

The Petal 1 Visa® Credit Card Cardholder Agreement

Important disclosures

Rates, fees, and other important information about the Petal 1 VISA® Credit Card (“Card”) are set forth in these Important Disclosures. The customized version of these Important Disclosures (the “Customized Disclosures”) that we provide you prior to your first use of the Card or the related credit card account are part of the Petal 1 VISA® Credit Card Cardholder Agreement (“Agreement”).

Effective as of October 1, 2020

Interest Rates and Interest Charges	
Annual Percentage Rate (APR) for Purchases	19.99% to 29.49% when you open your account, based on your creditworthiness. After that, your APR will vary with the market based on the Prime Rate.
How to Avoid Paying Interest on Purchases	Your due date is at least 25 days after the close of each billing cycle. We will not charge you any Interest on purchases if you pay your entire balance by the due date each month.
For Credit Card Tips from the Consumer Financial Protection Bureau	To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau at consumerfinance.gov/learnmore
Fees	
Annual Fee	None
Transaction Fee Foreign Purchases	None
Penalty Fees	
- Late payment	Up to \$40
- Returned payment	\$29

How We Will Calculate Your Balance: We use a method called “average daily balance (including new purchases).” See the Agreement for more detail.

Variable APR; Daily Periodic Rate: The APR on your Account will be determined each billing cycle by adding a margin to the Prime Rate (U.S.) as published in the Money Rates section of *The Wall Street Journal* (the “Index”) on the 25th day of the month or the following business day. If the Prime Rate changes, your new rate will take effect on your next billing period. The margin which will be added to the Prime Rate for purchases is 16.74% - 26.24%. As of September 15, 2020 the Prime Rate was 3.25%.

Credit Limit: Your initial credit limit will be between \$500-\$5,000, based on your creditworthiness.

Arbitration Clause; Notices: PLEASE REVIEW THE ARBITRATION CLAUSE

AND NOTICES SET FORTH IN EXHIBITS A-C OF THE AGREEMENT.

Petal 1 VISA® Credit Card
Cardholder Agreement

EXHIBIT A TO THE AGREEMENT IS AN ARBITRATION CLAUSE. UNLESS YOU ARE A “COVERED BORROWER” PROTECTED BY THE MILITARY LENDING ACT (THE “MLA”) OR UNLESS YOU PROMPTLY REJECT THE ARBITRATION CLAUSE, IT WILL HAVE A SUBSTANTIAL EFFECT ON YOUR RIGHTS IN THE EVENT OF A DISPUTE, INCLUDING YOUR RIGHT TO BRING OR PARTICIPATE IN A CLASS PROCEEDING.

This Agreement governs the Petal 1 VISA® credit card account (“Account”) and related credit card (“Card”) provided by WebBank, a Utah-chartered, FDIC-insured bank located in Salt Lake City, Utah (the “Bank”). This Agreement includes the Important Disclosures we provided to you after approving you for the Account (the “Customized Disclosures”), the Arbitration Clause attached as Exhibit A, the Billing Error Rights Notice attached as Exhibit B, the State Notices attached as Exhibit C, your credit card application, and, as applicable, the Privacy Policy, and Risk-Based Pricing Disclosure. In this Agreement, the words “we,” “us,” and “our” mean the Bank, its successors and assigns, and, for purposes of the Arbitration Clause, the Related Parties identified in the Arbitration Clause. The words “you,” “your”, “yours” and “Cardholder” mean the person who applied for, received and accepted the Account from the Bank.

1. Accepting this Agreement. This Agreement becomes effective and legally binding when you activate your Card by following the instructions on the Activation page of www.petalcard.com or a Petal mobile application (“Petal Website”). You and we agree to comply with, and be bound by, this entire Agreement. You should retain and carefully review this entire Agreement, and sign your Card before using it. By completing your application for the Account (and unless you promptly reject the arbitration clause or are a “covered borrower” protected by the Military Lending Act), you agree to the Arbitration Clause even if you do not use the Account or the Card.

2. Purchases. You may use your Account to purchase or lease goods or services (each, a “purchase”) by presenting your Card or providing to participating merchants and establishments that honor the Card your Card number and additional information by any other means (for example, over the phone, online or through a mobile app). We will not be liable to you (or anyone else) if any merchant or other person cannot or will not process a purchase permitted under this Agreement. Unless prohibited by applicable law, we may

from time to time limit the type, number and dollar amount of any purchase, even if you have sufficient available credit to complete the purchase, and may terminate or suspend your use of the Card or the Account, with or without notice to you before or at the time we take such action. Cash advances and balance transfers are not available under this Agreement.

3. Prohibited Uses of Account. You agree that you will only use the Account for personal, family and household purposes and will not use the Account for any unlawful purpose or for the purpose of paying us on this or any other form of credit account you may have with us. If you use your Card for any such purpose, we may declare you to be in default under this Agreement and we may block such transactions and/or terminate your Account, but you still will be liable to us for all charges relating to such transactions and all other transactions on your Account at the time it is closed. Further, you agree that you will not allow any other person to use the Card or Account without our consent. However, your breach of any of these promises will not affect or limit your liability to us with respect to your purchases. If you authorize or allow any person to use your Account, such authorization will be deemed to extend to all purchases by such person, even if not intended by you, and will continue until you have taken all steps necessary to prevent any further use of the Account by such person, even if you have advised us that such person is no longer authorized to use the Account.

4. Promise to Pay You promise to pay us for all amounts charged to the Account, including all purchases, interest, and charges charged to your Account. You are obligated to repay us for all transactions made using your Card by people you have authorized to use the Card even if their use of the Card exceeds the authorization which you gave them.

5. Credit Limit; Available Credit.

(a) We have disclosed your initial credit limit in your approval email. We will disclose your then-current credit limit and available credit on each monthly statement we send you. We may increase or decrease your credit limit at any time, on our own initiative or at your request (if we accept such requests). We may also close your Account or suspend your ability to use the Account at any time. We will provide any notice required by applicable law if we take any adverse action on your Account.

