

SOUTHERN BANK AND TRUST COMPANY BUSINESS VISA® CARD AGREEMENT

The following credit terms are applicable to the use of your credit card account. Southern Bank is an affiliate of First-Citizens Bank & Trust Company. Please retain this Agreement for future reference.

1. In this Agreement, “I”, “me”, and “my” shall mean the applicant who applied for and is granted a VISA Card Account; “your” and “you” shall mean First-Citizens Bank & Trust Company; and “Account” means my credit account established hereunder which may be accessed by a VISA Card (“Card”). This Agreement also applies to any loans obtained under my Account by use of a Card, an automated teller machine card or other banking card accessing an automated teller machine.
 2. My Account allows me to obtain from time to time loans up to the credit limit established by you. I may obtain loans by obtaining cash advances and by charging purchases with my Card.
 3. If I have been issued a Card hereunder, I may, on the terms hereof only, buy goods or services from businesses displaying the Interbank/VISA sign (“Merchant”) or borrow cash from you or other banks displaying such signs. Each Card must be signed by me, or another authorized user, to ensure proper use and I must follow any reasonable and proper procedures required by you or the Merchant honoring the Card. There is no minimum amount required on purchases obtained by the use of the Card; however, there is a \$50.00 minimum on cash advances. You are not responsible if a transaction on my Account is not approved, either by you or by a third party, even if I have sufficient credit available. You may limit the number of transactions that may be approved in any one day. If you detect unusual or suspicious activity on my Account, you may temporarily suspend my credit privileges until you can verify the activity. You may approve transactions which cause the balance to exceed my credit limit without waiving any of your rights under this Agreement.
 4. You will provide me with notice of my credit limit and I agree you may change my limit at any time. I agree never to exceed my credit limit. You are under no obligation to honor any credit card cash advance or credit card purchase which results in my credit limit being exceeded. If you elect to pay or accept any of these advances or purchases whereby my unpaid balance exceeds my credit limit, I promise to pay these amounts without notice or demand on your part.
 5. (a) No **FINANCE CHARGE** will be imposed on goods or services purchased by means of a Card if the total “New Balance” as shown on my periodic statement is paid in full by the next billing cycle closing date. If I fail to pay the “New Balance” by the next billing cycle closing date, a **FINANCE CHARGE** will be imposed on the average daily balance outstanding on my Account for the number of days in my billing cycle.
(b) If I obtain a cash advance with my Card or otherwise as provided herein, a **FINANCE CHARGE** will be imposed from the date of the loan or advance on the average daily balance outstanding on the cash advance balance of my Account for the number of days in my billing cycle.
(c) You will determine an “average daily balance” for (i) the purchases balance and (ii) the cash advance balance on my Account. To get the “average daily balance” of my purchases balance and my cash advance balance you will take the beginning balance of my Account each day, add any new purchases or advances, as applicable, and unpaid charges (including unpaid finance charges) and other debits, and subtract any payments or credits. This gives you the daily balance. Then, you will add up all the daily balances for the billing cycle and divide by the number of days in the billing cycle. This gives you the “average daily balance”.
(d) A portion of my **FINANCE CHARGE** (the “Periodic Rate Charge”) is computed by multiplying the “average daily balance” by the monthly periodic rate. The currently effective rates are disclosed in the letter to me which advises me that you have approved my Account. I agree to pay additional **FINANCE CHARGES** as follows: (i) a “Foreign Currency Conversion Fee” of 2% of the U.S. dollar amount of each purchase made in a foreign currency (see Section 9. below for explanation of foreign currency conversion) and (ii) a “Cash Advance Fee” of 3% (minimum \$3.00, maximum \$100.00) of the amount of each cash advance. For purposes of the imposition of Cash Advance Fees, the words “cash advance” mean a cash advance loan made to me or on my behalf through the use of a Card, an ATM card or any other banking card, but do not include purchases, checks or balance transfers to my Account from credit card accounts which I maintained at other financial institutions. In the first billing cycle in which a Foreign Currency Conversion Fee or Cash Advance Fee is posted, the Foreign Currency Conversion Fee or Cash Advance Fee may cause the **ANNUAL PERCENTAGE RATE** shown on my periodic billing statement for that billing cycle to exceed the nominal **ANNUAL PERCENTAGE RATE**. The total **FINANCE CHARGE** imposed on my Account each billing cycle is the sum of the Periodic Rate Charge and all Foreign Currency Conversion Fees and all Cash Advance Fees imposed during such billing cycle.
(e) My monthly periodic rate and Corresponding **ANNUAL PERCENTAGE RATE** are based on the highest prime rate as published in the Money Rates table of The Wall Street Journal on the last business day of the month (the “Prime Rate”) and are subject to increase (or decrease) if the Prime Rate increases (or decreases). My Corresponding **ANNUAL PERCENTAGE RATE** will be equal to the Prime Rate as it changes from time to time, plus two and ninetenths percent (2.9%) and the monthly periodic rate will be determined by dividing by 12. However, the Corresponding **ANNUAL PERCENTAGE RATE** will never decrease below 10% and will not increase above the maximum rate allowed from time to time by applicable law.
My Corresponding **ANNUAL PERCENTAGE RATE** and monthly periodic rate are subject to change monthly and will be based on the Prime Rate as published on the last business day of the preceding calendar month, plus two and nine-tenths percent (2.9%).
An increase in the Prime Rate will cause the Corresponding **ANNUAL PERCENTAGE RATE** to increase and will result in an increase in the amount of the **FINANCE CHARGE**. This may cause an increase in the minimum periodic payment or cause a smaller amount of the minimum periodic payment to be applied to principal.
(f) If my account becomes 60 days delinquent, my **ANNUAL PERCENTAGE RATE** will increase to **19.9%**, which is a monthly periodic rate of 1.66%. The **19.9% ANNUAL PERCENTAGE RATE** will remain in effect until my Account is in a non-delinquent status for three consecutive billing cycles, at which time my **ANNUAL PERCENTAGE RATE** will revert to the Prime Rate plus **2.9%**.
(g) On a monthly basis, unpaid finance charges and other unpaid charges will be consolidated into my Account balance. In this way, unpaid finance charges and other unpaid charges from prior billing cycles will be subject to, and included in, the calculation of the new **FINANCE CHARGE**.
6. Fees
 - (a) Annual Fee: None
 - (b) Late Payment Fee: I agree to pay a late payment fee in the amount of \$29.00 for any payment past due 10 days or more.
 - (c) Overlimit Fee: You may charge to my Account an overlimit fee of \$29.00 in each billing cycle that my Account balance exceeds my credit limit by 2% or more. If my Account remains overlimit in subsequent billing cycles, an additional overlimit charge will be imposed on the billing date.
 - (d) Fee for Documents: If I request a copy of a charge slip or other document not in connection with a billing error, you will charge my Account \$5.00 for each copy.
 - (e) Returned Payment Fee: If I make payment that is returned unpaid for any reason, my Account will be charged \$29.00 for each returned payment.

