International (collectively, the "Card Brands") are defendants in antitrust lawsuits challenging the practices of the Card Brands (the "Visa Litigation"). Visa U.S.A. member banks have a contingent obligation to indemnify Visa Inc. under the Visa U.S.A. bylaws (which were modified at the time of the restructuring in October 2007) for potential losses arising from the Visa Litigation. The indemnification by the Visa U.S.A. member banks has no specific maximum amount. Using proceeds from its IPO and through reductions to the conversion ratio applicable to the Class B shares held by Visa U.S.A. member banks, Visa Inc. has funded an escrow account for the benefit of member financial institutions to fund their indemnification obligations associated with the Visa Litigation. The receivable related to the escrow account is classified in other liabilities as a direct offset to the related Visa Litigation contingent liability.

In October 2012, Visa signed a settlement agreement to resolve class action claims associated with the multidistrict interchange litigation pending in the United States District Court for the Eastern District of New York (the "Multi-District Litigation"). The U.S. Court of Appeals for the Second Circuit reversed the approval of that settlement and remanded the matter to the district court. Thereafter, the case was split into two putative class actions, one seeking damages (the "Damages Action") and a separate class action seeking injunctive relief only (the "Injunctive Action"). In September 2018, Visa signed a new settlement agreement, superseding the original settlement agreement, to resolve the Damages Action. The Damages Action settlement was approved by the United States District Court for the Eastern District of New York, but is now on appeal. The Injunctive Action, which generally seeks changes to Visa rules, is still pending.

Commitments to Extend Credit Commitments to extend credit are legally binding and generally have fixed expiration dates or other termination clauses. The contractual amount represents the Company's exposure to credit loss, in the event of default by the

borrower. The Company manages this credit risk by using the same credit policies it applies to loans. Collateral is obtained to secure commitments based on management's credit assessment of the borrower. The collateral may include marketable securities, receivables, inventory, equipment and real estate. Since the Company expects many of the commitments to expire without being drawn, total commitment amounts do not necessarily represent the Company's future liquidity requirements. In addition, the commitments include consumer credit lines that are cancelable upon notification to the consumer.

The contract or notional amounts of unfunded commitments to extend credit at December 31, 2021, excluding those commitments considered derivatives, were as follows:

(Dollars in Millions)	Term		Total
	Less Than One Year	Greater Than One Year	
Commercial and commercial real estate loans	\$ 40,385	\$118,879	\$159,264
Corporate and purchasing card loans ^(a)	30,263	—	30,263
Residential mortgages	613	1	614
Retail credit card loans ^(a)	120,905	—	120,905
Other retail loans	14,924	22,905	37,829
Other	6,268	—	6,268

(a) Primarily cancelable at the Company's discretion.

Other Guarantees and Contingent Liabilities

The following table is a summary of other guarantees and contingent liabilities of the Company at December 31, 2021:

(Dollars in Millions)	Collateral Held	Carrying Amount	Maximum Potential Future Payments
Standby letters of credit	\$ —	\$ 57	\$ 9,605
Third party borrowing arrangements	—	—	3
Securities lending indemnifications	9,074	—	8,807
Asset sales	—	84	7,229
Merchant processing	777	140	120,417
Tender option bond program guarantee	1,725	—	1,488
Other	—	21	1,398

Letters of Credit Standby letters of credit are commitments the Company issues to guarantee the performance of a customer to a third party. The guarantees frequently support public and private borrowing arrangements, including commercial paper issuances, bond financings and other similar transactions. The Company also issues and confirms commercial letters of credit on behalf of customers to ensure payment or collection in connection with trade transactions. In the event of a customer's or counterparty's nonperformance, the Company's credit loss exposure is similar to that in any extension of credit, up to the letter's contractual amount. Management assesses the borrower's credit to determine the necessary collateral, which may include marketable securities, receivables, inventory, equipment and real estate. Since the conditions requiring the Company to fund letters of credit may not occur, the Company expects its liquidity requirements to be less than the total outstanding commitments. The maximum potential future payments guaranteed by the Company under standby letter of credit arrangements at December 31, 2021, were approximately \$9.6 billion with a weighted-average term of approximately 19 months. The estimated fair value of standby letters of credit was approximately \$57 million at December 31, 2021.

The contract or notional amount of letters of credit at December 31, 2021, were as follows:

(Dollars in Millions)	Term		Total
	Less Than One Year	Greater Than One Year	
Standby	\$4,760	\$4,845	\$9,605
Commercial	889	22	911

Guarantees Guarantees are contingent commitments issued by the Company to customers or other third parties. The Company's guarantees primarily include parent guarantees related to subsidiaries' third party borrowing arrangements; third party performance guarantees inherent in the Company's business operations, such as indemnified securities lending programs and merchant charge-back guarantees; and indemnification or buy-back provisions related to certain asset sales. For certain guarantees, the Company has recorded a liability related to the potential obligation, or has access to collateral to support the guarantee or through the exercise of other recourse provisions can offset some or all of the maximum potential future payments made under these guarantees.

Third Party Borrowing Arrangements The Company provides guarantees to third parties as a part of certain subsidiaries' borrowing arrangements. The maximum potential future payments guaranteed by the Company under these arrangements were approximately \$3 million at December 31, 2021.

Commitments from Securities Lending The Company participates in securities lending activities by acting as the customer's agent involving the loan of securities. The Company indemnifies customers for the difference between the fair value of the securities lent and the fair value of the collateral received.

Cash collateralizes these transactions. The maximum potential future payments guaranteed by the Company under these arrangements were approximately \$8.8 billion at December 31, 2021, and represent the fair value of the securities lent to third parties. At December 31, 2021, the Company held \$9.1 billion of cash as collateral for these arrangements.

Asset Sales The Company has provided guarantees to certain third parties in connection with the sale or syndication of certain assets, primarily loan portfolios and tax-advantaged investments. These guarantees are generally in the form of asset buy-back or make-whole provisions that are triggered upon a credit event or a change in the tax-qualifying status of the related projects, as applicable, and remain in effect until the loans are collected or final tax credits are realized, respectively. The maximum potential future payments guaranteed by the Company under these arrangements were approximately \$7.2 billion at December 31, 2021, and represented the proceeds received from the buyer or the guaranteed portion in these transactions where the buy-back or make-whole provisions have not yet expired. At December 31, 2021, the Company had reserved \$84 million for potential losses related to the sale or syndication of tax-advantaged investments.

The maximum potential future payments do not include loan sales where the Company provides standard representation and warranties to the buyer against losses related to loan underwriting documentation defects that may have existed at the time of sale that generally are identified after the occurrence of a triggering event such as delinquency. For these types of loan sales, the maximum potential future payments is generally the unpaid principal balance of loans sold measured at the end of the current reporting period. Actual losses will be significantly less than the maximum exposure, as only a fraction of loans sold will have a representation and warranty breach, and any losses on repurchase would generally be mitigated by any collateral held against the loans.

The Company regularly sells loans to GSEs as part of its mortgage banking activities. The Company provides customary representations and warranties to GSEs in conjunction with these sales. These representations and warranties generally require the Company to repurchase assets if it is subsequently determined that a loan did not meet specified criteria, such as a documentation deficiency or rescission of mortgage insurance. If the Company is unable to cure or refute a repurchase request, the Company is generally obligated to repurchase the loan or otherwise reimburse the GSE for losses. At December 31, 2021, the Company had reserved \$18 million for potential losses from representation and warranty obligations, compared with \$19 million at December 31, 2020. The Company's reserve reflects management's best estimate of losses for representation and warranty obligations. The Company's repurchase reserve is modeled at the loan level, taking into consideration the individual credit quality and borrower activity that has transpired since origination. The model applies credit quality and economic risk factors to derive a probability of default and potential repurchase that are based on the Company's historical loss experience, and

estimates loss severity based on expected collateral value. The Company also considers qualitative factors that may result in anticipated losses differing from historical loss trends.

As of December 31, 2021 and 2020, the Company had \$19 million and \$13 million, respectively, of unresolved representation and warranty claims from GSEs. The Company does not have a significant amount of unresolved claims from investors other than GSEs.

Merchant Processing The Company, through its subsidiaries, provides merchant processing services. Under the rules of credit card associations, a merchant processor retains a contingent liability for credit card transactions processed. This contingent liability arises in the event of a billing dispute between the merchant and a cardholder that is ultimately resolved in the cardholder's favor. In this situation, the transaction is "charged-back" to the merchant and the disputed amount is credited or otherwise refunded to the cardholder. If the Company is unable to collect this amount from the merchant, it bears the loss for the amount of the refund paid to the cardholder.

A cardholder, through its issuing bank, generally has until the later of up to four months after the date the transaction is processed or the receipt of the product or service to present a charge-back to the Company as the merchant processor. The absolute maximum potential liability is estimated to be the total volume of credit card transactions that meet the associations' requirements to be valid charge-back transactions at any given time. Management estimates that the maximum potential exposure for charge-backs would approximate the total amount of merchant transactions processed through the credit card associations for the last four months. For the last four months of 2021 this amount totaled approximately \$120.4 billion. In most cases, this contingent liability is unlikely to arise, as most products and services are delivered when purchased and amounts are refunded when items are returned to merchants. However, where the product or service has been purchased but is not provided until a future date ("future delivery"), the potential for this contingent liability increases. To mitigate this risk, the Company may require the merchant to make an escrow deposit, place maximum volume limitations on future delivery transactions processed by the merchant at any point in time, or require various credit enhancements (including letters of credit and bank guarantees). Also, merchant processing contracts may include event triggers to provide the Company more financial and operational control in the event of financial deterioration of the merchant.

The Company currently processes card transactions in the United States, Canada and Europe through wholly-owned subsidiaries. In the event a merchant was unable to fulfill product or services subject to future delivery, such as airline tickets, the Company could become financially liable for refunding the purchase price of such products or services purchased through the credit card associations under the charge-back provisions. Charge-back risk related to these merchants is evaluated in a manner similar to credit risk assessments and, as such, merchant

processing contracts contain various provisions to protect the Company in the event of default. At December 31, 2021, the value of airline tickets purchased to be delivered at a future date through card transactions processed by the Company was \$7.6 billion. The Company held collateral of \$598 million in escrow deposits, letters of credit and indemnities from financial institutions, and liens on various assets. In addition to specific collateral or other credit enhancements, the Company maintains a liability for its implied guarantees associated with future delivery. At December 31, 2021, the liability was \$125 million primarily related to these airline processing arrangements.

In the normal course of business, the Company has unresolved charge-backs. The Company assesses the likelihood of its potential liability based on the extent and nature of unresolved charge-backs and its historical loss experience. At December 31, 2021, the Company held \$177 million of merchant escrow deposits as collateral and had a recorded liability for potential losses of \$15 million.

Tender Option Bond Program Guarantee As discussed in Note 8, the Company sponsors a municipal bond securities tender option bond program and consolidates the program's entities on its Consolidated Balance Sheet. The Company provides financial performance guarantees related to the program's entities. At December 31, 2021, the Company guaranteed \$1.5 billion of borrowings of the program's entities, included on the Consolidated Balance Sheet in short-term borrowings. The Company also included on its Consolidated Balance Sheet the related \$1.7 billion of available-for-sale investment securities serving as collateral for this arrangement.

Other Guarantees and Commitments As of December 31, 2021, the Company sponsored, and owned 100 percent of the common equity of, USB Capital IX, a wholly-owned unconsolidated trust, formed for the purpose of issuing redeemable Income Trust Securities ("ITS") to third-party investors, originally investing the proceeds in junior subordinated debt securities ("Debentures") issued by the Company and entering into stock purchase contracts to purchase the Company's preferred stock in the future. As of December 31, 2021, all of the Debentures issued by the Company have either matured or been retired. Total assets of USB Capital IX were \$682 million at December 31, 2021, consisting primarily of the Company's Series A Preferred Stock. The Company's obligations under the transaction documents, taken together, have the effect of providing a full and unconditional guarantee by the Company, on a junior subordinated basis, of the payment obligations of the trust to third-party investors totaling \$681 million at December 31, 2021.

The Company has also made other financial performance guarantees and commitments primarily related to the operations of its subsidiaries. At December 31, 2021, the maximum potential future payments guaranteed or committed by the Company under these arrangements were approximately \$717 million.

Litigation and Regulatory Matters

The Company is subject to various litigation and regulatory matters that arise in the ordinary course of its business. The Company establishes reserves for such matters when potential losses become probable and can be reasonably estimated. The Company believes the ultimate resolution of existing legal and regulatory matters will not have a material adverse effect on the financial condition, results of operations or cash flows of the Company. However, in light of the uncertainties inherent in these matters, it is possible that the ultimate resolution of one or more of these matters may have a material adverse effect on the Company's results from operations for a particular period, and future changes in circumstances or additional information could result in additional accruals or resolution in excess of established accruals, which could adversely affect the Company's results from operations, potentially materially.

Residential Mortgage-Backed Securities Litigation Starting in 2011, the Company and other large financial institutions have been sued in their capacity as trustee for residential mortgage-backed securities trusts. In the lawsuits brought against the Company, the investors allege that the Company's banking subsidiary, U.S. Bank National Association ("U.S. Bank"), as trustee caused them to incur substantial losses by failing to enforce loan repurchase obligations and failing to abide by appropriate standards of care after events of default allegedly occurred. The plaintiffs in these matters seek monetary damages in unspecified amounts and most also seek equitable relief.

Regulatory Matters The Company is continually subject to examinations, inquiries and investigations in areas of heightened

regulatory scrutiny, such as compliance, risk management, third-party risk management and consumer protection. For example, the Consumer Financial Protection Bureau ("CFPB") is investigating certain of the Company's consumer sales practices, and the Company has responded and continues to respond to the CFPB. The Company is cooperating fully with all pending examinations, inquiries and investigations, any of which could lead to administrative or legal proceedings or settlements. Remedies in these proceedings or settlements may include fines, penalties, restitution or alterations in the Company's business practices (which may increase the Company's operating expenses and decrease its revenue).

Outlook Due to their complex nature, it can be years before litigation and regulatory matters are resolved. The Company may be unable to develop an estimate or range of loss where matters are in early stages, there are significant factual or legal issues to be resolved, damages are unspecified or uncertain, or there is uncertainty as to a litigation class being certified or the outcome of pending motions, appeals or proceedings. For those litigation and regulatory matters where the Company has information to develop an estimate or range of loss, the Company believes the upper end of the range of reasonably possible losses in aggregate, in excess of any reserves established for matters where a loss is considered probable, will not be material to its financial condition, results of operations or cash flows. The Company's estimates are subject to significant judgment and uncertainties, and the matters underlying the estimates will change from time to time. Actual results may vary significantly from the current estimates.

NOTE 24 Business Segments

Within the Company, financial performance is measured by major lines of business based on the products and services provided to customers through its distribution channels. These operating segments are components of the Company about which financial information is prepared and is evaluated regularly by management in deciding how to allocate resources and assess performance. The Company has five reportable operating segments:

Corporate and Commercial Banking Corporate and Commercial Banking offers lending, equipment finance and small-ticket leasing, depository services, treasury management, capital markets services, international trade services and other financial services to middle market, large corporate, commercial real estate, financial institution, non-profit and public sector clients.

Consumer and Business Banking Consumer and Business Banking delivers products and services through banking offices, telephone servicing and sales, on-line services, direct mail, ATM processing and mobile devices. It encompasses community banking, metropolitan banking and indirect lending, as well as mortgage banking.

Wealth Management and Investment Services Wealth Management and Investment Services provides private banking, financial advisory services, investment management, retail brokerage services, insurance, trust, custody and fund servicing through four businesses: Wealth Management, Global Corporate Trust & Custody, U.S. Bancorp Asset Management and Fund Services.

Payment Services Payment Services includes consumer and business credit cards, stored-value cards, debit cards, corporate, government and purchasing card services, consumer lines of credit and merchant processing.

Treasury and Corporate Support Treasury and Corporate Support includes the Company's investment portfolios, funding, capital management, interest rate risk management, income taxes not allocated to business segments, including most investments in tax-advantaged projects, and the residual aggregate of those expenses associated with corporate activities that are managed on a consolidated basis.

Basis of Presentation Business segment results are derived from the Company's business unit profitability reporting systems by specifically attributing managed balance sheet assets,

deposits and other liabilities and their related income or expense. The allowance for credit losses and related provision expense are allocated to the business segments according to the volume and credit quality of the loan balances managed, but with the impact of changes in economic forecasts recorded in Treasury and Corporate Support. Goodwill and other intangible assets are assigned to the business segments based on the mix of business of an entity acquired by the Company. Within the Company, capital levels are evaluated and managed centrally; however, capital is allocated to the business segments to support evaluation of business performance. Business segments are allocated capital on a risk-adjusted basis considering economic and regulatory capital requirements. Generally, the determination of the amount of capital allocated to each business segment includes credit allocations following a Basel III regulatory framework. Interest income and expense is determined based on the assets and liabilities managed by the business segment. Because funding and asset liability management is a central function, funds transfer-pricing methodologies are utilized to allocate a cost of funds used or credit for funds provided to all business segment assets and liabilities, respectively, using a matched funding concept. Also, each business unit is allocated the taxable-equivalent benefit of tax-exempt products. The residual effect on net interest income of asset/ liability management activities is included in Treasury and Corporate Support. Noninterest income and expenses directly managed by each business segment, including fees, service charges, salaries and benefits, and other direct revenues and costs are accounted for within each segment's financial results in a manner similar to

the consolidated financial statements. Occupancy costs are allocated based on utilization of facilities by the business segments. Generally, operating losses are charged to the business segment when the loss event is realized in a manner similar to a loan charge-off. Noninterest expenses incurred by centrally managed operations or business segments that directly support another business segment's operations are charged to the applicable business segment based on its utilization of those services, primarily measured by the volume of customer activities, number of employees or other relevant factors. These allocated expenses are reported as net shared services expense within noninterest expense. Certain activities that do not directly support the operations of the business segments or for which the business segments are not considered financially accountable in evaluating their performance are not charged to the business segments. The income or expenses associated with these corporate activities is reported within the Treasury and Corporate Support business segment. Income taxes are assessed to each business segment at a standard tax rate with the residual tax expense or benefit to arrive at the consolidated effective tax rate included in Treasury and Corporate Support.

Designations, assignments and allocations change from time to time as management systems are enhanced, methods of evaluating performance or product lines change or business segments are realigned to better respond to the Company's diverse customer base. During 2021, certain organization and methodology changes were made and, accordingly, 2020 results were restated and presented on a comparable basis.

Business segment results for the years ended December 31 were as follows:

(Dollars in Millions)	Corporate and Commercial Banking		Consumer and Business Banking		Wealth Management and Investment Services	
	2021	2020	2021	2020	2021	2020
Condensed Income Statement						
Net interest income (taxable-equivalent basis)	\$ 2,900	\$ 3,411	\$ 6,077	\$ 5,759	\$ 1,002	\$ 1,246
Noninterest income	1,035	1,117	2,501	3,177	2,221	2,022
Total net revenue	3,935	4,528	8,578	8,936	3,223	3,268
Noninterest expense	1,678	1,711	5,690	5,470	2,045	1,961
Other intangibles	—	—	12	16	14	12
Total noninterest expense	1,678	1,711	5,702	5,486	2,059	1,973
Income (loss) before provision and income taxes	2,257	2,817	2,876	3,450	1,164	1,295
Provision for credit losses	89	604	(144)	291	47	40
Income (loss) before income taxes	2,168	2,213	3,020	3,159	1,117	1,255
Income taxes and taxable-equivalent adjustment	542	554	755	791	280	314
Net income (loss)	1,626	1,659	2,265	2,368	837	941
Net (income) loss attributable to noncontrolling interests	—	—	—	—	—	—
Net income (loss) attributable to U.S. Bancorp	\$ 1,626	\$ 1,659	\$ 2,265	\$ 2,368	\$ 837	\$ 941
Average Balance Sheet						
Loans	\$103,208	\$115,563	\$141,082	\$141,259	\$ 18,097	\$ 15,456
Other earning assets	4,537	4,163	8,093	7,175	242	287
Goodwill	1,715	1,647	3,428	3,500	1,628	1,617
Other intangible assets	5	6	2,760	2,105	84	39
Assets	115,194	128,038	161,571	159,191	21,236	18,564
Noninterest-bearing deposits	61,272	44,309	33,855	30,467	24,587	17,149
Interest-bearing deposits	71,246	88,138	158,434	131,536	75,618	77,525
Total deposits	132,518	132,447	192,289	162,003	100,205	94,674
Total U.S. Bancorp shareholders' equity	13,928	15,063	12,337	12,739	3,154	2,936

(Dollars in Millions)	Payment Services		Treasury and Corporate Support		Consolidated Company	
	2021	2020	2021	2020	2021	2020
Condensed Income Statement						
Net interest income (taxable-equivalent basis)	\$ 2,458	\$ 2,562	\$ 163	\$ (54)	\$ 12,600	\$ 12,924
Noninterest income	3,550 ^(a)	3,124 ^(a)	920	961	10,227 ^(b)	10,401 ^(b)
Total net revenue	6,008	5,686	1,083	907	22,827	23,325
Noninterest expense	3,231	3,123	925	928	13,569	13,193
Other intangibles	133	148	—	—	159	176
Total noninterest expense	3,364	3,271	925	928	13,728	13,369
Income (loss) before provision and income taxes	2,644	2,415	158	(21)	9,099	9,956
Provision for credit losses	349	681	(1,514)	2,190	(1,173)	3,806
Income (loss) before income taxes	2,295	1,734	1,672	(2,211)	10,272	6,150
Income taxes and taxable-equivalent adjustment	575	434	135	(928)	2,287	1,165
Net income (loss)	1,720	1,300	1,537	(1,283)	7,985	4,985
Net (income) loss attributable to noncontrolling interests	—	—	(22)	(26)	(22)	(26)
Net income (loss) attributable to U.S. Bancorp	\$ 1,720	\$ 1,300	\$ 1,515	\$ (1,309)	\$ 7,963	\$ 4,959
Average Balance Sheet						
Loans	\$ 30,856	\$ 31,539	\$ 3,722	\$ 3,452	\$296,965	\$307,269
Other earning assets	93	5	196,211	162,503	209,176	174,133
Goodwill	3,185	3,060	—	—	9,956	9,824
Other intangible assets	508	581	—	—	3,357	2,731
Assets	36,553	36,497	221,978	188,917	556,532	531,207
Noninterest-bearing deposits	4,861	4,351	2,629	2,263	127,204	98,539
Interest-bearing deposits	145	121	1,634	2,756	307,077	300,076
Total deposits	5,006	4,472	4,263	5,019	434,281	398,615
Total U.S. Bancorp shareholders' equity	7,643	7,462	16,748	14,046	53,810	52,246

(a) Presented net of related rewards and rebate costs and certain partner payments of \$2.5 billion and \$2.1 billion for 2021 and 2020, respectively.

(b) Includes revenue generated from certain contracts with customers of \$7.5 billion and \$6.9 billion for 2021 and 2020, respectively.

NOTE 25 U.S. Bancorp (Parent Company)**Condensed Balance Sheet**

At December 31 (Dollars in Millions)

2021

2020

Assets

Due from banks, principally interest-bearing	\$ 8,369	\$12,279
Available-for-sale investment securities	1,209	1,469
Investments in bank subsidiaries	51,432	52,551
Investments in nonbank subsidiaries	3,632	3,286
Advances to bank subsidiaries	9,600	3,850
Advances to nonbank subsidiaries	707	1,118
Other assets	898	869
Total assets	<u>\$75,847</u>	<u>\$75,422</u>

Liabilities and Shareholders' Equity

Long-term debt	\$18,902	\$20,924
Other liabilities	2,027	1,403
Shareholders' equity	54,918	53,095
Total liabilities and shareholders' equity	<u>\$75,847</u>	<u>\$75,422</u>

Condensed Income Statement

Year Ended December 31 (Dollars in Millions)

2021

2020

2019

Income

Dividends from bank subsidiaries	\$7,000	\$1,500	\$7,100
Dividends from nonbank subsidiaries	2	24	6
Interest from subsidiaries	112	172	317
Other income	46	85	25
Total income	<u>7,160</u>	<u>1,781</u>	<u>7,448</u>

Expense

Interest expense	348	433	551
Other expense	154	140	140
Total expense	<u>502</u>	<u>573</u>	<u>691</u>
Income before income taxes and equity in undistributed income of subsidiaries	6,658	1,208	6,757
Applicable income taxes	(53)	(78)	(92)
Income of parent company	6,711	1,286	6,849
Equity in undistributed income of subsidiaries	1,252	3,673	65
Net income attributable to U.S. Bancorp	<u>\$7,963</u>	<u>\$4,959</u>	<u>\$6,914</u>

Condensed Statement of Cash Flows

Year Ended December 31 (Dollars in Millions)

	2021	2020	2019
Operating Activities			
Net income attributable to U.S. Bancorp	\$ 7,963	\$ 4,959	\$ 6,914
Adjustments to reconcile net income to net cash provided by operating activities			
Equity in undistributed income of subsidiaries	(1,252)	(3,673)	(65)
Other, net	(85)	907	231
Net cash provided by operating activities	6,626	2,193	7,080
Investing Activities			
Proceeds from sales and maturities of investment securities	200	258	291
Purchases of investment securities	—	—	(1,013)
Net (increase) decrease in short-term advances to subsidiaries	411	347	578
Long-term advances to subsidiaries	(7,000)	—	(2,600)
Principal collected on long-term advances to subsidiaries	1,250	—	2,550
Other, net	(269)	379	(341)
Net cash provided by (used in) investing activities	(5,408)	984	(535)
Financing Activities			
Net increase (decrease) in short-term borrowings	—	(8)	8
Proceeds from issuance of long-term debt	1,300	2,750	3,743
Principal payments or redemption of long-term debt	(3,000)	(1,200)	(1,500)
Proceeds from issuance of preferred stock	2,221	486	—
Proceeds from issuance of common stock	43	15	88
Repurchase of preferred stock	(1,250)	—	—
Repurchase of common stock	(1,555)	(1,672)	(4,525)
Cash dividends paid on preferred stock	(308)	(300)	(302)
Cash dividends paid on common stock	(2,579)	(2,552)	(2,443)
Net cash used in financing activities	(5,128)	(2,481)	(4,931)
Change in cash and due from banks	(3,910)	696	1,614
Cash and due from banks at beginning of year	12,279	11,583	9,969
Cash and due from banks at end of year	\$ 8,369	\$12,279	\$11,583

Transfer of funds (dividends, loans or advances) from bank subsidiaries to the Company is restricted. Federal law requires loans to the Company or its affiliates to be secured and generally limits loans to the Company or an individual affiliate to 10 percent of each bank's unimpaired capital and surplus. In the aggregate, loans to the Company and all affiliates cannot exceed 20 percent of each bank's unimpaired capital and surplus.

