

CREDIT CARD AGREEMENT

Interest Rates and Interest Charges	
Annual Percentage Rate (APR) for Purchases	22.9%
How to Avoid Paying Interest on Purchases	Your due date is at least 28 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.
Minimum Interest Charge	If you are charged interest, the charge will be no less than \$1.00 .
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 http://www.consumerfinance.gov/learnmore .

Fees	
Annual Fee	None
Penalty Fees	
• Late Payment	Up to \$20
• Returned Payment	Up to \$25

How We Will Calculate Your Balance: We use a method called "Average Daily Balance (including new purchases)." See your Credit Card Agreement below for more details.

Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided in your Credit Card Agreement below.

This is your Consumer Credit Card Agreement ("Agreement") with Cedar Hill National Bank (CHNB). This Agreement governs the use of your Cato Credit Card Account. Your handwritten, electronic, or digital signature on the application indicates that you agree to comply with the terms in this Agreement. The information about the costs of the card described in this Agreement is accurate as of December 2018. This information may have changed after that date. To find out what may have changed, write to us at CHNB, PO Box 34216, Charlotte, NC 28234.

- 1. AGREEMENT TERMS.** The word Card refers to any credit cards issued to you or to an authorized user by Cedar Hill National Bank. The word Account refers to your Cato Credit Card Account. The words "you," "your," and "yours" refer to you, the Cardholder, and any person or persons who also are contractually liable under this Agreement. The words "we," "us," and "our" refer to Cedar Hill National Bank and any person or entity to whom or to which this Agreement may be assigned.
- 2. ACCEPTANCE OF AGREEMENT.** The use of your Account or the Card by you or anyone whom you authorize or permit to use your Account or the Card means you accept this Agreement.
- 3. USE OF YOUR ACCOUNT AND THE CARD.** You agree that you will only use your Account or the Card for personal, family, and household purposes. You may use your Account or the Card at any Cato, It's Fashion, or It's Fashion Metro store. Prior to use, each Card must be signed by the person to whom it is issued.
- 4. PROMISE TO PAY.** You agree to pay us in U.S. Dollars for all purchases, including applicable Interest Charges and other charges or fees, incurred by you or anyone you authorize or permit to use your Account or the Card, even if you do not notify us that others are using your Account or the Card. All checks must be drawn on funds on deposit in the U.S. We can accept late payments or partial payments or checks and money orders marked "payment in full" without losing any of our rights under this agreement.
- 5. INTEREST CHARGES.** If the payments and credits in any billing period are less than the Previous Balance shown on your monthly statement for that period, Interest Charges will begin to accrue on the first day of that billing period. Partial payments made on balances that were subject to a grace period will be credited as of the first day in the billing cycle.
The Interest Charge will be computed as follows: We will take the balance on your account at the beginning of each day of your billing period. To this beginning balance (including any unpaid Interest Charges and unpaid late fees) we will add any new purchases and fees and we will subtract any new payments and credits. This is the Daily Balance.
The Daily Balances for each day of the billing period are added together and divided by the number of days in the billing period. This gives us the Average Daily Balance. To the Average Daily Balance, we will apply the monthly periodic rate of 1.9083% (Corresponding annual percentage rate 22.9%) to determine the Interest Charge.
- 6. A MINIMUM INTEREST CHARGE.** We will charge you a minimum Interest Charge of \$1 for any Billing Cycle in which an Interest Charge of less than \$1 could otherwise be charged.
- 7. MONTHLY STATEMENTS; BILLING CYCLES.** We will send you a statement after each monthly Billing Cycle in which you have a debit or credit balance, an Interest Charge is imposed, or applicable law requires us to send a Statement. The Statement will show the Previous Balance, Payments and Credits, Purchases, Interest Charges, other Fees and Charges, Payment Due Date, New Balance and Minimum Payment Due. Purchases will be identified by the amount and date of the transaction, and an abbreviated merchandise description. A Billing Cycle means the days between Statement Closing Dates.
- 8. METHODS OF PAYMENT.** You may at any time pay the entire New Balance shown on your billing statement, but each month you must pay at least the Minimum Payment Due. All payments must be mailed or delivered to us at the address shown on your monthly billing statement. All payments will be applied in the following order: Interest Charges and other charges or fees and purchases in the order made.
- 9. MINIMUM MONTHLY PAYMENT.** If your 'New Balance' is \$200 or less, your minimum monthly payment is \$10.00 or the balance whichever is less. If your account balance is greater than \$200, the minimum monthly payment is 5% of the New Balance. The minimum payment will include any past due amounts or payment shortfalls rounded up to the next highest dollar.
- 10. CREDIT LIMIT.** We may increase or decrease your available credit from time to time. We have the right at any time to limit or terminate the use of your Account without giving you notice in advance, unless we are required to give you notice by law. If you exceed or attempt to exceed your line of credit, you may be declared in default.
- 11. CREDIT BALANCES.** We will refund any credit balance within seven business days from receipt of your written request mailed to us at CHNB, PO Box 34216, Charlotte, NC 28234.
- 12. GRACE PERIOD.** You will have a grace period of at least 28 days from your closing date in which to pay your balance in full each month. If the balance on your account is paid in full within this grace period, no Interest Charge will be added to your account.

