



CARDHOLDER AGREEMENT

This Cardholder Agreement (the "Agreement") is the contract outlining the terms and conditions that govern your use of the Card of America™ Prepaid MasterCard® issued by Palm Desert National Bank pursuant to a license by MasterCard International Incorporated. Card of America is a Member Service Provider of Palm Desert National Bank. MasterCard is a registered trademark of MasterCard International Incorporated. Funds available through the use of this card are held on deposit by Palm Desert National Bank, member FDIC.

SCHEDULE OF FEES* (See Section 12: Fees for further detail)

Transaction Description	Fee
Card Activation Fee	\$19.95 (waived in some cases)
Monthly Maintenance Fee	Up to \$6.95 (waived in some cases)
Card Order Shipping Fee	\$4.95 for regular mail; \$45.00 for second day mail; \$50.00 for overnight delivery
All Signature Transactions	Free
Domestic POS PIN Purchase Fee	\$0.65 per purchase
International POS PIN Purchase Fee	\$1.30 per purchase
POS NSF/Decline Fee	\$0.65 per attempt
POS Balance Inquiry Fee	\$0.65 per inquiry
Domestic ATM Withdrawal Fee	\$1.50 per withdrawal
Domestic ATM NSF/Decline Fee	\$1.50 per attempt
International ATM Withdrawal Fee	\$3.00 per withdrawal
International ATM NSF/Decline Fee	\$1.50 per attempt
ATM Balance Inquiry Fee	\$1.00 per inquiry
Card Dormancy Fee	\$5.00 per month (after 90 days)
Card Closing Fee	\$5.00 (waived in some cases)
Card Re-issuance Fee	\$15.00 per card
Paper Statement Fee	\$1.00 per paper statement
(No charge for electronic statements online at www.cardofamerica.com)	
Paper Check Issuance Fee	\$15.00 per check
Reload from Checking or Savings Account	\$1.50 per load
Move funds to Checking or Savings Account	\$2.50 per transaction
Share Funds Card to Card Fee	\$2.50 per transaction
International Currency Conversion Fee	1% of converted amount

* Schedule shows fees imposed by Card of America. Fees may be imposed by others in connection with your Card, such as ATM operators and Cash Advances, etc.

1. Definitions. In this Agreement, "you" and "your" means the person who opened the Card. "We," "us," and "our" mean Card of America, who opens a card for you issued by Palm Desert National Bank, member FDIC. "Card" means each Card of America MasterCard® Card opened for you by us. "Cardholder" means each person (including you) to whom we issue a Card at your request or who uses the Card with your consent. "MasterCard™" means MasterCard International Incorporated and its successors and assigns. MasterCard is a registered trademark of MasterCard International Incorporated.

2. Card Issuance and Activation. Upon your request, and subject to our approval we will issue a Card to you. We will also issue a Card to any Cardholder for whom you request a Card. In order to use the Card, the Cardholder must activate the Card by calling the number on the card or activation sticker, or by visiting www.cardofamerica.com.

3. Representations and Agreements of Cardholder. By opening a Card (i) you represent and warrant that you are at least eighteen (18) years of age (nineteen (19) years of age if you are a resident of a state where the age of majority is nineteen (19)) and that the information provided by you is true, correct and complete; (ii) you acknowledge receipt of this Agreement and our privacy policy statement; (iii) you accept the Card issued to you; and (iv) you agree that you have read and understand this Agreement and that you will be bound by and will comply with all of its terms and conditions.

By accepting, activating, or using the Card, the Cardholder (i) acknowledges receipt of this Agreement and our privacy policy statement; (ii) accepts the Card issued to him or her; and (iii) agrees that he or she has read and understands this Agreement and will be bound by and will comply with all of its terms and conditions.

4. Personal Identification Number. The Personal Identification Number ("PIN") for each Card is assigned by the Cardholder upon Card Activation. The Cardholder may elect to change the PIN at any time after the card is active, and the Card is in good standing. A Cardholder should not write or keep his or her PIN with the Card. If a Cardholder believes that anyone has gained unauthorized access to the Cardholder's PIN, the Cardholder should advise us immediately, following the procedures in Section 24: Lost or Stolen Card or Unauthorized Transfers. If a Cardholder loses or cannot remember his or her PIN, we may impose a Fee to reset your PIN.