Dividend payments to the Company by its subsidiary bank are subject to regulatory review and statutory limitations and, in some instances, regulatory approval. In general, dividends by the Company's bank subsidiary to the parent company are limited by rules which compare dividends to net income for regulatorily-defined periods. Furthermore, dividends are restricted by minimum capital constraints for all national banks.

NOTE 26 Subsequent Events

The Company has evaluated the impact of events that have occurred subsequent to December 31, 2021 through the date the consolidated financial statements were filed with the United States Securities and Exchange Commission. Based on this

evaluation, the Company has determined none of these events were required to be recognized or disclosed in the consolidated financial statements and related notes.

U.S. Bancorp

Consolidated Daily Average Balance Sheet and Related Yields and Rates (a) (Unaudited)

Year Ended December 31 (Dollars in Millions)	2021		
	Average Balances	Interest	Yields and Rates
Assets			
Investment securities	\$154,702	\$ 2,434	1.57%
Loans held for sale	8,024	232	2.89
Loans ^(b)			
Commercial	102,855	2,684	2.61
Commercial real estate	38,781	1,219	3.14
Residential mortgages	74,629	2,477	3.32
Credit card	21,645	2,278	10.52
Other retail	59,055	2,126	3.60
Total loans	296,965	10,784	3.63
Other earning assets	46,450	143	.31
Total earning assets	506,141	13,593	2.69
Allowance for loan losses	(6,326)		
Unrealized gain (loss) on investment securities	1,174		
Other assets	55,543		
Total assets	<u>\$556,532</u>		
Liabilities and Shareholders' Equity			
Noninterest-bearing deposits	\$127,204		
Interest-bearing deposits			
Interest checking	103,198	24	.02
Money market savings	117,093	199	.17
Savings accounts	62,294	7	.01
Time deposits	24,492	90	.37
Total interest-bearing deposits	307,077	320	.10
Short-term borrowings			
Federal funds purchased	1,507	2	.10
Securities sold under agreements to repurchase	1,790	2	.13
Commercial paper	7,228	1	.01
Other short-term borrowings	4,249	65	1.54
Total short-term borrowings	14,774	70	.47
Long-term debt	36,682	603	1.64
Total interest-bearing liabilities	358,533	993	.28
Other liabilities	16,353		
Shareholders' equity			
Preferred equity	6,255		
Common equity	47,555		
Total U.S. Bancorp shareholders' equity	53,810		
Noncontrolling interests	632		
Total equity	54,442		
Total liabilities and equity	<u>\$556,532</u>		
Net interest income		<u>\$12,600</u>	
Gross interest margin			<u>2.41%</u>
Gross interest margin without taxable-equivalent increments			<u>2.39%</u>
Percent of Earning Assets			
Interest income			2.69%
Interest expense			.20
Net interest margin			<u>2.49%</u>
Net interest margin without taxable-equivalent increments			<u>2.47%</u>

(a) Interest and rates are presented on a fully taxable-equivalent basis based on a federal income tax rate of 21 percent.

(b) Interest income and rates on loans include loan fees. Nonaccrual loans are included in average loan balances.

2020			2019			2021 v 2020
Average Balances	Interest	Yields and Rates	Average Balances	Interest	Yields and Rates	% Change Average Balances
\$125,954	\$ 2,488	1.98%	\$117,150	\$ 2,950	2.52%	22.8%
6,985	216	3.10	3,769	162	4.30	14.9
113,967	3,192	2.80	103,198	4,229	4.10	(9.8)
40,548	1,457	3.59	39,386	1,919	4.87	(4.4)
73,667	2,666	3.62	67,747	2,644	3.90	1.3
22,332	2,392	10.71	23,309	2,680	11.50	(3.1)
56,755	2,352	4.14	57,046	2,682	4.70	4.1
307,269	12,059	3.92	290,686	14,154	4.87	(3.4)
41,194	179	.43	18,932	341	1.80	12.8
481,402	14,942	3.10	430,537	17,607	4.09	5.1
(6,858)			(4,007)			7.8
2,901			(117)			(59.5)
53,762			49,240			3.3
<u>\$531,207</u>			<u>\$475,653</u>			4.8
\$ 98,539			\$ 73,863			29.1%
84,276	65	.08	72,553	227	.31	22.5
125,786	528	.42	109,849	1,637	1.49	(6.9)
52,142	46	.09	46,130	111	.24	19.5
37,872	311	.82	44,417	880	1.98	(35.3)
300,076	950	.32	272,949	2,855	1.05	2.3
1,660	6	.35	1,457	28	1.94	(9.2)
1,686	8	.50	1,770	36	2.00	6.2
8,141	21	.26	8,186	119	1.45	(11.2)
7,695	109	1.41	6,724	187	2.78	(44.8)
19,182	144	.75	18,137	370	2.04	(23.0)
44,040	924	2.10	41,572	1,227	2.95	(16.7)
363,298	2,018	.56	332,658	4,452	1.34	(1.3)
16,494			15,880			(.9)
6,042			5,984			3.5
46,204			46,639			2.9
52,246			52,623			3.0
630			629			.3
52,876			53,252			3.0
<u>\$531,207</u>			<u>\$475,653</u>			4.8
	<u>\$12,924</u>			<u>\$13,155</u>		
		2.54%			2.75%	
		2.52%			2.73%	
		3.10%			4.09%	
		.42			1.03	
		2.68%			3.06%	
		2.66%			3.04%	

U.S. Bancorp

Supplemental Financial Data (Unaudited)

Earnings Per Common Share Summary	2021	2020	2019
Earnings per common share	\$ 5.11	\$ 3.06	\$ 4.16
Diluted earnings per common share	5.10	3.06	4.16
Dividends declared per common share	1.76	1.68	1.58
Other Statistics (Dollars and Shares in Millions)			
Common shares outstanding ^(a)	1,484	1,507	1,534
Average common shares outstanding and common stock equivalents			
Earnings per common share	1,489	1,509	1,581
Diluted earnings per common share	1,490	1,510	1,583
Number of shareholders ^(b)	31,111	32,520	33,515
Common dividends declared	\$ 2,630	\$ 2,541	\$ 2,493

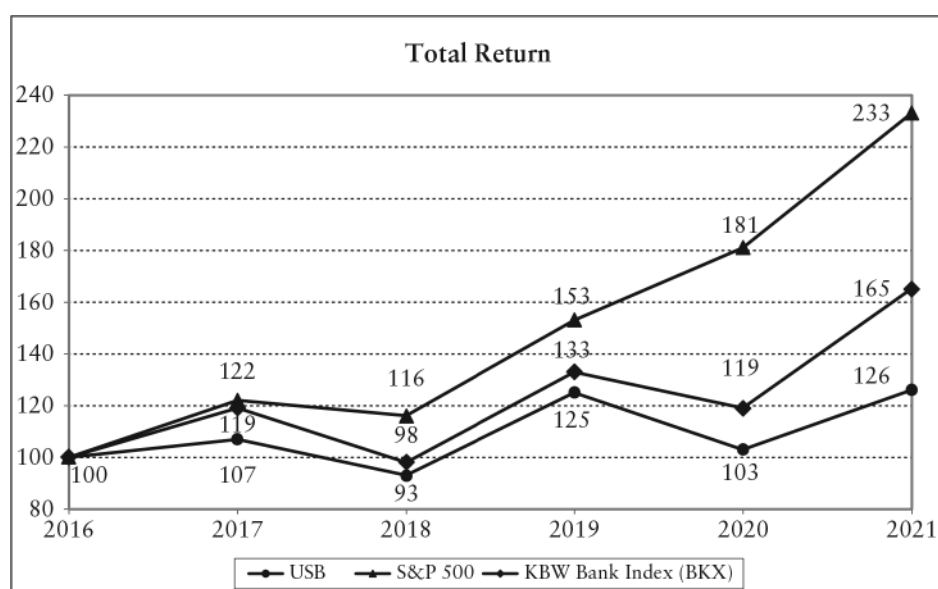
(a) Defined as total common shares less common stock held in treasury at December 31.

(b) Based on number of common stock shareholders of record at December 31.

The common stock of U.S. Bancorp is traded on the New York Stock Exchange, under the ticker symbol "USB." At January 31, 2022, there were 31,055 holders of record of the Company's common stock.

Stock Performance Chart

The following chart compares the cumulative total shareholder return on the Company's common stock during the five years ended December 31, 2021, with the cumulative total return on the Standard & Poor's 500 Index and the KBW Bank Index. The comparison assumes \$100 was invested on December 31, 2016, in the Company's common stock and in each of the foregoing indices and assumes the reinvestment of all dividends. The comparisons in the graph are based upon historical data and are not indicative of, nor intended to forecast, future performance of the Company's common stock.



Company Information

General Business Description U.S. Bancorp is a financial services holding company headquartered in Minneapolis, Minnesota, serving millions of local, national and global customers. U.S. Bancorp is registered as a bank holding company under the Bank Holding Company Act of 1956 (the “BHC Act”), and has elected to be treated as a financial holding company under the BHC Act. The Company provides a full range of financial services, including lending and depository services, cash management, capital markets, and trust and investment management services. It also engages in credit card services, merchant and ATM processing, mortgage banking, insurance, brokerage and leasing.

U.S. Bancorp’s banking subsidiary, U.S. Bank National Association, is engaged in the general banking business, principally in domestic markets. U.S. Bank National Association, with \$465 billion in deposits at December 31, 2021, provides a wide range of products and services to individuals, businesses, institutional organizations, governmental entities and other financial institutions. Commercial and consumer lending services are principally offered to customers within the Company’s domestic markets, to domestic customers with foreign operations and to large national customers operating in specific industries targeted by the Company, such as healthcare, utilities, oil and gas, and state and municipal government. Lending services include traditional credit products as well as credit card services, lease financing and import/export trade, asset-backed lending, agricultural finance and other products. Depository services include checking accounts, savings accounts and time certificate contracts. Ancillary services such as capital markets, treasury management and receivable lock-box collection are provided to corporate and governmental entity customers. U.S. Bancorp’s bank and trust subsidiaries provide a full range of asset management and fiduciary services for individuals, estates, foundations, business corporations and charitable organizations.

Other U.S. Bancorp non-banking subsidiaries offer investment and insurance products to the Company’s customers principally within its domestic markets, and fund administration services to a broad range of mutual and other funds.

Banking and investment services are provided through a network of 2,230 banking offices as of December 31, 2021, principally operating in the Midwest and West regions of the United States, through on-line services, over mobile devices and through other distribution channels. The Company operates a network of 4,059 ATMs as of December 31, 2021, and provides 24-hour, seven day a week telephone customer service. Mortgage banking services are provided through banking offices and loan production offices throughout the Company’s domestic markets. Lending products may be originated through banking offices, indirect correspondents, brokers or other lending sources. The Company is also one of the largest providers of corporate and purchasing card services and corporate trust services in the United States. The Company’s wholly-owned subsidiary, Elavon, Inc. (“Elavon”), provides domestic merchant processing services

directly to merchants. Wholly-owned subsidiaries of Elavon provide similar merchant services in Canada and segments of Europe. The Company also provides corporate trust and fund administration services in Europe. These foreign operations are not significant to the Company.

The COVID-19 pandemic has created economic and operational disruptions that have affected the Company’s business. Customer behavior has evolved greatly as more customers have migrated to on-line and digital-based products and services more quickly than originally anticipated. To meet these evolving customer preferences, the Company has continued and accelerated the development of digital-based products and services, as well as reduced the number of higher-cost physical branches.

On a full-time equivalent basis, as of December 31, 2021, U.S. Bancorp employed 68,796 people.

Risk Factors An investment in the Company involves risk, including the possibility that the value of the investment could fall substantially and that dividends or other distributions on the investment could be reduced or eliminated. Below are risk factors that are material to, and could adversely affect, the Company’s financial results and condition and the value of, and return on, an investment in the Company.

Economic and Market Conditions Risk

The COVID-19 pandemic has caused and may continue to cause significant harm to the global economy and the Company’s businesses The COVID-19 pandemic has had, and is expected to continue to have, negative effects on global economic conditions, including disruption and volatility of financial markets, supply chain disruptions, fluctuations in unemployment and other negative outcomes, including inflation. It is expected that these negative effects will be episodic for the duration of the pandemic, and, if new COVID variants or other diseases emerge, these negative effects on the global economy could worsen.

The continuation or worsening of the economic conditions caused by COVID-19 may continue to have a material adverse effect on the Company and its business, including: (i) additional changes in demand for the Company’s products and services; (ii) possible increased recognition of credit losses and increases in the allowance for credit losses (particularly if unemployment rises and customers draw on their lines of credit); (iii) possible downgrades to the Company’s credit ratings; (iv) increased constraints on liquidity and capital; (v) the possibility of further reduced revenues from the Company’s credit and debit card, corporate payments products and merchant processing services product offerings, including because of business closures, unemployment or requirements for consumers to stay at home; (vi) negative impacts on the ability of the Company’s employees to work effectively, including because of illness, quarantines, work-from-home arrangements or other restrictions relating to the pandemic, and (vii) negative impacts on the ability of the Company’s third-party service providers to provide their services to the Company.

Continuing negative effects of COVID-19 and the resulting economic and market disruptions will depend on developments that are highly uncertain and cannot be predicted at this time. However, it is likely that the Company's business, financial condition, liquidity, capital and results of operations will continue to be adversely affected until the pandemic subsides and the domestic economy fully recovers. Further, the COVID-19 pandemic may also have the effect of heightening many of the other risks described in this section.

Deterioration in business and economic conditions could adversely affect the Company's lending business and the value of loans and debt securities it holds The Company's business activities and earnings are affected by general business conditions in the United States and abroad, including factors such as the level and volatility of short-term and long-term interest rates, inflation, home prices, unemployment and under-employment levels, bankruptcies, household income, consumer spending, fluctuations in both debt and equity capital markets, liquidity of the global financial markets, the availability and cost of capital and credit, investor sentiment and confidence in the financial markets, and the strength of the domestic and global economies in which the Company operates. Changes in these conditions caused by the COVID-19 pandemic adversely affected the Company's consumer and commercial businesses and securities portfolios, its level of charge-offs and provision for credit losses, and its results of operations during 2020 and 2021, and other future changes in these conditions, whether related to the COVID-19 pandemic or otherwise, could have additional adverse effects on the Company and its businesses.

Given the high percentage of the Company's assets represented directly or indirectly by loans, and the importance of lending to its overall business, weak economic conditions caused by COVID-19 negatively affected the Company's business and results of operations, including new loan origination activity, existing loan utilization rates and delinquencies, defaults and the ability of customers to meet obligations under the loans. Although the effects of COVID-19 were mitigated in part by governmental programs, availability of vaccines and the Company's measures to assist its borrowers, there can be no assurances that such measures will continue to be effective or that there will be future governmental programs. In addition, future deterioration in economic conditions, whether caused by COVID-19 or other events, could have adverse effects on loan origination activity, loan utilization rates and delinquencies, defaults and the ability of customers to meet loan obligations. The value to the Company of other assets such as investment securities, most of which are debt securities or other financial instruments supported by loans, similarly have been, and would be, negatively impacted by widespread decreases in credit quality resulting from a weakening of the economy.

In addition, volatility and uncertainty related to inflation and its effects, which could potentially contribute to poor economic conditions, may contribute to or enhance some of the risks described herein. For example, higher inflation could reduce demand for the Company's products, adversely affect the creditworthiness of its borrowers or result in lower values for its

interest-earning assets and investment securities. Any of these effects, or others that the Company is not able to predict, could adversely affect its financial condition or results of operations.

Any deterioration in global economic conditions could damage the domestic economy or negatively impact the Company's borrowers or other counterparties that have direct or indirect exposure to these regions. Such global disruptions, including disruptions in supply chains or geopolitical risk, can undermine investor confidence, cause a contraction of available credit, or create market volatility, any of which could have material adverse effects on the Company's businesses, results of operations, financial condition and liquidity, even if the Company's direct exposure to the affected region is limited. Global political trends toward nationalism and isolationism, could increase the probability of a deterioration in global economic conditions.

Changes in interest rates could reduce the Company's net interest income The Company's earnings are dependent to a large degree on net interest income, which is the difference between interest income from loans and investments and interest expense on deposits and borrowings. Net interest income is significantly affected by market rates of interest, which in turn are affected by prevailing economic conditions, by the fiscal and monetary policies of the federal government and by the policies of various regulatory agencies. Volatility in interest rates can also result in the flow of funds away from financial institutions into direct investments. Direct investments, such as United States government and corporate securities and other investment vehicles (including mutual funds), generally pay higher rates of return than financial institutions, because of the absence of federal insurance premiums and reserve requirements. During the first quarter of 2020, United States interest rates fell dramatically, which adversely impacted the Company's net interest income. Interest rates remained low through 2021, which adversely affected the Company's net interest income over the same period, and a prolonged low-interest rate environment may continue to adversely impact the Company's net interest income in future periods. In addition, some foreign central banks have moved to a negative interest rate environment, which has exerted downward pressure on the profitability of banks in those regions. The Company's financial condition could be damaged if this interest rate trend extends to the United States.

Conversely, when interest rates are increasing, the Company can generally be expected to earn higher net interest income. However, higher interest rates can also lead to fewer originations of loans, less liquidity in the financial markets, and higher funding costs, each of which could adversely affect the Company's revenues and its liquidity and capital levels. Higher interest rates can also negatively affect the payment performance on loans that are linked to variable interest rates. If borrowers of variable rate loans are unable to afford higher interest payments, those borrowers may reduce or stop making payments, thereby causing the Company to incur losses and increased operational costs related to servicing a higher volume of delinquent loans.

Changes in, or the discontinuance of, the London Interbank Offered Rate (“LIBOR”) as an interest rate benchmark could adversely affect the Company’s business, financial condition and results of operations The administrator of LIBOR has announced that the publication of the most commonly used United States Dollar LIBOR settings will cease to be provided or cease to be representative after June 30, 2023. The publication of all other LIBOR settings ceased to be provided or ceased to be representative as of December 31, 2021. The United States federal banking agencies have also issued guidance strongly encouraging banking organizations to cease using the United States Dollar LIBOR as a reference rate in “new” contracts by December 31, 2021, with limited exceptions.

The replacement of LIBOR is complex and could have a range of adverse impacts on the Company’s business and results of operations. The Company has various types of transactions, including derivatives, loans, bonds, and securitized products, that reference LIBOR and other Interbank Offered Rates (“IBORs”). The replacement of LIBOR and other IBORs with alternative benchmark rates and the Company’s development of products linked to alternate benchmark rates has created a number of risks for the Company, its customers, and the financial services industry more widely.

The extensive changes to documentation that govern or reference LIBOR or LIBOR-based products create a variety of execution risks for the Company. The Company may be unable to modify contracts with its counterparties to replace the reference rate for existing contracts based on or linked to LIBOR and other interest rate benchmarks with alternative reference rates by the dates set for cessation of LIBOR and other interest rate benchmarks.

The transition from LIBOR may also result in disputes, litigation or other actions with clients, counterparties or investors, including with respect to, among other things, (i) the interpretation and enforceability of provisions in LIBOR-based products such as fallback language or other related provisions, (ii) any economic, legal, operational or other impact from the fundamental differences between LIBOR and the various alternative reference rates, and (iii) any actions resulting from the Company’s interpretation and execution of its roles and responsibilities in corporate trust transactions. The transition may also result in additional inquiries or other actions from regulators regarding the Company’s preparation and readiness for the replacement of LIBOR.

The discontinuation of a LIBOR setting, changes in LIBOR or changes in market acceptance of LIBOR as a reference rate may also adversely affect the yield on loans or securities held by the Company; amounts paid on securities the Company has issued; amounts received and paid on derivative instruments it has entered into; the value of such loans, securities or derivative instruments; the trading market for securities; the terms of new loans being made using different or modified reference rates; the Company’s ability to effectively use derivative instruments to manage risk; and the availability or cost of floating-rate funding and the Company’s exposure to fluctuations in interest rates.

Changes to benchmark indices may also adversely affect the price, liquidity, value of, return on and trading for a broad array of financial products, including any LIBOR-linked securities, loans and derivatives that are included in the Company’s financial assets and liabilities.

The Company is also subject to the risk that its customers, counterparties and third-party vendors are not operationally ready to transition away from LIBOR, and the failure of such third parties to upgrade their operations to transition away from LIBOR on a timely basis could materially disrupt the Company’s operations.

Operations and Business Risk

A breach in the security of the Company’s systems, or the systems of certain third parties, could disrupt the Company’s businesses, result in the disclosure of confidential information, damage its reputation and create significant financial and legal exposure The Company experiences numerous attacks on its computer systems, software, networks and other technology assets daily, and the number of attacks is increasing. Although the Company devotes significant resources to maintain and regularly upgrade its systems and processes that are designed to protect the security of the Company’s computer systems, software, networks and other technology assets, as well as its intellectual property, and to protect the confidentiality, integrity and availability of information belonging to the Company and its customers, the Company’s security measures may not be effective. Adversaries continue to develop more sophisticated cyber attacks that could impact the Company. Many banking institutions, retailers and other companies engaged in data processing, including software and information technology service providers, have reported breaches in the security of their websites or other systems, some of which have involved sophisticated and targeted attacks intended to obtain unauthorized access to confidential information, destroy data, disable or degrade service, or sabotage systems, often through the introduction of computer viruses or malware, cyber attacks and other means.

Attacks on financial or other institutions important to the overall functioning of the financial system could also adversely affect, directly or indirectly, aspects of the Company’s businesses. The increasing consolidation, interdependence and complexity of financial entities and technology systems increases the risk of operational failure, both for the Company and on an industry-wide basis, and means that a technology failure, cyber attack, or other information or security breach that significantly degrades, deletes or compromises the systems or data of one or more financial entities could materially affect counterparties or other market participants, including the Company.

Third parties that facilitate the Company’s business activities, including exchanges, clearinghouses, payment and ATM networks, financial intermediaries or vendors that provide services or technology solutions for the Company’s operations, could also be sources of operational and security risks to the Company, including with respect to breakdowns or failures of their systems, misconduct by their employees or cyber attacks that could affect their ability to deliver a product or service to the Company or

result in lost or compromised information of the Company or its customers. The Company's ability to implement back-up systems or other safeguards with respect to third-party systems is limited. Furthermore, an attack on or failure of a third-party system may not be revealed to the Company in a timely manner, which could compromise the Company's ability to respond effectively. Some of these third parties may engage vendors of their own, which introduces the risk that these "fourth parties" could be the source of operational and security failures. In addition, if a third party or fourth party obtains access to the customer account data on the Company's systems, and that party experiences a breach or misappropriates such data, the Company and its customers could suffer material harm, including heightened risk of fraudulent transactions, losses from fraudulent transactions, increased operational costs to remediate any security breach and reputational harm. These risks are expected to continue to increase as the Company expands its interconnectivity with its customers and other third parties.

During the past several years a number of retailers and hospitality companies have disclosed substantial cyber security breaches affecting debit and credit card accounts of their customers, some of whom were the Company's cardholders and who may experience fraud on their card accounts as a result of a breach. The Company might suffer losses associated with reimbursing its customers for such fraudulent transactions, as well as for other costs related to data security compromise events, such as replacing cards associated with compromised card accounts. These attacks involving Company cards are likely to continue and could, individually or in the aggregate, have a material adverse effect on the Company's financial condition or results of operations.

It is possible that the Company may not be able to anticipate or to implement effective preventive measures against all security breaches of these types, because the techniques used change frequently, generally increase in sophistication, often are not recognized until launched, sometimes go undetected even when successful, and originate from a wide variety of sources, including organized crime, hackers, terrorists, activists, hostile foreign governments and other external parties. Those parties may also attempt to fraudulently induce employees, customers or other users of the Company's systems to disclose sensitive information to gain access to the Company's data or that of its customers or clients, such as through "phishing" and other "social engineering" schemes. Other types of attacks may include computer viruses, malicious or destructive code, denial-of-service attacks, ransomware or ransom demands. During the COVID-19 pandemic, the Company has experienced increased information security risks, primarily as a result of the increase in work-from-home arrangements. These risks may increase in the future as the Company continues to increase its mobile and internet-based product offerings and expands its internal usage of web-based products and applications, which is expected to remain elevated at least as long as the COVID-19 pandemic continues. In addition, the Company's customers often use their own devices, such as computers, smart phones and tablet computers, to

make payments and manage their accounts, and are subject to "phishing" and other attempts from cyber criminals to compromise or deny access to their accounts. The Company has limited ability to assure the safety and security of its customers' transactions with the Company to the extent they are using their own devices, which have been, and likely will continue to be, subject to such threats.

In the event that the Company's physical or cyber security systems are penetrated or circumvented, or an authorized user intentionally or unintentionally removes, loses or destroys operations data, serious negative consequences for the Company can follow, including significant disruption of the Company's operations, misappropriation of confidential Company and/or customer information, or damage to the Company's or customers' or counterparties' computers or systems. These consequences could result in violations of applicable privacy and other laws; financial loss to the Company or to its customers; loss of confidence in the Company's security measures; customer dissatisfaction; significant litigation exposure; regulatory fines, penalties or intervention; reimbursement or other compensatory costs (including the costs of credit monitoring services); additional compliance costs; and harm to the Company's reputation, all of which could adversely affect the Company.

Because the investigation of any information security breach is inherently unpredictable and would require substantial time to complete, the Company may not be able to quickly remediate the consequences of any breach, which may increase the costs, and enhance the negative consequences associated with a breach. In addition, to the extent the Company's insurance covers aspects of any breach, such insurance may not be sufficient to cover all of the Company's losses.

The Company relies on its employees, systems and third parties to conduct its business, and certain failures by systems or misconduct by employees or third parties could adversely affect its operations

The Company operates in many different businesses in diverse markets and relies on the ability of its employees and systems to process a high number of transactions. The Company's business, financial, accounting, data processing, and other operating systems and facilities may stop operating properly or become disabled or damaged as a result of a number of factors, including events that are out of its control. In addition to the risks posed by information security breaches, as discussed above, such systems could be compromised because of spikes in transaction volume, electrical or telecommunications outages, degradation or loss of internet or website availability, natural disasters, political or social unrest, and terrorist acts. The Company's business operations may be adversely affected by significant disruption to the operating systems that support its businesses and customers. If backup systems are used during outages, they might not process data as quickly as do the primary systems, resulting in the potential of some data not being backed up.

The Company could also incur losses resulting from the risk of fraud by employees or persons outside the Company, unauthorized access to its computer systems, the execution of

unauthorized transactions by employees, errors relating to transaction processing and technology, breaches of the internal control system and compliance requirements, and business continuation and disaster recovery. This risk of loss also includes the potential legal actions, fines or civil money penalties that could arise as a result of an operational deficiency or as a result of noncompliance with applicable regulatory standards, adverse business decisions or their implementation, and customer attrition due to potential negative publicity.