(b) At any time, your available credit equals the excess (if any) of your credit limit over your outstanding Account balance (including principal, fees and interest charges). You agree not to attempt any purchase that exceeds your available credit. For purposes of determining your available credit, we do not give effect to

any payment prior to the time we determine that the payment has been made with sufficient funds. Depending on your payment method, this may take up to 20 days. We are not required to approve any purchase if the amount of the purchase exceeds your available credit but we may authorize and pay any such purchase in our absolute discretion. Whenever the outstanding balance of the Account exceeds your credit limit, you agree to pay us the difference on demand unless and to the extent that we have reduced your credit limit below your pre-existing balance prior to the reduction.

6. Monthly Statements. We will send you a monthly statement shortly after the end of each monthly billing cycle with any activity, fee or interest charge or an ending debit or credit balance in excess of \$1.00. However, we are not obligated to send you a monthly statement if we deem your Account to be uncollectible or applicable law does not require us to send you a monthly statement for other reasons. Your monthly statements will show, among other matters, the outstanding balance at the start and end of the billing cycle (that is, the “previous balance” and “new balance,” respectively); purchases; payments, credits and adjustments; interest charges and fees; your credit limit and available credit; and the minimum payment due and payment due date.

7. Interest Charges.

(a) *General.* We use the “average daily balance (including new purchases)” method to calculate your interest charges. This means that, each billing cycle, we determine your interest charges by multiplying the average daily balance (which is shown on your monthly statements as the “balance subject to interest rate”) times the daily periodic rate and then by multiplying this amount by the number of days in the billing cycle.

(b) *Grace Period on Purchases.*

(i) If your Account balance is \$0 at the beginning of a billing cycle or you pay the entire Account balance as of the beginning of a billing cycle by the payment due date that falls in such billing cycle, you get a “grace period” and will not be charged any interest charges for such billing cycle.

(ii) If you do not get a grace period for a billing cycle but you got a grace period for the immediately preceding billing cycle, we will not charge interest charges on purchases that were outstanding during such preceding billing cycle to the extent such purchases are paid by the payment due date that falls in the current billing cycle.

(iii) If you get a grace period on purchases for a billing cycle on account of a

payment that is dishonored or reversed in the next billing cycle or a credit that is reversed in the next billing cycle due to the resolution of a billing dispute, we will charge you in the next billing cycle the interest charges you avoided in the prior billing cycle due to the dishonored or reversed payment or credit.

(c) *Interest Rates.*

(i) The daily periodic rate equals the APR divided by 365, truncated at the 11th decimal place.

(ii) The APR each billing cycle equals the sum of the Margin shown on your Customized Disclosures and the WSJ Prime Rate, determined as of the second business day (not weekends or federal holidays) of the same month in which your billing cycle closes (the "Determination Date"). Accordingly, the APR (and daily periodic rate) may vary. The "WSJ Prime Rate" is the highest U.S. Prime Rate as published in the "Money Rates" section of *The Wall Street Journal* on the Determination Date (or if *The Wall Street Journal* does not publish such rate on such day, the latest prior day it does publish such rate). (If *The Wall Street Journal* stops publishing the U.S. Prime Rate in its "Money Rates" section, then we may substitute another index and margin, in our sole discretion, subject to applicable law.) Notwithstanding the foregoing, the APR and daily periodic rate will never exceed the maximum rates permitted by applicable law.

(iii) Unless you qualify for a grace period (see subsection (b)), if and when the APR increases, more interest charges will accrue. This will result in higher and/or more payments if you pay the minimum payment due each month. Unless you qualify for a grace period, if and when the APR decreases, less interest charges will accrue. This will result in lower and/or fewer payments if you pay the minimum payment due each month.

(d) *Balances Subject to Interest Rate.*

(i) The average daily balance (also known as the balance subject to interest rate) equals the sum of the closing daily Account balances for each day of the billing cycle, divided by the number of days in the billing cycle.

(ii) If you get a grace period for a billing cycle (see subsection (b)(i)), the Account balance is treated as \$0 for each day in the billing cycle (and the average daily balance is \$0). Otherwise, the closing balance for each day in the billing cycle is computed as follows:

(A) For each day (including the first day of the billing cycle), we start with the prior day's closing balance, if any.

(B) For the first day of the Billing cycle, if you received a grace period for the immediately preceding billing cycle, we deduct all payments and credits applied to purchases and posted by the payment due date that falls within the current billing cycle.

(C) For each day in the billing cycle (including the first day of the billing cycle), we add any new purchases posted to your Account, we add the interest charges from the prior day (the prior day's closing balance times the daily periodic rate), add any fees charged that day, and subtract any payments or credits. However, we do not subtract a second time any payments or credits that have already been subtracted in step (B) above. (This method results in the daily compounding of interest charges.)

(D) We treat any negative daily balance as \$0.

(e) *Interest Accrual Periods.* We charge interest charges over the following periods:

(i) If you get a grace period for the billing cycle in which the purchase is posted to the Account (the "Purchase Cycle") and for the next billing cycle (the "Next Cycle"), we charge no interest charges at all.

(ii) If you get a grace period for the Purchase Cycle but not for the Next Cycle, we charge interest charges from the first day of the Next Cycle through the earlier of: (1) the day the purchase is repaid in full; or (2) the day before the beginning of the first billing cycle that comes after the Next Cycle and for which you get a grace period (the "Interest End Date").

(iii) If you do not get a grace period for the Purchase Cycle, we charge interest charges from the day the purchase is posted to the Account through the Interest End Date.

