

**PERSONAL LINE OF CREDIT AGREEMENT
& DISCLOSURE STATEMENT
(Not Available to Residents of California, Iowa, Maine, New York, or Wisconsin)**

(Retain for your records)

1. YOUR AGREEMENT: Please read this Agreement carefully and keep it for your records. This Agreement contains the terms and conditions of your PERSONAL LINE OF CREDIT account ("Account"), which may be drawn upon by using either the MasterCard or Visa credit card ("Card") or the Personal Line of Credit Checks which have been imprinted with your name and account number ("Checks") furnished by Compass Bank. In this Agreement, the words "we", "us", or "our" refer to Compass Bank, its successors and assigns. The words "you" and "your" refer to each person who has applied for the Account, and any other person who has agreed to be responsible for the Account. The term "authorized user" refers to you and to any person that you allow to use the Card, any Checks or your Account.

The application you signed or otherwise submitted (including the accompanying federal and state notices), your Card, the card folder sent with your Card, and each charge slip you sign are part of and are incorporated into the Agreement. You must sign the Card as soon as you receive it. You do not need to separately sign this Agreement. By signing or otherwise submitting the application, you are considered to have signed this Agreement. By signing, retaining, using or permitting others to use the Card or Checks, or your Account, or by signing, accepting or acknowledging a charge slip or any other evidence of credit, you accept and agree to the terms of this Agreement. However, you may cancel the Agreement before you or any other authorized user uses the Account if you comply with [Section 11](#) and we receive from you a written termination notice.

2. USING YOUR ACCOUNT: You may use your Card or Account to purchase or lease goods or services wherever the Card is honored ("Purchases"). You also may use your Card, Checks, or Account to obtain cash or other funds from us or from any other financial institution or automated teller machine ("ATM") that accepts the Card, to pay debts, or to enter into transactions that involve the purchase of items convertible to cash or similar transactions ("Cash Advances"). Cash Advance transactions include, but are not limited to, using the Card, Checks, or Account to purchase wire transfers, money orders, traveler's checks, lottery tickets or casino chips, to place bets or wagers, or to make tax or other similar payments. If your Account has been set up to provide overdraft protection for your Compass checking account, then Cash Advances also include any amounts that we may credit to that checking account pursuant to our overdraft protection agreement with you. However, you agree that you will not use your Account for any transaction that is illegal in the jurisdiction where you live, in the jurisdiction where the transaction is consummated, or in any other jurisdiction affected by the transaction. You agree that it is your responsibility to determine the legality of each transaction in all applicable jurisdictions before entering into such transaction. Display of the Visa, MasterCard or any other logo by any person accepting the Card does not indicate that the transaction is legal in all applicable jurisdictions. You acknowledge and agree that we have no obligation to monitor, to review or to evaluate the legality of your Card transactions. You also agree that you will not use your card in connection with any Internet or on-line gambling transaction, whether or not gambling is legal in any applicable jurisdiction. We reserve the right to decline any transaction that we believe is an illegal transaction, an Internet or on-line gambling transaction or a high-risk transaction. To the fullest extent permitted by law, you agree to pay for any Card transaction that you authorized, even if that transaction is determined to be illegal.

For security reasons, we may limit the number or dollar amount of Purchases and/or Cash Advances that may be made or obtained with your Card or Account, and we have the right to limit authorizations to make Purchases or obtain Cash Advances if we consider it necessary to verify the status of your Account. Neither we nor our agents will be responsible or have any liability if we do not authorize transactions, even if you have credit available. You may use your Account to authorize both Purchases and Cash Advances by mail order, telephone, computer or any other means without presenting the Card. You agree that neither you nor any other authorized user will make any Purchase or obtain a Cash Advance while your Account is past due, over your credit limit, or otherwise in default under this Agreement. You agree that you and all other authorized users will cease using the Account and you will notify us immediately if you plan to file for bankruptcy or similar debtor's relief or if you are otherwise unable to pay your debts. You agree that we may suspend or terminate use of the Account at any time without notice to you, subject to any restrictions of applicable law.

Using Checks: We may issue Checks to you that may be used with your Account, but we are under no obligation to pay or certify any Check drawn on your Account. Each Check will be treated as a Cash Advance in the amount of your Check; however, if we designate that only a portion of your credit limit is available for Cash Advances, as provided in Section 3, the amount of any Convenience Check will not be deducted from your Cash Advance limit to determine the amount of Cash Advances available to you. Each Check must be completed and signed by an authorized user in the same way as a regular personal check. We are not required to pay any Check if: (a) payment of the Check causes your applicable credit limit to be exceeded; (b) your Account is in default under this Agreement; (c) your credit privileges under this Agreement have been suspended or terminated; (d) we have notified you not to use the Account, Card or Checks for any reason; (e) the Check is postdated or is dated more than six months prior to the time presented to us; or (f) the Check does not bear the signature of an authorized user.

If we do pay a Check that meets any of the conditions listed above, you agree to repay us the amount of that Check and any applicable Finance Charges. If, however, we return a Check unpaid for any of the reasons listed above, you agree to pay us a returned check fee as described in Section 9.

All Checks that we pay will be identified on your monthly billing statement, but will not be returned to you. We will retain Checks for the period of time required by law. We will send you copies of paid Checks upon your written request, for which we will charge you a fee as described in Section 9. If we provide Checks for your Account, you may not use a Check to pay any amount you owe us, whether under this Agreement or otherwise.

