



## PURCHASING CARD AGREEMENT

1. **General.** This Agreement covers the use of the Card by the officers, members, managers, partners, employees, agents, or representatives designated and authorized by the corporation, limited liability company, partnership, agency, sole proprietor, or other authorized entity which signs this Agreement. In this Agreement, the words "Company" or "you" mean the entity signing this Agreement. The word "Card" means a MasterCard Corporate MultiCard™ Card or account number, whether or not a plastic card is actually issued to the Company. The word "Employee" means the officers, members, managers, partners, employees, agents, or representatives designated and authorized to use a Card assigned to the Company under this Agreement, whether the Card has the employee's name, the name of an office or department designated by the Company, or the Company's name. The words "we," "us," "our" or "Bank" mean First Hawaiian Bank. The word "Application" means the application form or process provided by the Bank and submitted to the Bank requesting that Cards be issued to Employees of the Company.

By signing this Agreement or requesting, accepting or using the Card, Company agrees to be bound by the terms of this Agreement.

2. **Application.** The Company hereby requests us to establish an account and issue a Card bearing the name of the Company and, in addition, the name of any Employee, office or department which Company may designate from time to time in the future in writing to us. Each such Employee is authorized by Company to use the Card.

3. **Company's Representations and Warranties.** Company, and the person(s) executing this Agreement on behalf of Company and submitting Applications for Cards represent and warrant to us as follows:

a. **Financial Information.** All information supplied or statements made by Company in any financial, credit or accounting statement before or after execution of this Agreement is true, correct, complete, valid and genuine. Company shall immediately notify us of any material adverse change which affects the information Company has given. Upon our request, Company agrees to promptly give us accurate information about itself, financial, income and otherwise. Company authorizes us to make other inquiries as to the finances and creditworthiness of Company, and we are also authorized to provide credit bureaus and others with information about our experience with Company under this Agreement.

b. **Organization and Standing of Company.** Company is duly organized, validly existing and in good standing under the laws of the state, commonwealth, territory or other jurisdiction where it was originally established and wherever else it does business and has all requisite power and authority to conduct its business as it now conducts such business.

c. **Authorization.** The person(s) executing this Agreement is authorized and empowered in the name and on behalf of Company to execute and deliver the application, for and on behalf of Company and to do all things necessary or convenient to cause us to issue the Cards. Company has the requisite power and authority to enter into this Agreement, to perform its obligations thereunder and to consummate the transactions contemplated thereby. The execution and delivery of this Agreement and the consummation by Company of the transactions contemplated in this Agreement have been duly authorized by Company (and its board of directors, shareholders, members, managers, or partners, as applicable and if necessary) and no other action on the part of Company is necessary to authorize the execution and delivery of this Agreement and the transactions contemplated hereby and thereby. This Agreement, and each other document required to be executed and delivered by Company in connection herewith constitutes a valid and binding obligation of Company enforceable against Company in accordance with its terms, except to the extent enforceability is limited by law.

d. **Litigation, Etc.** There is no pending or threatened action or investigation before or by any court or governmental agency which, if adversely decided, would have any material adverse effect on the condition of Company other than those already disclosed by Company to us in writing.

e. **Disclosure.** Neither this Agreement nor any document furnished to us in connection with the transactions contemplated hereby contains any false or misleading statement of a material fact or fails to state any material fact necessary to keep the statements contained therein from being misleading.

4. **Use.** Each Card may be used only for business purchases of goods or services from participating merchants up to the Credit Limit specified by the Company to the Bank on the Application. Company agrees that all Cards will be used solely for business use and not for consumer credit purposes.

If the Company allows cash access with the Card, Company will designate the amount of cash (actual or percentage of Card limit) on the Application. If Company has chosen to allow one or more Employees to obtain Cash Advances this means that any such Employee designated by Company will be able to use the Card to withdraw cash from automated teller machines ("ATMs") and/or request Cash Advances at bank branches. The limits and fees for ATM services are described in paragraph 13 and 14.

5. **Credit Limits.** We will notify Company of its Credit Limit. Company agrees not to incur debt for Purchases, Cash Advances, FINANCE CHARGES, late charges, maintenance fees, over-the-credit-limit fees and other fees to us on all Cards in an amount exceeding the overall Credit Limit. Company may apply to increase the overall Credit Limit, and we reserve the right to lower it.