5. Value on Each Card. The value available to you on your Card is recorded and is the aggregate of the funds that have been loaded onto each Card. The value on a Card will decrease each time such Card is used to make a purchase, obtain cash, pay bills, or move funds to another account, and each time a fee is charged to each Card in accordance with Section 12: Fees. You are not entitled to receive, and we do not pay, any interest on the funds on your Card. Accordingly, the interest rate on your Card is zero percent (0%) with an annual percentage yield of zero percent (0%).

6. Loading The Card. Value added to the Card will be added to a specific Card. Funds may be added to the Card by the Cardholder at any time by calling us at 1.866.330.7671 or online at www.cardofamerica.com. Certain identification requirements must be met to add value to the Card. Each Cardholder acknowledges and agrees that funds loaded to by a specific Card will be fully accessible to all Cards, and may thus use or move such funds without the authorization of the Cardholder loading the funds.

Value may be added to the Card by moving funds from a deposit account at another financial institution. Coming soon value may be added at any location available in our cash load network.

A Cardholder who is a recurring electronic direct deposit of wages, salary, reimbursements, other such compensation (excluding certain government benefit payments), to the Card ("Direct Deposit") or to have funds automatically moved periodically from a deposit account at another financial institution ("Preauthorized Transfers"). The party that initiates the Direct Deposit or Preauthorized Transfer (for example, an employer or financial institution) is responsible for moving such funds to the Card pursuant to the Cardholder's instructions. We may deduct funds from the applicable Card to correct any error or overpayment or as otherwise set forth in this Agreement. If the Cardholder has arranged to have Direct Deposits or Preauthorized Transfers made to the Card at least once every sixty (60) days from the same person or company, the person or company making the movement is required by law to tell the Cardholder, as the case may be, every time they send us the money. Individual transactions may also be viewed online at www.cardofamerica.com.

The initial minimum amount that may be added on the Card is \$15.00. Value may be added to the Card a maximum of two (2) times per day. The maximum value that may be added to the Card in any one day is \$2,500.00, and the maximum Card balance permitted is \$5,000.00. For more information regarding reloading the Card, call us at 1.866.330.7671 or visit us online at www.cardofamerica.com.

7. Using The Card. The Card may be used to obtain cash at any ATM bearing the service marks noted on the back of the card, and to purchase goods and services at any merchant displaying the MasterCard® acceptance mark as an accepted form of payment, subject to the terms of this Agreement. This card can be used everywhere Debit MasterCard cards are accepted.

You are responsible for all transactions initiated by use of the Card. If a Cardholder permits someone else to use the Card, we will treat this as if you have authorized such use and you will be responsible for any transactions made subject to such use.

Each Card is non-transferable and may be used only by the Cardholder in whose name the Card is issued. Furthermore, the Cardholder shall: (a) not use the Card to purchase illegal goods or services; (b) promptly notify us of any loss or theft of the Card; and (c) use the Card only as permitted under this Agreement. If the Card is used to conduct transactions that are not permitted by this Agreement, we may, at our option and without waiving any of our rights, recognize the transactions and debit or credit the Card accordingly, to the extent permitted by law, or we may close your Card at our sole discretion.

If a Cardholder uses the Card number without presenting the Card (such as for a mail order, Internet, or telephone purchase), the legal effect will be the same as if the Card itself was used. For security reasons, we may limit the amount or number of transactions that can be used on the Card in any specific period. As a security measure for you and us, we may also decline authorizations for certain transactions when we believe the Card may have been compromised or the transaction is not consistent with the Cardholder's purchasing patterns. We may also prohibit certain types of transactions where fraud or misuse is more common. Examples of such transactions include: Internet gaming, pay-at-the-pump, Internet services, and foreign or overseas transactions. The Card cannot be redeemed for cash, but the Card may be used to access cash at an ATM, or to access cash at a Cash Advance service provider, such as a Bank.

