

1. TYPE OF TRANSACTIONS. You may use your account to obtain:

a) Purchases. You can use your Account to buy goods and services any place MasterCard is honored. In most cases, you'll sign a sales slip.

b) Advances. You can use your Account to get an advance (loan). There are three kinds of advances:

i. Cash Advance. To get a cash advance, go to any participating financial institution and present your card. You will be limited to the amount of your unused credit limit.

ii. Overdraft advance. If you have overdraft protection service, you can get an overdraft advance from your Account to your checking account. If you separately sign up for this service, we will automatically transfer enough from your Account (up to your available credit limit) to cover the exact amount of your overdraft if it is \$5 or more.

iii. ATM Advance. If you separately obtain a Personal Identification Number (PIN), you can obtain advances on your account through our Automated Teller Machines.

2. PROMISE TO PAY. By using or allowing someone else to use your Account, you promise to pay for all purchases and advances as well as for any Finance Charges and all other fees and amounts that may be due under this Agreement.

3. ADDITIONAL CARD OR OTHERS USING YOUR ACCOUNT. A maximum of two credit cards may be issued on any one account. Each cardholder will receive a credit card with his or her individual name embossed. You promise to pay for all purchases made by you or anyone you authorize to use your Account, with or without a card, and whether or not you notify us that he or she will be using it, and whether or not he or she exceeds any limits imposed by you. If another person has use of your Account and you want to end that person's privilege, you must recover and return that person's credit card, if any. If you do not recover and return the card, you will continue to be liable for any charges made after you have advised us of your wish to cancel the privileges. We must receive your written instructions before we can process a change or cancellation.

4. CREDIT LIMIT. Your credit limit will be determined by us and we will send you a separate notice advising you what your credit limit is. Your limit will be shown on each of your billing statements. You may not use your Account in any way that would cause you to go over your credit limit. We may refuse to authorize or accept any transaction on your Account which would cause you to exceed your credit limit. It is your obligation to not exceed the credit limit for your Account. If you owe more than your credit limit, you agree to pay the excess immediately upon our request and we may suspend your Account privileges or cancel your Account. We may change your credit limit at anytime and will notify you of the new limit.

5. BILLING STATEMENTS. We will send you a statement at intervals of approximately one month. The statement will show your activity on your Account, your new balance, the minimum you must pay and the latest day we must receive your payment.

6. MINIMUM PAYMENTS—AVOIDING ADDITIONAL FINANCE CHARGES. You can pay off all your purchase and advances in full each month, or you can pay in monthly installments. If you pay off your new balance in full and we receive your payment by the due date shown on your statement, you pay no additional finance charge on this amount. If you decide to pay in installments, each minimum payment will be 3% of the new balance but at least \$10.00. However, if your calculated minimum payment is not a

whole dollar amount, it will be rounded down to the next whole dollar. If the new balance is less than \$10.00, you must pay the full amount. In addition, you promise to pay any amounts that are overlimit or past due.

7. PAYMENT ALLOCATIONS. We will apply payments equal to or less than the required Minimum Payment amount and any credits to balances on your Account in a way that is most favorable to or convenient to us. Generally, and except as required by law, we will credit payments over the required Minimum Payment to balance with the highest APR first. We will then credit payments to lower rate balances in descending order of APRs.

8. FINANCE CHARGE. The Finance Charge shown on your monthly statement consists of your monthly periodic rate charge plus your transaction charge. Your monthly periodic rate charge plus transaction charges gives us your total FINANCE CHARGE for the billing period. Expect as set forth below, the Finance Charge on both purchases and advances starts when the purchase or advance is added to your Account. The minimum FINANCE CHARGE for any monthly statement in which there is a FINANCE CHARGE shall be \$0.50 (or its pro rata part if the statement is for less than a month).

a) Monthly Periodic rate Charges. Monthly periodic rate charges are assessed on your purchases average daily balance and your advances average daily balance as follows:

i. Purchases Average Daily Balance.