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- 13. LATE PAYMENT FEE.** A Late Payment Fee of up to \$20.00 will be added to your account for each billing period in which you fail to make a minimum payment within 10 days after your payment due date. If you do not make at least the Minimum Payment Due by the Payment Due Date each month, you will be in default.
- 14. RETURNED PAYMENT FEE.** A Returned Payment Fee of up to \$25.00 will be assessed on accounts, as permitted by law, whenever a check or other payment device presented on an account is returned to us unpaid by your bank or financial institution.
- 15. PAY BY PHONE FEE.** Each time you ask a customer service representative to assist you in making an expedited automated payment from your bank account, we may add a service fee to the balance of your account if permitted by applicable law. The amount of the fee will be disclosed at the time you request this optional payment service.
- 16. DEFAULT/COLLECTION COSTS.** Your account will be in default if you fail to comply with the terms of this Agreement, subject to any restrictions under applicable law. If that happens, we may tell you to pay us immediately everything you owe under the Account and applicable law. We will tell you in advance and/or give you an opportunity to cure your default only if applicable law requires us to do so. If you are in default and we refer the collection on your Account to an attorney, we may charge to you reasonable attorney's fees and court or other collection costs as permitted by law.
- 17. LIABILITY FOR UNAUTHORIZED USE.** If you notice the loss or theft of your credit card or a possible unauthorized use of your card, you should write to us immediately at: CHNB, PO Box 34216, Charlotte, NC 28234 or call us at 877-557-3526. 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 your notice to us. In any case, your liability will not exceed \$50.00.
- 18. CHANGE OF TERMS.** We may change any term or part of this AGREEMENT, including Interest Charge rates, fees or the method of computing any balance upon which the Interest Charge rate is assessed. We will give you notice of any change as required by applicable law. Your express written agreement to such change or the use of your Account or the Card on or after the effective date of the change means that you accept and agree to the change. We have the right to change your terms, rates, and fees at any time, for any reason, in accordance with the credit card agreement and applicable law.
- 19. CREDIT AUTHORIZATION.** Some purchases will require our prior authorization and you may be asked to provide identification. If our authorization system is not working, we may not be able to authorize a transaction, even if you have sufficient available credit. We will not be liable to you if this occurs.
- 20. CREDIT INVESTIGATION AND REPORTING.** You authorize us to investigate and verify your credit, employment and income records. You understand and agree that we may request a consumer report from a consumer reporting agency in considering your Application for this Account and later in connection with updates, renewals, extensions of credit, or to collect amounts owed on your Account. Upon your request we will tell you whether a consumer report was requested and the name and address of any consumer reporting agency that furnished the report. You agree we may report your performance under this Agreement to consumer reporting agencies and others who may properly receive the information. If you believe we have reported inaccurate information about you to a consumer reporting agency, please contact us at CHNB, PO Box 34216, Charlotte, NC 28234. When you notify us, provide your name, address, Cato Account Number and identify the inaccurate information and tell us why you believe it is inaccurate. If you have a copy of the credit report that includes the inaccurate information, please send a copy of that report to us as well.
- 21. PHONE CALLS.** You authorize us or our servicers, assignees, or third party debt collectors to contact you by telephone about your Account. You agree that we may contact you using an automated dialing device ("Autodialer") and that these calls will not be "unsolicited" calls for the purpose of state or federal law. When you give us a wireless telephone number, you consent to receiving autodialed and prerecorded message calls from us or our servicers, assignees, or third party debt collectors at that number. We may monitor and/or record telephone calls between you and us to assure we are providing you with our high standard of customer service. You agree that monitoring and/or recording may be done and that no additional approval from you is needed.
- 22. CANCELLATION.** You may cancel your Account by notifying us in writing at CHNB, PO Box 34216, Charlotte, NC 28234 and returning the Card to us cut in half. You will still be responsible for paying any amount owed us according to the terms of this Agreement. We may cancel or suspend your Account at any time for any reason without giving you notice in advance unless we are required to give you notice by law. You still must pay the full amount you owe us, and the Agreement will continue to apply to any unpaid balance. The Card is our property. You must return it to us or our agent upon request. If you want to cancel the authorized or permitted use of your Account or the Card by another person, please notify us in writing at CHNB, PO Box 34216, Charlotte, NC 28234 recover, cut in half and return to us any Card in such person's possession.
- 23. CHANGE OF ADDRESS.** You agree to notify us promptly in writing if you have changes in your name, residence or billing address. We will continue to send monthly statements and other notices to the last address we have on file for your account until we receive and process your new address. Any notice required by law will be deemed received if mailed to your current address.
- 24. ASSIGNMENT OF ACCOUNT.** We may sell, assign, or transfer your Account or any portion thereof without notice to you. You may not sell, assign, or transfer your Account.
- 25. ELECTRONIC CHECK PROCESSING.** When 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 account or to process the payment as a check transaction. Funds may be withdrawn from your account as soon as the same day and you will not receive the check back from your financial institution. If your check is returned for any reason, you may have to pay a returned payment fee of up to \$25.
- 26. GOVERNING LAW.** You understand and agree that this Agreement is entered into between you and us in North Carolina and any credit we extend to you is extended from North Carolina. You further understand and agree that this Agreement is governed only by applicable federal law and the law of the State of North Carolina, whether or not you live in North Carolina and whether or not you use your credit card in North Carolina.
- 27. SEVERABILITY.** If any provision of this Agreement is finally determined to be unenforceable under any law, rule, or regulation, all other provisions of this Agreement will still be valid and enforceable.
- 28. WAIVER:** We may, at our discretion from time to time without notice, waive any of our rights under this Agreement in certain circumstances. We can waive our rights without affecting our other rights. If we waive any right, we do not waive the same right in other circumstances or at other times.
- 29. MILITARY LENDING ACT.** Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. 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 participation fees for a credit card account). **You may contact us toll-free at 877-557-3526 for information about the Military Annual Percentage Rate and/or your payment schedule.**
- 30. CORRESPONDENCE.** Mail legal and attorney correspondence to CHNB, PO Box 34216, Charlotte, NC 28234.