For security purposes there are limitations on the use of the Card to obtain cash at an ATM, limiting each Card to \$500.00 per day. In addition, the ATM operator or network may impose additional limitations and fees on ATM transactions.

You should keep track of the amount of value added to the Card. Each time a Card is used, you and the Cardholder authorize us to reduce the value available on your Card by the amount of the transaction. A Cardholder is not allowed to exceed the available amount on his or her Card through an individual transaction or a series of transactions. Notwithstanding the foregoing, if a transaction exceeds the balance of the funds available on a Card, you shall remain fully liable to us for the amount of the transaction and any applicable fees or charges.

"Open End" Transactions. There are certain types of merchants that sell goods or services where the final amount the merchant will charge to the Card is unknown at the time the merchant first accepts the Card. Typical merchants in this category include rental car companies, hotels, Internet service providers, certain time-based or variable cost merchants and others where the final purchase amount is unknown prior to the settlement of the transaction. Therefore, the Card may be "authorized" or "have funds held" for more than the actual amount of the purchase until the final transaction is complete, which means that those "authorized dollars" are not available for you to spend elsewhere. Furthermore, transactions at certain merchants that authorize high dollar amounts, especially rental car companies and hotels, may cause an "authorization" or a "hold" on your available balance for up to ninety (90) days, which means you will not have access to the authorized dollar amount of these funds during that entire time. This is done to prevent fraud by Card users who may incur transaction amounts in excess of the amount first approved. Please note that we cannot manually release legitimate authorizations without a letter or fax from the merchant.

"Split Tender" Transactions. If there is not enough value loaded on the Card to complete a POS transaction, the Cardholder may instruct the merchant to charge a part of the purchase to the Card and pay the remaining amount of the purchase with cash, check, or another card. However, some merchants do not permit split tender transactions or will only permit a split tender transaction if the remaining amount is paid in cash. We cannot control these limitations.

8. Returns and Refunds. Any refund for goods or services purchased with the Card may only be made in the form of a credit to the Card. Neither you nor a Cardholder is entitled to receive the refund in cash.

9. Receipts. The Cardholder should get a receipt at the time a transaction is completed or cash is obtained using the Card. Each Cardholder must retain his or her receipts to verify transactions on the Card.

10. Disputes Regarding Goods or Services. We are not responsible for the delivery, quality, safety, legality or any other aspect of goods and services purchased with the Card. All such disputes should be addressed directly to the merchants from whom the relevant goods and services were purchased.

11. Overdrafts. A Cardholder does not have the right to make transactions in amounts that exceed the available balance on his or her Card. We have the right to deny any transaction if the available funds on the Card are not sufficient to cover the transaction and all fees and charges related to the transaction. The Card is not a credit card and usage of the Card does not directly or indirectly trigger access to any line of credit, and your Card does not have a credit feature.

12. Fees. We will charge you the fees and charges set forth in the Schedule of Fees noted within this Agreement, which fees are explained in detail below. Unless noted otherwise below, all fees and charges will be deducted automatically from the value on the Card at the time the fee or charge is incurred, unless there is no value remaining, in which case you must mail payment to us at 1830 S. Alma School Road, Suite 114, Mesa, Arizona 85210.

Card Activation Fee – Upon issuance of each Card, we will impose a \$19.95 Card

Activation Fee. If this fee is not deducted from the value on the Card it must be paid by another payment method of the Cardholder. This fee is waived in some cases, for promotional purposes.

Monthly Maintenance Fee - Your monthly maintenance fee of up to \$6.95 will be automatically debited from your card balance each month.

Card Order Shipping Fee – We impose a charge of \$4.95 for delivering a Card by regular postal mail. We impose a \$45 fee for second-day delivery of a Card and a \$50 fee for the overnight delivery of a Card sent by priority mail. These fees apply to delivery of any new or replacement Card.

Domestic POS PIN Purchase Fee – Each time a Cardholder makes a purchase at a POS terminal by using his or her PIN, we will impose a POS PIN Purchase Fee of \$0.65.

International POS PIN Purchase Fee – Each time a Cardholder makes a purchase at a POS terminal by using his or her PIN, we will impose a POS PIN Purchase Fee of \$1.30.