Third parties provide key components of the Company's business infrastructure, such as internet connections, network access and mutual fund distribution. While the Company has selected these third parties carefully, it does not control their actions. Any problems caused by third-party service providers, including as a result of not providing the Company their services for any reason or performing their services poorly, could adversely affect the Company's ability to deliver products and services to the Company's customers and otherwise to conduct its business. Replacing third-party service providers could also entail significant delay and expense. In addition, failure of third-party service providers to handle current or higher volumes of use could adversely affect the Company's ability to deliver products and services to clients and otherwise to conduct business. Technological or financial difficulties of a third-party service provider could adversely affect the Company's businesses to the extent those difficulties result in the interruption or discontinuation of services provided by that party.

Operational risks for large financial institutions such as the Company have generally increased in recent years, in part because of the proliferation of new technologies, implementation of work-from-home arrangements such as during the COVID-19 pandemic, the use of internet services and telecommunications technologies to conduct financial transactions, the increased number and complexity of transactions being processed, and the increased sophistication and activities of organized crime, hackers, terrorists, activists, and other external parties. In the event of a breakdown in the internal control system, improper operation of systems or improper employee or third-party actions, the Company could suffer financial loss, face legal or regulatory action and suffer damage to its reputation.

The Company could face material legal and reputational harm if it fails to safeguard personal information

The Company is subject to complex and evolving laws and regulations, both inside and outside the United States, governing the privacy and protection of personal information. Individuals whose personal information may be protected by law can include the Company's customers (and in some cases its customers' customers), prospective customers, job applicants, employees, and the employees of the Company's suppliers, and third parties. Complying with laws and regulations applicable to the Company's collection, use, transfer and storage of personal information can increase operating costs, impact the development and marketing of new products or services, and reduce operational efficiency. Any mishandling or misuse of personal information by the Company or a third party affiliated

with the Company could expose the Company to litigation or regulatory fines, penalties or other sanctions.

In the United States, several states have recently enacted consumer privacy laws that impose compliance obligations with respect to personal information. In particular, the California Consumer Privacy Act (the "CCPA") and its implementing regulations impose significant requirements on covered companies with respect to consumer data privacy rights. In November 2020, voters in the State of California approved the California Privacy Rights Act ("CPRA"), a ballot measure that amends and supplements the CCPA by, among other things, expanding certain rights relating to personal information and its use, collection, deletion, and disclosure by covered businesses. Compliance with the CCPA, the CPRA after it becomes effective, and other state statutes, common law, or regulations designed to protect consumer, employee, or job applicant personal information could potentially require substantive technology infrastructure and process changes across many of the Company's businesses. Non-compliance with the CCPA, CPRA, or similar laws and regulations could lead to substantial regulatory fines and penalties, damages from private causes of action, and/or reputational harm. The Company cannot predict whether any pending or future state or federal legislation will be adopted, or the substance and impact of any legislation on the Company. Future legislation could result in substantial costs to the Company and could have an adverse effect on its business, financial condition and results of operations.

In addition, standards for personal data transfers from outside the United States are constantly changing, including the revisions made by the European Economic Area and Switzerland in 2021. Compliance with these changes and any future changes to data transfer or privacy requirements could potentially require the Company to make significant technological and operational changes, any of which could result in substantial costs to the Company, and failure to comply with applicable data protection and privacy laws could subject the Company to fines or regulatory oversight.

Additional risks could arise from the failure of the Company or third parties to provide adequate disclosure or transparency to the Company's customers about the personal information collected from them and the use of such information; to receive, document, and honor the privacy preferences expressed by the Company's customers; to protect personal information from unauthorized disclosure; or to maintain proper training on privacy practices for all employees or third parties who have access to personal information. Concerns regarding the effectiveness of the Company's measures to safeguard personal information and abide by privacy preferences, or even the perception that those measures are inadequate, could cause the Company to lose existing or potential customers and thereby reduce its revenues. In addition, any failure or perceived failure by the Company to comply with applicable privacy or data protection laws and regulations could result in requirements to modify or cease certain operations or practices, and/or in material liabilities or regulatory fines, penalties, or other sanctions. Refer to

“Supervision and Regulation” in the Company’s Annual Report on Form 10-K for additional information regarding data privacy laws and regulations. Any of these outcomes could damage the Company’s reputation and otherwise adversely affect its business.

The Company could lose market share and experience increased costs if it does not effectively develop and implement new technology The financial services industry is continually undergoing rapid technological change with frequent introductions of new technology-driven products and services, including innovative ways that customers can make payments or manage their accounts, such as through the use of mobile payments, digital wallets or digital currencies. The growth of many of these technologies was accelerated as a result of the COVID-19 pandemic and the shift to increased digital activity. The Company’s continued success depends, in part, upon its ability to address customer needs by using technology to provide products and services that customers want to adopt and create additional efficiencies in the Company’s operations. When launching a new product or service or introducing a new platform for the delivery of products and services, the Company might not identify or fully appreciate new operational risks arising from those innovations or might fail to implement adequate controls to mitigate those risks. Developing and deploying new technology-driven products and services can also involve costs that the Company may not recover and divert resources away from other product development efforts. The Company may not be able to effectively develop and implement profitable new technology-driven products and services or be successful in marketing these products and services to its customers. Failure to successfully keep pace with technological change affecting the financial services industry, including because larger competitors may have more resources to spend on developing new technologies or because non-bank competitors have a lower cost structure and more flexibility, could harm the Company’s competitive position and negatively affect its revenue and profit.

Damage to the Company’s reputation could adversely impact its business and financial results Reputation risk, or the risk to the Company’s business, earnings and capital from negative public opinion, is inherent in the Company’s business. Negative public opinion about the financial services industry generally or the Company specifically could adversely affect the Company’s ability to keep and attract customers, investors, and employees and could expose the Company to litigation and regulatory action. Negative public opinion can result from the Company’s actual or alleged conduct in any number of activities, including lending practices, cybersecurity breaches, failures to safeguard personal information, discriminating or harassing behavior of employees toward other employees or customers, mortgage servicing and foreclosure practices, compensation practices, sales practices, regulatory compliance, mergers and acquisitions, and actions taken by government regulators and community organizations in response to that conduct. In addition, failure to deliver against environmental, social and governance

(“ESG”) goals and objectives could present reputational and financial harm to the Company. Many of the Company’s stakeholders, including investors, communities, customers, and employees, have increased expectations regarding how corporations are establishing and meeting ESG objectives when considering whether to conduct business with, invest in, or otherwise work with the Company. If the Company is unable to design or execute against business strategies that support ESG initiatives, reputational damage could result, leading to a loss of customers or negative investor sentiment. Although the Company takes steps to minimize reputation risk in dealing with customers and other constituencies, the Company, as a large diversified financial services company with a high industry profile, is inherently exposed to this risk.

The Company’s business and financial performance could be adversely affected, directly or indirectly, by natural disasters, pandemics, terrorist activities, civil unrest or international hostilities Neither the occurrence nor the potential impact of natural disasters, pandemics, terrorist activities, civil unrest or international hostilities can be predicted. However, these occurrences could impact the Company directly (for example, by interrupting the Company’s systems, which could prevent the Company from obtaining deposits, originating loans and processing and controlling its flow of business; causing significant damage to the Company’s facilities; or otherwise preventing the Company from conducting business in the ordinary course), or indirectly as a result of their impact on the Company’s borrowers, depositors, other customers, vendors or other counterparties (for example, by damaging properties pledged as collateral for the Company’s loans or impairing the ability of certain borrowers to repay their loans). The Company could also suffer adverse consequences to the extent that natural disasters, pandemics, terrorist activities, civil unrest or international hostilities affect the financial markets or the economy in general or in any particular region.

During the COVID-19 pandemic, the Company experienced significant disruptions to its normal operations, including the temporary closing of branches and a sudden increase in the volume of work-from-home arrangements. In addition, the Company has been indirectly negatively affected by the pandemic’s effects on the Company’s borrowers and other customers, and by its effects on global financial markets. Many of these effects are expected to continue for the duration of the pandemic and could worsen if the pandemic continues to spread or if any vaccines are not effective over the long term (including because of lack of acceptance or because of the emergence of new COVID variants), or if governmental and other responses to the pandemic are ineffective. The COVID-19 pandemic has caused, and other future natural disasters, pandemics, terrorist activities, civil unrest or international hostilities, may cause, an increase in delinquencies, bankruptcies or defaults that could result in the Company experiencing higher levels of nonperforming assets, net charge-offs and provisions for credit losses.

The United States, and in particular, the Minneapolis/St. Paul metropolitan area following the tragic events that occurred in May 2020, faced a period of significant civil unrest during 2020.

Although civil unrest has not materially affected the Company's businesses to date, similar events could, directly or indirectly, have a material adverse effect on the Company's operations (for example, by causing shutdowns of branches or working locations of vendors or other counterparties or damaging property pledged as collateral for the Company's loans).

The Company's ability to mitigate the adverse consequences of these occurrences is in part dependent on the quality of the Company's resiliency planning, and the Company's ability, if any, to anticipate the nature of any such event that occurs. The adverse effects of natural disasters, pandemics, terrorist activities, civil unrest or international hostilities also could be increased to the extent that there is a lack of preparedness on the part of national or regional emergency responders or on the part of other organizations and businesses that the Company transacts with, particularly those that it depends upon, but has no control over. Additionally, both the frequency and severity of some kinds of natural disasters, including wildfires, flooding, tornadoes and hurricanes, have increased, and the Company expects will continue to increase, as a result of climate change.

The Company's business strategy, operations, financial performance and customers could be materially adversely affected by the impacts related to climate change

There is an increasing concern over the risks of climate change and the impact that climate change may have on the Company and its customers and communities. The physical risks of climate change include increasing average global temperatures, rising sea levels and an increase in the frequency and severity of extreme weather events and natural disasters, including wildfires, floods, tornadoes and hurricanes. Climate shifts and the increasing frequency and severity of natural disasters reduce the Company's ability to predict accurately the effects of natural disasters. Such disasters could disrupt the Company's operations or the operations of customers or third parties on which the Company relies. Such disasters could also result in market volatility, negatively impact customers' ability to pay outstanding loans, damage collateral or result in the deterioration of the value of collateral. Such disasters may also result in reduced availability of insurance, including insurance that protects property pledged as collateral for Company loans, which could negatively affect the Company's ability to predict credit losses accurately.

Additionally, climate change concerns could result in transition risk. Transition risks could include changes in consumer preferences, new technologies, and additional legislation and regulatory requirements, including those associated with the transition to a low-carbon economy. These physical risks and transition risks could increase expenses or otherwise adversely impact the Company's business strategy, operations, financial performance and customers. In particular, new regulations or guidance, or the attitudes of regulators, shareholders and employees regarding climate change, may affect the activities in which the Company engages and the products that the

Company offers. In addition, an increasing perspective that financial institutions, including the Company, play an important role in managing risks related to climate change, including indirectly with respect to their customers, may result in increased pressure on the Company to take additional steps to disclose and manage its climate risks and related lending and other activities. The Company could also experience increased expenses resulting from strategic planning, litigation and technology and market changes, and reputational harm as a result of negative public sentiment, regulatory scrutiny and reduced investor and stakeholder confidence due to the Company's response to climate change and the Company's climate change strategy.

Risks associated with climate change are continuing to evolve rapidly, making it difficult to assess the effects of climate change on the Company, and the Company expects that climate change-related risks will continue to evolve and increase over time.

Regulatory and Legal Risk

The Company is subject to extensive and evolving government regulation and supervision, which can increase the cost of doing business, limit the Company's ability to make investments and generate revenue, and lead to costly enforcement actions

Banking regulations are primarily intended to protect depositors' funds, the federal Deposit Insurance Fund, and the United States financial system as a whole, and not the Company's debt holders or shareholders. These regulations, and the Company's inability to act in certain instances without receiving prior regulatory approval, affect the Company's lending practices, capital structure, investment practices, dividend policy, ability to repurchase common stock, and ability to pursue strategic acquisitions, among other activities.

The Company expects that its business will remain subject to extensive regulation and supervision and that the level of scrutiny and the enforcement environment may fluctuate over time, based on numerous factors, including changes in the United States presidential administration or one or both houses of Congress and public sentiment regarding financial institutions (which can be influenced by scandals and other incidents that involve participants in the industry). In particular, changes in administration may result in the Company and other large financial institutions becoming subject to increased scrutiny and/or more extensive legal and regulatory requirements than under prior presidential and congressional regimes. In addition, changes in key personnel at the agencies that regulate the Company, including the federal banking regulators, may result in differing interpretations of existing rules and guidelines and potentially more stringent enforcement and more severe penalties than previously experienced. New regulations or modifications to existing regulations and supervisory expectations have increased, and may in the future increase, the Company's costs over time and necessitate changes to the Company's existing regulatory compliance and risk management infrastructure. In addition,

regulatory changes may reduce the Company's revenues, limit the types of financial services and products it may offer, alter the investments it makes, affect the manner in which it operates its businesses, increase its litigation and regulatory costs should it fail to appropriately comply with new or modified laws and regulatory requirements, and increase the ability of non-banks to offer competing financial services and products.

Changes to statutes, regulations or regulatory policies, or their interpretation or implementation, and/or regulatory practices, requirements or expectations, could affect the Company in substantial and unpredictable ways. Moreover, general regulatory practices, such as longer time frames to obtain regulatory approvals for acquisitions and other activities (and the resultant impact on businesses the Company may seek to acquire), could affect the Company's ability or willingness to make certain acquisitions or introduce new products or services.

Federal law grants substantial supervisory and enforcement powers to federal banking regulators and law enforcement agencies, including, among other things, the ability to assess significant civil or criminal monetary penalties, fines, or restitution; to issue cease and desist or removal orders; and to initiate injunctive actions against banking organizations and institution-affiliated parties. The financial services industry continues to face scrutiny from bank supervisors in the examination process and stringent enforcement of regulations on both the federal and state levels, particularly with respect to mortgage-related practices, student lending practices, sales practices and related incentive compensation programs, and other consumer compliance matters, as well as compliance with Bank Secrecy Act/anti-money laundering ("BSA/AML") requirements and sanctions compliance requirements as administered by the Office of Foreign Assets Control, and consumer protection issues more generally. This heightened regulatory scrutiny, or the results of an investigation or examination, may lead to additional regulatory investigations or enforcement actions. There is no assurance that those actions will not result in regulatory settlements or other enforcement actions against the Company, which could cause the Company material financial and reputational harm. Furthermore, a single event involving a potential violation of law or regulation may give rise to numerous and overlapping investigations and proceedings, either by multiple federal and state agencies and officials in the United States or, in some instances, regulators and other governmental officials in foreign jurisdictions. In addition, another financial institution's violation of law or regulation relating to a business activity or practice often will give rise to an investigation of the same or similar activities or practices of the Company.

In general, the amounts paid by financial institutions in settlement of proceedings or investigations and the severity of other terms of regulatory settlements are likely to remain elevated. In some cases, governmental authorities have required criminal pleas or other extraordinary terms, including admissions of wrongdoing and the imposition of monitors, as part of such settlements, which could have significant consequences for a financial institution, including loss of customers, reputational

harm, increased exposure to civil litigation, restrictions on the ability to access the capital markets, and the inability to operate certain businesses or offer certain products for a period of time.

Non-compliance with sanctions laws and/or BSA/AML laws or failure to maintain an adequate BSA/AML compliance program can lead to significant monetary penalties and reputational damage. In addition, federal regulators evaluate the effectiveness of an applicant in combating money laundering when determining whether to approve a proposed bank merger, acquisition, restructuring, or other expansionary activity. There have been a number of significant enforcement actions against banks, broker-dealers and non-bank financial institutions with respect to sanctions laws and BSA/AML laws, and some have resulted in substantial penalties, including against the Company and U.S. Bank National Association in 2018.

Violations of laws and regulations or deemed deficiencies in risk management practices or consumer compliance also may be incorporated into the Company's confidential supervisory ratings. A downgrade in these ratings, or these or other regulatory actions and settlements, could limit the Company's ability to conduct expansionary activities for a period of time and require new or additional regulatory approvals before engaging in certain other business activities.

Differences in regulation can affect the Company's ability to compete effectively

The content and application of laws and regulations applicable to financial institutions vary according to the size of the institution, the jurisdictions in which the institution is organized and operates and other factors. Large institutions, such as the Company, often are subject to more stringent regulatory requirements and supervision than smaller institutions. In addition, financial technology companies and other non-bank competitors may not be subject to the prudential and consumer protection regulatory framework that applies to banks, or may be regulated by a national or state agency that does not have the same regulatory priorities or supervisory requirements as the Company's regulators. These differences in regulation can impair the Company's ability to compete effectively with competitors that are less regulated and that do not have similar compliance costs.

Stringent requirements related to capital and liquidity have been adopted by United States banking regulators that may limit the Company's ability to return earnings to shareholders or operate or invest in its business

United States banking regulators have adopted stringent capital- and liquidity-related standards applicable to larger banking organizations, including the Company. The rules require banks to hold more and higher quality capital as well as sufficient unencumbered liquid assets to meet certain stress scenarios defined by regulation. In November 2019, the federal banking regulators adopted two final rules (the "Tailoring Rules") that revised the criteria for determining the applicability of regulatory capital and liquidity requirements for large United States banking organizations, including the Company and U.S. Bank National Association, and that tailored the application of the Federal

Reserve's enhanced prudential standards to large banking organizations. Although the Tailoring Rules and other recent changes to capital- and liquidity-related rules generally have simplified the regulatory framework applicable to the Company, future changes to the implementation of these rules including the common equity tier 1 capital conservation buffer, or additional capital- and liquidity-related rules, could require the Company to take further steps to increase its capital, increase its investment security holdings, divest assets or operations, or otherwise change aspects of its capital and/or liquidity measures, including in ways that may be dilutive to shareholders or could limit the Company's ability to pay common stock dividends, repurchase its common stock, invest in its businesses or provide loans to its customers.

The effects of the COVID-19 pandemic and actions by the Federal Reserve have in the past limited and may in the future limit capital distributions, including suspension of the Company's share repurchase program or reduction or suspension of the Company's common stock dividend.

Additional capital and liquidity requirements may be imposed in the future. In December 2017, the Basel Committee finalized a package of revisions to the Basel III framework (commonly referred to as "Basel IV"). The changes are meant to improve the calculation of risk-weighted assets and the comparability of capital ratios. Federal banking regulators are expected to undertake rule-makings in future years to implement these revisions in the United States. The ultimate impact of revisions to the Basel III-based framework in the United States on the Company's capital and liquidity will depend on the final rule-makings and the implementation process thereafter.

Refer to "Supervision and Regulation" in the Company's Annual Report on Form 10-K for additional information regarding the Company's capital and liquidity requirements.

The Company is subject to significant financial and reputation risks from potential legal liability and governmental actions The Company faces significant legal risks in its businesses, and the volume of claims and amount of damages and penalties claimed in litigation and governmental proceedings against it and other financial institutions are substantial. Customers, clients and other counterparties are making claims for substantial or indeterminate amounts of damages, while banking regulators and certain other governmental authorities have focused on enforcement. The Company is named as a defendant or is otherwise involved in many legal proceedings, including class actions and other litigation. As a participant in the financial services industry, it is likely that the Company will continue to experience a high level of litigation related to its businesses and operations in the future. Substantial legal liability or significant governmental action against the Company could materially impact the Company's financial condition and results of operations (including because such matters may be resolved for amounts that exceed established accruals for a particular period) or cause significant reputational harm to the Company.

Since 2020, many financial institutions, including the Company, have received regulatory and governmental inquiries regarding participation directly or on behalf of customers and clients in United States government programs designed to support individuals, households and businesses impacted by the economic disruptions caused by the COVID-19 pandemic. The Company's participation in these and other programs used in response to the COVID-19 pandemic may lead to additional government and regulatory inquiries and litigation in the future, any of which could negatively impact the Company's business, reputation, financial condition and results of operations.

The Company may be required to repurchase mortgage loans or indemnify mortgage loan purchasers as a result of breaches in contractual representations and warranties

When the Company sells mortgage loans that it has originated to various parties, including GSEs, it is required to make customary representations and warranties to the purchaser about the mortgage loans and the manner in which they were originated. The Company may be required to repurchase mortgage loans or be subject to indemnification claims in the event of a breach of contractual representations or warranties that is not remedied within a certain period. Contracts for residential mortgage loan sales to the GSEs include various types of specific remedies and penalties that could be applied if the Company does not adequately respond to repurchase requests. If economic conditions and the housing market deteriorate or the GSEs increase their claims for breached representations and warranties, the Company could have increased repurchase obligations and increased losses on repurchases, requiring material increases to its repurchase reserve.

Credit and Mortgage Business Risk

Heightened credit risk could require the Company to increase its provision for credit losses, which could have a material adverse effect on the Company's results of operations and financial condition

When the Company lends money, or commits to lend money, it incurs credit risk, or the risk of losses if its borrowers do not repay their loans. As one of the largest lenders in the United States, the credit performance of the Company's loan portfolios significantly affects its financial results and condition. If the current economic environment were to further deteriorate, the Company's customers may have more difficulty in repaying their loans or other obligations, which could result in a higher level of credit losses and higher provisions for credit losses. Unexpected stress on the United States economy or the local economies in which the Company does business, including the economic stress caused by the COVID-19 pandemic, has resulted, and in the future may result, in, among other things, unexpected deterioration in credit quality of the loan portfolio, or in the value of collateral securing those loans, which, during the COVID-19 pandemic caused, and in the future could cause, the Company to establish higher provisions for credit losses.

The Company reserves for credit losses by establishing an allowance through a charge to earnings to provide for loan defaults and nonperformance. The Company's allowance for loan losses is compliant with the CECL methodology, which is based on the portfolio's historical loss experience, an evaluation of the risks associated with its loan portfolio, including the size and composition of the loan portfolio, current and foreseeable economic conditions and borrower and collateral quality. These conditions inform the Company's expected lifetime loss estimates of the portfolio, which is the foundation for the allowance for credit losses. These forecasts and estimates require difficult, subjective, and complex judgments, including forecasts of economic conditions and how these economic predictions might impair the ability of the Company's borrowers to repay their loans. The Company may not be able to accurately predict these economic conditions and/or some or all of their effects, which may, in turn, negatively impact the reliability of the process. The Company also makes loans to borrowers where it does not have or service the loan with the first lien on the property securing its loan. For loans in a junior lien position, the Company may not have access to information on the position or performance of the first lien when it is held and serviced by a third party, which may adversely affect the accuracy of the loss estimates for loans of these types. Increases in the Company's allowance for loan losses may not be adequate to cover actual loan losses, and future provisions for loan losses could materially and adversely affect its financial results. In addition, the Company's ability to assess the creditworthiness of its customers may be impaired if the models and approaches it uses to select, manage, and underwrite its customers become less predictive of future behaviors.

A concentration of credit and market risk in the Company's loan portfolio could increase the potential for significant losses

The Company may have higher credit risk, or experience higher credit losses, to the extent its loans are concentrated by loan type, industry segment, borrower type, or location of the borrower or collateral. For example, the Company's credit risk and credit losses can increase if borrowers who engage in similar activities are uniquely or disproportionately affected by economic or market conditions, or by regulation, such as regulation related to climate change. Deterioration in economic conditions or real estate values in states or regions where the Company has relatively larger concentrations of residential or commercial real estate could result in higher credit costs. For example, once the Company's expected acquisition of MUFG Union Bank closes, deterioration in real estate values and underlying economic conditions in California could result in significantly higher credit losses to the Company.

Changes in interest rates can impact the value of the Company's mortgage servicing rights and mortgages held for sale, and can make its mortgage banking revenue volatile from quarter to quarter, which can reduce its earnings The Company has a portfolio of MSRs, which is the right to service a mortgage loan—collect principal, interest and

escrow amounts—for a fee, with a fair value of \$3.0 billion as of December 31, 2021. The Company initially carries its MSRs using a fair value measurement of the present value of the estimated future net servicing income, which includes assumptions about the likelihood of prepayment by borrowers. Changes in interest rates can affect prepayment assumptions and thus fair value. When interest rates fall, prepayments tend to increase as borrowers refinance, and the fair value of MSRs can decrease, which in turn reduces the Company's earnings. Further, it is possible that, because of economic conditions and/or a weak or deteriorating housing market, even when interest rates fall or remain low, mortgage originations may fall or any increase in mortgage originations may not be enough to offset the decrease in the MSRs' value caused by the lower rates.

A decline in the soundness of other financial institutions could adversely affect the Company's results of operations

The Company's ability to engage in routine funding or settlement transactions could be adversely affected by the actions and commercial soundness of other domestic or foreign financial institutions. Financial services institutions are interrelated as a result of trading, clearing, counterparty or other relationships. The Company has exposure to many different counterparties, and the Company routinely executes and settles transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds, and other institutional clients. As a result, defaults by, or even rumors or questions about, the soundness of one or more financial services institutions, or the financial services industry generally, could lead to losses or defaults by the Company or by other institutions and impact the Company's predominately United States-based businesses or the less significant merchant processing, corporate trust and fund administration services businesses it operates in foreign countries. Many of these transactions expose the Company to credit risk in the event of a default by a counterparty or client. In addition, the Company's credit risk may be further increased when the collateral held by the Company cannot be realized upon or is liquidated at prices not sufficient to recover the full amount of the financial instrument exposure due the Company. There is no assurance that any such losses would not adversely affect the Company's results of operations.

Change in residual value of leased assets may have an adverse impact on the Company's financial results The Company engages in leasing activities and is subject to the risk that the residual value of the property under lease will be less than the Company's recorded asset value. Adverse changes in the residual value of leased assets can have a negative impact on the Company's financial results. The risk of changes in the realized value of the leased assets compared to recorded residual values depends on many factors outside of the Company's control, including supply and demand for the assets, condition of the assets at the end of the lease term, and other economic factors.

Liquidity Risk

If the Company does not effectively manage its liquidity, its business could suffer

The Company's liquidity is essential for the operation of its business. Market conditions, unforeseen outflows of funds or other events could negatively affect the Company's level or cost of funding, affecting its ongoing ability to accommodate liability maturities and deposit withdrawals, meet contractual obligations, and fund asset growth and new business transactions at a reasonable cost and in a timely manner. If the Company's access to stable and low-cost sources of funding, such as customer deposits, is reduced, the Company might need to use alternative funding, which could be more expensive or of limited availability. Any substantial, unexpected or prolonged changes in the level or cost of liquidity could adversely affect the Company's business.