State of Hawaii Purcd (05/05/03)

Company shall designate an individual Credit Limit for each Card requested within the overall Credit Limit, and Company agrees not to incur debt on any Card in excess of the individual Credit Limit for that Card. If any Employee does go over the individual Credit Limit, but the Company overall Credit Limit is not exceeded, the Company is not required to immediately repay the excess amount. If Company does go over the overall Credit Limit, Company must repay the excess amount immediately. Each time a charge causes the overall Credit Limit to be exceeded, we may apply an over-the-credit-limit fee as described in the paragraph 13, Other Fees. If the Company's overall Credit Limit remains over the limit in subsequent billing cycles, an additional over-the-credit-limit fee may be posted on the billing date.

6. **Agreement to Pay.** Company agrees to pay for all credit extended in connection with any Card issued to any Employee, office or department pursuant to this Agreement, including all applicable charges set forth in this Agreement. Company agrees to pay us for such credit extended regardless of the purpose for which the Employee obtains credit by use of any Card issued pursuant to this Agreement and the Applications. Any failure on the part of an Employee to sign a sales draft shall not release Company of its obligation to repay the credit extended. The Company shall have no liability for an Employee who makes an unauthorized charge on a Card if the Bank was solely negligent for the implementation of the authorization controls for such Card. An unauthorized charge is a charge which is not authorized by the authorization controls specified for a Card by the Company to the Bank. The Bank shall be solely negligent only if (a) the Company requested, in writing, specific available authorization controls for such Card in accordance with procedures set forth by the Bank, and (b) the unauthorized charge was made at a merchant with the proper technology to determine such authorization controls, and such merchant properly used the technology to obtain approval for the unauthorized charge. Otherwise, the Bank shall have no duty or obligation to inquire into the nature of any transaction charged by any Employee (e.g., whether such transaction was for business or personal use).

7. **Payment.** We will send the Company a billing statement on the 28th of each month. This is the "Billing Cycle Date" for the Card account. Each billing statement will provide the "Amount Due" and the "Payment Due Date." Company must pay the Amount Due by the Payment Due Date. The Payment Due Date is 30 days after the Billing Cycle Date. The Amount Due represents the total of all Purchases, Cash Advances, fees and/or other charges made or incurred by the Company up to the Billing Cycle Date for which payment has not been received by the Bank. All payments must be made in the lawful money of the United States of America. We will apply your payment as provided in paragraph 9, "Order of Application," of this Agreement. We will add to your available Credit Limit any payments for Cash Advances or Purchases; however, in the event of payment by check, we may delay crediting your available Credit Limit until your check clears, and we may also credit your available Credit Limit based on the same check hold policy that we follow to credit deposits for regular checking accounts.

Payments made after the Payment Due Date may be subject to the following fee(s), if permitted by law, unless such charge would result in an interest charge greater than the maximum allowable by law, in which case we will only charge the maximum allowable: **Late Payment Fee: \$50.00**

8. **When You Must Pay to Avoid a Finance Charge on Purchases.** The Company may avoid paying a finance charge on Purchases if it pays the entire Amount Due by the Payment Due Date. If we do not receive the entire Amount Due by the Payment Due Date, the finance charge will be charged on the Purchases from the date of the Purchase transaction.

9. **Order of Application.** We will allocate your payment in a manner we determine except as otherwise required by law.

10. **Computing Your FINANCE CHARGE.** We figure the FINANCE CHARGE on your account by multiplying the applicable periodic rate to the "Average Daily Balance" of Purchases and "Average Daily Balance" of Cash Advances (including current transactions).

a. **Average Daily Balance.** To get the "Average Daily Balance" of Purchases, we take the beginning balance of your account each day, add any new Purchases, and subtract any Cash Advances, payments or other credits which were applied to Purchases, unpaid FINANCE CHARGES, late charges, membership fees, and other fees. This gives us the Purchases daily balance. To get the "Average Daily Balance" of Cash Advances, we take the beginning balance each day, add any new Cash Advances, and subtract any Purchases, payments or other credits which were applied to Cash Advances, unpaid FINANCE CHARGES, late charges, maintenance fees and other fees. This gives us the Cash Advances daily balance. Then, we add up all of the Purchase and Cash Advance daily balances for the billing period and divide each total by the number of days in the billing period. This gives us the "Average Daily Balance."