POS PIN Insufficient Funds / Decline Fee – If a Cardholder attempts a POS transaction by using his or her PIN, for an amount that exceeds the value on your Card, or enters an incorrect PIN, we will impose a POS PIN Insufficient Funds / Decline Fee of \$0.65. This fee will be assessed even if your card has a zero or negative balance.

POS Balance Inquiry Fee – Each time a Cardholder inquires as to the balance on his or her Card at a POS terminal, we will impose a \$0.65 Balance Inquiry Fee. The Balance Inquiry Fee will be imposed even if you are not provided a response and/or your Card has a zero or negative balance at the time of the inquiry.

Domestic ATM Withdrawal Fee – Each time a Cardholder obtains a Cash Withdrawal from a domestic ATM, we will impose a Domestic ATM Withdrawal Fee of \$1.50.

Domestic ATM Insufficient Funds / Decline Fee – If a Cardholder attempts a domestic ATM transaction for an amount that exceeds the value on your Card, or enters an incorrect PIN, we will impose a Domestic ATM Insufficient Funds / Decline Fee of \$1.50. This fee will be assessed even if your Card has a zero or negative balance.

International ATM Withdrawal Fee – Each time a Cardholder obtains a Cash Withdrawal from an international ATM, we will impose an International ATM Withdrawal Fee of \$3.00.

International ATM Insufficient Funds / Decline Fee – If a Cardholder attempts an international ATM transaction for an amount that exceeds the value on your Card, or enters an incorrect PIN, we will impose a Domestic ATM Insufficient Funds / Decline Fee of \$1.50. This fee will be assessed even if your card has a zero or negative balance.

ATM Balance Inquiry Fee – Each time a Cardholder inquires as to the balance on his or her Card at an ATM, we will impose a \$1.00 Balance Inquiry Fee. The ATM Balance Inquiry Fee will be imposed even if you are not provided a response and/or your Card has a zero or negative balance at the time of the inquiry.

Card Dormancy Fee – Each time an activated Card has not posted any transactions for the previous 90 days, we will consider the Card dormant and impose a \$5.00 Card Dormancy Fee. Should the Card continue to remain dormant, we will impose a \$5.00 Card Dormancy Fee once monthly on the anniversary date of the dormancy, until a transaction is performed by the Cardholder and posted to the Card, or until the Card has a zero balance, whichever comes first.

Card Closing Fee – If a Card is requested to be closed by the Cardholder, we will impose a \$5.00 Card Closing Fee. This fee is waived in some cases, for promotional purposes.

Card Reissuance Fee – If a Card is lost, stolen or damaged and the Cardholder requests a replacement Card, we will impose a \$15.00 Card Reissuance Fee.

Paper Statement Fee – If you request a copy of a periodic statement, we will impose a Paper Statement Fee of \$15.00. Periodic statements are available in an electronic format online at www.cardofamerica.com at no charge.

Paper Check Issuance Fee - If you request that we issue you a paper check for the balance in your Card upon closure, we will impose a Check Issuance Fee of \$15.00. If you instead request that we return the balance by moving the funds electronically to your checking or savings account, a \$1.50 fee will be imposed.

Card Reload Fees – We will impose a \$1.50 Card Load Fee when you add additional funds from your checking or savings account.

Card to External Account Fee – We will impose a \$2.50 Card to External Account Fee when you move funds from your Card to your checking or savings account.

Share Funds Card to Card Fee – There is a \$2.50 fee for sharing funds between Cards.

Currency Conversion Fee - If you make a purchase or obtain a cash Withdrawal or Cash Advance in a currency other than U.S. dollars, we will charge a Currency Conversion Fee equal to one percent (1%) of the amount of the transaction as converted at the time of service.

13. ATM Fees. In addition to the fees charged by us for ATM transactions as described in Section 12, additional fees may be imposed when a Cardholder uses an ATM, including an ATM owned by us. You may be charged a fee by the ATM operator or any network used and may be charged a fee for a balance inquiry even if the Cardholder does not complete a fund movement or withdrawal.