1) To figure your purchases average daily balance, we start with your purchase balance at the beginning of each day. Then we subtract any purchase credits or payments for that day and add any new purchases and debits posted to your Account that day, excluding any unpaid finance charges, late charges, and annual fees. This gives us your purchase daily balance.

2) Then we add up all the purchase daily balances and divide by the number of days in the billing period. This gives us your purchases average daily balance.

3) However, if you pay the entire new balance shown on your previous billing statement by the due date, or if your previous balance on your current billing statement is zero, we treat your purchases average daily balance as being zero.

4) We'll multiply your purchases average daily balance by the monthly periodic rate of: 1.658% (ANNUAL PERCENTAGE RATE of 19.90%) for Standard MasterCard or 0.825% (ANNUAL PERCENTAGE RATE of 9.90%) for Gold MasterCard.

5) This gives us your purchases monthly periodic rate charge for the billing period.

ii. Advances Average Daily Balance.

1) To figure your advances average daily balance, we start with your advance balance at the beginning of each day. Then we subtract any advance credits or payments for that day and add any new advances posted to your Account that day, excluding any unpaid finance charges, late charges, and annual fees. This gives us your advance daily balance.

2) Then we add up all the advance daily balances and divide by the number of days in the billing period. This gives us your advances average daily balance.

3) However, if you pay the entire new balance shown on your previous billing statement by the due date, we exclude all amounts except for new advances. In this case, your average daily balance is based only on your new advances during the billing period.

4) We'll multiply your advances average daily balance by the monthly periodic rate of: 1.658% (ANNUAL PERCENTAGE

RATE of 19.90%) for Standard MasterCard or 0.825% (ANNUAL PERCENTAGE RATE of 9.90%) for Gold MasterCard.

5) This gives us your advances monthly periodic rate charge for the billing period.

b) Transaction Charge. In addition to including your new purchases and new advances in the average daily balances for monthly rate charge purposes, as discussed above, we also charge you a one-time Transaction Charge whenever any advance is added to your Account. The amount of the charge depends on the kind of advance, as follows:

i. Cash advance: the greater of \$5.00 or 3.00% of the amount advanced.

ii. Overdraft advance: the greater of \$5.00 or 3.00% of the amount advanced.

iii. ATM advance: the greater of \$5.00 or 3.00% of the amount advanced.

9. FIGURING YOUR ANNUAL PERCENTAGE RATE. Your billing statement shows the balances subject to finance charge. We use these balances along with the amount of all new advances to figure your Annual Percentage Rate each month. The balances are your purchases average daily balance and your advances average daily balance, which include your new purchases and your new advances. We will not include any new purchases or new advances more than once in the computation.

10. OTHER SERVICE FEES AND CHARGES.

a) **ANNUAL MEMBERSHIP FEE.** Each year, we will charge you a non-refundable Annual Fee on your Account, whether or not you have used your Account. This may be prorated the first year based on your card expiration date. If your Account is closed for any reason during the year, we will not refund any portion of the Annual Fee. Standard MasterCard: \$25.00. Gold MasterCard: None

b) **LATE CHARGES.** If we don't receive at least your monthly minimum payment within ten (10) days of the date shown on your billing statement, we can bill you up to \$25.00 for a late charge.

c) **RESEARCH/PHOTOCOPYING CHARGES.** When we research your Account in response to your request for a photocopy of a purchase or advance slip or for information about your Account, we can bill your Account \$3.00 for each research request and \$3.00 for each photocopy supplied to you. If your request relates to a billing error inquiry, these charges will not be imposed.

d) **STATEMENT COPY CHARGE.** If you ask for a copy of your billing statement, we can bill your Account \$3.00 per photocopy. If your request relates to a billing error inquiry, this charge will not be imposed.

e) **RETURNED PAYMENT CHECK FEE.** A fee of up to \$25.00 will be charged if the payment check, or like item you gave us, is not paid by your bank.

f) **STOP PAYMENT ORDERS.** Our rules for stopping payment on our ordinary checks apply to stopping payment on credit card account checks. If you ask us to stop payment or renew a stop payment order, we will charge you \$25.00 per order or renewal.

g) **COLLECTION EXPENSES.** If you do not pay us as required by this Agreement, we may incur collection costs. You promise to pay all collection costs including reasonable lawyers' expenses and any expenses we may incur in retrieving your card to the extent not prohibited by law. We can bill these costs to your Account.