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NOTICES:

CALIFORNIA RESIDENTS: If you are married, you may apply for a separate account.

NJ RESIDENTS: Certain provisions of this Agreement are subject to applicable law. As a result, they may be void, unenforceable or inapplicable in some jurisdictions. None of these provisions, however, are void, unenforceable or inapplicable in New Jersey.

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.

NEW YORK RESIDENTS: New York residents may contact the New York State Banking Department at 1-800-518-8866 to obtain a comparative listing of credit card rates, fees and grace periods.

WISCONSIN RESIDENTS: No provision of any marital property agreement, unilateral statement under Wis. Stat. Section 766.59 or a court decree under Wis. Stat. Section 766.70 shall adversely affect the interest of CHNB unless CHNB, prior to the time credit is granted, is furnished a copy of the agreement, statement or decree or has actual knowledge of the adverse provision when the obligation to CHNB is incurred.

Rev. 12/18

Your Billing Rights: Keep this Document for Future Use

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

What To Do If You Find A Mistake On Your Statement

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

Cedar Hill National Bank

PO Box 34216, Charlotte, NC 28234.

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.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors in writing. 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.

What Will Happen After We Receive Your Letter

When we receive your letter, we must do two things:

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- 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.
- 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.

After we finish our investigation, one of two things will happen:

- If we made a mistake: You will not have to pay the amount in question or any interest or other fees related to that amount.
- If we do not believe there was a mistake: You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

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 to not 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 are 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. 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 at:

Cedar Hill National Bank

PO Box 34216, Charlotte, NC 28234

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.