14. Cancellation; Suspension of Use. We, in our sole and absolute discretion, may limit use of the Card. We may refuse to issue a Card, may revoke the Card privileges, or may suspend the use of the Card with or without cause or notice, other than any notice required by applicable law. The Card at all times remains the property of the issuer and you may be required to surrender the card to us at any time. If you would like to cancel use of the Card, call us at 1.866.330.7671 or write to us at 1830 S. Alma School Road, Suite 114, Mesa, Arizona 85210. If we decide to cancel or suspend use of the Card, we will attempt to notify you by telephone, U.S. mail or electronic mail. Upon cancellation of the Card privileges, use of the Card must be immediately discontinued. Each Cardholder agrees not to use or attempt to use an expired, revoked, or otherwise invalid Card. Our cancellation of Card privileges will not affect the Cardholder's rights and obligations pursuant to this Agreement.

15. Card Expiration. A Cardholder may use the Card only through the expiration date noted thereon. Without limiting the generality of the foregoing, if a Cardholder attempts to use the Card after expiration, transactions may not be permitted or processed.

16. Settlement Upon Expiration or Cancellation. If there is a balance remaining on your Card upon expiration, the balance will be moved to a new Card if we choose to provide you with one. If we choose not to provide you with a new Card or if we or you cancel your Card for any reason, we will return to you the balance remaining on the Card less all amounts owed in connection therewith (including all fees and charges described in this Agreement and the amount of any overdraft). We will return the remaining amount by check or via a movement of funds to your checking or savings account. If you request a check, we will impose a Check Issuance Fee of \$15.00 for this service.

17. Credit Inquiries. You agree that we may make any credit, employment and investigative inquiries as we deem appropriate in connection with the activation, issuance, loading, reloading or review of the Card, whether for fraud, misuse or otherwise. These inquiries may include inquiries to credit reporting agencies and bad check databases.

18. Periodic Statements. You may request a periodic statement by contacting us via telephone at 1.866.330.7671 or writing to us at 1830 S. Alma School Road, Suite 114, Mesa, Arizona 85210. You will be assessed a \$15.00 Customer Statement Fee for each periodic statement requested that is printed and sent via mail to your address on file. Periodic statements are available online at www.cardofamerica.com at no charge.

19. Preauthorized Credits. If the Cardholder has arranged to have direct deposits made to the Card at least once every sixty (60) days from the same person or company, such person or company is required by law to tell the Cardholder, as the case may be, every time they send us the deposit or if the deposit is not made.

20. Preauthorized Transfers. Stop Payment Rights. If the Cardholder has told us in advance to make regular payments from the Card, you can stop any of these payments by calling us at 1.866.330.7671 or writing to us at 1830 S. Alma School Road, Suite 114, Mesa, Arizona 85210, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and mail or fax it to us within fourteen (14) days after your call.

Notice of Varying Amounts. If these regular payments may vary in amount, the person or entity you are going to pay should alert you ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to receive this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

Liability for Failure to Make Transfers. If we do not complete a transaction or from your Card on time or in the correct amount according to our Agreement with you, we may be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance: (a) if through no fault of ours, you do not have enough value on your Card to complete the transaction; (b) if the ATM where you are making the request does not have enough cash; (c) if our computer systems were not working properly and you knew about the breakdown when you started the transaction; (d) if a merchant refuses to honor the Card; (e) if circumstances beyond our control (such as fire, flood, other acts of God or nature, terrorist attack or national emergency) prevent the transaction, despite reasonable precautions that we have taken; (f) if you attempt to use a Card that has not been properly activated; or (g) there are other exceptions stated in our Agreement with you.

21. In Case of Errors or Questions About Card Transactions. If you think your periodic statement or receipt is wrong or if you need more information about a transaction listed on the periodic statement, please contact us as soon as possible by calling 1.866.330.7671 or in writing to us at 1830 S. Alma School Road, Suite 114, Mesa, Arizona 85210. We must hear from you no later than sixty (60) days after we made available the first statement (online at www.cardofamerica.com) on which the problem or error appeared. When notifying us, you must: (a) tell us your name, address, and Card number; (b) describe the error or the transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information; and (c) tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days. We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your Card within ten (10) business days for the amount you think is in error so that you will have the use of the value during the time it takes us to complete the investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your Card. For errors involving new Cards, point-of-sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new Cards, we may take up to twenty (20) business days to credit your Card for the amount you think is in error. We will tell you the results within three (3) business days after completing our investigation and we will correct any error promptly. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

22. Investigation Documentation. You have the right to request copies of documents we use in our investigation when you notify us of an error or question about your periodic statement as described herein.