b. **Figuring the FINANCE CHARGE.** We compute the FINANCE CHARGE by multiplying these Average Daily Balances by the Daily Periodic Rate, and then we multiply the result by the number of days in the billing period. To determine the Daily Periodic Rate, we divide the ANNUAL PERCENTAGE RATE in effect for the billing period by 365. The Daily Periodic Rate for Purchases is a Variable Rate. The way we get the ANNUAL PERCENTAGE

RATE and the Daily Periodic Rate for Purchases is described below under "Variable Rate". The Daily Periodic Rate for Cash Advances is a Fixed Rate of .0328%, which is equivalent to an ANNUAL PERCENTAGE RATE of 12.00%. As noted above, you may avoid paying the FINANCE CHARGE on Purchases if you pay the entire New Balance by the Payment Due Date; however, the FINANCE CHARGE on Purchases will otherwise accrue from the date of transaction. The FINANCE CHARGE on Cash Advances will accrue from the date of the Cash Advance.

**c. Variable Rate for Purchases.** The current ANNUAL PERCENTAGE RATE and Daily Periodic Rate for Purchases are shown on the variable rate disclosure which has been provided to you with this Agreement. The Daily Periodic Rate and the corresponding ANNUAL PERCENTAGE RATE may change on the first day of your billing cycle that begin in March, June, September, and December. Each date on which the rate of interest could change is called a "Change Date." Changes will be based on changes in the "Index." The Index is the highest Prime Rate published in the "Money Rates" table of The Wall Street Journal. If the Index is no longer available, we will choose a new index which is based upon comparable information and will give you notice of our choice. The Index figure published on the second Tuesday (or on the next business day if the second Tuesday is a holiday) of the calendar month in which the Change Date occurs is called the "Current Index." Your interest rate for Purchases is based on a variable rate equal to the sum of the Current Index plus a "Rate Spread" of 2 percentage points, not to exceed 12.00%. Immediately before each Change Date we will determine the new interest rate for Purchases by adding the Rate Spread to the Current Index. For example, if the Current Index was 7.00% and the Rate Spread 2 percentage points, the ANNUAL PERCENTAGE RATE would be 9.00%, and by dividing this percentage figure by 365, we would compute a Daily Periodic Rate of .0246%. The new interest rate for Purchases will become effective at the start of your first billing cycle after the Change Date. Only one ANNUAL PERCENTAGE RATE and Daily Periodic Rate for Purchases will be in effect for any one billing period. The ANNUAL PERCENTAGE RATE will not exceed the maximum rate permitted by law. The effect of any increase in the ANNUAL PERCENTAGE RATE and the Daily Periodic Rate for Purchases would be to increase the amount of FINANCE CHARGE or interest you must pay and thus increase your monthly payments.

**11. Foreign Currency Charges and Advances.** If you make a Purchase or Cash Advance or ATM withdrawal in a foreign currency, it will be converted by MasterCard International into U.S. Dollars. We do not determine the currency conversion rate which is used and we do not receive any portion of the currency conversion rate. You agree to pay the converted amount.

**12. Annual Card Maintenance Fee.** The Company agrees to pay us an annual card maintenance fee of \$0.00 for each Card issued under this Agreement. This fee is payable at the time the Card is issued and annually thereafter. This fee is charged whether or not the Card is used.

**13. Other Fees.** The Company also agrees to pay us the fees listed below which may be amended from time to time by us. You shall pay us for such fees by the Payment Due Date on your billing statement and you authorize us to charge your Company account for the fees due to us. We reserve the right to waive these fees from time to time but we are not obligated to waive the fees. If we incur special expenses on your account due to a request made by you, we may also charge you for these expenses.

Custom Designed Logo, One time Design Fee (per card)	\$3,000.00
Consolidated Billing per Account per Month	\$50.00
Replacement of Lost, Stolen, Expired and Damaged Card	\$10.00
Emergency Card Replacement by MasterCard International	\$100.00
Copy of Sales Draft	\$2.00
Returned Payment Check (due to insufficient funds, stop payment order on your check, etc.)	\$50.00
Over-the-credit-limit Fee (overall line of credit is exceeded)	\$50.00

**Automated Teller Machine (ATM) Transaction Fees:**

	At a Network ATM
• Cash Advance Withdrawal	
• Domestic	\$1.00
• International	\$2.50
• Balance Inquiry	\$.50

Note: Domestic = at an ATM in Canada, U.S. and its protectorates and territories. We cannot waive these fees.

