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| **INTEREST RATES AND INTEREST CHARGES** |

**KAPED One Visa Commercial Virtual Card Terms & Conditions**

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| **Annual Percentage** **Rate (APR) for** **Purchases** | **0.00%** Payment is due in full every month/week |
| **APR for Balance Transfers** | **0.00%** |
| **APR for Cash Advances** | **0.00%** |
| **Penalty APR and When it Applies** | **0.00%** |
| **For Credit Card Tips from the Federal Reserve Board** | To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at http://www.federalreserve.gov/creditcard |
| **Fees** |
| **Set-up and Maintenance Fees** | NOTICE: Some of these set-up and maintenance fees will be assessed before you begin using your card and will reduce the amount of credit you initially have available. For example, if you are assigned the minimum credit limit of $750, initial available credit will be only about $251. * **Annual Fee:** **$499**
* **Account Set-up Fee:** $0
* **Participation Fee:** $0
* **Additional Card Fee:** **$25** annually (if applicable)
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| **Transaction Fees** | * **Balance Transfer:** **NONE**
* **Cash Advance:** **NONE**
* **Foreign Transaction:** **NONE**
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| **Penalty Fees** | * **Late Payment:** **$0** if account is secured with collateral. **$60** if the account is not secured.
* **Over-the-limit:** $0
* **Returned Payment:** $60
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| **Other Fees** | * **Membership Fee:** $0.
* **Monthly Fee:** $0.
* **Paper Statement Fee:** $9.95 or $0 for electronic statement delivery.
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Thank you for applying for a KAPED ONE COMMERCIAL CREDIT CARD account. This is the agreement that will cover your account. The business entity on behalf of which the application for this account was submitted and each person that signed the application individually or as a guarantor will be bound by this Agreement and responsible for paying all amounts owed. The words "we," "us," "our," and "the Bank" mean Sutton Bank or any subsequent holder of this account. The words "you" and "your" mean the business entity and each person who is individually bound by this Agreement.

**BUSINESS USE:** You understand and agree that this account is being established only for business or commercial purposes and may not be used for personal, family, or household purposes.

**ISSUANCE OF CARDS:** You are responsible for all cards issued for this account and for all uses of such cards.

**MERCHANT ADVANCES:** Each Authorized User can use his or her credit card to purchase goods and services at participating merchants. We will add the amount of each purchase to the part of the account we call Purchase Advance.

**CASH ADVANCES:** Each Authorized User can also use his or her credit card to obtain cash advances (loans) (a) at any bank displaying the VISA sign, (b) at a designated Automated Teller Machine (ATM) that is part of the VISA network (provided a Personal Identification Number (PIN) has been issued to such Authorized User), or (c) by requesting a balance transfer, as described in the next paragraph. Cash advances obtained at a bank must be in the amount of at least $10; cash advances obtained at an ATM must be in denominations that the ATM can disburse; balance transfers must be in the amount of at least $100. We add the amount of each cash advance to the part of the account we call Cash Advance.

**LIMITS ON ADVANCES:** We are not required to make a purchase or cash advance if: (1) the account has reached its credit limit or the requested advance would cause the balance of the account to exceed its credit limit; (2) the account is in default; (3) you have notified us to stop making advances; (4) you or we have closed your account; or (5) the credit card has expired or been invalidated. Any purchase or cash advance we make, even if we are not required to, will be governed by the terms and conditions of this Agreement.

**INVALIDATING YOUR CREDIT CARD:** We may invalidate (suspend or cancel) a credit card issued for this account if you report it lost or stolen, we suspect that it may be used without your consent, or we have any other reason to be concerned about the continued use of your account. We will notify you promptly when we invalidate your card. If we invalidate your card, you may request that we replace or reauthorize it, but we are not obligated to do so.

**YOUR PAYMENT PROMISE:** You (jointly and severally if more than one) agree to pay us back all purchase and cash advances we make for your account, together with all interest and other charges, according to the terms of this Agreement.

**CREDIT LINE:** We will assign you a credit line when we approve your account. The credit line is the total amount of cash and purchase advances that may be outstanding for your account at any time, including all amounts advanced for all Authorized Users. We may increase or decrease your credit line at any time and for any reason. We will give you notice of any decrease. You may request that we increase or decrease your credit line, but no new limit will be effective for your account unless we approve it. You promise not to allow your unpaid balance of purchase and cash advances to exceed your credit line. If any Authorized User requests an advance that would cause the balance of your account to exceed your credit line, we have no obligation to make it, but we may do so if we choose. If we do so, you agree to pay us the excess immediately, without demand from us.