Loss of customer deposits could increase the Company's funding costs

The Company relies on bank deposits to be a low-cost and stable source of funding. The Company competes with banks and other financial services companies for deposits, including those that offer on-line channels. If the Company's competitors raise the interest rates they pay on deposits, the Company's funding costs may increase, either because the Company raises the interest rates it pays on deposits to avoid losing deposits to competitors or because the Company loses deposits to competitors and must rely on more expensive sources of funding. Higher funding costs reduce the Company's net interest margin and net interest income. Checking and savings account balances and other forms of customer deposits may decrease when customers perceive alternative investments, such as the stock market, as providing a better risk/return tradeoff. When customers move money out of bank deposits and into other investments, the Company may lose a relatively low-cost source of funds, increasing the Company's funding costs and reducing the Company's net interest income.

The Company relies on dividends from its subsidiaries for its liquidity needs, and the payment of those dividends is limited by laws and regulations

The Company is a separate and distinct legal entity from U.S. Bank National Association and its non-bank subsidiaries. The Company receives a significant portion of its cash from dividends paid by its subsidiaries. These dividends are the principal source of funds to pay dividends on the Company's stock and interest and principal on its debt. Various federal and state laws and regulations limit the amount of dividends that U.S. Bank National Association and certain of its non-bank subsidiaries may pay to the Company without regulatory approval. Also, the Company's right to participate in a distribution of assets upon a subsidiary's liquidation or reorganization is subject to prior claims of the subsidiary's creditors, except to the extent that any of the Company's claims as a creditor of that subsidiary may be recognized. Refer to "Supervision and Regulation" in the Company's Annual Report on Form 10-K for additional information regarding limitations on the amount of dividends U.S. Bank National Association may pay.

Competitive and Strategic Risk

The financial services industry is highly competitive, and competitive pressures could intensify and adversely affect the Company's financial results

The Company operates in a highly competitive industry that could become even more competitive as a result of legislative, regulatory and technological changes, as well as continued industry consolidation, which may increase in connection with current economic and market conditions. This consolidation may produce larger, better-capitalized and more geographically diverse companies that are capable of offering a wider array of financial products and services at more competitive prices. The Company competes with other commercial banks, savings and loan associations, mutual savings banks, finance companies, mortgage banking companies, credit unions, investment companies, credit card companies, and a variety of other financial services and advisory companies. Legislative or regulatory changes also could lead to increased competition in the financial services sector. For example, the Economic Growth Act and the Tailoring Rules have reduced the regulatory burden of large bank holding companies, including the Company and some of its competitors, and raised the asset thresholds at which more onerous requirements apply, which could cause certain large bank holding companies with less than \$250 billion in total consolidated assets, which were previously subject to more stringent enhanced prudential standards, to become more competitive or to pursue expansion more aggressively.

The adoption and rapid growth of new technologies, including cryptocurrencies and blockchain and other distributed ledger technologies, have required the Company to invest resources to adapt its systems, products and services, and it expects to continue to make similar investments. In addition, technology has lowered barriers to entry and made it possible for non-banks to offer products and services, such as loans and payment services, that traditionally were banking products, and made it possible for technology companies to compete with financial institutions in providing electronic, internet-based, and mobile phone-based financial solutions. Competition with non-banks, including technology companies, to provide financial products and services is intensifying. In particular, the activity of financial technology companies ("fintechs") has grown significantly over recent years and is expected to continue to grow. Fintechs have and may continue to offer bank or bank-like products. For example, a number of fintechs have applied for bank or industrial loan charters, which, in some cases, have been granted. In addition, other fintechs have partnered with existing banks to allow them to offer deposit products or payment services to their customers. Many of these companies, including the Company's competitors, have fewer regulatory constraints, and some have lower cost structures, in part due to lack of physical structures. Also, the potential need to adapt to industry changes in information technology systems, on which the Company and financial services industry are highly dependent, could present operational issues and require capital spending. The Company's ability to

compete successfully depends on a number of factors, including, among others, its ability to develop and execute strategic plans and initiatives; developing, maintaining and building long-term customer relationships based on quality service, competitive prices, high ethical standards and safe, sound assets; and industry and general economic trends. A failure to compete effectively could contribute to downward price pressure on the Company's products or services or a loss of market share.

The Company may need to lower prices on existing products and services and develop and introduce new products and services to maintain market share

The Company's success depends, in part, on its ability to adapt its products and services to evolving industry standards. There is increasing pressure to provide products and services at lower prices. Lower prices can reduce the Company's net interest margin and revenues from its fee-based products and services. In addition, the adoption of new technologies or further developments in current technologies require the Company to make substantial expenditures to modify or adapt its existing products and services. Also, these and other capital investments in the Company's businesses may not produce expected growth in earnings anticipated at the time of the expenditure. The Company might not be successful in developing or introducing new products and services, adapting to changing customer preferences and spending and saving habits (which may be altered significantly and with little warning, such as during the COVID-19 pandemic), achieving market acceptance of its products and services, or sufficiently developing and maintaining loyal customer relationships.

The Company may not be able to complete future acquisitions, and completed acquisitions may not produce revenue enhancements or cost savings at levels or within timeframes originally anticipated, may result in unforeseen integration difficulties, and may dilute existing shareholders' interests

The Company regularly explores opportunities to acquire financial services businesses or assets and may also consider opportunities to acquire other banks or financial institutions. The Company cannot predict the number, size or timing of acquisitions it might pursue.

The Company must generally receive federal regulatory approval before it can acquire a bank or bank holding company. The Company's ability to pursue or complete an attractive acquisition could be negatively impacted by regulatory delay or other regulatory issues. The Company cannot be certain when or if, or on what terms and conditions, any required regulatory approvals will be granted. For example, the Company may be required to sell branches as a condition to receiving regulatory approval for bank acquisitions. If the Company commits certain regulatory violations, including those that result in a downgrade in certain of the Company's bank regulatory ratings, governmental authorities could, as a consequence, preclude it from pursuing future acquisitions for a period of time.

In July 2021, the United States presidential administration issued an executive order on competition, which included

provisions relating to bank mergers. These provisions encourage the Department of Justice and the federal banking regulators to update guidelines on banking mergers and to provide more scrutiny of bank mergers. A number of large bank deals that were pending at the time of the executive order have not yet obtained approval, or obtained approval on an extended time frame. The Company is unable to predict what impact the executive order or any updated guidelines on banking mergers the Department of Justice or federal banking regulators may implement will have on the timing of or ability to obtain regulatory approvals of mergers, including its pending acquisition of MUFG Union Bank. In addition, changes in personnel at the Company's federal banking regulators or shifts in public or Congressional sentiment regarding bank mergers could result in additional requirements on, or scrutiny of, bank mergers, any of which could make it more difficult for banking organizations to obtain merger approvals. The Company is unable to predict the nature or scope of any such changes, any of which could adversely affect its business or the approval of its pending acquisition of MUFG Union Bank.

If the Company's pending acquisition of MUFG Union Bank is not completed for any reason, the Company's ongoing business may be adversely affected and, without realizing any of the benefits of having completed the merger, the Company would be subject to a number of risks. These risks include potential negative reactions from the financial markets or the Company's customers, including negative effects on the Company's stock price or reputation. In addition, the Company will have incurred substantial expenses relating to the merger, including legal, accounting, and other fees, whether or not the merger is completed, and the Company's management will have devoted substantial time and resources to the merger that would otherwise have been devoted to other opportunities that may have been more beneficial for the Company.

There can be no assurance that acquisitions the Company completes will have the anticipated positive results, including results related to expected revenue increases, cost savings, increases in geographic or product presence, and/or other projected benefits. Integration efforts could divert management's attention and resources, which could adversely affect the Company's operations or results. The integration could result in higher than expected customer loss, deposit attrition, loss of key employees, disruption of the Company's businesses or the businesses of the acquired company, or otherwise adversely affect the Company's ability to maintain relationships with customers and employees or achieve the anticipated benefits of the acquisition. Also, the negative effect of any divestitures required by regulatory authorities in acquisitions or business combinations may be greater than expected. In addition, future acquisitions may also expose the Company to increased legal or regulatory risks. Finally, future acquisitions could be material to the Company, and it may issue additional shares of stock to pay for those acquisitions, which would dilute current shareholders' ownership interests.

Accounting and Tax Risk

The Company's reported financial results depend on management's selection of accounting methods and certain assumptions and estimates, which, if incorrect, could cause unexpected losses in the future

The Company's accounting policies and methods are fundamental to how the Company records and reports its financial condition and results of operations. The Company's management must exercise judgment in selecting and applying many of these accounting policies and methods, so they comply with generally accepted accounting principles and reflect management's judgment regarding the most appropriate manner to report the Company's financial condition and results of operations. In some cases, management must select the accounting policy or method to apply from two or more alternatives, any of which might be reasonable under the circumstances, yet might result in the Company's reporting materially different results than would have been reported under a different alternative.

Certain accounting policies are critical to presenting the Company's financial condition and results of operations. They require management to make difficult, subjective or complex judgments about matters that are uncertain. Materially different amounts could be reported under different conditions or using different assumptions or estimates. These critical accounting policies include the allowance for credit losses, estimations of fair value, the valuation of MSRs, and income taxes. Because of the uncertainty of estimates involved in these matters, the Company may be required to do one or more of the following: significantly increase the allowance for credit losses and/or sustain credit losses that are significantly higher than the reserve provided, recognize significant losses on the remeasurement of certain asset and liability balances, or significantly increase its accrued taxes liability. For more information, refer to "Critical Accounting Policies" in this Annual Report.

The Company's investments in certain tax-advantaged projects may not generate returns as anticipated and may have an adverse impact on the Company's financial results

The Company invests in certain tax-advantaged projects promoting affordable housing, community development and renewable energy resources. The Company's investments in these projects are designed to generate a return primarily through the realization of federal and state income tax credits, and other tax benefits, over specified time periods. The Company is subject to the risk that previously recorded tax credits, which remain subject to recapture by taxing authorities based on compliance features required to be met at the project level, will fail to meet certain government compliance requirements and will not be able to be realized. The possible inability to realize these tax credit and other tax benefits can have a negative impact on the Company's financial results. The risk of not being able to realize the tax credits and other tax benefits depends on many factors outside of the Company's control, including changes in the applicable tax code and the ability of the projects to be completed.

General Risk Factors

The Company's framework for managing risks may not be effective in mitigating risk and loss to the Company

The Company's risk management framework seeks to mitigate risk and loss. The Company has established processes and procedures intended to identify, measure, monitor, report, and analyze the types of risk to which it is subject, including liquidity risk, credit risk, market risk, interest rate risk, compliance risk, strategic risk, reputation risk, and operational risk related to its employees, systems and vendors, among others. However, as with any risk management framework, there are inherent limitations to the Company's risk management strategies as there may exist, or develop in the future, risks that it has not appropriately anticipated or identified. In addition, the Company relies on quantitative models to measure certain risks and to estimate certain financial values, and these models could fail to predict future events or exposures accurately. The Company must also develop and maintain a culture of risk management among its employees, as well as manage risks associated with third parties, and could fail to do so effectively. If the Company's risk management framework proves ineffective, the Company could incur litigation and negative regulatory consequences, and suffer unexpected losses that could affect its financial condition or results of operations.

The Company's business could suffer if it fails to attract and retain skilled employees

The Company's success depends, in large part, on its ability to attract and retain key employees. Competition for the best people in most activities the Company engages in can be intense.

COVID-19 has had significant effects on labor and employment, including heightened pressures on employers to increase compensation and provide work-from-home and other flexible working arrangements. During the COVID-19 pandemic, employees have shifted their focus to expectations that extend beyond compensation, including better work-life balance, improved advancement opportunities and improved training, and many businesses, including the Company, have experienced higher rates of turnover as a result of such changes. The Company's ability to compete successfully for talent has been and may continue to be affected by its ability to adapt quickly to such shifts in employee focus, and there is no assurance that these developments will not cause increased turnover or impede the Company's ability to retain and attract the highest caliber employees.

A downgrade in the Company's credit ratings could have a material adverse effect on its liquidity, funding costs and access to capital markets

The Company's credit ratings, which are subject credit agencies' ongoing review of a number of factors, including factors not within the Company's control, are important to the Company's liquidity. A reduction in one or more of the Company's credit ratings could adversely affect its liquidity, increase its funding costs or limit its access to the capital markets. Further, a downgrade could decrease the number of investors and counterparties willing or able, contractually or

otherwise, to do business with or lend to the Company, thereby adversely affecting the Company's competitive position. There can be no assurance that the Company will maintain its current ratings and outlooks.

Changes in accounting standards could materially impact the Company's financial statements From time to time, the Financial Accounting Standards Board and the United States Securities and Exchange Commission change the financial

accounting and reporting standards that govern the preparation of the Company's financial statements. These changes can be hard to predict and can materially impact how the Company records and reports its financial condition and results of operations. The Company could be required to apply a new or revised standard retroactively or apply an existing standard differently, on a retroactive basis, in each case potentially resulting in the Company restating prior period financial statements.

Managing Committee

Andrew Cecere

Mr. Cecere is Chairman, President and Chief Executive Officer of U.S. Bancorp. Mr. Cecere, 61, has served as President of U.S. Bancorp since January 2016, Chief Executive Officer since April 2017 and Chairman since April 2018. He also served as Vice Chairman and Chief Operating Officer from January 2015 to January 2016 and was U.S. Bancorp's Vice Chairman and Chief Financial Officer from February 2007 until January 2015. Until that time, he served as Vice Chairman, Wealth Management and Investment Services, of U.S. Bancorp since the merger of Firststar Corporation and U.S. Bancorp in February 2001. Previously, he had served as an executive officer of the former U.S. Bancorp, including as Chief Financial Officer from May 2000 through February 2001.

Elcio R.T. Barcelos

Mr. Barcelos is Senior Executive Vice President and Chief Human Resources Officer of U.S. Bancorp. Mr. Barcelos, 51, has served in this position since joining U.S. Bancorp in September 2020. From April 2018 until August 2020, he served as Senior Vice President and Chief People and Places Officer of the Federal National Mortgage Association (Fannie Mae), having served as Senior Vice President, Human Resources of the DXC Technology Company from April 2017 to March 2018. Previously, Mr. Barcelos served as Senior Vice President and Head of Human Resources for the Enterprise Services business of Hewlett Packard Enterprise Company from June 2015 to April 2017, and in other human resources senior leadership positions at Hewlett-Packard Company and Hewlett Packard Enterprise Company from July 2009 to June 2015. He previously served in various leadership roles at Wells Fargo and Bank of America.

James L. Chosy

Mr. Chosy is Senior Executive Vice President and General Counsel of U.S. Bancorp. Mr. Chosy, 58, has served in this position since March 2013. He also served as Corporate Secretary of U.S. Bancorp from March 2013 until April 2016. From 2001 to 2013, he served as the General Counsel and Secretary of Piper Jaffray Companies. From 1995 to 2001, Mr. Chosy was Vice President and Associate General Counsel of U.S. Bancorp, having also served as Assistant Secretary of U.S. Bancorp from 1995 through 2000 and as Secretary from 2000 until 2001.

Gregory G. Cunningham

Mr. Cunningham is Senior Executive Vice President and Chief Diversity Officer of U.S. Bancorp. Mr. Cunningham, 58, has served in this position since July 2020. From July 2019 until July 2020, he served as Senior Vice President and Chief Diversity

Officer of U.S. Bancorp, having served as Vice President of Customer Engagement of U.S. Bancorp from October 2015, when he joined U.S. Bancorp, until July 2019. Previously, Mr. Cunningham served in various roles in the marketing department of Target Corporation from January 1998 until March 2015.

Terrance R. Dolan

Mr. Dolan is Vice Chair and Chief Financial Officer of U.S. Bancorp. Mr. Dolan, 60, has served in this position since August 2016. From July 2010 to July 2016, he served as Vice Chair, Wealth Management and Investment Services, of U.S. Bancorp. From September 1998 to July 2010, Mr. Dolan served as U.S. Bancorp's Controller. He additionally held the title of Executive Vice President from January 2002 until June 2010 and Senior Vice President from September 1998 until January 2002.

Gunjan Kedia

Ms. Kedia is Vice Chair, Wealth Management and Investment Services, of U.S. Bancorp. Ms. Kedia, 51, has served in this position since joining U.S. Bancorp in December 2016. From October 2008 until May 2016, she served as Executive Vice President of State Street Corporation where she led the core investment servicing business in North and South America and served as a member of State Street's management committee, its senior most strategy and policy committee. Previously, Ms. Kedia was an Executive Vice President of global product management at Bank of New York Mellon from 2004 to 2008 and a Partner and associate at McKinsey from 1996 to 2004.

James B. Kelligrew

Mr. Kelligrew is Vice Chair, Corporate and Commercial Banking, of U.S. Bancorp. Mr. Kelligrew, 56, has served in this position since January 2016. From March 2014 until December 2015, he served as Executive Vice President, Fixed Income and Capital Markets, of U.S. Bancorp, having served as Executive Vice President, Credit Fixed Income, of U.S. Bancorp from May 2009 to March 2014. Prior to that time, he held various leadership positions with Wells Fargo Securities from 2003 to 2009.

Shailesh M. Kotwal

Mr. Kotwal is Vice Chair, Payment Services, of U.S. Bancorp. Mr. Kotwal, 57, has served in this position since joining U.S. Bancorp in March 2015. From July 2008 until May 2014, he served as Executive Vice President of TD Bank Group with responsibility for retail banking products and services and as Chair of its enterprise payments council. From 2006 until 2008, he served as President, International, of eFunds Corporation. Previously, Mr. Kotwal served in various leadership roles at American Express Company from 1989 until 2006, including responsibility for operations in North and South America, Europe and the Asia-Pacific regions.

Katherine B. Quinn

Ms. Quinn is Vice Chair and Chief Administrative Officer of U.S. Bancorp. Ms. Quinn, 57, has served in this position since April 2017. From September 2013 to April 2017, she served as Executive Vice President and Chief Strategy and Reputation Officer of U.S. Bancorp and has served on U.S. Bancorp's Managing Committee since January 2015. From September 2010 until January 2013, she served as Chief Marketing Officer of WellPoint, Inc. (now known as Anthem, Inc.), having served as Head of Corporate Marketing of WellPoint from July 2005 until September 2010.

Jodi L. Richard

Ms. Richard is Vice Chair and Chief Risk Officer of U.S. Bancorp. Ms. Richard, 53, has served in this position since October 2018. She served as Executive Vice President and Chief Operational Risk Officer of U.S. Bancorp from January 2018 until October 2018, having served as Senior Vice President and Chief Operational Risk Officer from 2014 until January 2018. Prior to that time, Ms. Richard held various senior leadership roles at HSBC from 2003 until 2014, including Executive Vice President and Head of Operational Risk and Internal Control at HSBC North America from 2008 to 2014. Ms. Richard started her career at the Office of the Comptroller of the Currency in 1990 as a national bank examiner.

Mark G. Runkel

Mr. Runkel is Senior Executive Vice President and Chief Transformation Officer of U.S. Bancorp. Mr. Runkel, 45, has served in this position since August 2021. From December 2013 to August 2021, he served as Senior Executive Vice President and Chief Credit Officer. From February 2011 until December 2013, he served as Senior Vice President and Credit Risk Group Manager of U.S. Bancorp Retail and Payment Services Credit Risk Management, having served as Senior Vice President and Risk Manager of U.S. Bancorp Retail and Small Business Credit

Risk Management from June 2009 until February 2011. From March 2005 until May 2009, he served as Vice President and Risk Manager of U.S. Bancorp.

Dominic V. Venturo

Mr. Venturo is Senior Executive Vice President and Chief Digital Officer of U.S. Bancorp. Mr. Venturo, 55, has served in this position since July 2020. From January 2015 until July 2020, he served as Executive Vice President and Chief Innovation Officer of U.S. Bancorp, having served as Senior Vice President and Chief Innovation Officer of U.S. Bancorp Payment Services from January 2010 until January 2015. From January 2007 to December 2009, Mr. Venturo served as Senior Vice President and Chief Innovation Officer of U.S. Bancorp Retail Payment Solutions. Prior to that time, he served as Senior Vice President and held product management positions in various U.S. Bancorp Payment Services business lines from December 1998 to December 2006.

Jeffrey H. von Gillern

Mr. von Gillern is Vice Chair, Technology and Operations Services, of U.S. Bancorp. Mr. von Gillern, 56, has served in this position since July 2010. From April 2001, when he joined U.S. Bancorp, until July 2010, Mr. von Gillern served as Executive Vice President of U.S. Bancorp, additionally serving as Chief Information Officer from July 2007 until July 2010.

Timothy A. Welsh

Mr. Welsh is Vice Chair, Consumer and Business Banking, of U.S. Bancorp. Mr. Welsh, 56, has served in this position since March 2019. Prior to that, he served as Vice Chair, Consumer Banking Sales and Support since joining U.S. Bancorp in July 2017. From July 2006 until June 2017, he served as a Senior Partner at McKinsey & Company where he specialized in financial services and the consumer experience. Previously, Mr. Welsh served as a Partner at McKinsey from 1999 to 2006.

Directors

Andrew Cecere^{1,3,7}

Chairman, President and Chief Executive Officer
U.S. Bancorp

Warner L. Baxter^{2,4}

*Executive Chairman and Former Chairman,
President and Chief Executive Officer*
Ameren Corporation
(Energy)

Dorothy J. Bridges^{1,6,7}

Former Senior Vice President
Federal Reserve Bank of Minneapolis
(Government)

Elizabeth L. Buse^{2,3}

Former Chief Executive Officer
Monitise PLC
(Financial services)

Kimberly N. Ellison-Taylor^{2,6}

Founder and Chief Executive Officer
KET Solutions, LLC
(Technology)

Kimberly J. Harris^{1,3,5}

Retired President and Chief Executive Officer
Puget Energy, Inc.
(Energy)

Roland A. Hernandez^{1,3,5}

Founding Principal and Chief Executive Officer
Hernandez Media Ventures
(Media)

Olivia F. Kirtley^{1,4,5}

Business Consultant
(Consulting)

Karen S. Lynch^{1,2,4}

President and Chief Executive Officer
CVS Health Corporation
(Health care)

Richard P. McKenney^{1,5,7}

President and Chief Executive Officer
Unum Group
(Financial protection benefits)

Yusuf I. Mehdi^{6,7}

Corporate Vice President
Microsoft Corporation
(Technology)

John P. Wiehoff^{6,7}

Retired Chairman and Chief Executive Officer
C.H. Robinson Worldwide, Inc.
(Transportation and logistics services)

Scott W. Wine^{1,2,4}

Chief Executive Officer
CNH Industrial N.V.
(Agricultural machinery)

1. Executive Committee

2. Audit Committee

3. Capital Planning Committee

4. Compensation and Human Resources Committee

5. Governance Committee

6. Public Responsibility Committee

7. Risk Management Committee

CORPORATE INFORMATION

Executive offices

U.S. Bancorp
800 Nicollet Mall
Minneapolis, MN 55402

Common stock transfer agent and registrar

Computershare acts as our transfer agent and registrar, dividend paying agent and dividend reinvestment plan administrator and maintains all shareholder records for the Company. Inquiries related to shareholder records, stock transfers, changes of ownership, lost stock certificates, changes of address and dividend payment should be directed to the transfer agent at:

Computershare
P.O. Box 505000
Louisville, KY 40233
Phone: 888.778.1311 or
201.680.6578 (international calls)

computershare.com/investor

Registered or Certified Mail:
Computershare
462 South 4th Street, Suite 1600
Louisville, KY 40202

Telephone representatives are available weekdays from 8 a.m. to 6 p.m., Central Time, and automated support is available 24 hours a day, seven days a week. Specific information about your account is available on Computershare's Investor Center website.

Independent auditor

Ernst & Young LLP serves as the independent auditor for U.S. Bancorp's financial statements.

Common stock listing and trading

U.S. Bancorp common stock is listed and traded on the New York Stock Exchange under the ticker symbol USB.

Dividends and reinvestment plan

U.S. Bancorp currently pays quarterly dividends on our common stock on or about the 15th day of January, April, July and October, subject to approval by our Board of Directors. U.S. Bancorp shareholders can choose to participate in a plan that provides automatic reinvestment of dividends and/or optional cash purchase of additional shares of U.S. Bancorp common stock. For more information, please contact our transfer agent, Computershare.

Investor relations contact

Jennifer A. Thompson, CFA
Executive Vice President
Investor Relations
jen.thompson@usbancorp.com
Phone: 612.303.0778 or 866.775.9668

Financial information

U.S. Bancorp news and financial results are available through our website and by mail.

Website: For information about U.S. Bancorp, including news, financial results, annual reports and other documents filed with the Securities and Exchange Commission, visit usbancorp.com and click on About Us.

Mail: At your request, we will mail to you our quarterly earnings, news releases, quarterly financial data reported on Form 10-Q, Form 10-K and additional copies of our annual reports. Please contact:

U.S. Bancorp Investor Relations
800 Nicollet Mall
Minneapolis, MN 55402
investorrelations@usbancorp.com
Phone: 866.775.9668

Media requests

David R. Palombi
Global Chief Communications Officer
Public Affairs and Communications
david.palombi@usbancorp.com
Phone: 612.303.3167

Privacy

U.S. Bancorp is committed to respecting the privacy of our customers and safeguarding the financial and personal information provided to us. To learn more about the U.S. Bancorp commitment to protecting privacy, visit usbancorp.com and click on Privacy.

Accessibility

U.S. Bancorp is committed to providing ready access to our products and services so all of our customers, including people with disabilities, can succeed financially. To learn more, visit usbancorp.com and click on Accessibility.

Ethics

At U.S. Bancorp, our commitment to high ethical standards guides everything we do. Demonstrating this commitment through our words and actions is how each of us does the right thing every day for our customers, shareholders, communities and each other. Our ethical culture has been recognized by the Ethisphere® Institute, which named us to its World's Most Ethical Companies® list for the seventh time in 2021.

Each year, every employee certifies compliance with the letter and spirit of our Code of Ethics and Business Conduct.

For details about our Code of Ethics and Business Conduct, visit usbancorp.com and click on About Us and then Investor Relations and then Corporate Governance and then Governance Documents.

Diversity, equity and inclusion

At U.S. Bancorp, embracing diversity, championing equity and fostering inclusion are business imperatives. We view everything we do through a diversity, equity and inclusion lens to deepen our relationships with our stakeholders: our employees, customers, shareholders and communities.

Our employees bring their whole selves to work. We respect and value each other's differences, strengths and perspectives, and we strive to reflect the communities we serve. This makes us stronger, more innovative and more responsive to our diverse customers' needs.

To learn more about our commitment to diversity, equity and inclusion, visit usbancorp.com/diversity.

Equal opportunity and affirmative action

U.S. Bancorp and our subsidiaries are committed to providing Equal Employment Opportunity to all employees and applicants for employment. In keeping with this commitment, employment decisions are made based on abilities, not race, color, religion, creed, citizenship, national origin or ancestry, gender, age, disability, veteran status, sexual orientation, marital status, gender identity or expression, genetic information or any other factors protected by law. The Company complies with municipal, state and federal fair employment laws, including regulations applying to federal contractors.