23. Confidentiality and Disclosure of Information. We will disclose information to third parties about your Card or the transfers made on the Card: (i) where it is necessary for completing transfers; (ii) in order to verify the existence and condition of your Card for a third party, such as a credit bureau or merchant; (iii) in order to comply with government agency or court orders; (iv) if you give us your written permission; or (v) in accordance with our privacy policy statement, which has been provided to you. Information we collect ("Cardholder Information") means that information about purchases made with the Card, such as date of purchase, amount and place of purchase; and information you provide to us when you apply for a Card, or for replacement Cards or when you contact us with customer service issues, such as name, address, phone number. Only those persons who need it to perform their job responsibilities are authorized to have access to Cardholder Information. In addition, we maintain physical, electronic and procedural security measures that comply with federal regulations to safeguard Cardholder Information. Notwithstanding the foregoing, we may use Cardholder Information to provide customer services, to process claims for lost or stolen Cards, to develop marketing programs, to help protect against fraud and to conduct research and analysis. In addition, it is often necessary for us to disclose Cardholder Information for the same purposes to companies that work with us. For

example, we may provide certain Cardholder Information to companies that perform business operations or services, including marketing services, and fraud detection services on our behalf.

24. Lost or Stolen Card or Unauthorized Transfers. You MUST notify us IMMEDIATELY if you or any Cardholder believes a Card has been lost or stolen or that someone has moved or may move value from the Card without your permission. Telephoning us at 1.866.330.7671 is the best way of keeping your possible losses down, but you may also write to us at 1830 S. Alma School Road, Suite 114, Mesa, Arizona 85210. You may be liable for unauthorized use of your Card. You will not be liable for unauthorized use that occurs after you notify us, orally or in writing, of the loss, theft, or possible unauthorized use. In any event, your liability will not exceed \$50.00.

25. Contact Information. If you have questions regarding your Card, you may call us at 1.866.330.7671 or write to us at 1830 S. Alma School Road, Suite 114, Mesa, Arizona 85210.

26. Foreign Exchange/Currency Conversion. Purchases and cash access transactions made in currencies other than U.S. Dollars will be converted to U.S. Dollars under regulations established by MasterCard® International Incorporated and may include a margin and fees charged by MasterCard® International Incorporated. Conversion to U.S. Dollars may occur on a date other than the date of the transaction; therefore, the conversion rate may be different from the rate in effect at the time of the transaction. We may also impose a Currency Conversion Fee in connection with the transaction as described in Section 12 - Fees.

27. Business Days. For purposes of this Agreement, our business days are Monday through Friday. U.S. Holidays are also not considered Business Days.

28. Change of Address. If the U.S. mail or postal address of any Cardholder changes, you must notify us immediately. Failure to do so may result in information regarding your Card being mailed to the wrong person or your transactions being declined at the point of sale. In such event, we shall not be responsible for any unauthorized charges on the Card. Any notice given by us shall be deemed given to you if mailed to you at the last U.S. mail address for the Card furnished by you to us. You agree we may accept changes of address from the U.S. Postal Service.

29. Change of Terms. Subject to the limitations of applicable law, we may at any time change or remove any of the terms and conditions of, or add new terms or conditions to, this Agreement. We will provide notice of any such change to you as required by law. As of the effective date included in any notice, the changed or new terms will apply to the Card, including, without limitation, all future transactions made using the Card. Notwithstanding the foregoing, advance notice of any change may not be given if it is necessary to make any such change immediately in order to maintain or restore the security of the Card, or any related payment system. If any such change becomes permanent and disclosure to you of the change would not jeopardize the security of the Card, or any related payment system, notice will be provided to you within thirty (30) days of making the change.