8. Fees. Subject to applicable law, including the federal Truth in Lending Act and Regulation Z, you agree to pay the following fees:

(a) *Penalty fees.*

(i) Each time we do not receive the minimum payment due in full within 3 days of the payment due date, we will charge you a late fee of \$29.00 if we have not charged (or waived) a late fee within the six immediately preceding billing cycles. However, we will charge a late fee of \$40.00 if we have already charged (or waived) a late fee within the six immediately preceding billing cycles. We will

never charge a late fee exceeding the minimum payment due that is late.

(ii) Each time a payment on your Account is returned or reversed for any reason or we must return any check or instrument you send us because it is not signed or is otherwise incomplete, we will charge you a returned payment fee of \$29.00. However, we will not charge a returned payment fee if we are charging a late fee with respect to the same minimum payment due and will never charge a returned payment fee exceeding the related minimum payment due.

(b) *Additional fees.* We may charge fees for special services you request in accordance with applicable law.

9. Limits on Interest, Fees and Charges. It is not our intent to charge or collect any interest, fee or charge in excess of the amount permitted by applicable law. If any interest, fee or charge is finally determined to be in excess of the amount permitted by applicable law, we will credit the excess amount against the outstanding balance in your Account or refund it to you.

10. Payments.

(a) Each month, you must pay at least the minimum payment due shown on your monthly statement by the “cut-off time” on the payment due date shown on your monthly statement. The payment due date will be at least 25 days after the date of the monthly statement and will typically be on the same day of each calendar month. However, if the payment due date falls on a day we do not receive mail (a “non-business day”), we will not treat your payment as late for any purpose if we receive it by the cut-off time on the next day we receive mail (a “business day”). The “cut-off time” is 8:00 p.m. Eastern Time for payments made online through the Petal Website or over the phone or 5:00 p.m. Eastern Time if you mail-in a payment by check or money order.

(b) If the new balance shown on your monthly statement for a billing cycle (the “Statement Cycle”) is less than \$25.00, the minimum payment due in the next billing cycle (the “Payment Cycle”) equals such new balance. Otherwise, the minimum payment due equals the sum of: (i) \$25.00 or 2% of such new balance (excluding any interest charges, late fees, and any amount past due), whichever is greater; and (ii) interest charges for the Statement Cycle; (iii) any late fees; and (iv) any amount past due at the end of the Statement Cycle.

(c) You agree to make all payments in U.S. dollars in accordance with our instructions online on the Petal Website, by phone or by a check or money order drawn on a financial institution located in the U.S. All payments by check or money order must be mailed or delivered to us at the payment address shown on

the front of your monthly statement. Any payments received after the cut-off time on a business day or received on a non-business day will be credited on the next business day. However, credit to your Account may be delayed for up to five days if we accept a check or money order that is not: (i) received by mail or messenger service at the payment address on your monthly statement; or (ii) accompanied by the top portion of your monthly statement. Delayed crediting may cause you to incur additional fees and interest charges, subject to applicable law.

(d) Subject to applicable law, we may apply payments and other credits to your Account in any manner we choose in our sole discretion. We will usually apply the Minimum Payment first to interest charges and then to balances. Although your Minimum Payment will be applied in any order at our discretion, payments in excess of the Minimum Payment will be applied to balances with the highest APR first and then to lower rate balances in descending order of APR. This means that balances with higher APRs are reduced before balances with lower APRs for any amount of your payment that is in excess of your Minimum Payment due.

(e) All credits for payments to your Card are subject to final payment by the institution on which the payment item was drawn. Depending upon the type of payment you make, your available credit may not be restored for up to 20 days after we receive a payment.

(f) You agree not to send us payments marked “paid in full,” “without recourse” or with similar language. If you send such a payment, we may accept it without losing any of our rights under this Agreement, including our right to collect the full amount owed by you. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes “payment in full” of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount, must be mailed or delivered to the Notice Address (as defined in Section 18), Attn: Disputed Payments.

11. Prepayment. At any time, you may pay all or any part of your outstanding Account balance, without penalty. Payment of more than the minimum payment due in one billing cycle will not relieve you of the obligation to pay the entire minimum payment due in subsequent billing cycles.

12. Termination. Subject to applicable law, we may suspend, revoke or cancel your Account privileges, your right to use the Card or deny any transaction, in our sole discretion at any time, with or without cause and with or without giving you notice. Any termination of credit privileges, whether initiated by us or by you, will not affect any of our rights or your obligations under this Agreement, including

your obligation to repay any amounts you owe us according to the terms of this Agreement. On our demand or upon termination of credit privileges, you agree to surrender to us or destroy the Card. If you attempt to use the Card after the termination of credit privileges (whether or not we have provided notice of such termination), the Card may be retained by a merchant, ATM or financial institution where you attempt to use the Card.

13. Default. Subject to applicable law, we may declare you to be in default under this Agreement if: (a) you fail to pay any minimum payment due on or before the payment due date; (b) you attempt to or do exceed your credit limit; (c) you make a payment that is dishonored or reversed; (d) you die or are declared legally or mentally incompetent; (e) a petition is filed or other proceeding is commenced by or against you under the Federal Bankruptcy Code or any other federal or state insolvency laws; (f) you become insolvent or unable to pay your debts; (g) you provide us with any false or misleading information; (h) you breach any of your other obligations under this Agreement; (i) you are in default of any other credit agreement you have with us or with Petal (as defined in Section 16); or (j) we have any reason to believe you are unwilling or unable to pay your debts.

Idaho, Iowa, Kansas, Maine and South Carolina Residents Only: We may declare you to be in default if you fail to make a payment as required by this Agreement (or within 10 days of the time required by this Agreement, for Iowa residents) or if the prospect of your payment or performance is significantly impaired (for Iowa residents, if, following an event of default, the prospect of your payment is materially impaired). We have the burden of establishing the impairment of such prospect of payment or performance.