Balance Transfers: You may request us to transfer to your Account any balance that you owe to another creditor and we, at our option, may honor your request either by making payment on your behalf directly to the other creditor or by transferring funds into your Compass checking account (a "Balance Transfer"). Payments that you make using a Check are not Balance Transfers under this Agreement. Balance Transfers are Cash Advances for all purposes under this Agreement, except that the Annual Percentage Rate for Purchases (and not the Annual Percentage Rate for Cash Advances) will apply to Balance Transfers. For each Balance Transfer, we will charge you the Cash Advance Fee (as described in Section 7).

3. YOUR CREDIT LIMIT: Your initial credit limit(s) is shown on the card folder sent with the Card. Each periodic statement you receive also will show both your applicable credit limit(s) and available credit. We may designate that only a portion of your credit limit is available for Cash Advances. If we make this designation and you exceed that limit, you will be considered to have exceeded your credit limit for all purposes of this Agreement. When you make a payment on your Account, we will apply that payment as of the date that we receive it, but we may delay increasing the credit available to you under this Agreement for up to ten (10) days while that payment is processed.

We do not have to honor any Purchase or Cash Advance that would cause your outstanding Account balance (including Finance Charges and fees) to exceed your applicable credit limit. If we do so, this Agreement also will apply to any credit we have extended to you in excess of your credit limit and you agree to pay this excess amount immediately. You also agree that we may charge an overlimit fee if your Account balance exceeds your applicable credit limit, as described in Section 9. If we honor requests for credit over your applicable credit limit on one or more occasions, it does not mean that we must honor future overlimit requests.

You may request an increase in your credit limit by calling us at 1-800-239-5175. We may honor your request, but we are not required to do so. You agree that, subject to any restrictions of applicable law, we may increase or decrease your credit limit, or cancel your available credit at any time without prior notice to you, without any request or approval from you and without affecting your obligation to pay all amounts that you owe under this Agreement.

4. YOUR OBLIGATIONS: You authorize us to charge your Account for all Purchases and Cash Advances made or obtained by you or any other authorized user. You promise to pay us for all of these Purchases and Cash Advances, plus any Finance Charges, fees and any other amounts which you may owe us under the terms of this Agreement, including up to \$50 for unauthorized charges, as provided in Section 17 and in the Statement of Your Billing Rights, which appears after the end of this Agreement.

Joint Accounts: If this is a joint account, each of you has the right to use the Account up to the applicable credit limit and each of you is individually responsible to pay the entire balance due. We may require that you pay the full amount owed without our first asking any other person to pay. Any of you may give us any notice required or permitted under this Agreement. If each of you gives us notices or makes requests, and those notices or requests are conflicting, we may honor or refuse to honor any request at our option and without notice to the person(s) whose request is not honored. We will not be liable for honoring or refusing to honor any conflicting requests.

5. PERIODIC STATEMENTS: We will send you a statement at the end of each monthly billing cycle in which your Account has a closing credit or debit balance of more than \$1 or in which a Finance Charge has been imposed during that cycle, or as otherwise required by applicable law. You agree promptly to review your statement and to report any errors, unauthorized use, forgeries or alterations to us. Among other information, your periodic statement will show the outstanding balance of your Account on the closing date of the billing cycle ("New Balance"), any Finance Charge, your credit limit and available credit, your minimum monthly payment due for that statement (the "Minimum Payment Due") and the date by which we must receive the Minimum Payment Due (the "Payment Due Date").

6. MINIMUM PAYMENT: You may pay more than the Minimum Payment Due and, at any time, you may pay the full amount you owe us without incurring any additional charge as a result of having made payment in full.

Calculation of Minimum Payment: If the New Balance shown on your periodic statement is less than \$10, your Minimum Payment Due for that billing cycle will be your New Balance. If the New Balance shown on your periodic statement is \$10 or more, the Minimum Payment Due for that billing cycle generally will be the greater of \$10 or two percent (2%) of the New Balance, rounded to the nearest dollar (up for any fractional amount of 50¢ or more, and down for any fractional amount of less than 50¢), plus any unpaid Minimum Payments Due from previous billing cycles, and any amount by which the New Balance exceeds your credit limit. However, if, at the end of any billing cycle, any Finance Charges are assessed on your Account at an Annual Percentage Rate in excess of 23.49%, then the Minimum Payment Due for that billing cycle will be \$15 plus any Finance Charges that have accrued during that billing cycle, any unpaid Minimum Payments Due from previous billing cycles, and any amount by which the New Balance exceeds your credit limit. Any payment in excess of the Minimum Payment Due for any one billing cycle shall not affect your obligation to make the Minimum Payment Due for subsequent billing cycles. If we accept a payment for an amount that exceeds the outstanding balance on your Account, your available credit limit will not be increased by the amount of such overpayment nor shall we be required to authorize transactions for an amount in excess of your applicable credit limit.

Skip Payment: We may allow you to skip one or more monthly payments during a year. This option, if made available to you, will be effective for only one month at a time. You will be given notice of any month for which the option is available. If we allow you to skip a payment, you may be required to pay a Skip Payment Fee, as provided in Section 9(b), Finance Charges will continue to accrue on the Account balance, and the regular Minimum Payment Due will be applicable for the next month. Allowing you to skip a payment will not extend the period within which you must pay the New Balance on a periodic statement to completely avoid paying a Finance Charge on Purchases as described in Section 7.