**MONTHLY STATEMENTS:** We will make a statement available to you electronically at the end of each monthly statement period in which there is a transaction or an outstanding balance on your account. The statement will show all transactions, the unpaid balance on your account (called the New Balance), the amount of credit available to you (your credit line minus the New Balance), the minimum payment amount and the minimum payment due date (27 days after the closing date of the statement period).

**MAKING PAYMENTS:** The total balance of your account is due on demand. You must pay any overdue payments immediately and without demand.

**INTEREST:** We will not charge you any interest.

**VARIABLE INTEREST RATE.** We will not charge you a variable interest rate.

**PENALTY INTEREST RATE:** We will not charge you a penalty interest rate.

**TRANSACTION FEES FOR CASH ADVANCES (excluding Balance Transfers):** There is a $0 transaction fee for each cash advance obtained.

**MEMBERSHIP FEE:** $0 You will not be charged any membership fee.

**LATE PAYMENT FEES:** You agree to pay us a late payment fee of $60.00 any time you do not make a required payment by the payment due date.

**DOCUMENT FEES:** You agree to pay us $9.95 for each paper copy of a monthly statement or transaction receipt you request from us.

**RETURNED PAYMENT FEE:** You agree to pay us a returned payment fee of $60.00 each time a payment on your account (made by check, ACH, or any other means) is returned unpaid for any reason. If the account is secured by a security deposit then your late payment fee is $0.

**REPORT FEES:** There is no charge for a standard annual report.

**APPLYING PAYMENTS:** We will apply all payments first to fees and other charges in the order in which they were posted to the account; next to billed cash and purchase advances in the order in which they were posted to the account; and finally to current cash and purchase advances in the order in which they were posted to the account.

**CREDITING PAYMENTS:** It is to your advantage to make all payments properly and on time. All payments received on a business day will be credited on that day provided they are received at the address and in the manner and by the time indicated on your monthly statement. Other payments may not be credited for up to 5 business days. Payments must be in United States currency.

**IRREGULAR PAYMENTS:** We may accept late payments, partial payment or checks or money orders labeled "payment in full" without losing our rights under this Agreement.

**ENTIRE BALANCE DUE:** Your entire balance will be due without notice or demand if: you miss a payment; you break any of your promises under this Agreement or any other agreement you have with us; anything you told us in connection with applying for this account is untrue; you exceed your credit line; you become insolvent or involved in bankruptcy proceedings, make an assignment for the benefit of creditors, or cease to exist or die; or if a tax lien is filed against you or your property. This paragraph does not limit the Bank's right to demand payment of the outstanding balance of your account in full at any time.

**REINSTATEMENT:** If we have asked you to pay your entire balance for one of the reasons stated in the preceding paragraph and you have resolved the problem, you may ask us to reinstate your account. We may, but are not obligated to, approve the reinstatement. We may require you to provide us with a new application.

**COLLECTION COSTS:** You agree to pay all collection costs, including reasonable attorney's fees, if we start collection proceedings.

**TRANSFER or ASSIGNMENT:** Your rights under this Agreement belong to you only and may not be transferred or assigned. Your obligations, however, are binding upon your heirs, personal representatives, successors, and assigns.

**COLLATERAL:** Any collateral given to the Bank by or on behalf of the business entity in whose name this account is held, now or in the future, to secure other borrowings by the business entity will also secure all of your obligations under this Agreement.

**RIGHT OF SET-OFF:** To the extent permitted by applicable law, the Bank reserves its right of setoff in all of your asset accounts with the Bank. This includes all accounts you hold jointly with someone else and all accounts you may open in the future. However, this does not include any IRA or Keogh accounts or any trust accounts for which setoff would be prohibited by law. You authorize the Bank, to the extent permitted by applicable law, to charge or setoff all sums owing under this Agreement against any and all such accounts and, at Bank's option, to freeze all such accounts administratively to allow the Bank to protect its charge and setoff rights provided in this paragraph.

**AUTHORIZATIONS:** Purchases and cash advances may require the Bank's authorization. We may limit the number or the maximum dollar amount of authorization in a given day. You agree that neither the Bank nor its agents shall be liable for refusing an authorization request.

**REFUSING A CREDIT CARD:** We will not be legally responsible in any way if anyone refuses to accept your credit card.

**NOTICES:** Any notice we send to you will be considered effective when it is delivered to the business entity in whose name this account is held, emailed to the email address such business entity has provided, or mailed, postage prepaid, to the last address we have for the business entity in our records. One notice sent to the business entity will be considered to be effective notice to all obligors on this account. Notice from any obligor on the account to the Bank will be considered effective when we receive it at the address shown in this Agreement. We will consider notice from any obligor to be notice from all obligors.