Wisconsin Residents: We may declare you to be in default (a) if you permit to be outstanding an amount exceeding one full payment which has remained unpaid for more than 10 days after its scheduled due date or deferred due date, or if you fail to pay the first payment or last payment within 40 days of its scheduled due date or deferred due date or (b) if you fail to observe any other provision of this Agreement, the breach of which materially impairs your ability to pay the amounts due under the Agreement.

14. Remedies. In the event of your default under this Agreement, we may, subject to applicable law (including any applicable notice requirement): (a) declare all or any portion of your outstanding Account balance to be immediately due and payable; (b) instead allow you to repay your Account balance by paying the minimum payment due each billing cycle, without waiving any rights under subsection (a); and/or (c) commence a collection action against you and charge you for any court costs and/or any reasonable attorneys' fees and costs we are charged in connection with such action by any attorney who is not our salaried

employee. After a default, interest charges will continue to accrue until your total Account balance, including accrued interest charges, is paid in full, subject to applicable law.

15. Delay in Enforcement. We may at any time and in our sole discretion delay or waive enforcing any of our rights or remedies under this Agreement or under applicable law without losing any of those or any other rights or remedies. Even if we do not enforce our rights or remedies at any one time, we may enforce them at a later date. For example, we may accept late payments or payments that are marked “payment in full” or with other restrictive endorsements without losing any of our rights under this Agreement.

16. Servicer. Petal Card, Inc. (“Petal”), along with its partners and service providers, is the servicer of your Account and Card. In that capacity, Petal may act on our behalf, perform our obligations or enforce our rights under this Agreement.

17. Communications and Call Recording. You authorize WebBank and Petal Card Inc. (one of WebBank’s service providers) and each of WebBank’s and/or Petal’s joint or independent affiliates, agents, assigns, and service providers (collectively, the “Messaging Parties”) to use automatic telephone dialing systems, artificial or prerecorded voice message systems, text messaging systems and automated email systems, or any system capable of storing and dialing telephone numbers to deliver messages relating to this Agreement, your Account, or your relationship with the Messaging Parties more generally (including but not limited to: messages about , upcoming Payment Due Dates, missed payments and returned payments) to any telephone number(s) you provide to the Messaging Parties. You also agree that these messages may deliver prerecorded and/or artificial voice messages. You understand that telephone messages may be played by a machine automatically when the telephone is answered, whether answered by you or someone else, and that these messages may also be recorded by your answering machine. You also authorize the Messaging Parties to deliver messages to you via mail or email at any addresses you supply to them or that they obtain through any legal means.

You understand that anyone with access to your mail, telephone or email account may listen to or read the messages the Messaging Parties leave or send you, and you agree that the Messaging Parties will have no liability for anyone accessing such messages. You further understand that, when you receive a telephone call, text message or email, you may incur a charge from the company that provides you with telecommunications, wireless and/or internet services, and you agree that the Messaging Parties will have no liability for such charges except to the extent required by applicable law. You expressly authorize the

Messaging Parties to monitor and record your calls with the Messaging Parties. If any telephone number you have provided to the Messaging Parties changes, or if you cease to be the owner, subscriber, or primary user of any such telephone number, you agree to immediately give notice to the Messaging Party who delivered the messages of such facts so that the Messaging Party can update its records.

This authorization is part of our bargain concerning this Agreement, and we do not intend it to be revocable. However, to the extent you have the right to revoke your consent to communications by autodialed calls and text messages to your mobile number under applicable law, you may exercise this right by contacting the applicable Messaging Party directly or by sending a request by email to support@petalcard.com with the subject line "END COMMUNICATIONS." You may opt-out of receiving most of these messages at any time by sending us a request to support@petalcard.com or by responding "STOP" to any text message. To stop emails only, you can follow the opt-out instructions included at the bottom of the Messaging Parties' emails.

18. Notices and Change in Information. All notices to us must be sent to Petal Card, Inc., MSC – 166931, P.O. Box 105168, Atlanta, GA 30348-5168, or such other address we subsequently provide you (the "Notice Address"), Attn: Notices (or as otherwise set forth in this Agreement). To the extent permitted by applicable law, any notice you send us will become effective after we have received it and had a reasonable opportunity to act on such notice. Any written or electronic correspondence we send to you will become effective when we send it to you at your mail address (or your email address if you have authorized electronic communications), in each case as it appears on our records. All bankruptcy notices and related correspondence to us may be sent to Petal Card, Inc., MSC – 166931, Attn: Bankruptcy Notice, P.O. Box 105168, Atlanta, GA 30348-5168. You must notify us of any changes to your name, mailing or email address, or cell phone number within 15 days of such change. You must notify us of changes to your mailing, email address or cell phone number by updating such information on the Petal Website. You must notify of us changes to your name by writing to the Notice Address, Attn: Name Change.

19. Access to Financial Data. While the Account is open, you must provide us and our service providers access to financial data in all material financial accounts held in your name (e.g., bank accounts, credit card accounts, etc.) by inputting your login credentials and linking such accounts on the Petal Website. Access to your financial data does not give us the right to initiate a preauthorized transfer; we must obtain such authorization separately, and you are not required to provide us such authorization as a condition of opening or using this Card. You promise to keep login credentials up-to-date and to update the linked bank

accounts on the Petal Website as login credentials change or new accounts are opened. We promise to use the information in such financial accounts in compliance with our Privacy Policy and all applicable laws.