U.S. Bancorp, including each of our subsidiaries, is an equal opportunity employer committed to creating a diverse workforce.

©2022 U.S. Bancorp



800 Nicollet Mall
Minneapolis, MN 55402
800.USBANKS (872.2657)
[usbank.com](https://www.usbank.com)

Dear Ms. Walton and Ms. Heinrichs,

Thank you for the opportunity to bid on Nebraska's Prepaid Card RFP. We've enjoyed our partnership with the State and are hopeful for it to continue for the foreseeable future.

On the next tab titled "U.S. Bank Pricing" we've included a breakdown of our cardholder fee schedules. For clarity we are including this cover sheet to indicate which pricing is for which programs.

*Pricing listed under "Non-portable" is for our ReliaCard programs (Unemployment Insurance, Child Support, Workers Comp, Retirement, etc.)

*Pricing listed under "Portable" is for our Focus Card program (payroll)

*Pricing listed under "Other" is for our Elan Prepaid Card program (Inmate Work Release)

Please note that it is our intention to keep pricing the same for all card programs in place today, including the fee-free Rewards Card program.

Sincerely,

Tyler Vickery, Kelli Keller and Anna Milbach

This is a no cost contract for the State of Nebraska. Bidder is required to provide a fee schedule that itemizes the cost and fees associated with these programs that will be paid by the cardholder, example ATM withdrawal fee. The State wishes to minimize cost to the cardholders as much as possible. The bidder shall clearly describe any terms associated with how the fees will be assessed. For example, whether a particular fee would only be charged after some number of withdrawal transactions or whether a particular fee would only be charged using a non bidder ATM.

In the event there are fees associated with the services solicited by the RFP that are not listed on the cost sheet below, the bidder shall list all such additional fees that could be charged under the contract resulting from this RFP in the "Other Cost" section below. The bidder should specify the unit of measure and any maximum caps and follow the same format as this cost sheet.

[illegible]

STORE VALUE CARDS - PORTABLE			Volume	UOM	Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8		Renewal 1		Renewal 2	
Monthly Account Maintenance Fee			1	Monthly	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Point of Sale Fees for signature debit transaction			80,890	Per Transaction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Point of Sale Fees for PIN-based transaction (including "cash back")			2,731	Per Transaction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Point of Sale Fees for signature transaction (no "cash back")			52,995	Per Transaction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfer of Funds to another account held by the same cardholder outside current bidder			1	Per Transfer	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!
Transfer of Funds to another account held by the same cardholder with the same bidder			1	Per Transfer	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!	N/A	#VALUE!
Transfer of Funds to optional savings account tied to the Store Value Card			1	Per Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Monthly Inactivity Fee *Bidder must specify at what timeframe fee is charged			1	Monthly	\$1 after 365	#VALUE!	\$1 after 365	#VALUE!	\$1 after 365	#VALUE!	\$1 after 365	#VALUE!	\$1 after 365	#VALUE!	\$1 after 365	#VALUE!	\$1 after 365	#VALUE!	\$1 after 365	#VALUE!	\$1 after 365	#VALUE!	\$1 after 365	#VALUE!
Account Overdraft Fee *Bidder must specify any circumstance that the fee is waived for cardholders			1	Per Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
ATM ACTIVITY			Volume	UOM	Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8		Renewal 1		Renewal 2	
ATM Withdrawal Service Fee			1	Per Transaction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
ATM owned by bidder			1	Per Transaction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
ATM Withdrawal Service Fee All other ATMs			1	Per Transaction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
ATM Withdrawal Surcharge			1	Per Transaction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
ATM owned by bidder			1	First Transaction per Month	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
ATM Withdrawal Surcharge All other ATMs			1	Additional Transaction(s) per Month	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	\$ 1.00000	
ATM Balance Inquires			1	Per Inquiry	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
ATM Declines			1	Per Transaction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Cash Withdrawal at bidder teller			262	Per Transaction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CUSTOMER SERVICE/BIDDER WEBSITE			Volume	UOM	Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8		Renewal 1		Renewal 2	
Customer Service - VRU balance inquiries			1	Per Inquiry	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Customer Service - IVR/ARU menu calls			1	Per Call	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Customer Service Live representative call			1	Per Call	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Bidder website access to balance, transaction history, etc.			1	Online Access Monthly	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Online Statement			1	Per Statement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
STATEMENTS			Volume	UOM	Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8		Renewal 1		Renewal 2	
Paper Statement Fee			1	Per Statement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Statement Replacement			1	Per Statement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
CARD REPLACEMENTS			Volume	UOM	Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8		Renewal 1		Renewal 2	
Emergency Card Replacement (2 business days) - 1st time			1	Per Card	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	
Emergency Card Replacement (2 business days) - after 1st time			1	Per Card	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	\$ 15.00	
Non-Emergency Card Replacement 5 business days) 1st time			(3-	1	Per Card	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Non-Emergency Card Replacement 5 business days) after 1st time			(3-	1	Per Card	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	
HOME BILL PAYMENT SERVICES			Volume	UOM	Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8		Renewal 1		Renewal 2	
Standard Bill Pay Transaction			1	Per Transaction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Bill Pay Stop Payment			1	Per Stop Payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Bill Pay Return			1	Per Return	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Bill Pay Proof of Payment Request			1	Per Request	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Bill Pay Research			1	Per Hour	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
OTHER FEES			Volume	UOM	Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8		Renewal 1		Renewal 2	
Secondary Card			1	Per Card	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Contactless Card			1	Per Card	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Foreign Currency Conversion			1	Per Transaction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
POS Decline			1	Per Transaction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Email Account Information			1	Per Communication	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Text Messaging Account Information			1	Per Communication	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
					#VALUE!		#VALUE!		#VALUE!		#VALUE!		#VALUE!		#VALUE!		#VALUE!		#VALUE!		#VALUE!		#VALUE!	

PREPAID DEBIT CARD AGREEMENT

This Prepaid Debit Card Agreement (this “Agreement”) is dated the 1st day of July, 2023 between U.S. BANK NATIONAL ASSOCIATION, a national banking association (“U.S. Bank”), and STATE OF NEBRASKA (the “State”).

U.S. Bank is a member of Card Networks and issues Card Network-branded debit cards, check cards, prepaid debit cards and other banking cards to cardholders; and

State is a government agency seeking to dispense payments to individual recipients via Card Network-branded prepaid debit cards; and

U.S. Bank is willing to issue prepaid debit cards and perform related services to support the State’s program, subject to the terms and conditions set forth in this Agreement.

THEREFORE, in consideration of the mutual promises set forth in this Agreement, U.S. Bank and State agree as follows:

Article 1 DEFINITIONS

For the purposes of this Agreement, the following definitions will apply:

“Account” means a prepaid debit card account operating through a centralized pool or funds, with an individual sub-account set up for each participating Cardholder, funded through periodic deposits made by State, and accessible using a prepaid debit card issued by U.S. Bank.

“ACH” means the Automated Clearing House consisting of a collection of electronic interbank networks used to process transactions electronically.

“Adequate Identity Verification” means a process for verifying the identity of each Recipient that enables State to form a reasonable belief that it knows the true identity of each Bona Fide Recipient. At a minimum, identity verification must include verification of Recipient’s First Name, Last Name, Full Address, Date of Birth and Tax Identification Number.

“Administrative Web Portal” means the proprietary web-based prepaid administrative portal hosted by U.S. Bank that State may use to enroll Cardholders, load and activate Cards, manage Card inventory, and view reports regarding the Program.

“Affiliate” means, with respect to a party, any Person that is directly or indirectly in Control of, is under the Control of, or is under common Control with that party, as of the date of this Agreement or thereafter.

“Applicable Law” means with respect to any party, any law, ordinance, statute, treaty, rule, judgment, regulation or other determination or finding of or agreement with any arbitrator, court or other governmental authority applicable to or binding upon a party or to which a party is subject, whether federal, state, county, local, municipal, or otherwise.

“ATM” means an automated teller machine.

“Bona Fide Recipient” means a Recipient whose identity has been confirmed through Adequate Identity Verification and who, to the best of State’s knowledge and ability, qualifies for the intended benefit.

“Business Day” means any day other than a Saturday, Sunday or federal or State legal holiday.

“Card” means a prepaid debit product bearing U.S. Bank Marks and either Visa Marks or MasterCard Marks.

“Card Collateral” refers to the Cardholder Agreements, promotional materials, and any other documents, disclaimers, notices, and disclosures provided by U.S. Bank for delivery to Cardholders in the manner directed by U.S. Bank.

“Cardholder” means a Person who requests and receives a Card under the Program.

“Cardholder Agreement” means the written agreement between U.S. Bank and each Cardholder that will govern the terms and conditions of each Card and the related Account.

“Cardholder Data” has the same meaning for same term as defined in the Payment Card Industry - Data Security Standards, as promulgated by the Card Networks from time to time.

“Card Network” refers to Visa U.S.A., Inc., Visa International, Inc., Plus System, Inc., MasterCard International Inc., Maestro, or Cirrus System, Inc.

“Card Security Guidelines” refer to the written instructions provided to State by U.S. Bank describing the way State must securely store any Card stock in its possession and control, as the same may be modified from time to time. U.S. Bank’s current Card Security Guidelines are attached as Exhibit C to this Agreement.

“State Marks” refers to the State’s name, as well as any other logo, trademark, or service mark owned by State.

“State Representatives” mean those Persons that State has authorized to transmit information to U.S. Bank or to whom State has granted access to the Administrative Web Portal. State may assign differing levels of authority to its State Representatives from the menu of options offered in the System.

“Confidential Information” means proprietary information belong to a party, including but not limited to, its marketing philosophies and objectives, promotional materials and efforts, financial results, technological developments, customer names, addresses, and other identification information, prepaid debit card account numbers, account information, and other similar confidential or proprietary information and materials. Confidential information does not include information that either party must disclose to the public under State or federal law.

“Control” means the possession, directly or indirectly, of 50% or more of the voting power for the election of directors of any entity, or the power to direct or cause the direction of the management and policies of that entity, whether through ownership of voting rights, by contract, or otherwise.

“Disbursement” means the loading of funds onto an individual Card by State.

“Disbursement Amount” refers to the dollar value to be loaded onto a Cardholder’s Account.

“Fee Schedule” refers to the schedule of fees and costs set forth in Exhibit B to this Agreement.

“Force Majeure Event” means any cause or event of any nature whatsoever beyond the reasonable control of a party, including strikes, riots, earthquakes, epidemics, terrorist actions, wars, fires, floods, weather, power failure, telecommunications outage, acts of God or other failures, interruptions or errors not directly caused by that party.

“Funding Account” means a centralized pool of funds held at U.S. Bank with a digitally segregated sub-account set up for State that is funded through periodic deposits with U.S. Bank by State (by means of ACH transfers or otherwise) and which is accessible through the use of a (real or virtual)

prepaid debit card issued and serviced by U.S. Bank. The Funding Account will only be used by State to make Disbursements to Cards.

“MasterCard Marks” means all names, logos, trademarks, and service marks owned by MasterCard Worldwide and its subsidiaries in the United States.

“Network Rules” means the applicable by-laws and operating rules of any electronic funds payment network, including rules promulgated by any Card Network or the National Automated Clearinghouse Association.

“Person” means any corporation, company, group, partnership, other entity, or individual.

“Personalized Card” means a Card issued pursuant the Program for a particular Cardholder that bears the respective Cardholder’s name.

“PLUS SYSTEM Marks” means the service marks “PLUS SYSTEM” and a certain diamond design, which are registered as United States Registration No. 1,116,468 dated April 10, 1979 for PLUS SYSTEM, Registration No. 1,120,179 dated June 12, 1979 for a diamond design, Registration No. 1,117,432 dated May 1, 1979 for PLUS SYSTEM used in conjunction with the diamond design, and all of which are owned by Visa International Inc.

“POC” means that individual designated by a party to serve as that party’s primary point-of-contact with respect the implementation and administration of the Program.

“Program” means the program between U.S. Bank and State for the issuance of Cards to Cardholders, according to the terms of this Agreement.

“Program Description” means the description of certain features of State’s Program and the duties of the parties in relation to the Program found in Exhibit A to the Agreement.

“Program Launch” means the date the first Disbursement is made onto a Card under the Program other than loads made to any test cards.

“Public Records Laws” shall mean the state laws and regulations applicable to the State as a government agency that governs the rights of members of the public to obtain documents and other records from the State.

“Recipient” means an individual receiving disbursements or payments from the State.

“RII Card” means a non-personalized instant issue Card issued pursuant to the Program.

“RII Cardholder” means a Person who requests and receives an RII Card.

“Subcontractor” means any subcontractor, vendor, or third party retained by U.S. Bank to perform some or all of its obligations under this Agreement.

“Subsidiary” means any corporation or other entity under the Control of a party, either directly or through one or more of its Subsidiaries.

“System” refers to the U.S. Bank Processing System. The System consists of digital applications, procedures, forms and other related materials that have been acquired or developed by U.S. Bank.

“U.S. Bank Marks” refers to the names “US Bank” and “US Bancorp” and the US Bank and shield design, U.S. Trademark Registration No. 2,247,139, registered on May 25, 1999, which are owned by U.S. Bancorp or one or more of its Subsidiaries, as well as any other trademark or service marks owned by U.S. Bancorp that include the terms “US Bank” (“UBANK,” “US,” “U”) or “US Bancorp,” however these terms may be capitalized or punctuated.

“Visa Marks” refers to the “Visa” service mark and the Three Bands Design, along with all other logos, trademarks and service marks owned by Visa U.S.A. or Visa International, Inc.

Article 2 PROGRAM LAUNCH

2.1 Prior to Program Launch. To assist the federal government of the United States of America in preventing the funding of terrorism and money launderings, the law of the United States of America requires all financial institutions to obtain, verify and record information that identifies each Person that opens an account. Accordingly, prior to Program Launch, State shall provide to U.S. Bank its legal entity name, street address, taxpayer identification number and other information that will allow U.S. Bank to adequately identify State prior to establishing an Account funded by State. U.S. Bank may, upon request, require State to promptly provide U.S. Bank with any additional documentation regarding the identity of State or its principals that U.S. Bank believes is necessary for U.S. Bank to meet its obligations to comply with all Applicable Laws.

2.2 Program Launch. U.S. Bank and State will use commercially reasonable efforts to cooperate in the timely implementation of the Program according to the terms of this Agreement.

Article 3 MARKS AND LOGOS

3.1 Use of State Marks. State hereby grants to U.S. Bank a non-exclusive, non-transferable limited license to use any State Marks in connection with the Program, which uses include, without limitation, advertising, promotional and public relations materials, Card Collateral and any other item reasonably necessary to the establishment, operation or advancement of the Program. Subject to the prior written approval of State, whose written approval will not be unreasonably withheld or delayed, U.S. Bank may use State Marks for other promotional purposes in connection with the Program. State shall be deemed to have approved the proposed use if State fails to disapprove U.S. Bank’s request in writing within 15 Business Days following the date when U.S. Bank’s written request for approval was made to State. U.S. Bank hereby accepts this license subject to the terms and conditions provided in this section. This limited license will terminate upon termination of this Agreement; provided, that U.S. Bank will be afforded six months following the termination of this Agreement to replace all documentation relating to the Program with documentation that does not bear State Marks as part of the orderly termination of the Program. U.S. Bank acknowledges that State or its Affiliates are the owners of the State Marks, and U.S. Bank will have no right, title or interest in the State Marks other than the license specifically granted in this section, and U.S. Bank will do nothing inconsistent with such ownership.

3.2 Use of U.S. Bank Marks. U.S. Bank hereby grants to State a non-exclusive non-transferable limited license to use the U.S. Bank Marks solely in connection with the Program. State acknowledges that it has no right, title or interest in and will not use the U.S. Bank Marks without U.S. Bank’s specific prior written consent, which consent will not be unreasonably withheld or delayed if the proposed use thereof by State is for advertising or promoting the Program. State hereby accepts this license subject to the terms and conditions provided in this section. This limited license terminates upon termination of this Agreement. State acknowledges that U.S. Bancorp, or one or more of its Affiliates or Subsidiaries, is the owner of the U.S. Bank Marks. State will have no right, title or interest in the U.S. Bank Marks other than the license specifically granted in this section, and State will not do anything inconsistent with such ownership.

3.3 Third Party Marks. State has no right, title or interest in, nor will State use, any PLUS SYSTEM Marks, Visa Marks, or MasterCard Marks without specific prior written consent of the owner of the mark.

3.4 Additional Mark Provisions. To the extent such use is permitted under this Agreement, a party may only use the other party's name and marks only in the form and manner and with appropriate legends as prescribed from time to time by the owner of such name or mark, and except as otherwise set forth in this Agreement, a party will not use any other trademark or service mark in combination with such other party's name or mark without the prior written approval of the owner of such name or trademark. Each party will promptly notify the other party of any unauthorized use by others of such other party's name or mark, which may come to such other party's attention. Each party has the sole right and discretion to bring infringement or unfair competition proceedings involving its own name or mark.

Article 4 RESPONSIBILITIES OF U.S. BANK

4.1 Card Issuance.

(a) U.S. Bank will issue a Card to a Recipient following State's notification to U.S. Bank of State's receipt of the Recipient's request for a Card, but only after U.S. Bank completes its review and processing of that Recipient's request in accordance with U.S. Bank's internal procedures and eligibility criteria, as the same may be adopted from time to time by U.S. Bank in its sole discretion.

(b) U.S. Bank may, in its sole discretion, undertake periodic reviews of Cardholders and their Accounts to manage risks associated with fraudulent card use and other Account activity which has the potential of exposing U.S. Bank to financial loss. U.S. Bank reserves the right to take any necessary actions to stop such activity on the Account. For any Account closed pursuant to this section, subsequent transmission of any Disbursement will be rejected and any balance remaining on the Card at the time of closure will be returned to the State. A report will be generated confirming such rejection and the return of funds. U.S. Bank will notify State in writing of any actions taken pursuant to this section within ten Business Days.

(c) With respect to RII Cards, U.S. Bank shall provide State with access to the Administrative Web Portal which will allow State to enroll, register and load RII Cards on a near-instantaneous basis for distribution to RII Cardholders. RII Cardholders who receive RII Cards shall receive them from State in a pre-activated status or ready to activate status, and with or without funds loaded by State in State's discretion. U.S. Bank shall ensure each such RII Card may continue to be used for such purpose until RII Card expiration or depletion of funds on the RII Card. U.S. Bank shall record the issuance of each RII Card and track RII Card issuance, usage, fee collection and closure. RII Card inventory shall be distributed to State (if State utilizes multiple RII issuance locations, RII Card stock delivery charges will be paid by State, per a method acceptable to U.S. Bank in its discretion), who shall be responsible for the security and distribution of RII Cards. To the extent there is any conflict between a term referring to "RII Cards" and any other term referring to "Cards" in general, the term referring specifically to "RII Cards" shall control with respect to RII Cards.

(d) With respect to Personalized Cards, U.S. Bank will place Personalized Cards in the mail to each Recipient of State who elects to receive a Personalized Card no later than ten Business Days following U.S. Bank's receipt from State of a request for same containing complete and accurate information regarding the Cardholder as required by U.S. Bank. Also, upon the request of an RII Cardholder, U.S. Bank will issue to such RII Cardholder a Personalized Card as a replacement Card. The

RII Card being replaced will remain active until the Cardholder activates the new Personalized Card. The new Personalized Card will access the same Account tied to such RII Card.

(e) State may opt to offer its Recipients (i) only RII Cards, (ii) only Personalized Cards, or (iii) both RII Cards and Personalized Cards under the Program.

(f) Notwithstanding anything in this Agreement to the contrary, U.S. Bank may refuse to issue a Card to any Person if U.S. Bank determines that the issuance or use of the Card would violate a Network Rule or any Applicable Law, or would otherwise create risk to U.S. Bank.

4.2 Design and Manufacture of Cards.

(a) U.S. Bank will purchase plastic stock and be responsible for ordering, embossing, encoding and delivering Cards. U.S. Bank will provide a standard card design. Each Card will bear the U.S. Bank Marks and the marks of the appropriate Card Network.

(b) U.S. Bank will bear the expense of manufacturing standard-issue Cards issued to Cardholders; provided, however, that State will bear any additional manufacturing or printing expense incurred as a result of a special or custom Card design requested by State. Both U.S. Bank and State must agree that a special or custom Card design is required and jointly approve the design.

4.3 Design of Statements and Card Collateral.

(a) U.S. Bank will produce Account statements and Card Collateral, subject to all Applicable Laws and Network Rules, using designs created by U.S. Bank. U.S. Bank will bear all costs and expenses for the design, printing and production of the Account statements and Card Collateral; provided, however, that State will bear any additional manufacturing, printing or operating expense incurred as a result of a request by State to redesign the Account statements or Card Collateral. Both U.S. Bank and State must agree that the redesign is required and jointly approve the new design.

(b) U.S. Bank will be responsible for the provision to Cardholders of monthly Account statements that will contain information relating to transactions performed with their Cards. U.S. Bank may, in its discretion, provide Cardholders with electronic statements accessible via the internet or paper statements.

4.4 U.S. Bank Operational Responsibilities. U.S. Bank shall administer the Program in accordance with the Program Description. U.S. Bank is also responsible for Account set-up, Card fulfilment, Account reconciliation, responding to Cardholder inquiries, chargeback processing, Disbursement processing, interaction with Card Network systems, transaction processing, and collections. U.S. Bank will not be responsible for determining the amounts to be paid to Cardholders or the calculation of Cardholder Disbursement Amounts.

4.5 U.S. Bank Customer Service. U.S. Bank will maintain a trained staff to assist State with Cardholder inquiries or complaints regarding the Program.

4.6 Provision of Program Information.

(a) U.S. Bank shall provide information to State for each month in which Cards are issued and outstanding, including but not limited to Card registration, order and load verification reports.

(b) Any and all information State receives from U.S. Bank regarding the Program shall be deemed to be Confidential Information of U.S. Bank, and may only be used by State in connection with the Program, excepted as required under applicable Public Records Laws.

(c) In no event will U.S. Bank be obligated to provide any information to State in violation of any Applicable Law, Network Rule, or policy adopted by U.S. Bank.

4.7 Compliance with Applicable Law. U.S. Bank shall cause the Program to comply with all Applicable Laws in all material respects, including but not limited to compliance with applicable state escheatment laws.

Article 5 RESPONSIBILITIES OF STATE

5.1 Adequate Identity Verification and Enrollment of Recipients. State will notify U.S. Bank of Recipient's request for a Card only after it has received a request by the Recipient to receive benefits on the Card. If the percentage of unfunded Cards exceeds 20 percent of enrollments, State will reimburse U.S. Bank three dollars for each additional unfunded Card. State will ensure that all Cardholders enrolled in the Program, other than companion Cardholders, are Bona Fide Recipients of State prior to Card issuance. U.S. Bank shall not be responsible for any damages, including additional expenses for screening or investigation, associated with Cards registered to individuals who fraudulently applied for benefits. State will reimburse U.S. Bank for the costs of identity verification if State is unable to perform Adequate Identity Verification prior to enrollment. State understands that U.S. Bank must collect identifying information and verify the identities of all prospective cardholders as required by the USA PATRIOT Act and any other government or industry regulatory requirements. Further, State acknowledges that any Cardholders who do not pass initial or ongoing identify verification or OFAC screening will be denied a Card or have their Card suspended. The denial of a Card to a Recipient under this section may not be deemed cause for termination of this Agreement by State.

5.2 State Program Offering. Beginning no later than the Program Launch, State will begin to offer Recipients the option of receiving payments from State in an Account. U.S. Bank will design and produce marketing materials for the Program. State will arrange for and coordinate the marketing and promotion of the availability of Cards to Recipients. State will not distribute any marketing or promotional material unless such material has been reviewed and approved by U.S. Bank.

5.3 Funding of Accounts. State shall utilize a good funds method of settlement and must have a sufficient amount of immediately available funds on deposit in the Funding Account to fund any Disbursement to a Card. U.S. Bank will not be liable to State for, and State will hold U.S. Bank harmless from, any claims arising from the refusal by U.S. Bank to load a Disbursement onto a Card if there are insufficient funds available in the Funding Account to cover the Disbursement Amount.

5.4 Transmission of Disbursements. State Representatives may use a batch process or the Administrative Web Portal to process Disbursements. State shall provide complete and accurate information to U.S. Bank regarding each Disbursement. State Representatives will be solely responsible for the accuracy of Disbursement Amounts transmitted to U.S. Bank, and any changes thereto.

5.5 Erroneous Disbursements. State may seek to reverse any Disbursement loaded onto a Card in error, provided that sufficient funds remain available on the applicable Card to recover the erroneous Disbursement. State will be responsible for all Disbursements, including those made in error, except when the error is attributable to U.S. Bank. U.S. Bank will not be obligated to assist State in collecting erroneous Disbursements, except when the erroneous Disbursement is attributable to the actions or negligence of U.S. Bank.

5.6 Compensation to U.S. Bank. U.S. Bank will be permitted to charge Cardholders the fees set forth in the Fee Schedule. U.S. Bank may change the Fee Schedule at any time. In the event of an increase to any fee or the introduction of a new fee, U.S. Bank will provide Cardholders notice thereof in

a manner that complies with all Applicable Laws. U.S. Bank will also provide a corresponding email notice of an increase to any fee or the introduction of a new fee to State's POC.

5.7 Training. State shall be responsible for identifying State locations that will be used to enroll, load and activate Cards. U.S. Bank shall provide State with its standard initial "train-the-trainer" approach, and will provide State with a support number that State Representatives can call for assistance regarding the Program. State is solely responsible for training its State Representatives on how to administer the Program and how to answer questions from Recipients about the Program.

5.8 Cardholder Enrollment. Following State's identity and eligibility verification of a Recipient as required in Section 5.1, at the time of each Card enrollment, State shall provide U.S. Bank with the Cardholder enrollment information set forth in the Program Description. Data entry of Card identification numbers and Cardholder information may only be made by State Representatives. State will be liable for any errors in transmission made by its employees or State Representatives. Unless otherwise agreed to in advance and in writing by U.S. Bank, State may only enroll and register RII Cardholders who are physically present at a designated State location at the time of enrollment. State shall distribute RII Cards, RII Card Collateral, and all U.S. Bank designated disclosure documents to RII Cardholders in the form and manner prescribed in the Program Description and State Guidelines.

5.9 Card Security and Inventory Control. State shall securely store any Card stock in its possession and control and maintain its RII Card inventory in accordance with the Card Security Guidelines. State shall bear all risk of loss and any associated liability for Cards lost or stolen while under its control. State will permit U.S. Bank to monitor and audit State's compliance with the Card Security Guidelines during regular business hours upon two Business Days' advance notice to State. State shall provide U.S. Bank copies of any applicable audits and test results acquired by State in relation to its obligations under this section.