**CHANGING THIS AGREEMENT:** We can change this Agreement at any time. We will give you notice of any change that adversely affects your rights or that is required by applicable law. Unless otherwise agreed or required by law, all changes will apply to amounts you owe at the time the change goes into effect as well as to new transactions and balances. Unless otherwise expressly stated in writing, no party to this Agreement will be released from liability as a result of any renewal, extension, or amendment of this Agreement. To the extent permitted by applicable law, all parties agree that the Bank may renew or extend (repeatedly and for any length of time) this Agreement or release any necessary endorser, guarantor, or other party to this Agreement without notice to or the consent of any other person. All such parties also agree that the Bank may modify this Agreement without the consent of or notice to any endorser or guarantor.

**CLOSING YOUR ACCOUNT:** You may request in writing at any time that we not make any future advances on this account. Simply return your credit cards with your request. A request from any obligor will be effective as a request from all obligors. You can also close your account at any time your account has a zero balance. Simply notify us in writing, stop using the account and destroy your credit cards. We can also close your account at any time. We will notify you in writing before the closing is to become effective unless we have demanded payment of the entire balance of your account. If we close your account, you agree to destroy your credit cards. No matter who closes the account, we will keep all rights we have and you will have to repay all purchases and cash advances made on your account, even if made after the account has been closed, together with interest and other charges. Your credit card remains our property. You agree to return the card to us immediately if we ask.

**FOREIGN TRANSACTIONS AND TRANSACTIONS IN FOREIGN CURRENCY:** The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by VISA from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate VISA itself receives, or the government-mandated rate in effect for the applicable central processing date. A transaction fee of 1% of the transaction amount will be charged to your account for any transaction in any currency (including US dollars) conducted outside of the United States, Puerto Rico, or the US Virgin Islands.

**LOST OR STOLEN CARDS:** If you notice the loss or theft of any credit card issued for this account or you believe that a card may have been used without authorization, you should write to us immediately at: Customer Service, 517 N Mountain Ave, Upland, CA 91786, or call us at 1-909-324-4565, 24 hours a day, 7 days a week.

**LIABILITY FOR UNAUTHORIZED USE:** Except as provided below with respect to liability for unauthorized use where the Bank has issued ten (10) or more cards for the account, you will be liable for up to $50 for the unauthorized use of a card or PIN issued on this account for charges that occur before the Bank receives notification, orally or in writing, of the loss, theft, or possible unauthorized use of a card or PIN. If the Bank has issued ten (10) or more cards to Authorized Users at your request, you will be liable for any and all unauthorized use of a card. Unauthorized use is any use by a person other than an Authorized User who does not have actual, implied, or apparent authority for such use and from which you receive no benefit. Any use of the card or PIN by an Authorized User, or by any other person with the knowledge or consent of you or an Authorized User, is authorized use.

**EVIDENCE:** If we go to court for any reason, we can use a copy, microfilm, or microfiche of any monthly statement or other document to prove what you owe us or that a transaction has taken place. The copy, microfilm or microfiche will have the same validity as the original.

**WAIVER:** We may waive or delay enforcing any of our rights under this Agreement without losing such rights. We may waive or delay enforcing any of our rights as to one person obligated under this Agreement without affecting the obligations of any other person.

**APPLICABLE LAW:** This Agreement will be governed by the law of California. If there is a conflict between any of the terms and conditions of this Agreement and applicable law, this Agreement will be considered changed to the extent necessary to comply with the law. The other provisions will not be affected.

**GUARANTY**

In consideration for extending credit to the business entity in whose name this account is held, each person who signed the application for this account as a guarantor, jointly and severally if more than one, unconditionally guarantees to Sutton Bank and its successors and assigns the prompt payment when due of every payment under this KAPED One VISA Commercial Credit Card Agreement, as the same may be amended from time to time, and the payment on demand of the entire unpaid balance and all other obligations of the business entity or any other obligor hereunder (collectively, the "Obligors") if the Obligors default in the performance of such obligations in any manner, without first requiring holder to proceed against the Obligors or any Collateral. I/we warrant that the KAPED One VISA Commercial Credit Card Agreement is genuine, legally valid, and enforceable and waive notice of acceptance thereof and of defaults thereunder. I/we agree that the Bank may, without affecting my/our liability, compromise or release, by operation of law or otherwise, any rights against and grant extensions of time for payment to any Obligor. If I/we default on any obligation under this Guaranty and the Bank refers the same to an attorney for collection, I/we shall also be liable for and shall pay the Bank, if not prohibited by law, reasonable attorneys fees.

**This Guaranty shall be continuing and shall remain in full force and effect until the KAPED One VISA Commercial Credit Card Agreement is terminated and all obligations in connection therewith have been satisfied. This Guaranty shall not be amended or released except by the written agreement of the Bank.**