20. Credit Reporting. You authorize us to obtain information from you and to make whatever inquiries we consider necessary and appropriate (including requesting consumer reports from consumer reporting agencies and data from your bank, wealth manager or other financial services provider) in considering your Application and for any lawful purpose, including any updates, renewals or extensions of credit, reviewing or collecting your Account or determining your eligibility for future credit or other offers that we believe may be of interest to you. Upon your request to us, we will inform you of the name and address of any consumer reporting agency that provides us a consumer report relating to you. **We may also furnish information concerning you and your Account to other creditors, other financial institutions and credit bureaus. Late payments, missed payments, returned payments or other defaults on your Account may be reflected in your credit report.**

21. Inaccurate Information. You have the right to dispute the accuracy of information we have reported to a credit bureau. If you think any information about your Account that we have reported is incorrect, please write us at the Notice Address, Attn: Credit Reporting. Include your name, address, Account Number, phone number and a brief description of the issue. If available, please include a copy of the credit report in question. You may also contact us at the email or phone number on your statement. We will research your issue and will let you know if we agree or disagree with you. If we agree with you, we will contact the consumer reporting agency we reported to and request a correction.

22. Identity Theft. If you believe that you have been the victim of identity theft in connection with your Account or in connection with any other loan or extension of credit made by us, you can request an Identity Theft Form by calling toll free 1-855-697-3825 or writing to Petal at the Notice Address, Attn: Identity Theft. You should send us a police report and written statement in the form we provide you alleging that you are the victim of identity theft for a specific debt. Once we receive your documentation, we will cease debt collection activity until we have reviewed the materials, determined that the debt is still collectible, complied with all obligations described in the Billing Rights Notice below and sent you a written notice describing the basis for our determination.

23. Military Lending Act. Federal law provides important protections to members of the Armed Forces and their dependents (“Covered Borrowers”) relating to extensions of consumer credit. In general, the cost of consumer credit to a Covered Borrower may not exceed an APR of 36%. This rate must include,

as applicable to the credit transaction or account, the costs associated with credit insurance premiums, fees for ancillary products sold in connection with the credit transaction, any application fee charged (other than certain application fees for specified credit transactions or accounts) and any participation fee charged (other than certain bona fide and participation fees for a credit card account). To hear disclosures related to the Military Lending Act, please call this toll-free number: 1-800-213-5794.

24. Lost or Stolen Cards. If your Card is lost or stolen or if you think someone may be using your Card or Account without your permission, you must notify us promptly by calling 1-855-697-3825. You will not be liable for any unauthorized use that occurs after you notify us. You may, however, be liable for unauthorized use that occurs before receipt of your notice by us.

25. Governing Law. Except as provided in the Arbitration Agreement below, this Agreement and your Account are governed by federal law and, to the extent state law applies, the laws of the State of Utah without regard to its conflicts of law principles.

26. Severability. Subject to the Arbitration Agreement: (a) if any part of this Agreement conflicts with applicable law, that law will control, and this Agreement will be considered changed to the extent necessary to comply with that law; and (b) if any part of this Agreement is determined by a court of competent jurisdiction to be invalid, the remainder of this Agreement will remain in effect.

27. Bankruptcy. You promise that you are not a debtor under any proceeding in bankruptcy, have not consulted a bankruptcy attorney in the past six months and have no current intention of filing a petition for relief under the United States Bankruptcy Code. All bankruptcy notices and related correspondence to us must be sent to Petal at the Notice Address, Attn: Bankruptcy Notice.

28. Notice and Cure. Prior to initiating a lawsuit or arbitration regarding a legal dispute or claim relating in any way to this Agreement, the Account or the Card (as more fully defined in the Arbitration Clause, a "Claim"), the party asserting the Claim (the "Claimant") must give the other party (the "Defending Party") written notice of the Claim (a "Claim Notice") in accordance with the notice provisions of this Agreement (see Section 18). Any Claim Notice you send must be addressed to the Notice Address, Attn: Legal Claim, and must provide your Account Number and phone number. Any Claim Notice must explain the nature of the Claim and the relief that is demanded. The Claimant must reasonably cooperate in providing any information about the Claim that the Defending Party reasonably requests and must give the Defending Party a reasonable opportunity, not less than 30 days, to resolve the Claim on an individual basis.

29. Waiver of Right to Class Actions. NO CLASS ACTIONS. YOU AGREE AND ACKNOWLEDGE THAT PURSUANT TO UTAH CODE ANN. § 70C-4-105 YOU ARE WAIVING YOUR RIGHT TO INITIATE OR PARTICIPATE IN A CLASS ACTION RELATED TO THIS AGREEMENT.

30. Waiver of Right to Trial by Jury. YOU AND WE ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL RIGHT BUT MAY BE WAIVED IN CERTAIN CIRCUMSTANCES. TO THE EXTENT PERMITTED BY LAW. YOU AND WE KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION ARISING OUT OF OR RELATED TO THIS AGREEMENT. THIS JURY TRIAL WAIVER SHALL NOT AFFECT OR BE INTERPRETED AS MODIFYING IN ANY FASHION THE ARBITRATION CLAUSE, WHICH CONTAINS ITS OWN SEPARATE JURY TRIAL WAIVER.

31. Entire Agreement. You acknowledge that this Agreement constitutes the entire agreement between you and us with respect to the Account and the Card. This Agreement supersedes and may not be contradicted by evidence of any prior or contemporaneous written or oral communication or understanding between you and us concerning the Account or the Card. If we offer or provide rewards in connection with the Account, the disclosures relating to such rewards are separate and not part of this Agreement.

32. Customer Privacy. Our privacy policy is provided separately in accordance with applicable law and can be viewed online at <https://www.petalcard.com/privacy-policy>.

33. Assignment. We may at any time and without notice to you, sell, pledge or transfer this Agreement or any Account balances to any party at any time. If we do so, then the purchaser, pledgee or transferee will succeed to all our applicable rights and responsibilities. You may not assign or transfer this Agreement or any of your rights and obligations under this Agreement. Any such assignment or transfer by you will be void.

34. Change of Terms. Subject to applicable law, we may at any time change, add to or delete terms and conditions of this Agreement, including interest rates and this Change of Terms provision. Such changes may be based on our anti-fraud policies and procedures, your level of compliance with this Agreement, your credit score, other information contained in your credit report, prevailing economic conditions and/or any other factors. We will give you notice of any change, addition or deletion as required by applicable law. As of the effective date, the changed terms, at our option, will apply to new purchases and the

outstanding balances of your Account, to the extent permitted by applicable law.