7. You will bill me monthly on a date selected by you for amounts becoming due hereunder. Upon receipt, I shall examine each bill and immediately notify you of any charge or item which I believe to be in error or subject to dispute. Any charge or item as to which you are not notified within sixty (60) days after billing date shall be conclusively deemed to be correct to the extent permitted by law. I may obtain a photostatic or microfilm copy of a cash advance slip or sales slip (for which I may be required to pay your normal research and copying charges).
8. I agree to pay a minimum monthly payment of the greater of (i) \$10.00, (ii) 5% of the amount I owe, or (iii) the sum of (A) finance charges accrued since the last billing cycle (including, but not limited to, cash advance fees), and (B) any late fees, over-credit-limit-fees, returned payment fees, and annual charges that have been posted on my account since the last billing cycle, plus (C) 1% of the amount I owe. I agree that even if I pay more than the minimum payment during any particular billing cycle, a minimum payment will still be due in subsequent billing cycles.
- I agree to mail all payments due under this Agreement to the address you furnish me on my periodic statement so that you receive them on or before their due dates. All payments will be applied first to finance charges, then to other charges, then to the unpaid balance of cash advances and lastly to the unpaid balance of purchases. You may allow me to skip making the minimum monthly payment as to certain billing cycles ("payment holiday"). If I accept the "payment holiday", you will continue to apply finance charges but no late payment charges will be imposed. For the billing cycle following a "payment holiday", all credit terms disclosed herein (including minimum payment requirements and applicable late payment charges) will again apply. We may delay posting all or a portion of your payment until it is honored by the paying bank.
9. If I incur a charge in currency other than U.S. dollars, Visa International will convert the charge into a U.S. dollar amount under the currency conversion procedures set forth in their Operating Regulations in effect at the time the transaction is processed. The non-U.S. dollar transaction amount is converted into a U.S. dollar amount by multiplying the transaction amount in the non-U.S. dollar currency by a currency conversion or exchange rate. The currency conversion rate is either (i) a government-mandated rate in effect for the applicable processing date; or (ii) 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. The currency conversion rate is determined as of the date the transaction is processed and may differ from the rate in effect on the date the transaction occurred or is posted to your account. Visa charges you (the card-issuing bank) a percentage of the transaction amount. You will charge me an additional **FINANCE CHARGE** for the Foreign Currency Conversion Fee in accordance with Section 5.(d) above, which I agree to pay.
10. You may refuse to issue or reissue a Card or may revoke or limit Card use with or without my knowledge or notice to me. The Card at all times remains your property and may be repossessed by you at any time. Upon revocation of a Card, the Card and any other cards or devices which access the Account must be surrendered upon demand or upon knowledge of revocation to you or your agent designated to repossess same. No expired or revoked or otherwise invalid Card shall be used to obtain, or attempt to obtain, credit. The Card and/or Account shall not be used for any illegal transactions.
11. You may charge my Account for any transaction authorized by me or by any authorized user. Authorization may be given orally (e.g., by telephone), in writing (e.g., by signing a sales slip or cash advance slip), or electronically (e.g., over the Internet). Authority will be deemed given if I or any authorized users provide my account number to any third party who uses that information to initiate a charge against my account.
12. You shall have no liability or responsibility if any Merchant refuses to honor a Card. No cash refunds will be made to, or accepted by me with respect to any adjustments for goods or services purchased. Any adjustment in connection therewith shall be accomplished only by credit to my Account, authorized by a properly executed credit slip.
13. (a) Each of the following shall constitute an event of default hereunder:
- (i) if I default in making any payment when due and payable hereunder;
 - (ii) if I fail to comply with any provision of this Agreement or any other agreement relating to other cards or devices which access my Account;
 - (iii) if I die or become insolvent or make an assignment for the benefit of creditors;
 - (iv) if a petition is filed or any other proceeding is commenced under any bankruptcy, insolvency or receivership law by or against me;
 - (v) if any writ, order or notice of attachment, levy or garnishment is issued against me or any of my property, assets or income, or
 - (vi) the occurrence of any event which gives you reason to believe that the prospect for timely payment has been impaired or that the Card is or may be improperly used.
- (b) In the event of default, at your option, and after giving such notices and right to cure as may be required by applicable law, all amounts owed from me to you immediately shall become due and payable with interest at the rate provided in this Agreement and in such event, I agree to pay, to the extent permitted by applicable law, all costs of collection, including, without limitation, reasonable attorneys' fees and expenses. Such attorneys' fees shall be added to the unpaid balance of the principal amount due hereunder and shall bear interest at the rate provided in this Agreement. Furthermore, you shall have the right to cancel the Agreement and take immediate possession of all Cards.
14. I authorize you at any time and from time to time to make or have made whatever credit investigation you feel is proper to evaluate my credit, personal or financial standing and/or employment, and I authorize you to share your credit experience with credit bureaus, creditors and any others. Upon your request, I will provide you with current financial information. (For purposes of this paragraph, "I" and "my" also include all owners and principals of the applicant.)
15. If any Card is lost, stolen or used in an unauthorized manner, I immediately shall notify you upon discovery of such loss, theft or unauthorized use. I shall give complete cooperation to you in your attempts to recover from unauthorized Card users and shall assist in the prosecution of such persons.
16. I may cancel this Agreement at any time by notifying you in writing and returning to you any and all Cards given to me. You may also cancel this Agreement at any time without notice except to the extent otherwise required by law. In either case, I must continue to pay you all amounts owed on my Account and in accordance with the terms contained in this Agreement.
17. You may change the terms of this Agreement at any time upon written notice mailed to me at the address I have given you, at least 15 days prior to the effective date of the change, unless a longer period is required by applicable law. I agree that any new or changed terms, including any change in the way you compute finance or other charges, shall apply both to credit obtained on or after the effective date of the amendment and to any unpaid balance I owe on the effective date. I agree that, to the extent allowed by law, you can change the designation of the State whose law governs this Agreement.
18. I shall be responsible for all credit obtained through purchases, cash advances or otherwise by the authorized use of the Card by any person. I shall certify to you, in such form and manner as you may in your sole discretion require, the persons authorized to receive and use the Card in my name and I agree to indemnify and hold you harmless for any and all claims, demands, liability, loss, damage or expense, including but not limited to court costs and attorneys' fees, resulting from or arising out of honoring the signature of any person so certified or refusing to honor any signature not so certified. I shall be liable for unauthorized use of Card for purchases, cash advances or otherwise to the maximum extent allowed by law. If ten (10) or more Cards are issued to me (or my employees, agents or representatives), in the aggregate, for use by me and my employees, agents or representatives, I agree to be responsible for all credit obtained through purchases, cash advances or otherwise by unauthorized use of the Card, whether such unauthorized use is made by an employee or agent or other known person or as a result of loss, theft or otherwise.