Manner of Payment: All payments must be made in United States dollars and accompanied by the payment stub from your periodic statement. Except as provided in Section 19 regarding payment of disputed amounts, your payment should be directed to the address shown on your periodic statement. Your payment will be considered late if received at this address after any cutoff hour specified on your periodic statement, and your Account will be subject to late fees, higher Annual Percentage Rates and other consequences described in this Agreement. If we allow you to pay your bill at any other location, including at an ATM, or if we accept a payment and you have not followed our instructions for payment, we will credit your payment to your Account within five (5) business days after our receipt of it. If you pay by mail, you agree not to send cash. You may not use Checks to make payments on your Account. We may electronically present and represent items (such as checks) that we receive as payment on your Account, as allowed by applicable law and clearinghouse rules.

Payment Allocation: Subject to applicable law, we reserve the right to allocate payments to your Account among Finance Charges, Cash Advances, Purchases and fees and any other amounts due in any manner we choose. We may allocate payments to balances subject to a special, reduced rate offer before any other balances due on your Account, regardless of the order in which those balances were created.

7. FINANCE CHARGES:

Finance Charges Based on Average Daily Balances: You must pay a Finance Charge based on the average daily balances of Purchases and Cash Advances during each billing cycle, as described below. These Finance Charges are calculated separately for Purchases and Cash Advances. If any Purchases or Cash Advances are subject to a special periodic rate as a result of an offer we made to you, we will calculate separately the average daily balance for these special offer Purchases or Cash Advances.

-- Purchases: To calculate the Finance Charge on Purchases for each billing cycle, we first determine the average daily balance of Purchases during that billing cycle; next multiply the average daily balance by the daily periodic rate described in Section 8 below (or, if applicable, the daily periodic rate for any special offer); and then multiply the resulting amount by the number of days in the billing cycle. If we receive full payment of the New Balance shown on the previous statement by the Payment Due Date, the average daily balance for

Purchases will be considered zero and, except for any International Transaction Fees charged as provided in Section 22, there will be no resulting Finance Charges on Purchases for the current billing cycle.

-- Cash Advances: You must pay a Finance Charge on all Cash Advances, whether obtained by the use of Checks, the Card or otherwise. Finance Charges on all Cash Advances accrue from the date the Cash Advance is added to your average daily balance until we receive full payment for all outstanding balances. To calculate the Finance Charge on Cash Advances for each billing cycle, we first determine the average daily balance of Cash Advances during that billing cycle; next multiply the average daily balance by the daily periodic rate described in Section 8 below (or, if applicable, the daily periodic rate for any special offer); and then multiply the resulting amount by the number of days in the billing cycle.

-- Determining the applicable daily periodic rate: Except as provided otherwise in this Agreement, for any billing cycle, the rates applicable to that cycle will be the rates in effect at the close of business two (2) business days before the Statement Date shown on the statement for that billing cycle.

-- Determining the Average Daily Balance:

- We separately calculate the average daily balances for Purchases, Cash Advances and any Purchases or Cash Advances subject to a special offer we made to you. For Purchases, we start with the New Balance shown on the previous periodic statement, and then subtract any Cash Advances, any unpaid Finance Charges on Cash Advances (including any International Transaction Fees charged on any Cash Advances and any Cash Advance Fees), and any unpaid fees assessed under Section 9(b). The beginning balance for Purchases will include unpaid Finance Charges on Purchases (including any International Transaction fees charged on any Purchases) and unpaid fees assessed under Section 9(a). For Cash Advances, we start with the New Balance shown on the previous periodic statement, and then subtract any Purchases, unpaid Finance Charges on Purchases (including any International Transaction Fees charged on any Purchases) and any unpaid fees assessed under Section 9(a). The beginning balance for Cash Advances will include unpaid Finance Charges on Cash Advances (including any International Transaction fees charged on any Cash Advances and any Cash Advance Fees), and any unpaid fees assessed under Section 9(b). If the previous periodic statement shows that we owe you money or that you have no outstanding balance on the Account, the beginning daily balance will be zero. For each day after the first day of the billing cycle, the beginning daily balance is equal to the closing daily balance, if any, from the previous day.

- At the end of each day, we add to each beginning daily balance any new Purchases or Cash Advances for that day, and subtract any payments or credits we received in order to arrive at each closing daily balance. For the purpose of computing average daily balances, all fees described in Section 9(a) shall be treated as Purchases. New Purchases will be added to the beginning daily balance as of the date your Card is used to make the Purchase or the first day of the billing cycle in which the transaction or fee is posted to your Account, whichever is later. New Cash Advances obtained by use of Checks or Balance Transfers will be added to the beginning daily balance as of the date that the Check or Balance Transfer is presented to and/or paid by us or the first day of the billing cycle in which the transaction is posted to your Account, whichever is later. All other new Cash Advances will be added to the beginning daily balance as of the date your Card or Account is used to obtain a Cash Advance or the first day of the billing cycle in which the transaction is posted to your Account, whichever is later.

- At the end of each billing cycle, we separately total all of the closing daily balances for Purchases, for Cash Advances, and for any special offer Purchases or Cash Advances during the billing cycle. Then, we divide the totals for each of these closing daily balances by the number of days in the billing cycle to arrive at your average daily balances for Purchases, Cash Advances, and any special offer Purchases or Cash Advances.

Minimum Finance Charge: For any billing cycle in which Finance Charges based on the average daily balance for any Purchases would be less than \$1, we will charge a "Minimum Finance Charge" for Purchases of \$1 to your Account.

Cash Advance Fees: You also must pay an additional Finance Charge for each Cash Advance ("Cash Advance Fee"), including Balance Transfers. The Cash Advance Fee on each Cash Advance is 4% of the Cash Advance amount or \$10, whichever is greater.

Skip Payment Fees, Payment Service Fees, Transfer Fees, Rate Reduction Fees and International Transaction Fees: These fees, which you may be required to pay as described in Sections 9(b) and 22, are Finance Charges.