35. Special Offers and Payment Plans. At our discretion, we may make special offers to you at any time. Such offers may apply to all purchases or balances on your Account, or only to some purchases or balances. We will provide to you the terms of any special offer and tell you how they differ from this Agreement. Except as provided in any special offer, the rest of this Agreement will still apply to your Account. These offers may include payment plans and skip payment offers. We may make special offers to certain cardholders and not others based on eligibility criteria established in our sole discretion. The availability of such an offer to certain cardholders shall not require that the offer be made available to all cardholders.

36. Recurring Purchases. You may authorize a merchant to initiate purchases on a recurring basis to your Account. Upon the issuance by us of a new Card with a new Account number or expiration date, you may need to provide the merchant with such updated information in order to continue the recurring transactions. However, you authorize us to provide updated information to the merchant at our discretion. You must contact the merchant if you want to cancel automatic billing.

37. Check Conversion Notification; Electronic Check Re-Presentation If you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your bank account or to process the payment as a check transaction. When we use information from your check to make an electronic funds transfer, funds may be withdrawn from your bank account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution. In the event a check is returned unpaid for insufficient or uncollected funds, we may re-present the check electronically.

38. Foreign Currency Transactions. If you make a transaction using your Account in a foreign currency (including, for example, online purchases from a merchant located outside of the U.S.), the credit card association will convert any transaction in foreign currency into U.S. dollars using an exchange rate for the applicable central processing date that is (1) selected by the association from the range of rates available in wholesale currency markets, which rate may vary from the rate the association receives, or (2) the government mandated rate. The conversion rate you get may differ from the rate on the transaction date or the posting date, and from the rate that the credit card association gets. A merchant or other third party may convert a transaction into U.S. dollars or another currency, using a rate they select, before sending it to the credit card association.

39. Headings. The section headings of this Agreement are inserted only for convenience and are in no way to be construed as substantive parts of this Agreement.

ARBITRATION CLAUSE—EXHIBIT A

We have put this Arbitration Clause (“Clause”) in question and answer form to make it easier to understand. However, this Clause is part of this Agreement and is legally binding. For purposes of this Clause, our Notice Address is: Petal Card, Inc., Attn: Petal Legal Department, MSC – 166931, P.O. Box 105168, Atlanta, GA 30348-5168.

Background and Scope.

Question
Short Answer
Futher Detail

What is arbitration?

An alternative to a court case

In arbitration, a third party arbitrator (“TPA”) resolves “Claims” (as defined below) in a hearing. It is less formal than a court case.

Is it different from court and jury trials?

Yes

The hearing is private. There is no jury. It is usually less formal, faster and less expensive than a lawsuit. Pre-hearing fact finding (called “discovery”) is limited. Appeals are limited. Courts rarely overturn arbitration awards.

Can you opt-out of this Clause?

Yes, within 30 days

If you do not want this Clause to apply, you must send us a signed notice within 30 calendar days after you agree to this Agreement. You must send the notice in writing (and not electronically) to our Notice Address, Attn. Arbitration Opt-Out Notice. Provide your name, address and date. State that you “opt out” of the arbitration clause.

What is this Clause about?

The parties' agreement to arbitrate Claims

Unless you are a member of the Armed Forces or a dependent of such a member, protected by the MLA (a “Covered Borrower”) or unless you opt out, you and we agree that any party may elect to arbitrate or require arbitration of any "Claim" as defined below.

Who does the Clause cover?

You, us, Petal and certain "Related Parties"

This Clause governs you, us and our “Related Parties”: (1) Petal; (2) our and Petal’s parents, subsidiaries, affiliates, assigns and successors; (3) employees, directors, officers, shareholders, members and representatives of ours or such other entities; and (4) any person or company that is involved in a Claim you pursue at the same time you pursue a related Claim against the Bank or Petal. **However, this Clause does not apply if you are a Covered Borrower.**

What Claims does the Clause cover?

All Claims (except certain Claims about this Clause)

This Clause governs all "Claims" that would usually be decided in court and are between the Bank or any Related Party and you. In this Clause, the word "Claims" has the broadest reasonable meaning. It includes contract and tort (including intentional tort) claims and claims under constitutions, statutes, ordinances, rules and regulations. It includes all claims even indirectly related to the Card or Account, your application for the Account, this Agreement or our relationship with you. It includes claims related to collections, privacy and customer information. It includes claims related to the validity in general of this Agreement. **However, it does not include Claims about the validity, coverage or scope of this Clause or any part of this Clause. All such Claims are for a court and not the TPA to decide.**

Who handles the arbitration?

Usually AAA or JAMS

Arbitrations are conducted under this Clause and the rules of the arbitration company in effect at the time the arbitration is commenced. However, arbitration rules that conflict with this Clause do not apply. The arbitration company will be either:

-- The American Arbitration Association ("AAA"), 1633 Broadway, 10th Floor, New York, NY 10019, www.adr.org.

-- JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, www.jamsadr.com.

-- Any other company picked by agreement of the parties.

If all the above options are unavailable, a court will pick the arbitration company. **No arbitration brought on a class basis may be administered without our consent by any arbitration company that would permit class arbitration under this Clause.** The TPA will be selected under the arbitration company's rules. However, the arbitrator must be a lawyer with at least ten years of experience or a retired judge unless you and we otherwise agree.

Can Claims be brought in court?

Sometimes

You or we may bring a lawsuit if the other party does not demand arbitration. We will not demand arbitration of any lawsuit you bring as an individual action in small-claims court. However, we may demand arbitration of any appeal of a small-claims decision or any small-claims action brought on a class basis.

Are you giving up any rights?