11. NOT SECURED CREDIT. Your MasterCard account is not secured credit. We have no security interest for this Account, regardless of any other agreements you may have with us.

12. BREACH OF AGREEMENT. If you miss a payment or break one of your promises under this Agreement or under any other loan agreement with us or anyone else, we can require payment of the entire outstanding balance of your Account immediately. We can also suspend your credit privileges. No notice is required. We can also do this if you have made any false or misleading statements on your application, if you die, file for bankruptcy, if any other creditor tries to seize your property, or if you are in default on any other account.

13. SECURITY INTEREST. To secure your Account, you grant Siuslaw Bank a purchase money security interest under the Uniform Commercial Code in any goods you purchase through your Credit Card Account. If you default, to the extent allowed by law, we have the right to recover any of these goods, which have not been paid for through application of your payments in the manner described in section 7. **By signing the Card/Credit Card Application, you grant Siuslaw Bank a security interest in all of your deposits, present and future, and all accounts (except Individual Retirement Accounts) with the Bank.**

14. QUESTIONS AND BILLING ERRORS. Please let us know right away if you have any questions about your statement. You can call us at 1-800-447-3248 or write us at Card Services; 1550 North Brown Rd #150; Lawrenceville GA 30043. If you think we have made a mistake on your statement, you must follow the procedures on the accompanying statement on your right to dispute billing errors to preserve your rights under the federal Truth in Lending Act.

15. INFORMATION ABOUT YOU. If you change your name, home or mailing address, phone number, or employment you agree to notify us immediately. You agree to provide us with updated financial information we may request and also agree that we may, from time to time, verify all information provided by you.

16. CANCELLATION. Except where specific written notice is required by law, we may cancel your Account any time by phone or by writing you at the address shown for you on our MasterCard records. You may cancel this Account at any time by writing to the address on your billing statement and cutting and returning all cards issued on your Account. In either case, you remain responsible for any outstanding balance and all finance and other charges assessed on or subsequently imposed on your Account. You also are required to return all cards and credit card account checks we have given you. You must not use your Account once your credit privileges have been suspended or canceled.

17. CHANGE OF TERMS. We can change the terms of this Agreement any time. WITH THE EXCEPTION OF INTEREST RATE INCREASES AND DECREASES, THE NEW TERMS WILL APPLY TO BOTH THE OUTSTANDING BALANCE OF YOUR ACCOUNT, AS WELL AS TO NEW PURCHASES AND ADVANCES. Interest rate increases and decreases will apply to new purchases and advances as of the effective date of the increase or decrease. We will let you know (at your address shown on our MasterCard records) about any increased interest rates and/or charges at least 45 days before the date on which the change takes place. When required by law to advise you that you have a legal right to reject any changes we make, we will provide an explanation about how to do that.

18. AUTHORIZATIONS AND LIMITATIONS. We may limit certain types of transactions, such as in certain geographic or merchant locations where we may not permit transactions to be made—usually due to a higher risk of fraud or illegal activity; or to prevent fraud or loss on the Account or protect Siuslaw Bank, its vendors, affiliates, or other persons. We participate in a fraud protection system that may detect and block purchases that reflect unusual spending patterns—although we do not warrant we will block all unauthorized transactions before they occur. We can add, cancel, suspend, increase, or reduce any limitation at any time. These restrictions are for security reasons and as a result we cannot explain the details of all limitations we set. Transactions at some merchants (such as hotels, car rental companies, restaurants, and gas stations) may result in temporary authorizations for amounts greater than the actual purchase amount, which makes less credit available on your Account for several days (usually until the date the actual purchase amount is received from merchant). We are not liable for failing to give an authorization or for transactions not approved, even if you have enough credit.