Total Finance Charges: For each billing cycle, we add the Finance Charges for Purchases, the Finance Charges for Cash Advances, and the Finance Charges for any special offer Purchases and Cash Advances, to the sum of any Cash Advance Fees, Minimum Finance Charge (as

described in this [Section 7](#)), any skip payment fees, payment service fees, transfer fees and rate reduction fees (as described in [Section 9\(b\)](#)), and any International Transaction fees (as described in [Section 22](#)) to obtain the total Finance Charges, which will be included in the New Balance for your Account.

8. ANNUAL PERCENTAGE RATES FOR PURCHASES AND CASH ADVANCES: (a) Generally: The daily periodic rates and the Annual Percentage Rates applicable to your Account are shown on the card folder sent with the Card. Each daily periodic rate is determined by dividing the applicable Annual Percentage Rate by 365. Except for any fixed special promotional rates, the daily periodic rates and Annual Percentage Rates are variable rates based on Compass Bank Prime, and these rates may change from billing cycle to billing cycle based on increases and decreases in Compass Bank Prime. Any change in the daily periodic rates and Annual Percentage Rates will cause a corresponding increase or decrease in the amount of Finance Charge for Purchases and Cash Advances and the Minimum Payment Due on your Account. In no event will the Annual Percentage Rate be less than the rate shown on the card folder sent with the Card. Finance Charges will be imposed on the outstanding balances from cycle to cycle in amounts or at rates not in excess of those permitted by law.

For any billing cycle, Compass Bank Prime means the rate in effect at the close of business two (2) business days before the Statement Date shown on the statement for that billing cycle, and any change in Compass Bank Prime will take effect as of the first day of that billing cycle. Compass Bank Prime as used in this Agreement is a reference rate that we have established for use in computing and adjusting interest and is subject to change (increase or decrease) at our discretion and is only one of the reference rates or indices we use. You acknowledge that we may lend to others at rates of interest greater or lesser than Compass Bank Prime or the rates provided in this Agreement and use indices other than Compass Bank Prime. You may call us at any time during our business hours at 1-800-266-7277 to check on the current Compass Bank Prime rate.

(b) Conversion To Higher Default Rate: If we have not received the Minimum Payment Due by the 30th day after the Payment Due Date (the "Past Due Date"), we may, at our option and in our sole discretion, convert the Annual Percentage Rates and daily periodic rates for both Purchases and Cash Advances that are applicable to your Account at that time to the higher default rate shown on the card folder sent with the Card. This default rate will apply to your Account as of the first day of the billing cycle that includes the Past Due Date.

By converting your Annual Percentage Rates as described above, we do not waive the right to take any and all other action available to us under this Agreement and applicable law. When all of your payments under this Agreement have been made on time for six (6) consecutive billing cycles, you may request us to re-evaluate your Account to determine whether you qualify for a lower Annual Percentage Rate.

(c) Temporary Reductions in Finance Charges: We may make a special offer to you for a temporary reduction in certain Finance Charges applicable to your Account, including an offer for reduced introductory rates. A temporary reduction in Finance Charges may apply to all transactions or balances due on your Account, or only to the transactions and balances designated in our special offer. We will describe in each special offer the specific terms of any temporary Finance Charge reduction that differ from the existing provisions of this Agreement. Except as specifically provided in a special offer, all other provisions of this Agreement will continue to apply to your Account. Any temporary reduction in Finance Charges that you may be given through a special offer will terminate immediately if we have not received the full minimum payment shown on your periodic statement by the Payment Due Date or if you terminate your right to use the Account. Upon termination of any temporary reduction in Finance Charges, all provisions otherwise applicable to your Account will apply, including the provisions that increase the Annual Percentage Rate as a result of late payment. Any higher rate will apply to your Account as of the first day of the billing cycle in which your payment was late or you terminated your right to use your Account, as applicable. A temporary reduction in Finance Charges will not be terminated as a result of your terminating your right to use the Account as provided in [Section 12](#).

9. FEES AND FINANCE CHARGES: (a) You agree to pay the following fees, as may be applicable, which will be charged to your Account.

Annual Fee: You agree to pay us the non-refundable annual membership fee shown on the card folder sent with the Card (the "Annual Fee"), in consideration of the credit made available under this Agreement. The Annual Fee will be posted to your Account upon the issuance of the Card and each year thereafter during the same month as the month of initial issuance. We may in our sole discretion choose to reduce or waive this Annual Fee for other accounts.

Late Fee: If we do not receive a payment from you in at least the amount of your Minimum Payment Due by the Payment Due Date, we will charge a late payment fee to your Account. Except as otherwise provided below, this fee is based on the "Previous Balance" shown on the

statement for the cycle in which the late fee is charged, which is the same as the "New Balance" shown on the statement for which we did not receive the full Minimum Payment Due. We will charge the late payment fee only once for each Minimum Payment Due not received by the Payment Due Date. The late fee generally will be:

- \$15 - if this Previous Balance is less than \$100;
- \$29 - if this Previous Balance is \$100 or more, but less than \$250;
- \$39 - if this Previous Balance is \$250 or more.

However, if the Annual Percentage Rates applicable to your Account have been increased under [Section 8\(b\)](#) above, then the late fee will be \$49, regardless of the amount of the Previous Balance, as long as the increased Annual Percentage Rate remains in effect.