Yes

For Claims subject to this Clause, you give up your right to:

- 1. Have juries decide Claims.**
- 2. Have courts, other than small-claims courts, decide Claims.**
- 3. Serve as a private attorney general or in a representative capacity.**
- 4. Join a Claim you have with a Claim by other consumers.**
- 5. Bring or be a class member in a class action or class arbitration.**

We also give up the right to a jury trial and to have courts decide Claims you wish to arbitrate.

Can you or another consumer start class arbitration?

No

The TPA is not allowed to handle any Claim on a class or representative basis. All Claims subject to this Clause must be decided in an **individual** arbitration or an individual small-claims action. This Clause will be void if a court rules that the TPA can decide a Claim on a class basis and the court's ruling is not reversed on appeal.

What happens if part of this Clause cannot be enforced?

It depends.

If any portion of this Clause cannot be enforced, the rest of this Clause will continue to apply, except that:

(A) If a court rules that the TPA can decide a Claim on a class or other representative basis and the court's ruling is not reversed on appeal, only this sentence will apply and the remainder of this Clause will be void. **AND**

(B) If a party brings a Claim seeking public injunctive relief and a court determines that the restrictions in this Clause prohibiting the TPA from awarding relief on behalf of third parties are unenforceable with respect to such Claim (and that determination becomes final after all appeals have been exhausted), the Claim for public injunctive relief will be determined in court and any individual Claims seeking monetary relief will be arbitrated. In such a case the parties agree to request that the court stay the Claim for public injunctive relief until the arbitration award pertaining to individual relief has been entered in court.

In no event will a Claim for class relief or public injunctive relief be arbitrated.

What law applies?

The Federal Arbitration Act ("FAA")

This agreement involves interstate commerce. Thus, the FAA governs this Clause. The TPA must apply substantive law consistent with the FAA. The TPA must honor statutes of limitation and privilege rights. Punitive damages are governed by the constitutional standards that apply in judicial proceedings.

Will anything you do make this Clause ineffective?

No

This Clause stays in force even if: (1) this Agreement ends; or (2) we transfer or assign our rights under this Agreement.

PROCESS

**Question
Short Answer**

Futher Detail

What must a party do before starting a lawsuit or arbitration?

Send a written Claim Notice and work to resolve the Claim

Before starting a lawsuit or arbitration, the Claimant must comply with Section 28 of this Agreement, captioned "Notice and Cure."

How does arbitration start?

Mailing a notice

The hearing is private. There is no jury. It is usually less formal, faster and less expensive than a lawsuit. Pre-hearing fact finding (called "discovery") is limited. Appeals are limited. Courts rarely overturn arbitration awards.

Will any hearing be held nearby?

Yes

The TPA may decide that an in-person hearing is unnecessary and that he or she can resolve a Claim based on written filings and/or a conference call. However, any in-person arbitration hearing must be held at a place reasonably convenient to you.

What about appeals?

Very limited

Appeal rights under the FAA are very limited. The TPA's decision will be final and binding, except for any FAA appeal right. Any appropriate court may enter judgment upon the arbitrator's award.

Do arbitration awards affect other disputes?

No

No arbitration award involving the parties will have any impact as to issues or claims in any dispute involving anyone who is not a party to the arbitration, nor will an arbitration award in prior disputes involving other parties have any impact in an arbitration between the parties to this Clause.

ARBITRATION FEES AND AWARDS.

Question

Short Answer

Futher Detail

Who bears arbitration fees?

Usually, we do

We will pay all filing, administrative, hearing and TPA fees if you act in good faith, cannot get a waiver of such fees and ask us to pay.

When will we cover your legal fees and costs?

If you win

If you win an arbitration, we will pay your reasonable fees and costs for attorneys, experts and witnesses. We will also pay these amounts if required under applicable law or the arbitration company's rules or if payment is required to enforce this Clause. The TPA shall not limit his or her award of these amounts because your Claim is for a small amount.

Will you repay us for arbitration or attorneys' fees?

Only for bad faith

The TPA can require you to pay fees incurred by us if (and only if): (1) the TPA finds that you have acted in bad faith (as measured by the standards set forth in Federal Rule of Civil Procedure 11(b)); and (2) this power does not make this Clause invalid.

Can a failure to resolve a Claim informally result in a larger recovery for you?

Yes

You are entitled to an arbitration award of at least \$5,000 if: (1) you give us notice of a Claim on your own behalf (and not on behalf of any other party) and comply with all of the requirements of this Clause (including the requirements described in response to the question reading "What must a party do before starting a lawsuit or arbitration?"); and (2) the TPA awards you money damages greater than the last amount you requested at least ten days before the arbitration commenced. This is in addition to the attorneys' fees and expenses (including expert witness fees and costs) to which you are otherwise entitled. This \$5,000 minimum award is a single award that applies to all Claims you have raised or could have raised in the arbitration. Multiple awards of \$5,000 are not contemplated by this Clause. Settlement demands and offers are strictly confidential. They may not be used in any proceeding by either party except to justify a minimum recovery of \$5,000.

Can an award be explained?

Yes

A party may request details from the TPA, within 14 days of the ruling. Upon such request, the TPA will explain the ruling in writing.

BILLING-ERROR RIGHTS NOTICE—EXHIBIT B

What To Do If You Think You Find A Mistake On Your Statement

If you think there is an error on your statement, write to us at:

WebBank, c/o Petal Card, Inc., MSC – 166931, P.O. Box 105168, Atlanta, GA 30348-5168, Attn: Billing Dispute.

You also may send us an email to support@petalcard.com with the subject line "DISPUTE".

In your letter, give us the following information:

- **Account information:** Your name and account number.
- **Dollar amount:** The dollar amount of the suspected error.
- **Description of Problem:** If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us within 60 days after the error appeared on your statement.