Article 6

PROGRAM POLICIES AND ACCOUNT ATTRIBUTES

6.1 Card Account Policies. U.S. Bank will have full responsibility for, and will retain full control of all policies and operational aspects relating to the Program (except for the obligations established in Section 5.1 above), including fees and charges, customer service, Card issuance and cancellation, debt collection, access to ATMs, and the issuance of personal identification numbers. State will not be liable for fraudulent activities on the part of Cardholders unless such activity arises from or is abetted by the negligence or willful misconduct by State, or its State Representatives, agents, or employees. State shall, in a timely manner, refer to U.S. Bank any and all inquiries regarding any aspect of the Program, any Card or Account, or U.S. Bank's prepaid debit card operations.

6.2 Card Account Attributes. The use by Cardholders of the Cards will, in all instances, be governed by the terms and conditions contained in the Cardholder Agreement. The Cardholder Agreement may be changed by U.S. Bank from time to time. Cardholder Accounts will be maintained at all times in a manner ensuring that each Cardholder is eligible for "pass through" deposit insurance from the Federal Deposit Insurance Corporation ("FDIC"). All funds on deposit in a Cardholder's Account will be held for the sole benefit of the Cardholder. State shall have no right, title or interest in a Cardholder's Account. No interest will be paid on funds held in a Cardholder's Account.

6.3 FDIC Record Keeping Requirements. In order to facilitate the offering of deposit insurance to Cardholders, State agrees to fully cooperate in arranging to retain and sharing of Cardholder information with U.S. Bank in a manner consistent with its FDIC-mandated record-keeping obligations, including those required by 12 C.F.R. § 370, which mandate that State be able to provide the

required information in the required format ("FDIC Information") to the FDIC within 24 hours of the failure of U.S. Bank. The FDIC Information that is compatible with U.S. Bank's information technology systems are outlined in the Deposit Broker's Processing Guide ("Guide") published by the FDIC, including alternative recordkeeping requirements in Section VII of the Guide, which describes the process to follow and the FDIC Information State will need to provide in the event U.S. Bank fails. That information can be accessed on the FDIC's website at <https://www.fdic.gov/deposit/deposits/brokers/>. State acknowledges that, following the appointment of the FDIC as receiver of U.S. Bank, the FDIC may place a hold on Cardholder's Accounts and that State and Cardholders may not have access to deposits in the deposit account until State delivers the FDIC Information. Upon request, U.S. Bank will provide State with the opportunity to validate its capability to deliver the FDIC Information so that a timely calculation of deposit insurance coverage can be made.

6.4 Funding Account. The Funding Account is, at all times, subject to the terms of this Agreement. Funds deposited in the Funding Account are State-owned deposits with U.S. Bank and may only be used solely for the purpose of making Disbursements to individual Cards. Funds loaded onto a Card will not be returned to the State, even if the Card in question has expired with a balance remaining on the Card. U.S. Bank will be deemed to be the holder of the funds held in Card Accounts and U.S. Bank will be responsible for escheating any unclaimed funds remaining in those Accounts in accordance with Applicable Law. Upon termination of this Agreement, U.S. Bank shall refund to State any funds remaining in the Funding Account that have not been applied or loaded to a Card or otherwise held for the purpose of paying any other obligation owed by State under this Agreement. No interest will be paid on funds held in the Funding Account.

6.5 New Card Features. U.S. Bank may, from time to time, offer Cardholders new or improved Card features and benefits and impose new or additional fees in connection therewith.

6.6 ACH Transfers. State warrants to U.S. Bank that State will not make any ACH transfer with respect to the Program for any purpose that is not permitted under Applicable Law or the terms of this Agreement. State will, with respect to all ACH transfers, comply with the Network Rules that govern the applicable funds transfer system. State acknowledges that U.S. Bank must make certain warranties with respect to ACH transfers initiated by State. State hereby waives its right to be notified whenever an electronic funds transfer has been deposited in the State's Funding Account.

Article 7 EXCLUSIVITY

U.S. Bank will have the exclusive right to issue prepaid debit cards for the purpose of making the types of payments to Recipients contemplated hereunder during the term of this Agreement.

Article 8 RESERVED

Article 9 REPRESENTATIONS AND WARRANTIES

9.1. Representations and Warranties. As of the date of this Agreement, each party hereby represents and warrants to the other party as follows:

(a) It has full right, power and authority to enter into and perform this Agreement in accordance with all of the terms and provisions hereof, and that the execution and delivery of this Agreement has been duly authorized, and the individuals signing this Agreement on behalf of it are duly

authorized to execute this Agreement in the capacity of his or her office, and to obligate and bind it, and/or its Subsidiaries and Affiliates, in the manner described;

(b) The execution and performance of this Agreement will not violate the organizational documents, bylaws, or similar governing documents, or any material contract or other instrument, Applicable Law, or order to which it has been named a party or by which it is bound. The execution and performance of this Agreement does not require the approval or consent of any other Person or government agency;

(c) There are no material actions, suits or proceedings pending or threatened against it or its Affiliates or Subsidiaries which would adversely affect its ability to perform this Agreement; and

(d) It or one of its Subsidiaries or Affiliates owns all right, title and interest in its marks and it or one of its Subsidiaries or Affiliates has all necessary authority to permit use of its marks as contemplated by this Agreement.

9.2 Legal Compliance. Each party is now in compliance and will remain in compliance at all times with all federal, state, and local laws, rules, and regulations governing its activities under this Agreement. Each party acknowledges that it will be responsible for its own compliance with Applicable Law and the costs associated therewith. State has the sole responsibility to comply with all applicable laws, rules, and regulations relating to its administration of the program for providing payments to Recipients and for determining whether the intended use of the Program, including State's selection of System options and programming to dispense funds or payments, is an appropriate way to dispense such funds. State is also responsible for determining whether applicable laws, rules, and regulations prohibit, affect, or otherwise controls the disbursement of such funds using a prepaid or stored value card.

9.3 Disclaimer. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, U.S. BANK DISCLAIMS ALL WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Article 10 CONFIDENTIALITY

10.1 Confidential Information. In performing its obligations pursuant to this Agreement, each party may have access to or receive disclosure of certain Confidential Information of the other party. All Program specifications, materials, plans and other Program attributes developed or utilized by U.S. Bank in connection with the Program and related services, and all related software and other documentation, are and will remain the proprietary property of U.S. Bank, and will constitute Confidential Information belonging to U.S. Bank. Without limitation, during the term of this Agreement and thereafter, all Cardholder Data and Card Account information, including all records relating thereto retained in U.S. Bank's System, along with any information provided to State pursuant to this Agreement relating to the System or the Program, shall remain Confidential Information belonging to U.S. Bank.

10.2 Exclusions. Except for Cardholder Data, the term Confidential Information does not include (i) information which is now in or hereafter enters the public domain (and is not subject to a confidentiality agreement with the entity obtaining the same) through no action on the part of either party in violation of the terms of this Agreement, (ii) information that is independently developed by or for a party, (iii) information that is received from a third party (subject to such third party not having violated the terms of any confidentiality agreement), or (iv) information that was already in the possession of the receiving party and not obtained in violation of any confidentiality agreement.

10.3 Confidentiality Obligation. Except as otherwise provided under Public Records Laws, each party shall at all times maintain, and cause its agents, employees, corporate parents, Subsidiaries and Affiliates to maintain the confidentiality of all Confidential Information belonging to the other party. Except as otherwise provided under Public Records Laws, neither party shall sell or otherwise convey any of such Confidential Information to any third party and shall exercise all necessary precautions to prevent access to such Confidential Information by any third party other than agents, officers or employees who have a need to know or who must access such Confidential Information in order for such party to fulfill its obligations under this Agreement. Each party shall inform those agents and employees, officers and employees of its Subsidiaries and Affiliates of the confidentiality obligations under this Agreement and require their compliance with such obligations. Except as otherwise provided under Public Records Laws, each party shall not use such Confidential Information for any purpose whatsoever other than those specifically contemplated in this Agreement.

10.4 Confidentiality of Agreement Terms. Except as otherwise provided under Public Records Laws, neither party will disclose to any Person (other than as expressly permitted pursuant to this Article 10) the terms or conditions of this Agreement (or any amendments, supplements or modifications thereto) or the business relationship between U.S. Bank and State without the prior written consent of the other party and except as necessary to enforce, obtain damages, or seek other relief under this Agreement. State will not use U.S. Bank's identity, directly or indirectly, in any advertisements, metatag, news releases or releases to any professional or trade publications or media source without U.S. Bank's prior written approval, which approval may be withheld in U.S. Bank's sole and complete discretion.

10.5 Additional Confidentiality Obligations. Except as otherwise provided under Public Records Laws, during the term of this Agreement and thereafter, Confidential Information is to be used solely in connection with satisfying each party's obligations pursuant to this Agreement, and shall be held in confidence. Except as otherwise provided under Public Records Laws, neither party will disclose such Confidential Information to any third party, without the written consent of the other party, except that either party may disclose Confidential Information during the course of any independent or regulatory audit in which information disclosed remains non-public. All Confidential Information furnished by the parties to each other in connection with this Agreement is the exclusive property of the furnishing party, and, unless otherwise provided under Public Records Laws, at the request of that party or upon termination of this Agreement, the other party shall promptly return to the furnishing party all such information without copying such information. Except as otherwise provided under Public Records Laws, neither party will disclose, furnish, or use Confidential Information in any way whatsoever not specifically contemplated under this Agreement without the prior written consent of the other party. The parties agree that Confidential Information is exempt from publication under the applicable Public Records Law unless and until the furnishing party has the ability to review the relevant information and object to publication. Except as otherwise provided under Public Records Laws, each party shall take measures to prevent its agents, employees, and Subcontractors from using, any Confidential Information to which it becomes privy.

10.6 Compelled Disclosure. Each party may disclose Confidential Information to any regulatory authority having jurisdiction over it without prior notification to the other party. With respect to any other disclosures of Confidential Information, if any party is compelled by Applicable Law, in the written opinion of counsel, to disclose any portion of the other party's Confidential Information, the party so compelled may comply with such law, provided, that, to the extent permitted by law, such party timely notifies the owner of the Confidential Information and reasonably cooperates in any of the owner's efforts to maintain the confidentiality of such Confidential Information.

10.7 PCI Data Security Standards. U.S. Bank shall ensure that its Program related activities are conducted in a manner that complies with PCI Data Security Standards.

Article 11 TERM AND TERMINATION

11.1 Term. The term of this Agreement is eight years from the Program Launch date (the “Initial Term”). Unless either party gives the other party 60-days written notice prior to the end of the Initial Term, the term of the Program may be renewed for two additional one-year periods (each, a “Renewal Term”). During any Renewal Term, either party may elect to terminate the Agreement by giving written notice 90 days prior to the end of the then current Renewal Term. If notice to terminate is given, the Agreement will terminate effective on the last day of the then current term. Notwithstanding the termination of this Agreement, the terms and conditions of all agreements between U.S. Bank and Cardholders will remain in effect.

11.2 Termination for Excusable Delay. Either party may terminate this Agreement if the other party has been excused, pursuant to section 14.14 of this Agreement, from the performance of the other party’s obligations under this Agreement for 60 consecutive days or more.

11.3 Termination for Material Breach. Either party may terminate this Agreement if the other party is in breach of its obligations under this Agreement and such breach is deemed material by the non-breaching party, in its reasonable judgment. For purposes of clarity, a material breach includes, but is not limited to, failure to perform Adequate Identity Verification or failure to pay amounts owed under Article 5. In the event either party wishes to terminate this Agreement for a reason specified in this section, such party (“Sending Party”) shall give written notice, in accordance with section 14.10 (“Remedy Notice”), to the other party (“Other Party”). The Remedy Notice must specifically state the reason or reasons why the Sending Party believes the Other Party is in material default under this Agreement and wishes to terminate this Agreement, and must request such Other Party to specify the act or acts which it will accomplish to cure the cited material defaults. The Other Party will have a period of 45 days from its receipt of the Remedy Notice to cure the cited material default, or if such material default cannot be cured in such 45-day period, specify to the Sending Party the act or acts which such Other Party will accomplish in order to cure the cited material default. In the event the default is not cured by the end of such 45-day period and the Sending Party does not at the end of such 45-day period approve the acts, if any, proposed by the Other Party as curing the cited material default, which approval will not be unreasonably withheld, the Sending Party may then immediately terminate this Agreement by giving the Other Party another written notice, in accordance with section 14.10 (“Termination Notice”), stating that this Agreement is being terminated under the provisions of this section effective upon receipt of the Termination Notice by the Other Party.

11.4 Termination for Insolvency; Unique Services. This is an agreement for certain unique services. Either party may, if in compliance or excused from compliance with its obligations under this Agreement, terminate this Agreement immediately in the event of the other party’s (a) insolvency, receivership, or voluntary or involuntary bankruptcy or institution of proceedings therefore; (b) assignment for the benefit of creditors a substantial part of that party’s property; or (c) a substantial part of the other party’s property becoming subject to any levy seizure, assignment, or sale for or by any creditor or governmental agency without being released or satisfied within 30 days thereafter.

11.5 Termination by Reason of Regulation. U.S. Bank may terminate or curtail or restrict its operations under this Agreement at any time upon 15 days’ advance written notice to the State without liability to State in the event of (a) the establishment of any Applicable Law or Network Rule, or (b) the

decision or order of any court, agency, or tribunal that is controlling or binding on the parties, if U.S. Bank determines, in its sole discretion, that the order, rule or regulation would (x) prohibit any or all of the services contemplated in this Agreement, (y) restrict the provision of such services so as to make the continued provision thereof unprofitable or undesirable, or (z) be unduly restrictive to the business of U.S. Bank or require burdensome capital expenditures by U.S. Bank to continue its performance of such services.

11.6 Termination for Risk. U.S. Bank may terminate this Agreement or curtail or restrict its operations under this Agreement (including the cessation of the Program in particular jurisdictions) without liability, except for liabilities accrued prior to the termination, upon U.S. Bank's commercially reasonable determination that State's activities relating to the Program may subject U.S. Bank to undue financial, legal, regulatory, or reputational risk. In the event U.S. Bank wishes to terminate this Agreement for a reason specified in this section, U.S. Bank shall give written notice, in accordance with section 14.10 ("Remedy Notice"), to State. The Remedy Notice must specifically state the reason or reasons why U.S. Bank believes the State's activities relating to the Program have subjected U.S. Bank to undue financial, legal, regulatory, or reputational risk under this Agreement and wishes to terminate, curtail, or restrict this Agreement, and must request State to specify the act or acts which it will accomplish to cure the cited undue risk(s). State will have a period of 45 days from its receipt of the Remedy Notice to cure the cited undue risk(s), or if such undue risk(s) cannot be cured in such 45-day period, specify to U.S. Bank the act or acts which State will accomplish in order to cure the cited undue risk(s). In the event the undue risk(s) is not cured by the end of such 45-day period and U.S. Bank does not at the end of such 45-day period approve the acts, if any, proposed by the State as curing the cited undue risk(s), U.S. Bank may then terminate this Agreement upon 45 days notice by giving the State another written notice, in accordance with section 14.10 ("Termination Notice"), stating that this Agreement is being terminated under the provisions of this section effective immediately, following receipt of the Termination Notice being sent by U.S. Bank.

Article 12 POST-TERMINATION PROVISIONS

12.1 Account Ownership. Upon termination of this Agreement, U.S. Bank retains all right, title and interest in all Accounts and Cards and in all Cardholder Data and Card Account information, including all records relating thereto retained in U.S. Bank's System. Without limitation of the foregoing, upon and following termination of this Agreement, U.S. Bank shall have the right to solicit any Cardholder or convert any Card and related Account to any other card or account issued by U.S. Bank or any Affiliate of U.S. Bank, and to exercise all rights of ownership with respect thereto, subject to Applicable Law. U.S. Bank will have no obligation to assign new account numbers to replacement Cards.

12.2 Wind-down of Operations. Following termination of this Agreement, U.S. Bank will not be required to accept requests to issue a Card and will not reload existing Accounts with Disbursements. U.S. Bank will have six months following termination of this Agreement where it may continue to re-issue State branded cards to Cardholders whose Cards are lost or stolen or who request additional Cards. Thereafter, U.S. Bank may, but is not in any way obliged to, issue non-State branded cards as replacements for any lost, stolen, or expired Cards.

Article 13 DAMAGES AND LIMITATIONS OF LIABILITY

13.1 Damages. In the event that any party defaults in any of its obligations under this Agreement, in addition to any other remedies provided pursuant to this Agreement or Applicable Law,

including without limitation termination, the non-breaching party shall be entitled to recover from the breaching party the actual damages which the non-breaching party may incur on account of such breach, including without limitation reasonable attorneys' fees and expenses, court costs and the fees and expenses of consultants incurred in connection with any judicial or arbitration proceedings relating to such breach.

13.2 Injunctive Relief. The parties acknowledge that money damages would not be a sufficient remedy for any breach of Article 10 of this Agreement by any party or by any other Person receiving Confidential Information pursuant to Article 10 and that the party whose Confidential Information is disclosed or used in violation of this Agreement shall be entitled to claim injunctive or equitable relief as a remedy for any such breach. Such remedy shall not be deemed to be the exclusive remedy for breach of this Agreement, but shall be in addition to all other remedies available to such party at law or equity.

13.3 Limitation of Liability. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, ADDITIONAL, OR PUNITIVE DAMAGES ARISING OUT OF PERFORMANCE OR NONPERFORMANCE UNDER, OR OTHERWISE ARISING IN CONNECTION WITH, THIS AGREEMENT.

Article 14 ADDITIONAL PROVISIONS

14.1 Relationship of the Parties. In performing their responsibilities pursuant to this Agreement, the parties are in the position of independent contractors. Neither party has the right to bind or obligate the other party in any manner. Nothing in this Agreement is intended to create a partnership, joint venture or agency relationship between the parties.

14.2 Subcontractors. U.S. Bank may use one or more Subcontractors to perform its obligations under this Agreement. To the extent that U.S. Bank engages a Subcontractor, U.S. Bank shall remain solely responsible for the performance of the work of that Subcontractor as if the work were performed by U.S. Bank. State will have no recourse, nor assert any claim, against any Subcontractor.

14.3 Assignment. Neither party may assign or delegate any of its rights or obligations under this Agreement without the other party's prior written consent, except that U.S. Bank may, without prior notice to or consent of State, assign or delegate this Agreement and any of its rights or obligations under this Agreement to any Affiliate, Subsidiary, corporate parent, successor-in-interest, or successor by merger having the authority to operate the Program in the same manner as U.S. Bank.

14.4 Successor and Assigns. Subject to the terms of section 14.3, this Agreement will be binding upon and inure to the benefits of the parties' respective successors and assigns.

14.5 Survival of Terms. The obligations and remedies of the parties set forth in Articles 3, 8, 10, 12, 13, and 14 of this Agreement survive termination of this Agreement.

14.6 Governing Law and Forum. This Agreement will be governed by and construed in accordance with the substantive laws of the State of Nebraska, without giving effect to conflict of laws principles thereof. Any action brought to enforce any rights under this Agreement shall be brought exclusively in federal or state court Lancaster County, Nebraska. Each party waives any claim that a legal proceeding brought in accordance with this section has been brought in an inconvenient forum or that venue of that proceeding is improper.

14.7 Severability. Should any provision of this Agreement contravene any Applicable Law or Network Rule, or should any provision of this Agreement otherwise be held invalid or unenforceable by a court of competent jurisdiction, then each such provision will be automatically terminated and

performance thereof by both parties waived; nevertheless, all other provisions of this Agreement will remain in full force and effect.

14.8 Amendments. Except as specifically provided elsewhere in this Agreement, this Agreement may only be modified by a written document signed by both parties.

14.9 Incorporation by Reference. Each Exhibit referred to in this Agreement is hereby expressly incorporated into this Agreement in its entirety and made a part of this Agreement. All defined terms used in this Agreement will have the same meaning when used in the Exhibits.

14.10 Notices. Any notice required or permitted by this Agreement to be given to either party by the other must be in writing and shall be delivered: (a) in person, (b) by certified mail, postage prepaid, return receipt requested, or (c) by a commercial overnight courier that provides a confirmation of delivery. Any notice so given shall be effective upon delivery or three days from the date of mailing or sending, whichever is earlier. All notices must be addressed to a party at the address shown below for the party to whom such notice is given, or addressed to any other Person or address of which the party to receive such notice has notified the other party, pursuant to the provisions of this section:

If to State:

Nebraska State Treasurer's Office
PO Box 94788
Lincoln, NE 68509-4788
ATTN: Treasury Management Director

If to U.S. Bank:

U.S. Bank National Association
200 South 6th Street, EP-MN-L16C
Minneapolis, MN 55402
Attn: SVP – Prepaid Debit Products

Copy to:

U.S. Bancorp Corporate Counsel
800 Nicollet Mall, BC-MN-H21N
Minneapolis, MN 55402
Attn: Retail Payment Solutions Counsel

14.11 No Implied Waiver. No waiver of any provisions of the Agreement and no consent to any default under the Agreement shall be effective unless in writing and signed by the party against whom such waiver or consent is claimed. No course of dealing or failure to strictly enforce any provision of the Agreement shall be construed as a waiver of such provision for any party's rights. Waiver by a party of any default by the other party shall not be deemed a waiver of any other.

14.12 Compliance with Network Rules. In connection with their performance under this Agreement, U.S. Bank and State will comply with all applicable Network Rules in effect from time to time. To the extent any provision of this Agreement conflicts with any Network Rule, this Agreement will be deemed amended to the extent necessary in order to conform to such Network Rule.

14.13 Construction. This Agreement must be fairly interpreted in accordance with its terms and without any strict construction in favor of or against either party. The headings that appear in this Agreement are inserted for convenience only and do not limit or extend its scope.

14.14 Excusable Delay. Any delay in the performance of a party's obligations under this Agreement will be excused to the extent approved in writing by the parties. Any delay in the performance by a party of its obligations under this Agreement will also be excused when such delay in performance is due to the occurrence of a Force Majeure Event; provided, however, that written notice thereof must be given by the party whose performance was delayed to the other party no less than 30 days after the occurrence of that Force Majeure Event.

14.15 Immaterial Breach. From time to time, one party to this Agreement may determine that the other party is in breach of the Agreement, but that such breach is immaterial. In such case, the party making such determination may, at its option, notify the other party in writing of the occurrence and nature of such breach. In such case, and the parties will work together in a good faith effort to resolve any issues relating to the alleged immaterial breach.

14.16 Attorneys' Fees. If any litigation or alternative dispute resolution proceeding arises between the parties regarding rights or obligations under this Agreement, the prevailing party will be entitled to recover its reasonable attorneys' fees, costs, expert witness fees, consultant's fees and court costs incurred in connection with such litigation or proceeding.

14.17 Entire Agreement. Each party hereto has read this Agreement, understands it and agrees to be bound by its terms and conditions. This Agreement supersedes all prior verbal or written agreements between the parties and now constitutes the complete and exclusive statement of the terms and conditions between the parties covering the performance hereof.

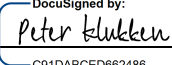
14.18 Program Records and Audit Rights. U.S. Bank shall maintain true and complete books and records relating to Disbursements under the Program (the "Program Records"). The Program Records will be maintained in accordance with good accounting practices and in sufficient detail to enable an audit trail to be established. U.S. Bank will afford State and any mutually acceptable independent auditor reasonable access to the Program Records, upon reasonable notice and during normal business hours, for purposes of inspecting, auditing, analyzing, and copying such Program Records. Any inspection or audit of the Program Records will be at State's sole cost and expense.

14.19 Use of State Name. U.S. Bank may refer to State as a party to whom U.S. Bank provides prepaid cards in its promotional materials or in its responses to requests for proposals to provide services substantially similar to those provided under this Agreement.

14.20 Counterparts. This Agreement may be executed simultaneously in multiple counterparts, each of which is deemed an original, but all of which taken together constitute one and the same instrument. For purposes of execution and delivery, each party may rely upon the faxed signature of the other party.

The undersigned are signing this Agreement as of the date set forth in the introductory clause.

U.S. BANK NATIONAL ASSOCIATION

By: 
DocuSigned by:
C91DABCE0662486...
 Name: Peter Klukken
 Title: SVP

STATE OF NEBRASKA

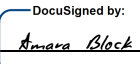
By: 
DocuSigned by:
4CFF2711162A4A2...
 Name: Amara Block
 Title: Chief Procurement Officer

EXHIBIT A PROGRAM DESCRIPTION

Core Elements

The Program will have the following core elements:

- ☐ All Cards will be Card Network-branded, following all Card Network “Prepaid Debit Card” regulations and program guidelines.
- ☐ No general purchase restrictions will be placed on the Cards (other than MCC block on online gambling).
- ☐ The Cards will have teller cash withdrawal access.
- ☐ The Cards will have ATM access at Card Network-enabled ATMs.
- ☐ The Cards will have point-of-sale access through the Card Network.
- ☐ The Cards will be standard-issue Cards carrying U.S. Bank’s name and/or marks and may also carry State’s name and/or marks.

U.S. Bank Responsibilities

U.S. Bank shall be specifically responsible for the following:

- ☐ Providing State with continual access to the Administrative Web Portal.
- ☐ Providing initial training (train-the-trainer) of designated State Representatives.
- ☐ Providing all Card Collateral needed to support the delivery of Cards to the Cardholders at the agreed-upon cost.
- ☐ Setting up Accounts, processing chargebacks in accordance with the rules of the applicable Card Network, and providing all related transaction processing.
- ☐ Managing Account settlement for loading of Disbursements to Cards and processing transactions performed on Cards through the applicable Card Network.
- ☐ Providing Cardholders with transaction histories and statements via a designated web site.
- ☐ Providing access to its Continual Voice Response Unit (“VRU”) which will be made available via a dedicated toll-free telephone number. VRU features will include: Card activation lost/stolen account reporting, remaining account balance, last load amount, and recent transactions.
- ☐ Providing Cardholders with continual access to live-agent customer service representatives via a dedicated toll-free telephone number.
- ☐ Designating a POC for the Program.