30. Unclaimed Property. If we have no record of transactions on the Card for several years, applicable law may require us to report the balance on the Card as unclaimed property. If this occurs, we will try to locate you at the address listed on our books and records. If we are unable to locate you, we may be required to deliver any value remaining on the Card to the State in which the Issuing Bank operates as unclaimed property, as provided by law.

31. Attorneys' Fees and Costs. Except as may be provided in the "Arbitration" section of this Agreement, you agree to pay all costs incurred by us, our successors or assigns, in collecting unpaid indebtedness or in enforcing this Agreement, including attorneys' fees and costs, as well as those costs, expenses and attorneys' fees incurred in appellate, bankruptcy and post-judgment proceedings, except to the extent such costs, fees, or expenses are prohibited by law.

32. Governing Law. This Agreement, the Card, and any claim, dispute or controversy arising from or relating to this Agreement or the Card, are governed by and construed in accordance with the laws of the State of California (without regard to its conflicts of law rules) 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 such laws. This Agreement is entered into between you and us in California.

33. Arbitration. PLEASE READ THIS PROVISION OF THE AGREEMENT CAREFULLY. UNLESS YOU EXERCISE THE RIGHT TO OPT-OUT OF ARBITRATION IN THE MANNER DESCRIBED BELOW, YOU AGREE THAT ANY DISPUTE WILL BE RESOLVED. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO HAVE A JURY, TO ENGAGE IN DISCOVERY (EXCEPT AS MAY BE PROVIDED IN THE ARBITRATION RULES), AND TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, A DISPUTE IS RESOLVED BY AN ARBITRATOR INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES ARE SIMPLER AND MORE LIMITED THAN COURT PROCEDURES. YOU ALSO AGREE ANY ARBITRATION WILL BE LIMITED TO THE DISPUTE BETWEEN YOU AND US AND WILL NOT BE PART OF A CLASS-WIDE OR CONSOLIDATED ARBITRATION PROCEEDING.

Agreement to Arbitrate. You and we agree that any Dispute, except as provided below, will be resolved by Arbitration. This agreement is governed by the Federal Arbitration Act (FAA), 9 U.S.C.S. § 1 et seq, and the substantive law of the State of California (without applying its choice-of-law rules).

Arbitration Defined. Arbitration is a means of having an independent third party resolve a Dispute. A "Dispute" is any controversy or claim between you and us. The term Dispute is to be given its broadest possible meaning and includes, without limitation, all claims or demands (whether past, present or future, including events that occurred prior to the opening of this Card), based on any legal or equitable theory (tort, contract or otherwise), and regardless of the type of relief sought (i.e. money, injunctive relief, or declaratory relief). A Dispute includes, by way of example and without limitation, any claim based upon the debt transferred to your Card, marketing or solicitations to open the Card, and the handling of your Card whether such Dispute is based on a federal or state constitution, statute, ordinance, regulation, or common law, and including any issue concerning the validity, enforceability or scope of this arbitration agreement.

For purposes of this arbitration agreement, the terms "you" and "your" include each Cardholder, and any authorized user and also the heirs, guardian, personal representative, or trustee in bankruptcy of any of the foregoing. The terms "us," "our," and "we" include our employees, officers, directors, attorneys, affiliated companies, predecessors, and assigns, as well as our marketing, servicing, and collection representatives and agents including, without limitation, Card of America.

Choice of Arbitrator. The party filing an arbitration must choose either of the following arbitration firms for initiating and pursuing an arbitration: the American Arbitration Association or the National Arbitration Forum. If you claim you have a Dispute with us, but you do not initiate an arbitration or select an arbitrator, we may do so. You may obtain copies of the current rules of each of the arbitration firms and forms and instructions for initiating an arbitration by contacting them as follows:

American Arbitration Association
335 Madison Avenue, Floor 10
New York, NY 10017-4605 - Website: www.adr.org

National Arbitration Forum
P.O. Box 50191
Minneapolis, MN 55405 - Website: www.arbitration-forum.com

The policies and procedures of the selected arbitration firm will apply provided that these are consistent with this arbitration agreement. To the extent the arbitration firm's rules or procedures are different than the terms of this arbitration agreement, the terms of this agreement will apply.