Overlimit Fee: For every billing cycle, we will charge an overlimit fee of \$39 at the time your Account balance or Cash Advance balance goes over the applicable credit limit. We will charge only one overlimit fee for any single billing cycle. We may charge this fee even if your balance is over your credit limit as a result of a transaction we authorized or a Finance Charge or fee we imposed, even if you have not been billed for that Finance Charge or fee. We may charge an overlimit fee at the beginning of a cycle if your Account balance is over your credit limit, even if we receive your Minimum Payment Due for the previous cycle by the Payment Due Date and there are no new transactions on your Account during the later cycle.

Returned Check Fee: We will charge the following returned check fees: (i) \$30 or a greater amount allowed by law if a check or similar instrument is submitted to us as payment on your Account and is returned for insufficient funds or for any other reason, or if an automatic debit is returned unpaid. We may charge this fee even if we choose to represent the check or to initiate another debit, and we receive payment on the check or debit; and (ii) \$29 if we return a Check to you for any of the reasons authorized in [Section 2](#).

Stop Payment Fee: We will charge a fee of \$29 per Check on each stop payment request, as described in [Section 14](#), whether or not we actually stop payment, subject to any restrictions of applicable law.

Expedited Delivery Fee: If you request us to arrange for delivery of any Card or Checks by an overnight delivery service or other expedited means and we honor your request, we will charge you the actual cost we pay for each delivery we arrange.

Document Fees: Subject to any restrictions of applicable law, we will charge the following document fees: (i) If you request copies of sales slips or Convenience Checks, we will charge \$5 for each item requested; and, (ii) if you request duplicate copies of periodic statements, we will charge you a fee for each item requested. The fee for each duplicate periodic statement requested will be: \$7 for statements from the previous twelve (12) months; \$17 for statements more than 12 months but not more than 24 months old; \$27 for statements more than 24 months but not more than 36 months old; and, \$37 for statements more than 36 months old. However, there will be no charge if you request such items in good faith in connection with the resolution of any disputed billing matter. See "Your Billing Rights" included with this Agreement.

(b) You also agree to pay the following fees, as may be applicable, which will be charged to your Account. These fees are Finance Charges.

Skip Payment Fee: If we offer and you accept the option to skip any monthly payment, we will charge you a fee of \$35 for each monthly payment skipped if your Minimum Payment Due would have been \$200 or more.

Payment Service Fee: If you request us to make a payment on your Account by debiting any deposit or other account you designate, and we honor your request, we will charge a fee of \$15 for each such payment, subject to any restrictions of applicable law.

Transfer Fee: If you request us to make a Cash Advance (including any Balance Transfer) and to deposit that Cash Advance directly in your checking account, and we choose to honor your request, then, in addition to any applicable Cash Advance Fee, we will charge a \$25 transfer fee.

Rate Reduction Fee: If a reduction in any Finance Charge is offered by us and accepted by you, or requested by you and honored by us, we may charge a fee of \$75 in connection with a reduction in Finance Charges applicable to your Account, whether on a temporary or indefinite basis. If we intend to apply this fee to any Finance Charge reduction, we will tell you about the fee orally or in writing at the time we offer or agree to the reduction. We may in our sole discretion choose to waive this fee.

(c) You also agree to pay the International Transaction Fee described in [Section 22](#), if applicable, which will be charged to your Account. This fee is a Finance Charge.

(d) In addition to the fees and Finance Charges that we may charge under this Agreement, if you use your Card at an ATM that we

do not own, the owner or operator of that ATM may charge you a fee for use of its equipment.

10. DEFAULT: Subject to any restrictions of applicable law, you will be in default and we may suspend or terminate your privileges under this Agreement and/or demand immediate payment of the entire amount you owe us without giving you prior notice if: (a) under this Agreement or any other agreement with us or any other creditor, you fail to make a payment when due, you exceed your credit limit, or you make a payment that is not honored by your bank; (b) you or any other authorized user makes Purchases or obtains Cash Advances in excess of your applicable credit limit; (c) you or any other authorized user fails to do anything this Agreement requires; (d) you or any other authorized user does anything this Agreement prohibits; (e) you file or have filed against you a petition under the federal Bankruptcy Code; (f) you die, become legally incompetent or are imprisoned; (g) you provide us with false credit information, false signatures or make any misrepresentations in opening or maintaining the Account; (h) your Card or Checks are lost or stolen; (i) based upon a periodic re-evaluation of your financial condition or credit standing by us, we determine that your creditworthiness has declined below our requirements to qualify for the Annual Percentage Rate or credit limit then in effect on your Account; or (j) we believe in good faith that your ability to make payments or perform your other obligations under this Agreement is impaired for any other reason.

As permitted by applicable law, you agree to pay all collection expenses actually incurred by us in the collection of amounts you owe under this Agreement, including reasonable fees paid to attorneys who are not our salaried employees. You will not be required to pay our collection costs if the amount you owe us is \$300 or less.

11. TERMINATION AND SUSPENSION: Subject to any restrictions of applicable law, we may terminate, temporarily suspend, delay reissuing your Card or limit your right to make Purchases, obtain Cash Advances or otherwise use the Account at any time without notice to you or liability to us. You agree that neither you nor any other authorized user will make or attempt to make a Purchase or obtain or attempt to obtain a Cash Advance after you have been notified that your privilege to use your Account has been terminated or suspended. You agree to destroy all Cards and unused Checks upon our request. You may terminate your right to make Purchases or obtain Cash Advances at any time by notifying us in writing of your intent to do so and destroying your Cards and all unused Checks. If you are not in default at the time of termination, you may pay off the balance due on your Account according to the terms and conditions of this Agreement. Neither termination nor suspension will affect your existing obligations or our rights or remedies under this Agreement, including our right to change the terms of the Agreement from time to time. Except as otherwise provided in this Agreement, you will remain liable for all charges posted to your Account prior to the time all Cards and unused Checks issued on your Account are destroyed.