19. WAIVER AND ENFORCEABILITY. We can waive or decline to enforce any of our rights under this Agreement at any time without affecting any of our rights under this Agreement in the future. If any term of this Agreement is found to be unenforceable, all other provisions will remain in full force.

20. LOST OR STOLEN CARDS. If your card is lost or stolen, you agree to notify us at once, telling us what you know about the loss or theft. You may call us at 1-800-556-5678 any time (from continental United States except Nebraska), or collect at (402) 399-3600 (from Alaska, Hawaii, Nebraska, or the rest of the world). You may be liable for up to \$50 for any unauthorized use that occurs before you notify us that your card is lost or stolen.

21. LIABILITY FOR UNAUTHORIZED USE. Cardholder liability for unauthorized use of a MasterCard is zero if the following conditions are met (1) your account is in good standing, (2) no more than two incidents of unauthorized use involving your account have been reported within the last 12 months, and (3) you used reasonable care in safeguarding the card.

22. RELEASE OF INFORMATION. From time to time we receive information about you and your accounts from other people. You agree that we also, from time to time, may answer questions and reports from others, like stores or credit reporting agencies, for credit or experience information about your Account.

23. PAYMENTS MARKED “PAID IN FULL”. We may accept letters, checks, or other types of payments showing “payment in full” or using other language to indicate satisfaction of your debt, without waiving any of our rights to receive full payment under the Agreement. Satisfaction of your debt for less than the full amount requires a written agreement, signed by one of our authorized employees.

24. ILLEGAL TRANSACTIONS. Your Visa or MasterCard may not be used to conduct any illegal transactions. You may not use your account or card(s) to purchase or acquire funds for any unlawful goods or service including but not limited to all gambling activity. It is your responsibility to determine whether any good, service or activity is unlawful. Should you participate in any unlawful activity, you will be obligated to pay any amount due to us on your account.

25. FOREIGN CURRENCY TRANSACTIONS/FEEES. A Foreign Transaction fee is a fee which will be applied to transactions that take place outside of the United States, even if the currency used

is US dollars. If a transaction is in a foreign currency, MasterCard International will convert the transaction in to US dollars by using their own currency conversion procedures. The exchange rate will be determined in one of two ways. Either the rate will come from the range of rates available in the wholesale currency markets for the processing date (which may be different from the rate the card association receives) or a government-mandated rate in effect on that date. The exchange rate used may differ from the rate on the date of your transaction.

We may charge a Foreign Transaction fee that is a percentage of the US dollar amount of any foreign transaction as provided to us from MasterCard. The same process and charges will apply again if any Foreign Transaction is reversed.

26. PAYMENTS IN FOREIGN CURRENCY. For all amounts you owe on your Account, you will pay us in U.S. dollars. All checks must be drawn from funds on deposit in the U.S. We may, at our option, accept payment made in foreign currency or checks drawn on non-U.S. banks. If we do, we may impose service and collection charges. Our determination of service and collection charges will be final.

27. TELEPHONE MONITORING. Our supervisory personnel may listen to or record telephone calls between you and our staff for the purpose of monitoring and improving the quality of service you receive.

28. GOVERNING LAW. This Agreement is governed by applicable Oregon and Federal Law.

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. 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 is 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 obliged 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 didn't 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 don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your bill is correct.

Special Rule for Credit Card Purchases

If you have a problem with the quality of property or services that you purchased with the 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:

1. 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
2. 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.



Cardholder Agreement and Disclosure Statement

Standard & Gold Cards

Dear Customer,

We are pleased to have you as a cardmember. This Agreement sets forth the terms of your Account.

Upon receipt of your new or reissued card, please sign the back of it. Merchants are not required to accept your card if it is not signed.

By requesting, signing, using or authorizing another person to sign or use the card issued to you, you and any joint account holder agree to the following terms and conditions and to individually accept liability for the account.