Cost of Arbitration. We will pay the filing fee and any costs or fees charged by the arbitrator regardless of whether you or we initiate the arbitration. Except where otherwise provided by applicable law, each party will be responsible for its own attorneys' fees and other expenses. Unless prohibited by law, the arbitrator may award fees, costs, and reasonable attorneys' fees to the party who substantially prevails in the arbitration.

Place of Arbitration. Unless you and we agree to a different location, the arbitration will be held in the same city as the U.S. District Court closest to your then current mailing address.

Waiver of Rights. You are waiving your right to a jury trial, to have a court decide your Dispute, to participate in a class action lawsuit, and to certain discovery and other procedures that are available in a lawsuit. The arbitrator has the ability to award all remedies available by statute, at law, or in equity to the prevailing party, except that you and we agree that the arbitrator has no authority to conduct class-wide proceedings and will be restricted to resolving the individual disputes between you and us. The validity, effect, and enforceability of this waiver of class action lawsuit and class-wide arbitration is to be determined solely by a court of competent jurisdiction and not by the arbitration firm or arbitrator. If the court refuses to enforce the class-wide arbitration waiver, or if an arbitration firm or arbitrator fails or refuses to enforce the waiver of class-wide arbitration, you and we agree that the Dispute will proceed in court and will be decided by a judge, sitting without a jury, under applicable court rules and procedures.

Applicable Law and Judicial Review. The arbitrator will apply applicable federal and California substantive law and the terms of this Agreement. The arbitrator must apply the terms of this arbitration agreement, including without limitation the waiver of class-wide arbitration. The arbitrator will make written findings and the arbitrator's award may be filed with any court having jurisdiction. The arbitration award will be supported by substantial evidence and must be consistent with this Agreement and applicable law or may be set aside by a court upon judicial review. Either party may seek judicial review of the arbitrator's decision according to applicable law. This arbitration provision will survive: (i) termination or changes in this Agreement, the Card or the relationship between you and us concerning the Card; (ii) the bankruptcy of any party; and (iii) any transfer, sale or assignment of your Card, or any amounts owed on your Card, to any other person or entity.

Right to Opt Out. If you do not wish the Card to be subject to this Arbitration Agreement, you must advise us in writing by contacting us at 1830 S. Alma School Road, Suite 114, Mesa, Arizona 85210. Clearly print or type your name and Card number and state that you reject arbitration. You must give written notice, and it is not sufficient to telephone us. Send only your notice to reject arbitration; do not include the notice with other correspondence to us. We must receive your letter at the above address within sixty (60) days after the date this Agreement was provided to you or your rejection of arbitration will not be effective.

34. Waiver. To the extent permitted by law, you waive and release us from all defenses, rights, and claims you have or may have against us arising from or relating to each Card, or the use thereof.

35. Telephone Monitoring/Recording. From time to time, we may monitor and/or record telephone calls between the Cardholder and us to assure the quality of our customer service or as required by applicable law.

36. Delay of Rights. We can waive or delay enforcement of any of our rights under this Agreement without losing them.

37. Void Where Prohibited. Not all services described in this Agreement are available to all persons or at all locations. We reserve the right to limit, in our sole discretion, the provision of any such services to any person or in any location. Any offer of a service in this Agreement shall be deemed void where prohibited.

38. Non-Assignability. No Cardholder may assign or transfer this Agreement or any of his or her respective rights, obligations, duties, responsibilities, or liabilities under this Agreement, and any attempt to the contrary shall be null and void. This Agreement shall be binding on the Cardholder and their respective executors, administrators, and permitted assigns.

39. Severability. If any provision of this Agreement is determined to be invalid or unenforceable under any rule, law, or regulation, the validity or enforceability of any other provision of this Agreement shall not be affected, and in lieu of such invalid or unenforceable provision there shall be added automatically, as part of this Agreement, a provision as similar in terms as may be valid and enforceable, if possible.

40. Entire Agreement. This Agreement sets forth the entire understanding and agreement between the Cardholder and us, whether written or oral, with respect to the subject matter hereof and supersedes any prior or contemporaneous understandings or agreements with respect to such subject matter.