You must notify us of any potential errors *in writing* or electronically. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

While we investigate whether or not there has been an error, the following are true:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount. But, if we determine that we made a mistake, you will not have to pay the amount in question or any interest or other fees related to that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

Your Rights If You Are Dissatisfied With Your Credit Card Purchases

If you are dissatisfied with the goods or services that you have purchased with your 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 purchase.

To use this right, all of the following must be true:

1. The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these is necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)
2. You must have used your credit card for the purchase. To the extent we offer them, purchases made with cash advances from an ATM or with a check that accesses your credit card account do not qualify.
3. You must not yet have fully paid for the purchase. If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing or

electronically at:

WebBank, c/o Petal Card, Inc., MSC – 166931, P.O. Box 105168, Atlanta, GA 30348-5168, Attn: Billing Dispute.

You also may send us an email to support@petalcard.com with the subject line “DISPUTE”.

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay we may report you as delinquent.

STATE NOTICES—EXHIBIT C

Residents of All States: NOTICE TO THE APPLICANT - 1. DO NOT SIGN THIS CREDIT AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS BLANK SPACES. 2. YOU ARE ENTITLED TO A COMPLETELY FILLED IN COPY OF THIS CREDIT AGREEMENT AND AN EXACT COPY OF THE PAPER YOU SIGN. 3. YOU MAY AT ANY TIME PAY MORE THAN THE MINIMUM PAYMENT, OR YOUR ENTIRE BALANCE IN FULL WITHOUT INCURRING ANY ADDITIONAL CHARGE FOR PREPAYMENT.

Cardmembers: Your signature (including any digital or electronic signature), address and the date on the application, or other evidence of indebtedness, or your acceptance of these Terms and Conditions through an electronic transmission to us represents your signature, address and the date on these Terms and Conditions, which are incorporated herein by reference.

Residents of All States, including California, New York, Rhode Island, Utah and Vermont: You give us and our agents, successors, and assigns permission to access your credit report in connection with any transaction, or extension of credit, and on an ongoing basis, for the purpose of reviewing this Account, taking collection action on this Account, or for any other legitimate purposes associated with this Account. Upon your request, you will be informed of whether or not a consumer credit report was ordered, and if it was, you will be given the name and address of the consumer reporting agency that furnished the report. As required by law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

Residents of All States, including Iowa, Maine, Missouri, Nebraska, Oregon,

Texas, Utah and Washington: ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT, INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT, ARE NOT ENFORCEABLE. TO PROTECT YOU (BORROWER) AND US (CREDITOR) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

California Residents: Married applicants may apply for separate accounts.

Delaware, Maryland and Oregon Residents: Service charges not in excess of those permitted by law will be charged on the outstanding balances from month to month. You may pay more than the minimum payment due, up to your entire outstanding balance, at any time.

Idaho Residents: We will not seek to collect attorneys' fees in situations where the principal balance is \$1000.00 or less.

Illinois Residents: (a) No applicant may be denied a credit card on account of race, color, religion, national origin, ancestry, age, sex, marital status, physical or mental handicap unrelated to the ability to pay or unfavorable discharge from military service; (b) the applicant may request the reason for rejection of his or her application for a credit card; (c) no person need reapply for a credit card solely because of a change in marital status unless the change in marital status caused a deterioration in the person's financial position; and (d) a person may hold a credit card in any name permitted by law that he or she regularly uses and is generally known by, so long as no fraud is intended thereby.

Maryland Residents: You have the right under Section 12-510 of the Commercial Law Code to receive an answer to a written inquiry concerning the status of your Account. Finance charges will be imposed in amounts or at rates not in excess of those permitted by law.

New Hampshire Residents: You shall be awarded reasonable attorney's fees if you prevail in any legal action you bring against us or we bring against you. If you successfully assert a partial defense, set-off or counterclaim against us in an action we bring against you, the court or arbitrator may withhold from us the entire amount or such portion of the attorney's fees as it considers equitable. You or your attorney may file a complaint with the New Hampshire Commissioner of Banking, State of New Hampshire Banking Department, 53 Regional Drive, Suite 200, Concord NH 03301. Instructions for filing complaints can be found on the

Commissioner's website at www.nh.gov/banking/consumer-assistance/complaint.htm.

New Jersey Residents: Because certain provisions of the Agreement are subject to applicable laws, they may be void, unenforceable or inapplicable in some jurisdictions. None of these provisions, however, is void, unenforceable or inapplicable to New Jersey residents. The section headings in this Agreement serve as a Table of Contents and not contract terms.

New York Residents: New York residents may contact the New York State Department of Financial Services to obtain a comparative listing of credit card rates, fees and grace periods by calling 1-800-342-3736, or on the web at www.dfs.ny.gov.

Ohio Residents: The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

Washington Residents: In accordance with the Revised Code of Washington Statutes, Section 63.14.167, you are not responsible for payment of interest charges that result solely from a merchant's failure to transmit to us within seven working days a credit for goods or services accepted for return or forgiven if you have notified us of the merchant's delay in posting such credit, or our failure to post such credit to your account within three working days of our receipt of the credit.

Married Wisconsin Residents: If you are married: (i) you confirm that this Account is being incurred in the interest of your marriage or family; (ii) no provision of any marital property agreement, unilateral statement, or court decree under the Wisconsin Marital Property Act will adversely affect a creditor's interest unless, before the time credit is granted, the creditor is furnished a copy of that agreement or decree or is given complete information about the agreement or decree; (iii) you understand and agree that we will provide a copy of this Agreement to your spouse for his or her information. If the Account for which you are applying is granted, you will notify us if you have a spouse by sending your name and your spouse's name and address to us at **WebBank, c/o Petal Card, Inc., MSC – 166931, P.O. Box 105168, Atlanta, GA 30348-5168**.

Married Wisconsin Residents: If you are applying for individual credit or joint credit with someone other than your spouse, and your spouse also lives in Wisconsin, combine your financial information with your spouse's financial information.