State Responsibilities

State shall be responsible for the following:

- ☐ Actively promoting the Cards to Recipients as a means of receiving payments.
- ☐ Assisting U.S. Bank in the training of State Representatives.
- ☐ Managing Card inventory using the System and following procedures set by U.S. Bank.
- ☐ Complying with the Card Security Guidelines set forth in Exhibit C.
- ☐ Presenting all Card Collateral, enrollment information, and Program disclosures to Cardholders in the form and manner prescribed by U.S. Bank using only materials provided to State by U.S. Bank.
- ☐ Enroll all applicable Cardholders in Program, and if applicable to program, reload cards following the enrollment/data entry procedures and System provided by U.S. Bank.
- ☐ Providing complete and accurate information regarding Cardholders required by U.S. Bank for initial enrollment, the scope of which is subject to change from time to time.
 - As of the date of this Agreement (but subject to change), the Cardholder information required for initial enrollment for an RII Card is: First Name, Last Name, Full Address, Date of Birth (if selected methodology for Card activation), the Card ID from the RII Card Collateral, and Tax Identification Number. E-mail and Mobile Phone Number shall be provided when possible.
 - As of the date of this Agreement but subject to change), the Cardholder information required for initial enrollment for a Personalized Card is: First Name, Last Name, Full Address, Date of Birth, and Tax Identification Number. E-mail and Mobile Phone Number shall be provided when possible.
- ☐ State will transmit Disbursement Amounts in the manner required by U.S. Bank.
- ☐ State will designate its POC for the Program.

Timing

The targeted product rollout will be as follows:

- ☐ Kick-off meeting between U.S. Bank and State
- ☐ Product “Friendly User” Testing
- ☐ Program Launch

EXHIBIT B FEE SCHEDULE

All fees	Amount	Details
Get cash		
ATM Withdrawal (in-network)	\$0.00	This is our fee per withdrawal. This fee is waived for your first ATM withdrawal per month. "In-network" refers to the U.S. Bank or MoneyPass® ATM networks. Locations can be found at usbank.com/locations or moneypass.com/atm-locator .
ATM Withdrawal (out-of-network)	\$1.00	This is our fee per withdrawal. This fee is waived for your first ATM withdrawal each month. "Out-of-network" refers to all the ATMs outside of the U.S. Bank or MoneyPass ATM networks. You may also be charged a fee by the ATM operator even if you do not complete a transaction.
Teller Cash Withdrawal	\$0	This is our fee for when you withdraw cash off your card from a teller at a bank or credit union that accepts Visa®.
Information		
ATM Balance Inquiry (in-network)	\$0	This is our fee per inquiry. "In-network" refers to the U.S. Bank or MoneyPass ATM networks. Locations can be found at usbank.com/locations or moneypass.com/atm-locator .
ATM Balance Inquiry (out-of-network)	\$0	This is our fee per inquiry. "Out-of-network" refers to all the ATMs outside of the U.S. Bank or MoneyPass ATM networks. You may also be charged a fee by the ATM operator.
Using your card outside the U.S.		
International Transaction	0%	This is our fee which applies when you use your card for purchases at foreign merchants and for cash withdrawals from foreign ATMs and is a percentage of the transaction dollar amount, after any currency conversion. Some merchant and ATM transactions, even if you and/or the merchant or ATM are located in the United States, are considered foreign transactions under the applicable network rules, and we do not control how these merchants, ATMs and transactions are classified for this purpose.
International ATM Withdrawal	\$1.00	This is our fee per withdrawal. You may also be charged a fee by the ATM operator even if you do not complete a transaction.
Other		
Card Replacement	\$0.00	This is our fee per replacement of a lost card mailed to you with standard delivery (up to 10 business days).
Card Replacement Expedited Delivery	\$15.00	This is our fee for expedited delivery (up to 3 business days) charged in addition to any Card Replacement fee.
Inactivity	\$1.00	This is our fee charged each month after you have not completed a transaction using your card for 365 consecutive days.
Card to Bank Transfer	\$2	This is our fee per transfer to transfer funds from your card to your bank account.

Your funds are eligible for FDIC insurance. Your funds will be held at U.S. Bank National Association, an FDIC-insured institution, and are insured up to \$250,000 by the FDIC in the event U.S. Bank fails. See fdic.gov/deposit/deposits/prepaid.html for details.

No overdraft/credit feature.

Contact Cardholder Services by calling **1-855-282-6161**, by mail at P.O. Box 551617, Jacksonville, FL 32255 or visit usbankreliacard.com.

For general information about prepaid accounts, visit cfpb.gov/prepaid. If you have a complaint about a prepaid account, call the Consumer Financial Protection Bureau at 1-855-411-2372 or visit cfpb.gov/complaint.

The ReliaCard is issued by U.S. Bank National Association pursuant to a license from Visa U.S.A. Inc. ©2018 U.S. Bank. Member FDIC.

EXHIBIT C

CARD SECURITY GUIDELINES

These Card Security Guidelines are based on policies and guidelines development by the Card Networks and industry best practices. These requirements are to be implemented and followed by State at all locations that store and distribute Cards whenever State has Card stock on hand at its locations or under its control.

Card Stock Ordering

Card stock orders will be placed as bulk orders to the card manufacturer by U.S. Bank. The fulfilled Card stock orders will be shipped to the designated State locations by the card manufacturer by an approved carrier. Shipments will be traceable. Card stock orders must be signed for upon arrival. If intermediate stops are made during the shipment, the shipment must remain secure and inaccessible to unauthorized personnel.

Card Stock Storage

All Card stock must be placed at the time of receipt into inventory in a secured storage area. An Account Representative designated by State management should be appointed to ensure that physical and procedural security policies are implemented. Physical security of Card stock inventory must be maintained at all times. State shall use commercially reasonable controls to ensure the protection of the Card stock. At minimum, Card stock must be stored in a locked area such as a back office with limited access when not actively being distributed to Cardholders. RII Card stock, which will be provided by U.S. Bank in tamper-evident sealed envelopes, may not to be opened by anyone other than the applicable Cardholders.

Card Stock Inventory

An inventory log must account for Card stock received, used, spoiled (Card stock that cannot be used due to damage, tampering or expiration), and remaining. Card stock remaining in inventory in the inventory log should balance to the number of Card stock on hand at any time. U.S. Bank's System will allow State to maintain an inventory log automatically in the ordinary course of business, but State shall immediately report to U.S. Bank, through a channel approved by U.S. Bank, any spoilage or theft of any Card stock that State has detected. State shall utilize U.S. Bank's Administrative Web Portal to log such exceptions and provide an explanation of spoilage. State shall conduct monthly self-audit Card stock inventory true-ups.

Card Stock Destruction

U.S. Bank may request return of unused Card stock in inventory for destruction for any of the reasons listed below:

- Card stock compromised or tampered with,
- Card stock expired,
- Card stock damaged or defective, or
- Program is terminated.

Any Card stock returned to U.S. Bank must be securely packaged.

FOCUS BLACK EXHIBIT TO PREPAID DEBIT CARD AGREEMENT

This Focus Black Exhibit ("Exhibit") to Prepaid Debit Card Agreement, executed 1 July, 2023 between U.S. BANK NATIONAL ASSOCIATION, a national banking association ("U.S. Bank"), and STATE OF NEBRASKA (the "State").

U.S. Bank is a member of Card Networks and issues Card Network-branded debit cards, check cards, prepaid debit cards and other banking cards to cardholders; and

State is seeking to provide its employees with the option of receiving payment of their wages or other compensation in a Card Network-branded prepaid debit card account; and

U.S. Bank is willing to issue prepaid debit cards and perform related services to support the State's payroll card program, subject to the terms and conditions set forth in this Exhibit.

THEREFORE, in consideration of the mutual promises set forth in this Exhibit, U.S. Bank and State agree as follows:

1. In addition to the definitions contained in the Article I of the Prepaid Debit Card Agreement, for the purposes of this Exhibit, the following definitions will apply:

"Card Security Guidelines" refer to the written instructions provided to State by U.S. Bank describing the way State must securely store any Card stock in its possession and control, as the same may be modified from time to time. U.S. Bank's current Card Security Guidelines are attached as Appendix 4 to this Exhibit B.

"State Guidelines" refer to the written guidelines provided to State by U.S. Bank describing the way State must offer Cards to its employees, as the same may be modified by U.S. Bank from time to time. U.S. Bank's current State Guidelines are attached as Appendix 3 to this Exhibit B.

"Focus Black Fee Schedule" refers to the schedule of fees and costs set forth in Appendix 2 to this Exhibit B.

"FII Card" means a non-personalized payroll instant issue Card issued pursuant to the Program.

"FII Cardholder" means a Person who requests and receives an FII Card.

"Focus Black Program" or "Program" means the program between U.S. Bank and State for the issuance of Cards to Cardholders, according to the terms of this Exhibit B.

"Focus Black Program Description" means the description of certain features of State's Program and the duties of the parties in relation to the Program found in Appendix 1 to the Exhibit B.

2. Article 4, Responsibilities of U.S. Bank in the Prepaid Debit Card Agreement is deleted and replaced with the following:

Article 4 RESPONSIBILITIES OF U.S. BANK

4.1 Card Issuance.

(a) U.S. Bank will issue a Card to an employee of State following State's notification to U.S. Bank of State's receipt of the employee's request for a Card, but only after U.S. Bank completes its review and processing of that employee's request in accordance with U.S. Bank's internal procedures and eligibility criteria, as the same may be adopted from time to time by U.S. Bank in its sole discretion.

(b) U.S. Bank may, in its sole discretion, undertake periodic reviews of Cardholders and their Accounts to manage risks associated with fraudulent card use and other Account activity which has the potential of exposing U.S. Bank to financial loss. U.S. Bank reserves the right to take any necessary actions to stop such activity on the Account. For any Account closed pursuant to this section, subsequent transmission of Disbursement to the Card will be rejected and a report will be generated confirming such rejection. U.S. Bank will notify State in writing of any actions taken pursuant to this section within ten Business Days.

(c) With respect to FII Cards, U.S. Bank shall provide State with access to the Administrative Web Portal which will allow State to enroll, register and load FII Cards on a near-instantaneous basis for distribution to FII Cardholders. FII Cardholders who receive FII Cards shall receive them from State in a pre-activated status or ready to activate status, and with or without funds loaded by State in State's discretion. U.S. Bank shall ensure each such FII Card may continue to be used for such purpose until FII Card expiration or depletion of funds on the FII Card. U.S. Bank shall record the issuance of each FII Card and track FII Card issuance, usage, fee collection and closure. FII Card inventory shall be distributed to State (if State utilizes multiple FII issuance locations, FII Card stock delivery charges will be paid by State, per a method acceptable to U.S. Bank in its discretion), who shall be responsible for the security and distribution of FII Cards. To the extent there is any conflict between a term referring to "FII Cards" and any other term referring to "Cards" in general, the term referring specifically to "FII Cards" shall control with respect to FII Cards.

(d) With respect to Personalized Cards, U.S. Bank will place Personalized Cards in the mail to each employee of State who elects to receive a Personalized Card no later than three Business Days following U.S. Bank's receipt from State of a request for same containing complete and accurate information regarding the Cardholder as required by U.S. Bank. Also, upon the request of an FII Cardholder, U.S. Bank will issue to such FII Cardholder a Personalized Card as a replacement Card. The FII Card being replaced will remain active until the Cardholder activates the new Personalized Card. The new Personalized Card will access the same Account tied to such FII Card.

(e) State may opt to offer its employees (i) only FII Cards, (ii) only Personalized Cards, or (iii) both FII Cards and Personalized Cards under the Program.

(f) Notwithstanding anything in this Exhibit B to the contrary, U.S. Bank may refuse to issue a Card to any Person if U.S. Bank determines that the issuance or use of the Card would violate a Network Rule or any Applicable Law, or would otherwise pose an undue level of risk to U.S. Bank.

4.2 Design and Manufacture of Cards.

(a) U.S. Bank will purchase plastic stock and be responsible for ordering, embossing, encoding and delivering Cards. U.S. Bank will provide a standard card design. Each Card will bear the U.S. Bank Marks and the marks of the appropriate Card Network.

(b) Unless specifically stated otherwise in the price tables contained in the Appendices to this Exhibit B, U.S. Bank will bear the expense of manufacturing standard-issue Cards issued to Cardholders.

4.3 Design of Statements and Card Collateral.

(a) U.S. Bank will produce Account statements and Card Collateral, subject to all Applicable Laws and Network Rules, using designs created by U.S. Bank. U.S. Bank will bear all costs and expenses for the design, printing and production of the Account statements and Card Collateral.

(b) U.S. Bank will be responsible for the provision to Cardholders of monthly Account statements that will contain information relating to transactions performed with their Cards. U.S. Bank may, in its discretion, provide Cardholders with electronic statements accessible via the internet or paper statements.

4.4 U.S. Bank Operational Responsibilities. U.S. Bank shall administer the Program in accordance with the Focus Black Program Description. U.S. Bank is also responsible for Account set-up, Card fulfilment, Account reconciliation, responding to Cardholder inquiries, chargeback processing, Disbursement processing, interaction with Card Network systems, transaction processing, and collections. U.S. Bank will not be responsible for determining the amounts to be paid to Cardholders or the calculation of Cardholder Disbursement Amounts.

4.5 U.S. Bank Customer Service. U.S. Bank will maintain a trained staff to assist State with Cardholder inquiries or complaints regarding the Program.

4.6 Provision of Program Information.

(a) U.S. Bank shall provide information to State for each month in which Cards are issued and outstanding, including but not limited to Card registration, order and load verification reports.

(b) Any and all information State receives from U.S. Bank regarding the Program shall be deemed to be Confidential Information of U.S. Bank, and may only be used by State in connection with the Program.

(c) In no event will U.S. Bank be obligated to provide any information to State in violation of any Applicable Law, Network Rule, or policy adopted by U.S. Bank.

3. Article 5, Responsibilities of State in the Prepaid Debit Card Agreement is deleted and replaced with the following:

Article 5
RESPONSIBILITIES OF STATE

5.1 Enrollment of Employees. State will ensure that all Cardholders enrolled in the Program, other than companion Cardholders, are bona fide employees of State. State acknowledges that Applicable Law requires U.S. Bank to collect identifying information and verify the identities of all Cardholders. State acknowledges that any Cardholders who do not pass initial or ongoing identity verification or OFAC screening will be denied a Card or have their Card suspended. U.S. Bank retains sole discretion in determining whether to deny or suspend a Cardholder. Cardholders may be required to provide additional documentation to U.S. Bank at any time. State acknowledges that if U.S. Bank determines that Applicable Law requires U.S. Bank to obtain additional documentation from a Cardholder, then U.S. Bank must also restrict access to the Card until such time as the Cardholder has provided U.S. Bank with the requested documentation in a form and manner acceptable to U.S. Bank.

5.2 State Program Offering. Beginning no later than the Program Launch, State will begin to offer to its employees the option of receiving payment of their wages or other compensation in an

Account. State shall comply at all times and in all respects with U.S. Bank's State Guidelines in the offering of Cards under the Program. State will arrange for and coordinate the marketing and promotion of the availability of Cards to its employees through break room posters, brochures, and other means. State will not distribute any marketing or promotional materials regarding the Program unless those materials have been reviewed and approved by U.S. Bank prior to its distribution to its employees. State will require each employee who elects to become a Cardholder to complete and sign a deposit authorization form and State will retain that employee's deposit authorization form at all times during which State is making Disbursements to that Cardholder.

5.3 Funding of Accounts. State shall utilize a good funds method of settlement and must have a sufficient amount of immediately available funds on deposit in the Funding Account to fund any Disbursement to a Card. U.S. Bank will not be liable to State for, and State will hold U.S. Bank harmless from, any claims arising from the refusal by U.S. Bank to load a Disbursement onto a Card if there are insufficient funds available in the Funding Account to cover the Disbursement Amount.

5.4 Transmission of Disbursements. State Representatives may use a batch process or the Administrative Web Portal to process Disbursements. State shall provide complete and accurate information to U.S. Bank regarding each Disbursement. State Representatives will be responsible for the accuracy of Disbursement Amounts transmitted to U.S. Bank, and any changes thereto.

5.5 Erroneous Disbursements. State may seek to reverse any Disbursement loaded onto a Card in error, provided that sufficient funds remain available on the applicable Card to recover the erroneous Disbursement. State will be responsible for all Disbursements, including those made in error. U.S. Bank will not be obligated to assist State in collecting erroneous Disbursements.

5.6 Compensation to U.S. Bank. U.S. Bank will be permitted to charge Cardholders the fees set forth in the Fee Schedule. In the event of an increase to any fee or the introduction of a new fee, U.S. Bank will provide Cardholders notice thereof in a manner that complies with all Applicable Laws. U.S. Bank will also provide a corresponding email notice of an increase to any fee or the introduction of a new fee to State's POC.

5.7 Training. State shall be responsible for identifying State locations that will be used to enroll, load and activate Cards. U.S. Bank shall provide State with its standard initial "train-the-trainer" approach, and will provide State with a support number that State Representatives can call for assistance regarding the Program. State is solely responsible for training its State Representatives on how to administer the Program and answer employee questions regarding the Program.

5.8 Cardholder Enrollment. At the time of each Card enrollment, State shall provide U.S. Bank with the Cardholder enrollment information set forth in the Focus Black Program Description. Data entry of Card identification numbers and Cardholder information may only be made by State Representatives. State will be liable for any errors in transmission made by its employees or State Representatives. Unless otherwise agreed to in advance and in writing by U.S. Bank, State may only enroll and register FII Cardholders who are physically present at a designated State location at the time of enrollment. State shall distribute FII Cards, FII Card Collateral, and all U.S. Bank designated disclosure documents to FII Cardholders in the form and manner prescribed in the Focus Black Program Description and State Guidelines.

5.9 Card Security and Inventory Control. State shall securely store any Card stock in its possession and control and maintain its FII Card inventory in accordance with the Card Security Guidelines. State shall bear all risk of loss and any associated liability for Cards lost or stolen while under its control. State will permit U.S. Bank to monitor and audit State's compliance with the Card Security Guidelines during regular business hours upon two Business Days' advance notice to State. State shall

provide U.S. Bank copies of any applicable audits and test results acquired by State in relation to its obligations under this section.

4. Section 9.2, Legal Compliance, from the the Prepaid Debit Card Agreement is deleted and replaced with the following:

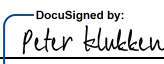
9.2 Legal Compliance. Each party is now in compliance and will remain in compliance at all times with all Applicable Laws governing its activities under this Exhibit B (including any Applicable Law brought to one party's attention by the other). Each party acknowledges that it will be responsible for its own compliance with Applicable Law and the costs associated therewith. State has the sole responsibility to comply with all Applicable Laws relating to its payroll and employment practices and for determining whether the intended use of the Program, including State's selection of System options and programming to dispense funds or payments, is an appropriate way to dispense such funds. State is also responsible for determining whether Applicable Law prohibits, affects, or otherwise controls the disbursement of such funds using a prepaid or stored value card. State shall, within three Business Days following receipt of any such request, provide U.S. Bank, or its independent auditors, and/or any government agency with authority over U.S. Bank, with a complete and accurate response to any inquiry regarding or related to the Program, and access to all policies, procedures and records retained by the State evidencing the State's compliance with Applicable Law. If a deficiency is noted or determined, State must promptly correct the identified deficiency and also provide to U.S. Bank any and all documentation related to resolution of the deficiency, including the corrective actions implemented to prevent recurrence of such deficiency. U.S. Bank may terminate this Exhibit B immediately for any failure by State to meet its obligations under this section 9.2.

5. Section 12.2, Wind-down of Operations, from the Prepaid Debit Card Agreement is deleted and replaced with the following:

12.2 Wind-down of Operations. Following termination of this Exhibit B, U.S. Bank will not accept requests to issue a Card and will not reload existing Accounts with Disbursements.

The undersigned are signing this Exhibit B as of the date stated in the introductory clause.


U.S. BANK NATIONAL ASSOCIATION

By:  DocuSigned by:
C91DABCE0662486...

Name: Peter L. Klukken

Title: SVP

STATE OF NEBRASKA

By:  DocuSigned by:
4CFF271162AA2...

Name: Amara Block

Title: Chief Procurement Officer

APPENDIX 1

FOCUS BLACK PROGRAM DESCRIPTION

Core Elements

The Program will have the following core elements:

- ☐ All Cards will be Card Network-branded, following all Card Network “Prepaid Debit Card” regulations and program guidelines.
- ☐ No general purchase restrictions will be placed on the Cards (other than MCC block on online gambling).
- ☐ The Cards will have teller cash withdrawal access.
- ☐ The Cards will have ATM access at Card Network-enabled ATMs.
- ☐ The Cards will have point-of-sale access through the Card Network.
- ☐ The Cards will be standard-issue Cards carrying U.S. Bank’s name and/or marks, but not State’s name and/or marks.

U.S. Bank Responsibilities

U.S. Bank shall be specifically responsible for the following:

- ☐ Providing State with continual access to the Administrative Web Portal.
- ☐ Providing initial training (train-the-trainer) of designated State Representatives.
- ☐ Providing all Card Collateral needed to support the delivery of Cards to the Cardholders at the agreed-upon cost.
- ☐ Setting up Accounts, processing chargebacks in accordance with the rules of the applicable Card Network, and providing all related transaction processing.
- ☐ Managing Account settlement for loading of Disbursements to Cards and processing transactions performed on Cards through the applicable Card Network.
- ☐ Providing Cardholders with transaction histories and statements via a designated web site.
- ☐ Providing access to its Continual Voice Response Unit (“VRU”) which will be made available via a dedicated toll-free telephone number. VRU features will include: Card activation lost/stolen account reporting, remaining account balance, last load amount, and recent transactions.
- ☐ Providing Cardholders with continual access to live-agent customer service representatives via a dedicated toll-free telephone number.
- ☐ Designating a POC for the Program.

State Responsibilities

State shall be responsible for the following:

- ☐ Actively promoting the Cards to its employees as a means of receiving payment of wages.
- ☐ Assisting U.S. Bank in the training of State Representatives.
- ☐ Managing Card inventory using the System and following procedures set by U.S. Bank.
- ☐ Complying with the State Guidelines set forth in Appendix 3.
- ☐ Complying with the Card Security Guidelines set forth in Appendix 4.
- ☐ Presenting all Card Collateral, enrollment information, and Program disclosures to Cardholders in the form and manner prescribed by U.S. Bank using only materials provided to State by U.S. Bank.
- ☐ Opening all new Accounts via the Administrative Web Portal or through U.S. Bank's batch enrollment process.
- ☐ Providing complete and accurate information regarding Cardholders required by U.S. Bank for initial enrollment, the scope of which is subject to change from time to time.
 - As of the date of this Exhibit B, the Cardholder information required for initial enrollment for an FII Card is: First Name, Last Name, Full Address, Date of Birth (if selected methodology for Card activation), Cardholder's State of Employment, and the Card ID from the FII Card Collateral.
 - As of the date of this Exhibit B, the Cardholder information required for initial enrollment for a Personalized Card is: First Name, Last Name, Full Address, Date of Birth, and Cardholder's State of Employment.
- ☐ State will transmit Disbursement Amounts in the manner required by U.S. Bank.
- ☐ State will designate its POC for the Program.

Timing

The targeted product rollout will be as follows:

- ☐ Kick-off meeting between U.S. Bank and State
- ☐ Product "Friendly User" Testing
- ☐ Program Launch

APPENDIX 2
FOCUS BLACK FEE SCHEDULE

All fees	Amount	Details
Get cash		
ATM Withdrawal (in-network)	\$0	This is our fee per withdrawal. "In-network" refers to the U.S. Bank or MoneyPass® ATM networks. Locations can be found at usbank.com/locations or moneypass.com/atm-locator.html
ATM Withdrawal (out-of-network)	\$1.00	This is our fee per withdrawal. This fee is waived for your first ATM withdrawal per month, which includes both ATM Withdrawals (out-of-network) and International ATM Withdrawals. "Out-of-network" refers to all the ATMs outside of the U.S. Bank or MoneyPass ATM networks. You may also be charged a fee by the ATM operator even if you do not complete a transaction.
Teller Cash Withdrawal	\$0	This is our fee for when you withdraw cash from your card from a teller at a bank or credit union that accepts Mastercard®.
Information		
ATM Balance Inquiry (in- network)	\$0	This is our fee per inquiry. "In-network" refers to the U.S. Bank or MoneyPass ATM networks. Locations can be found at usbank.com/locations or moneypass.com/atm-locator.html
ATM Balance Inquiry (out-of- network)	\$0	This is our fee per inquiry. "Out-of-network" refers to all the ATMs outside of the U.S. Bank or MoneyPass ATM networks. You may also be charged a fee by the ATM operator.
Using your card outside the U.S.		
International ATM Withdrawal	\$1.00	This is our fee per withdrawal. This fee is waived for your first ATM withdrawal per month, which includes both ATM Withdrawals (out-of-network) and International ATM Withdrawals. "Out-of-network" refers to all the ATMs outside of the U.S. Bank or MoneyPass ATM networks. You may also be charged a fee by the ATM operator even if you do not complete a transaction.
Other		
Card Replacement	\$5.00	This is our fee per replacement of your card, whether mailed to you with standard delivery (up to 10 business days) or provided to you by your employer/sponsor. This fee is waived for your first card replacement in a 12-month period. This fee will be charged for each additional replacement during the same 12 months. For Connecticut, Hawaii and Pennsylvania workers, this fee is waived.

Card Replacement Expedited Delivery	\$10.00	This is our fee for expedited delivery (up to 3 business days) charged in addition to any Card Replacement fee.
Card Replacement Overnight Delivery	\$20.00	This is our fee for overnight delivery charged in addition to any Card Replacement fee.
Inactivity	\$1.00	This is our fee charged each month after you have not completed a transaction using your card for 365 consecutive days. For Connecticut, Illinois, and Pennsylvania workers, this fee will be waived for the first 12 months of inactivity (based on cardholder- initiated balance changing transactions). For Texas residents, this fee will not be charged after one year of inactivity. For Minnesota, New York and Montana workers this fee is waived. For Hawaii workers, accounts with a balance of \$0.00 and no activity for more than 6 months may be closed.
Other Third-Party Fees	Varies by provider	Some third-party service providers like person-to-person payment services or mobile wallet providers may charge you a fee for using your card to make payments.

APPENDIX 3

FOCUS BLACK STATE GUIDELINES

State shall comply with the following guidelines at all times:

- 1) State will never offer the payroll card to any employee as the sole and only means of receiving the employee's wages (at a minimum, direct deposit must also be offered, and state laws may require additional options be available). State must promptly honor an employee's wage payment method choice and any post-card-issuance request by an employee to change wage payment methods.
- 2) Prior to an employee choosing any payment method, State must provide the employee with both the applicable "Pre-Acquisition Disclosure and Fee Schedule" document in written or an approved electronic form, as well as access to the applicable Cardholder Agreement in written or electronic form.
- 3) State will provide to U.S. Bank, for each Cardholder, the identity of each such employee-Cardholder's state of employment. State shall promptly provide U.S. Bank with any change to a Cardholder's state of employment.
- 4) State will not engage in any unfair, deceptive or abusive acts/practices in dealing with its employees in connection with the Program, including without limitation: (i) conditioning the hiring or continued employment of an employee on participation in the Program, (ii) using intimidation, coercion, or fear of discharge or reprisal (including withholding wages) against an employee for refusal to participate in the Program, or (iii) engaging in payday loan transactions with employees.
- 5) State will not charge any initiation, participation, loading or other fees to Cardholders in connection with the Program.
- 6) State has provided and will provide all payroll option forms (including applicable opt-out forms), statements of earnings/deductions/withholdings, paystubs and wage statements and related disclosures as required under applicable state law.
- 7) State will maintain accurate and complete records regarding its compliance with these Guidelines and the laws applicable to State's conduct in connection with the Exhibit B.
- 8) State will comply with any collective bargaining agreement commitments that establish employee protections greater than those contemplated in these Guidelines.
- 9) State must inform U.S. Bank if its employee onboarding process, including that relating to the selection of wage payment methods, includes materials in a language other than English or if State normally communicates to employees in a language other than English.