12. CHANGING THIS AGREEMENT: We may change the terms of this Agreement at any time by giving you notice of the change, as required by applicable law. These changes may include modifying or deleting existing terms and adding new terms. Subject to the requirements of applicable law, any changes to this Agreement will become effective at the time stated in our notice to you and the amended terms of the Agreement will apply to all outstanding unpaid balances you owe us as well as new charges, unless you terminate your right to use the Account on or before the date provided in our notice. No change to any term or condition of this Agreement shall be effective unless accepted or authorized by us in writing.

13. NOTICES: We will send statements and other notices to you at your address shown on our records. If this is a joint account, we can send statements and notices to any of you, unless otherwise required by applicable law. You promise to notify us promptly in writing of any change in your address and to send us any other notice provided in this Agreement to: Compass Bank Card Center, P.O. Box 2210, Decatur, Alabama 35699-0001.

14. STOP PAYMENT REQUESTS: You may ask us to stop payment on a Check or to cancel a stop payment request by calling us at 1-800-239-5175 or (256) 552-1676 or by writing us at the address in [Section 13](#).

We may require a written stop payment request. Whether you call or write us, you must tell us: (a) your Account number; (b) the date, number and amount of the Check; and (c) the name of the person(s), company or organization to whom the Check is payable. We need at least four (4) hours advance notice to be able to stop payment on a Check for you.

We will not be liable in any way for any request for a stop payment or for the cancellation of a stop payment that we honor, nor will we be liable in any way for our failure to honor any such request if we use ordinary care in handling your request, if you gave us incorrect information, if you did not give us all the information we requested, or if you did not give us the information in time for us to act.

15. CREDIT EVALUATION AND REPORTING: You promise that the information you gave us on your application for the Account is true. You agree that we may re-evaluate your financial condition and credit standing at any time, and for any reason, including

periodically to determine whether your Account will be renewed for an additional period. The credit re-evaluation may include obtaining a current consumer credit report or asking you for current financial information, including accurate, up-to-date information on your assets and liabilities, true copies of your signed federal income tax returns, and verification of your employment and income. Based upon such a review, we also may increase or lower your credit limit at our discretion and upon notice to you in accordance with applicable laws and regulations. You agree to permit and cooperate with any investigation of your credit record. A negative credit report reflecting on your credit record may be submitted to one or more credit reporting agencies if you fail to fulfill your obligations under this Agreement.

Inaccurate Information: If you believe that we have information about you that is inaccurate or that we have reported or may report to a credit reporting agency information about you that is inaccurate, please notify us of the specific information that you believe is inaccurate by writing to us at the address shown in Section 13.

16. TELEPHONE MONITORING: We treat every customer call confidentially. To assure that you receive accurate and courteous customer service, on occasion your call may be monitored by a second employee and/or recorded and you agree to this monitoring and recording.

17. LIABILITY FOR UNAUTHORIZED USE OF YOUR ACCOUNT: If your Card or Checks are lost or stolen or if you think someone will use your Account without your permission, you must notify us at once. You may be liable for the unauthorized use of your Account. You will not be liable for unauthorized use that occurs after you notify us in writing at: Compass Bank Card Center, P.O. Box 2210, Decatur, Alabama 35699-0001 or by calling: 1-800-239-5175 or (256) 552-1587. In any case, your liability will not exceed \$50. We may suspend, terminate or limit your use of the Account without notice to you if we have been notified or have determined that your Card or Checks may have been lost or stolen, or that there may be unauthorized access to your Account.

18. REFUSAL TO HONOR CARD: We are not responsible for refusals to honor your Card, Checks, or Account. Except as otherwise required by applicable law or regulation, we will not be responsible for merchandise or services purchased or leased through use of your Account.

19. IRREGULAR PAYMENTS/DELAY IN ENFORCEMENT: Subject to applicable law, we reserve the right, at any time and in our sole discretion, to delay imposing or not to impose part or all of any fee or other amount permitted by this Agreement or to delay exercising or not to exercise any of our other rights under this Agreement and, should we do so, we will not waive our right to impose such fee or other amount or to exercise the right as set forth in this Agreement in the future. Without limiting the foregoing, and subject to applicable law, we may, at our option, take any and all of the following actions: (a) accept late or partial payments, (b) agree to extend the due date of any payment due under this Agreement for any length of time, (c) reduce or waive any fee or Finance Charge provided for in this Agreement, and (d) release any other person responsible under this Agreement, all without notifying you and without releasing you from your obligation to pay in full all amounts owing under this Agreement and to perform all of your other obligations under this Agreement. To the extent allowed by applicable law, we may take other action not described in this Agreement, and by doing so we do not limit and will not lose our rights under this Agreement. No payment shall operate as an accord and satisfaction without our prior written approval. You agree that we may accept, endorse, and collect any payment that is marked "payment in full" or that is tendered with other conditions or limitations without changing any of our rights or your obligations under this Agreement (including your obligation to pay in full all amounts owed to us) if: (i) the payment is received by us at any location and our records do not reflect an existing dispute of an amount owed by you to which the payment relates, or (ii) the payment is received by us at any location, other than the special payment address provided in this Section 19 below, and our records show an existing dispute of an amount owed by you to which the payment relates. You agree that, for the purposes of this Section 19, our determination and records regarding the existence of a dispute by you of any amount owed by you will be conclusive, except in the event that you prove otherwise by written evidence. **If you dispute any obligation under this Agreement, including any payment obligation, you agree to mail or deliver all written communications concerning such disputes, including any check or other payment instrument that is marked "payment in full" or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount, to: Compass Bank Card Center, P.O. Box 2101, Decatur, Alabama 35602-2101.** The fact that we may at any time honor a Purchase or Cash Advance in excess of your maximum credit limit or at a time when your Account is in default does not obligate us to do so again.