19. Any notice or statements you give to me shall be considered to have been given and received when placed in the United States mail, postage prepaid, and addressed to me at the address shown on your records for this Account.
20. This Agreement and my Account shall be subject to and governed by federal law and, except to the extent preempted by federal law, by the laws of the State of North Carolina in all respects, whether in contract or in tort, including matters of construction, validity and performance and matters relating to terms, rates, fees and charges, but without giving effect to those principles of conflict of laws that might otherwise require the application of the laws of another jurisdiction.

The foregoing shall apply irrespective of the fact that I may not be a resident of North Carolina or that I may become a resident of a different state. I acknowledge that my account was approved in the State of North Carolina. The execution of any application for my Account shall constitute execution of this Agreement under seal.

21. I acknowledge that you will ask me if my business is engaged or involved in internet gambling. If I deny such involvement, I will provide you at your request with a written certification that my business does not engage in internet gambling. If I confirm my business' involvement in internet gambling, I understand that you may, in your discretion, either (i) decline to open an account for my business; or (ii) require me to provide you with a copy of the license issued by the appropriate state or tribal authority that expressly authorizes my business to engage in an internet gambling business or, if such license is not available, a reasoned written legal opinion that my internet gambling business does not involve restricted transactions under the federal Unlawful Internet Gambling Act as implemented by the federal interagency rules entitled Prohibition on Funding of Unlawful Internet Gambling (Regulation GG, 12 C.F.R.233).