APPENDIX 4

FOCUS BLACK CARD SECURITY GUIDELINES

These Card Security Guidelines are based on policies and guidelines development by the Card Networks and industry best practices. These requirements are to be implemented and followed by State at all locations that store and distribute Cards whenever State has Card stock on hand at its locations or under its control.

Card Stock Ordering

Card stock orders will be placed as bulk orders to the card manufacturer by U.S. Bank. The fulfilled Card stock orders will be shipped to the designated State locations by the card manufacturer by an approved carrier. Shipments will be traceable. Card stock orders must be signed for upon arrival. If intermediate stops are made during the shipment, the shipment must remain secure and inaccessible to unauthorized personnel.

Card Stock Storage

All Card stock must be placed at the time of receipt into inventory in a secured storage area. An Account Representative designated by State management should be appointed to ensure that physical and procedural security policies are implemented. Physical security of Card stock inventory must be maintained at all times. State shall use commercially reasonable controls to ensure the protection of the Card stock. At minimum, Card stock must be stored in a locked area such as a back office with limited access when not actively being distributed to Cardholders. FII Card stock, which will be provided by U.S. Bank in tamper-evident sealed envelopes, may not to be opened by anyone other than the applicable Cardholders.

Card Stock Inventory

An inventory log must account for Card stock received, used, spoiled (Card stock that cannot be used due to damage, tampering or expiration), and remaining. Card stock remaining in inventory in the inventory log should balance to the number of Card stock on hand at any time. U.S. Bank's System will allow State to maintain an inventory log automatically in the ordinary course of business, but State shall immediately report to U.S. Bank, through a channel approved by U.S. Bank, any spoilage or theft of any Card stock that State has detected. State shall utilize U.S. Bank's Administrative Web Portal to log such exceptions and provide an explanation of spoilage. State shall conduct monthly self-audit Card stock inventory true-ups.

Card Stock Destruction

U.S. Bank may request return of unused Card stock in inventory for destruction for any of the reasons listed below:

- Card stock compromised or tampered with,
- Card stock expired,
- Card stock damaged or defective, or
- Program is terminated.

Any Card stock returned to U.S. Bank must be securely packaged.

RELIACARD II EXHIBIT

This Reliacard II Exhibit ("Exhibit") to the Prepaid Debit Card Agreement is entered into as of the 1st day of July 2023 between U.S. Bank National Association, a national banking association ("U.S. Bank"), and the State of Nebraska, acting by and through the Nebraska State Treasurer ("State").

WHEREAS, the parties desire to include a ReliaCard II Program (defined below) as part of the Prepaid Debit Card Agreement via this Exhibit which will be used to make certain expedited fund disbursements as set forth in the ReliaCard II Program herein, as well as the provisions of the Prepaid Debit Card Agreement as they relate to the services provided by U.S. Bank

WHEREAS, U.S. Bank is a member of National Associations and issues U.S. Bank-branded and National Association-branded debit cards, check cards, prepaid debit cards and other banking cards to cardholders; and

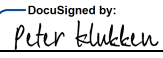
WHEREAS, State is an entity seeking to, and U.S. Bank is willing to, provide State-owned funds to designated recipients on network-branded prepaid debit cards; and

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties hereby agree as follows:

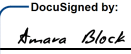
The terms and conditions set forth in the RELIACARD II Program Description found in Schedule I hereto are hereby incorporated into the Prepaid Debit Card Agreement by reference and shall modify, to the extent applicable, the terms and conditions of the Prepaid Debit Card Agreement with respect to the RELIACARD II Program described herein.

IN WITNESS WHEREOF, the parties have executed this Amendment effective as of the date fully executed by both parties, as noted below.

U.S. BANK NATIONAL ASSOCIATION

By: 
Name: Peter Klukken
Title: SVP
Date: 5/23/2023

STATE OF NEBRASKA, ACTING BY AND THROUGH THE NEBRASKA STATE TREASURY

By: 
Name: Amara Block
Title: Chief Procurement Officer
Date: 5/30/2023

Schedule I

RELIACARD II Program Description

Background

The State, acting by and through the Nebraska State Treasurer provides funds to individuals eligible for certain payments during times of high need or in emergency situations where immediate funds are required. The State wishes to use prepaid cards ("RELIACARD II Cards") in the effectuation of that purpose by establishing the program described herein (the "RELIACARD II Program"). The RELIACARD II Program is separate from any other program established under the Contract effective July 1, 2023.

Scope of Work

1. Timeframe:
 - a. U.S. Bank will implement the RELIACARD II Program with Cardholders as soon as is practicable
2. RELIACARD II Program Basics:
 - a. U.S. Bank will provide an RELIACARD II Card the purpose of assisting certain individuals during times of high need.
 - b. RELIACARD II Cards will be easily differentiated from other Cards issued under Contract.
 - c. All funds issued onto RELIACARD II Cards are State owned funds, not consumer owned.
 - d. State will not supply or use Social Security Numbers for any Cardholders.
 - e. U.S. Bank will mail RELIACARD II Cards to Cardholders in a pending activation status and allow Cardholders to select their own PIN.
 - f. RELIACARD II Cards will have a 2-year expiration.
 - g. U.S. Bank will mail RELIACARD II Cards within 3 business days after the State or Cardholder requests an RELIACARD II Card.
 - h. U.S. Bank will be permitted to charge the RELIACARD II Program Cardholders the fees set forth in the fee schedule located in appendix A of this Schedule I.
3. Restrictions:
 - a. U.S. Bank must restrict RELIACARD II Cards from use at the following Merchant Classification Category (MCC) Codes: A mutually agreed-upon list will be determined during the onboarding process.
 - b. U.S. Bank will restrict RELIACARD II Cards from online bill pay, purchases with cashback or ATM/Teller withdrawals.
4. Fund Loading and Removal and Demographic Updates:
 - a. The funds issued on RELIACARD II Cards are not subject to escheatment.
 - b. Because the funds are State owned, not consumer owned, State may sweep back the funds from any RELIACARD II Card at any time using U.S. Bank's web-based portal.
 - c. State will send funds through a batch Automated Clearing House (ACH) file to the funding account for the RELIACARD II Program ("RELIACARD II Funding Account"). U.S. Bank will deposit the funds from the RELIACARD II Funding Account into each individual

Cardholder's account which is tied to the RELIACARD II Card issued to the respective Cardholder.

- d. State will submit cardholder enrollments, load cards and provide demographic additions and updates through the proprietary web-based prepaid administrative portal hosted by U.S. Bank ("Administrative Web Portal").
 - e. U.S. Bank may not allow Cardholders to make changes to demographic information. All demographic changes must come from State.
 - f. Funds may be swept back and changes to demographic information may also be made using the batch file process.
5. Reporting Requirements:
- a. U.S. Bank must provide a daily electronic file to the State that contains the transaction history for the previous day broken out by Cardholder. The record must contain a header record with date and timestamp of the file, a trailer record with the number of detail records.
 - i. The detail records must be broken out by Cardholder ID (a number assigned within U.S. Bank's numeric system requirements), transaction type (purchase, refund, hold, deposit or sweep back from the State, etc.), transaction date and timestamp, POS transaction type (purchase or rejection code), requested amount (POS transaction pre-auth), completed amount (POS transaction settlement amount), fee amount, surcharge amount, merchant name, merchant address (when provided in the transaction), MCC Code of the merchant, and any other mutually agreed-upon identifiers.
 - ii. State agrees to only use RELIACARD II Card transactional information for legitimate government purposes and in accordance with applicable laws.
 - b. U.S. Bank shall provide a financial report to assist State with settlement. This report will contain the total amount of funds loaded and swept back by State and the number of Cardholders funded per day.
 - c. U.S. Bank will provide real-time reports for State administrative staff to view information on: Cardholder detail such as, card status, demographic information, card balances, transaction activity, and total number of cards issued.
6. Cardholder Customer Service:
- a. U.S. Bank will not answer questions about Cardholder eligibility and State policy and practices. All such questions will be referred back to State.
7. Cardholder Materials:
- a. U.S. Bank will include wording in all Cardholder materials that the funds are State owned and not owned by the Cardholder.
 - b. U.S. Bank will also add language in Cardholder materials about the lack of any ATM/Teller cash advances or Bill Pay.
8. Modification
- a. No terms, including standard click-through license or website terms of use or privacy policy shall modify this schedule unless both parties have expressly agreed to such terms by including them in a signed written agreement.

APPENDIX A
ReliaCard II Fee Schedule

All fees	Amount	Details
Card Replacement	\$0	This is our fee per card replacement mailed to you with standard delivery (up to 10 business days).
Card Replacement Expedited Delivery	\$15.00	This is our fee for expedited delivery (up to 3 business days) charged in addition to any Card Replacement fee.
Inactivity	\$2.00	This is our fee charged each month after you have not completed a transaction using your card for 365 consecutive days.
Transaction Limits		
For security reasons, there are limitations on the number and amount of transactions that you may perform with your Card. There may be additional limits on the amount, number or types of transactions you can make using your Card and for security reasons we do not disclose these limits. Daily limits are based on a rolling 24-hour period. Limits are subject to change from time to time. You will receive prior notice of such changes to the extent required by applicable law.		
Maximum Card Balance at any time	\$40,000	
Maximum Daily Debits	20 transactions and \$7,050 per day	
Purchases at the Point of Sale	20 transactions and \$4,000 per transaction	
Maximum Daily Credits	50 transactions and \$20,000 per day	
Returns and Refunds	May not exceed 4 transactions per day	

GENERAL PURPOSE INSTANT ISSUE CARD AGREEMENT

This Nebraska Department of Correctional Services (“NDCS”) Exhibit (“Exhibit”) entered into effective 1 July, 2023 (the “Effective Date”) by and between U.S. Bank National Association doing business as Elan Financial Services (“Elan”) and the State of Nebraska, a (the “State”).

Elan is a member of National Association and issues Elan-branded and National Association-branded debit cards, prepaid cards and other banking cards to cardholders; and

State wishes to participate in a prepaid card program involving the issuance of National Association-branded prepaid cards; and

Elan is willing to issue such prepaid cards and perform related services to support such a program, pursuant to the terms and conditions set forth in this Agreement.

THEREFORE, in consideration of the foregoing recitals, the mutual promises and covenants hereinafter set forth, and payments provided for in this Agreement, the parties agree as follows:

1. In addition to the definitions contained in the Article I of the Prepaid Debit Card Agreement, for the purposes of this Exhibit, the following definitions will apply:

“Fee Schedule” refers to the schedule of fees and costs set forth in Exhibit B to this Agreement. Elan reserves the right to change the fees charged to Cardholders and State in its sole discretion, provided that in cases of a fee increase or a new fee, Elan will provide thirty (30) days prior written notice of such change to State.

“National Association” shall mean, as applicable, Visa U.S.A., Inc.; Visa International, Inc.; and Plus System, Inc.; or MasterCard International Inc., MasterCard Worldwide, Maestro, and Cirrus System, Inc.

“Program” shall mean the issuing, distributing, and servicing of Cards pursuant to this Agreement.

“Program Description” means the description of certain features of State’s Program and the duties of the parties in relation to the Program found in Exhibit A attached hereto.

2. Article 4, Responsibilities of U.S. Bank in the Prepaid Debit Card Agreement is deleted and replaced with the following:

ARTICLE IV. RESPONSIBILITIES OF U.S. BANK/ELAN

4.1 Card Issuance; Usage.

(a) Beginning no later than the Program Launch, Elan shall make the Administrative Web Portal available to State, register and load National Association branded instant issue Cards for distribution to Cardholders at State's approved locations. Cardholders who receive the Cards will receive them from State in a ready to use status with funds loaded by State. Elan shall ensure each such Card may continue to be used for such purpose until Card expiration or depletion of funds on the Card. Elan will record the issuance of each Card and track Card issuance, usage, fee collection, and closure.

(b) Card inventory will be distributed directly to State, who will be responsible for the security and distribution of Cards. The Cards will be instant issue in nature and will be loaded with the requested Disbursement Amount when issued to the Cardholder.

(c) To the extent possible, Elan may, in its sole discretion, undertake periodic reviews of Cardholders and their Accounts to manage risks associated with fraudulent Card use and other Account activity that has the potential of exposing Elan to financial loss or regulatory risk. Elan reserves the right to take any necessary actions, including Account closure and/or Card deactivation, to stop such activity on the Account.

4.2 Design of Cards, Card Carriers, and Marketing Materials.

(a) Elan will be responsible for ordering, embossing, encoding and otherwise preparing for use an inventory of Cards in such amounts as required, at Elan's sole discretion, by the Program as a whole. Elan will supply Cards and Card packets to State as needed. Elan will determine need based on sales volume and other criteria.

(b) Elan will produce the Card carriers and other Card packaging, and terms and conditions/disclosures in such amount as required for the Program, as predetermined by Elan in its sole discretion. All such materials will bear a design created by Elan. Any Program-related materials produced by State shall be subject to Elan's prior written approval, which approval shall not be unreasonably withheld or delayed.

4.3 Reporting to Cardholders. Elan shall provide to Cardholders (upon Cardholder request) information regarding such Cardholder's Card or Account, including the initial Disbursement Amount, transactions that have occurred, and balance remaining. Such information will be provided to the Cardholders, through an IVR system and live customer service representatives.

4.4 Elan Operational Responsibilities. Elan shall administer and be responsible for all operational aspects of the Program as set forth herein, including those set forth on Exhibit A and including without limitation, Account set-up, plastic issuance, Account reconciliation, Cardholder telephone and internet inquiries, chargeback processing, interaction with the National Association's processing system, and computer processing and collections. Elan shall take all reasonable efforts to cause the Program to comply with state escheatment laws. In review of such Applicable Law, should Elan find that the issuance of Cards in any particular state could be detrimental to the overall success of the Program, or that the issuance of such Cards in any particular region or state might violate existing or future Applicable Law, Elan will notify State

of such findings, and retain the right to cease or prevent the issuance of Cards in that state or region. Should Elan decide to cease issuing Cards in a particular state or region, Elan will so notify State and State shall, within ninety (90) Business Days (unless the parties agree to a different time period in writing), cease allowing the issuance of Cards in that particular area. State shall work with Elan to remove all advertising for the Cards at the locations where Cards will no longer be issued. Further, State agrees to notify Elan of any intention to issue Cards in a new state or region at least ninety (90) days prior to the preferred time of issuance so that all laws can be reviewed.

4.5 Provision of Program Information.

(a) Elan shall provide information to State for each month in which Cards are issued and outstanding, including but not limited to reports by location and load verification reports.

(b) Any and all information State receives under this Section 4.5 shall be maintained in the strictest confidence and shall not be disclosed to any third party whatsoever by State or any of its affiliates, employees or agents without the express written consent of Elan, and shall be proprietary and Confidential Information of Elan. Such information shall be used by State in connection with the Program; provided, that information provided pursuant to Section 4.5(a) may be used by State for business purposes so long as State does not use such information in connection with any agreement with, or promotion or marketing of any products of, any other financial institution, including, without limitation, any commercial bank, savings institution or credit union.

(c) Nothing contained herein shall obligate Elan to provide any information to State in violation of Applicable Law or regulation, of any National Association's rules, or of Elan's privacy policies. If Elan, in reliance upon the reasoned opinion of counsel, concludes that continued sharing of information as contemplated hereby would expose it to an unreasonable risk of liability, whether in the nature of actual liability for violations or the cost of defense against claims, Elan may refuse to continue to share such information unless it shall first be indemnified as permitted by law to its satisfaction against any and all liability that may be incurred by it by reason of sharing of such information. As soon as reasonably practicable following any determination by Elan to cease sharing information with State, Elan shall notify State of such determination and provide information explaining the basis for such determination.

4.6 Elan Customer Service. Elan shall maintain an adequate trained staff to cooperate with State in servicing of State, Cardholders and inquiries and complaints arising in connection with Cards and other aspects of the Program, in accordance with Exhibit A, Elan's established customer service procedures and Applicable Law.

Article 5, Responsibilities of State in the Prepaid Debit Card Agreement is deleted and replaced with the following:

ARTICLE V. RESPONSIBILITIES OF STATE

In addition to its other responsibilities set forth in this Agreement and Exhibits A and B and C, State shall have the following responsibilities in furtherance of the Program:

5.1 Promotional and Training Responsibilities. State shall arrange for and engage in the issuance of the Cards through Program and promotional materials and other means available. State will not distribute any such Program or promotional material unless such material has been created by, or reviewed and approved by, Elan prior to its distribution. State will be responsible for identifying the appropriate State locations that will enroll, load and activate the Cards. State shall sufficiently train State Representatives in connection with the Program so that State Representatives are able to properly operate the Program and answer questions regarding the Card and the Program. Elan shall provide State with initial training and a support number they may call for assistance regarding Program questions. With respect to training on the use of equipment, the State is solely responsible for training State Representatives on the use of such equipment so that State may properly perform the functions contemplated by this Agreement.

5.2 Cardholder Enrollment. State will comply with the Cardholder enrollment process as defined by Elan. At the time of each Card enrollment, State will provide Elan with the Cardholder enrollment information required and described in Exhibit A. State will provide such information to Elan in a format designated by Elan. Data entry of enrollment information shall be made only by a State Representative. State shall be liable for errors in transmission made by all State employees and its State Representatives. State will only engage in enrollment, load, and registration of Cardholders that are physically present at a bona fide State location at the time of enrollment unless otherwise agreed to in advance and in writing by Elan. After completing enrollment, State will give the Cardholder the registered Card and all Elan designated disclosure documents. 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. State understands that all prospective cardholders or Cardholders that do not pass the initial or ongoing verification and OFAC screening will be denied a Card. The denial of a Card to a prospective cardholder under any circumstances may not be a cause for termination of this Agreement by State. State understands that Elan must collect identifying information and verify the identities of all prospective cardholders as required by the USA PATRIOT Act and any other government or industry regulatory requirements.

5.3 Settlement. State shall utilize a good funds method of settlement, acceptable to Elan, which requires State to deliver to Elan immediately available funds prior to registering or loading any Card. State may reverse any Total Deposit loaded onto a Card in error, provided that sufficient funds are still available on the applicable Card. State will be responsible for all applicable Disbursement amounts, including those made in error. Elan will not assist State in any collection efforts with respect to any Total Deposit or Card for which reversals cannot be completed by State.

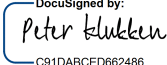
5.4 Card Security and Inventory Control. State shall provide Card stock security and inventory control in accordance with National Association guidelines and Elan's requirements as modified by Elan from time to time. Elan's current card security requirements are attached hereto as Exhibit C. State shall bear all risk of loss and any associated liability for lost or stolen

Cards under its control. State must permit Elan to monitor and/or audit State’s compliance with this Section during regular business hours upon not less than 48 hours’ notice to State and provide Elan copies of any applicable audits and test results acquired by State in relation to this Section.

IN WITNESS WHEREOF, the parties have executed the Agreement in duplicate originals effective as of the day and year first stated above.

U.S. BANK NATIONAL ASSOCIATION
d/b/a ELAN FINANCIAL SERVICES

STATE OF NEBRASKA

By  _____
Printed Name Peter Klukken
Its SVP

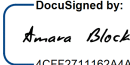
By  _____
Printed Name Amara Block
Its Chief Procurement Officer

Exhibit A

Program Description

Core Elements

The Program shall be offered by Elan with the following core elements:

1. The Card shall be a National Association-branded card, following all National Association regulations and program guidelines.
2. Card will be issued by Elan Financial Services, a d/b/a name used by U.S. Bank National Association.
3. The Card will be accepted at any location that accepts the National Association mark(s) displayed on the Card. (With exception of MCC codes listed below)
4. Elan will ship Cards and all necessary packaging material to designated State locations to support the delivery of Cards to the Cardholders at the agreed-upon cost.
5. Provide access to the Administrative Web Portal.
6. Issued Cards will have PIN / ATM / Cash Access permitted.
7. NDCS Cards are eligible for reloads.
8. State will not charge a load fee.
9. Program will block the following MCC codes or transaction types:
 - a. 5542 – Automated Fuel Dispenser (Pay-at-the-pump)
 - b. 7995 – Online Gambling
10. Mutually agreeable transactional and velocity restrictions for Cards may be adopted by the parties from time to time. Elan reserves the right, however, to adopt such additional transactional and velocity restrictions which Elan deems, in its sole discretion, reasonable and necessary for protecting Elan from theft, fraud or undue legal risk or risk of financial loss.
11. Cardholder information required for initial enrollment in this program is, at a minimum, First Name, Last Name, Date of Birth, Disbursement Amount, and Card ID number located on the front of the Card packet.

Elan Operational Responsibilities

Elan shall:

1. Provide initial telephone web conference training (train the trainer) of the designated State Representative.
2. Elan will provide the Card stock and all packaging needed to support the delivery of Cards to the Cardholders at the agreed upon cost.
3. Provide access to the Web Application, a Web Site needed to participate in the Program.
4. Set up Accounts, process chargebacks in accordance with the rules of the National Associations and provide all related computer processing.
5. Manage the account settlement for both loading of value to the Cards and the processing/settlement of transactions performed on the Cards through the National Associations.

6. Make Cardholder transactions viewable by Cardholders via a designated web site.
7. Provide a Voice Response Unit accessible by Cardholders twenty-four (24) hours per day/seven (7) days per week via a dedicated toll free telephone number, with features that include: lost/stolen account reporting, remaining account balance, load amount and recent transactions.
8. Provide live customer service agents, this will be twenty-four (24) hours per day/seven (7) days per week via a dedicated toll free telephone number.
9. Designate and identify to State a Elan program manager for the Program who shall be the primary point of contact for State.

State Operational Responsibilities

State shall:

1. Actively promote the Card to State Representatives and potential recipients.
2. Assist in the initial and ongoing training of State Representatives.
3. Follow Card inventory procedures utilizing the system/software and procedures provided by Elan.
4. Enroll all Cardholders in the Program and load cards following the enrollment/data entry procedures and system/software provided by Elan.
5. Present all enrollment and disclosure materials to the Cardholder following the procedures for doing so provided to State by Elan.
6. Transmit load values via good funds method of settlement, acceptable to Elan.
7. Designate and identify to Elan a program manager for the Program who shall be the primary point of contact for Elan.

Exhibit B
Pricing

	Fee
CLIENT	
Program Implementation Fee	\$0.00
Marketing Materials	\$0.00
Monthly Account Maintenance Fee	\$0.00
New Account Enrollment Fee	\$0.00
CARDHOLDERS	
Monthly Account Maintenance Fee	\$0.00
<i>Point of Sale Fees</i>	
VISA Signature-Based POS Transactions	\$0.00
Interlink PIN-Based POS Transactions	\$0.00
Cash Back with Purchase at Participating Interlink Merchants	\$0.00
<i>Cash Withdrawal Fees</i>	
Withdrawals at U.S. Bank and MoneyPass-branded ATMs	\$0.00
Withdrawals at non-U.S. Bank and non-MoneyPass-branded ATMs (ATM owner may levy a fee to the cardholder)	ONE (1) Free per month then \$1.25
Withdrawals at any International ATM	\$3.00
Teller-Based Cash Withdrawals (at any VISA bank, not limited to U.S. Bank)	\$0.00
<i>Customer Service and Miscellaneous Fees</i>	
Customer Service – Live Rep, Online & Automated Phone Access (unlimited)	\$0.00
Monthly Inactivity Fee (Following 270 days of inactivity)	\$2.00
ATM Balance Inquiries– U.S. Bank and MoneyPass ATMs	\$0.00
ATM Balance Inquiries - - Non -U.S. Bank and MoneyPass ATMs	\$1.00
ATM Balance Inquiry – At any International ATM	\$2.00
ATM Withdrawal Declines – At Any ATM Terminal	\$0.00
Standard Card Replacement	\$5.00
Expedited Card Replacement	\$15.00
E-Mail Alert and Zero Balance and Negative Balance Text Message Alert*	\$0.00
Text Message Alerts*-- Address Change, Funds Added and Low Balance	\$0.00
Mobile Banking Transactions* -- Balance Inquiry and Mini-Statement	\$0.00
*Standard messaging charges may apply through cardholder's mobile carrier and message frequency depends on account settings.	
International transactions are subject to 3% foreign transaction fee	3% of transaction amount

EXHIBIT C

CARD SECURITY REQUIREMENTS

These Card Security Requirements are based on policies and guidelines development by the National Associations and industry best practices. These requirements are to be implemented by State at all locations that store and distribute Cards whenever State has Card stock on hand at its locations or under its control.

Card Stock Ordering

Card stock orders will be placed as bulk orders to the card manufacturer by Elan. The fulfilled Card stock orders will be shipped to the designated State locations by the card manufacturer by an approved carrier. Shipments will be traceable. Card stock orders must be signed for upon arrival. If intermediate stops are made during the shipment, the shipment must remain secure and inaccessible to unauthorized personnel.

Card Stock Inventory

All Card stock must be placed at the time of receipt into inventory in a secured storage area. A State Representative designated by State management should be appointed to ensure that physical and procedural security policies are implemented. Physical security of the Card stock inventory must be maintained at all times. State shall use commercially reasonable controls to ensure the protection of the Card stock. At minimum, Card stock must be stored in a locked area such as a back office with limited access when not actively being distributed to Cardholders. Card stock, which will be in tamper-evident sealed envelopes, is not to be opened by anyone other than applicable Cardholders.

An inventory log must account for the number of Card stock received, Card stock used, Card stock spoiled (Card stock that cannot be used due to damage, tampering or expiration) and remaining Card stock that should balance to the number of Card stock on hand at any time. Elan's Card Stock Inventory Management System will maintain an inventory log automatically for normal course of business. However, State shall be responsible for reporting, through a channel acceptable to Elan, any Card stock spoilage or theft to Elan as soon as detected. State shall utilize Elan's Prepaid Web Portal to log such exceptions and provide an explanation of spoilage. State shall conduct monthly self-audit Card stock inventory true-ups.

Card Stock Destruction

Elan may request return of unused Card stock in inventory for destruction for any of the reasons listed below:

- Card stock compromised or tampered with
- Card stock expired
- Card stock damaged or defective
- Program is terminated

Any Card stock returned to Elan must be securely packaged.