20. GOVERNING LAW/SEVERABILITY: THIS AGREEMENT AND YOUR ACCOUNT, AND ANY CLAIM, DISPUTE OR CONTROVERSY ARISING FROM OR RELATING TO THIS AGREEMENT OR YOUR ACCOUNT, WHETHER BASED ON CONTRACT, TORT, FRAUD AND OTHER INTENTIONAL TORTS, STATUTE, REGULATION, CONSTITUTION, COMMON LAW AND/OR EQUITY, ARE

GOVERNED BY AND WILL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ALABAMA (WITHOUT REGARD TO INTERNAL PRINCIPLES OF CONFLICTS OF LAW) AND APPLICABLE FEDERAL LAW. THE LEGALITY, ENFORCEABILITY AND INTERPRETATION OF THIS AGREEMENT AND THE AMOUNTS CONTRACTED FOR, CHARGED AND RECEIVED UNDER THIS AGREEMENT WILL BE GOVERNED BY THESE LAWS. THIS AGREEMENT IS ENTERED INTO BETWEEN YOU AND US IN ALABAMA. WE MAKE DECISIONS ABOUT GRANTING CREDIT TO YOU FROM, EXTEND CREDIT TO YOU UNDER THIS AGREEMENT FROM, AND ACCEPT YOUR PAYMENTS IN ALABAMA. If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions will remain in full force and effect.

21. ASSIGNMENT/BINDING EFFECT: You agree that at any time we may assign or transfer your Account, this Agreement and our rights and obligations under the Agreement to another person without prior notice or approval from you. You may not assign or transfer your Account or any of your obligations under this Agreement to any other person. This Agreement shall be binding on your heirs and legal representatives.

22. INTERNATIONAL TRANSACTIONS: International transactions include any transaction that you make in a foreign currency and any transaction on your Account made outside of the United States of America, even if that transaction is made in U.S. dollars. If you make a transaction in a currency other than U.S. dollars, Visa or MasterCard will convert the amount of that transaction into U.S. dollars according to its own currency conversion procedures in effect at that time. The exchange rate used to convert the currency is either a rate selected by Visa or MasterCard from the range of rates available in wholesale currency markets on the applicable processing date (which rate may differ from the rate the entity itself receives), or the government-mandated exchange rate in effect on the applicable processing date. The exchange rate in effect on the applicable processing date may differ from the exchange rate in effect on the date you used your Card or Account. The amount (in U.S. dollars) of any credit associated with a particular foreign currency transaction is likely to differ from the amount (in U.S. dollars) of the original transaction due to differences in the applicable rates, which may vary daily. We may charge you an International Transaction Fee equal to three percent (3%) of the U.S. dollar amount of any international transaction, whether that transaction was originally made in U.S. dollars or was made in another currency and converted to U.S. dollars by Visa or MasterCard. In either case, the International Transaction fee will be calculated on the U.S. dollar amount provided to us by Visa or MasterCard, and charged to your Account at the time the transaction is posted to your Account. The same conversion process and fee may apply if any international transaction is reversed or credited back to your Account.

23. ARBITRATION: By opening or maintaining the Account, you agree that if a dispute of any kind arises under this Agreement, either you or we can choose to have that dispute resolved by binding arbitration, as provided below. ***If any party chooses arbitration, neither you nor we will have the right to litigate that claim in court or to have a jury trial of that claim. You will not have the right to participate as a class representative or member of any class of claimants for any claim subject to arbitration. Arbitration is usually an informal proceeding in which disputes are decided by one or more neutral arbitrators who receive the evidence at a hearing and then issue a binding ruling in the form of an award. You and we understand that discovery and other procedures in arbitration may be more limited than discovery in court proceedings and that the ability to modify, vacate, or appeal an award by an arbitrator(s) is strictly limited. Other rights that you or we would have if you or we went to court also may not be available in arbitration. It is important that you read this entire arbitration provision.***

You and we agree that, upon written demand for arbitration made by you or us, all disputes, controversies and claims for amounts that exceed the jurisdictional limit of the applicable small claims court (whether based on contract, fraud, tort, intentional tort, statute, regulation, constitution, common law, equity or otherwise, and whether pre-existing, present or future), that arise from or relate to (a) this Agreement, the Account, any transaction involving the Account, or any advertisements, promotions, or oral or written statements related to this Agreement or the Account, (b) the relationships that result from this Agreement (including, to the fullest extent permitted by applicable law, relationships with third parties who are not parties to this Agreement or this arbitration provision), or (c) the scope or enforceability of this Agreement (collectively, a "Claim") shall be settled by binding arbitration. You or we may choose either the American Arbitration Association ("AAA") or the National Arbitration Forum ("NAF"), within ten (10) days of the written demand for arbitration, to conduct any arbitration you or we, respectively, may bring under this Agreement, or you and we may agree upon a different arbitrator. In any event, any arbitration under this Agreement shall be conducted in accordance with any applicable rules of the arbitrator or arbitration organization ("Rules"). If an arbitrator other than the AAA is chosen, the Rules of the AAA will be applied to any circumstance that is not addressed by the Rules of the

chosen arbitrator. In the event of any inconsistency between this Agreement and the Rules to be used for an arbitration, such inconsistency shall be resolved in favor of this Agreement. This arbitration provision is made pursuant to a transaction involving interstate commerce, and the Federal Arbitration Act (the "FAA") shall apply to the construction, interpretation and enforceability of this Agreement notwithstanding any other choice of law provision contained in this Agreement.

Either you or we may initiate arbitration by giving written notice of the intention to arbitrate to the other party and, if you or we choose to use the AAA or the NAF, by filing notice with the AAA or the NAF in accordance with the Rules in effect at the time the notice is filed. The demand for arbitration may be made before or after commencement of any litigation. You should contact the AAA or the NAF for more information about arbitration. The Rules, procedures and forms of the AAA may be obtained by calling the AAA at 800-778-7879 or by visiting the AAA's website at <http://www.adr.org>. The Rules, procedures and forms of the NAF may be obtained by calling the NAF at 800-474-2371 or by visiting the NAF's website at <http://www.arb-forum.com>. If for any reason the AAA or the NAF is unable or unwilling to serve as arbitration administrator, or you and we are unable to agree on another arbitrator, we will substitute another national or regional arbitration organization.

Demand for arbitration under this Agreement must be made before the date when any judicial action upon the same Claim would be barred under any applicable statute of limitations; otherwise, the Claim also is barred in arbitration. Any dispute as to whether any statute of limitations, estoppel, waiver, laches, or similar doctrine bars the arbitration of any Claim shall be decided by arbitration in accordance with the provisions of this Agreement. A Claim by, or on behalf of, other persons will not be considered in, or consolidated with, the arbitration proceedings between you and us, and a Claim may not be arbitrated on a class action, private attorney general, or other representative basis. Nothing in this arbitration provision shall limit the right of you or us, whether before, during or after the pendency of any arbitration proceeding, to exercise any self-help remedies, such as set-off or repossession and sale of collateral, or to obtain provisional or ancillary remedies or injunctive or other traditionally equitable relief, such as filing an interpleader action. You and we agree that the taking of these actions or any other participation in litigation by you or us does not waive any right that either you or we have to demand arbitration at any time with respect to any subsequent or amended Claim filed against you or us after commencement of litigation between you and us.

Where the aggregate of all Claims by both you and us does not exceed \$100,000, any expedited procedures provided in the Rules ("Expedited Procedures") shall apply and a single arbitrator shall decide the Claims. Where the aggregate of all Claims by both you and us exceeds \$100,000, a panel of three arbitrators shall decide all Claims. Each arbitrator, whether or not acting under Expedited Procedures, shall be a member of the Bar for any state in the continental United States and shall be either: (a) actively engaged in the practice of law for at least 5 years or (b) a retired judge of any federal court or any appellate state court.

You and we agree that the arbitrator(s): (a) shall limit discovery to matters directly relevant to the arbitrated dispute; (b) shall grant only relief that is based upon and consistent with substantial evidence and applicable substantive law; (c) shall have authority to grant relief only with respect to Claims asserted by or against you individually; (d) shall not have any authority to require, as part of any relief granted, that you and we continue any relationship we may have under this Agreement or otherwise; and (e) shall provide a brief written explanation of the basis for the award upon the request of either party and shall make specific findings of fact and conclusions of law to support any arbitration award that exceeds \$25,000. Unless inconsistent with applicable law, each party shall bear the expense of its respective attorney, expert, and witness fees, regardless of which party prevails in the arbitration. We may elect, at our sole discretion, to pay some or all of your arbitration fees and other costs. The arbitrator will decide whether we or you ultimately will be responsible for paying any fees or other costs in connection with the arbitration. Any arbitration proceedings shall be conducted in the federal judicial district of your residence or at any other place that you and we select by agreement. Judgment upon any award rendered in arbitration may be entered in any court having jurisdiction.

If any portion of this arbitration provision is deemed invalid or unenforceable, the remaining portions of this arbitration provision will remain valid and enforceable. If for any reason this arbitration provision is deemed unenforceable, ***you and we voluntarily and knowingly waive the right to have a trial by jury of any and all disputes, controversies and claims under this Agreement.*** This arbitration provision shall survive termination of this Agreement and the closing of your Account.

MARYLAND RESIDENTS: You have the right under Maryland Commercial Law Code Section 12-510 to receive an answer to a written inquiry concerning the status of your Account.

NEW JERSEY RESIDENTS: Because certain provisions of this Agreement are subject to applicable law, they may be void, unenforceable or inapplicable in some jurisdictions. None of these provisions, however, is void, unenforceable or inapplicable in New Jersey.

NOTICE TO THE BUYER – DO NOT ACCEPT THIS AGREEMENT (AS PROVIDED IN SECTION 1) BEFORE YOU READ THIS AGREEMENT OR IF IT CONTAINS BLANK SPACES. YOU ARE ENTITLED TO A COPY OF THIS AGREEMENT. KEEP IT TO PROTECT YOUR LEGAL RIGHTS.

YOUR BILLING RIGHTS – KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify Us in Case of Errors or Questions About Your Bill

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. (Do not write to us on the bill or any instrument by which you pay the bill.) Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and account number.
- The dollar amount of the suspected error.
- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

If you have authorized us to pay your credit card bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment your letter must reach us three business days before the automatic payment is scheduled to occur.

Your Rights and Our Responsibilities After We Receive Your Written Notice.

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we did not make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is.

If we do not follow these rules, we cannot collect the first \$50 of the questioned amount, even if your bill was correct.

Special Rule for Credit Card Purchases

If you have a problem with the quality of property or services that you purchased with a credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right:

- (a) You must have made the purchase in your home state or, if not within your home state, within 100 miles of your current mailing address, and
- (b) The purchase price must have been more than \$50.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