**a. Automated Terminals.** Employees authorized to receive Cash Advances may use their Card to get a Cash Advance in any of the Bank's ATMs or any other ATM that is participating in a network and accepts our Card ("Network ATM").

**b. Services Available at an Automated Terminal.** Employees may use their Card at any Bank ATM or any Network ATM to get a Cash Advance from their Card account if authorized in the Application or by the Company.

**c. Limits of Cash Advances at Automated Terminals.** Employees authorized to receive Cash Advances may get a Cash Advance from any Bank ATM or any Network ATM up to the aggregate amount provided by such ATM, provided that this amount does not exceed the individual Credit Limit for that Card, or exceed the Company overall Credit Limit.

**14. Fees for Using Automated Terminal Services.** The fees for using certain automated terminal services vary widely. The fee amount is displayed on the ATM screen prior to the transaction. Completion of the transaction indicates acceptance of the fee amount and will be included in the amount of the Cash Advance and posted to the Company's account.

**15. Card and Secret Code Use.** Company is responsible for all transactions in which Employees use their Card in an automated terminal, or the use of the Card by anyone else who uses it with Company's permission. Security for Card use is provided by a secret code, which we will provide you and the magnetically encoded stripe on the Card. You agree to keep the Card safe, and protect the secret code. You agree not to record the secret code on the Card. You agree to use the Card and the secret code as instructed by us at all times. Company is responsible for instructing Employees on card usage and security measures. We will not be liable for your failure to instruct Employees. You shall notify us promptly of any mechanical or operating failure in connection with the use of your Card. The Card remains the property of the Bank and may be revoked and repossessed at any time. Company shall return Card(s) to us when asked. Cards may not be used after the expiration dates.

**16. Unauthorized Use.** In the event of possible loss, theft or unauthorized use, Company agrees to notify us immediately. Company shall be strictly liable for any unauthorized use. A Card in the possession and control of an Employee, even after his or her authority to use the Card has been revoked by Company, is not considered lost or stolen, and its use by such Employee is not unauthorized. Company must recover the Card from the Employee. Company agrees to assist us in determining the facts and circumstances relating to any unauthorized use of a Card. The Company will not be liable for unauthorized use of the Card which occurs after it notifies us orally at one of the telephone numbers in section 17 of this agreement.

**17. Where to Call or Write.** If you believe any Cards have been lost or stolen or that someone has transferred or may transfer money from the Company's account or otherwise use the Card account without your permission, call the Bank at one of the following numbers: 1-808-847-4444 (on Island of Oahu) or 1-800-342-2778 (within the neighboring Hawaiian Islands or the Continental United States). You can also write to: First Hawaiian Bank, BankCard Security Department, P.O. Box 1959, Honolulu, Hawaii 96805.

**18. Our Business Days.** Our business days are Monday through Friday, except for Bank holidays.

**19. Security Interest.** The Bank has no security interest for any amounts which become due under this Agreement, even though any other agreement you may have with us, such as a mortgage, may provide for such a security interest, unless:

a. Your Card debt is specifically mentioned in a mortgage or other agreement you have made with us in the past, or,

b. You may have given us a specific security interest in connection with this Agreement; if so, it is described on a Supplement to this Agreement.

**20. Authorizations by Bank; Disputes with Merchants.** Some Purchases and Cash Advances will require our prior authorization. In our sole discretion, we may limit the number of authorizations we give on an account on any day or for other reasons. We will not be liable if a merchant does not honor a Card or if authorization for a particular transaction is not given. We shall have no liability for the goods or services obtained by use of any Card. Company shall attempt to settle any claims of disputes for Purchases with the seller and hereby waives any and all claims against us in connection therewith.

**21. Entire Balance Due.** We may refuse to issue additional Cards and may declare the entire balance due and payable at once with or without notice or demand if one of these events happens:

a. If Company misses a payment under this Agreement or any other obligation it owes us; or

b. If Company violates any term of this Agreement; or

c. If any representation or warranty made by Company to us was or becomes false; or

d. If Company becomes insolvent or bankrupt, or a petition for relief under the Bankruptcy Code is filed by or against Company; or

e. If any creditor or Company attempts to attach or garnish Company's property; or

f. If any individual who is a general partner of Company or is a majority shareholder of Company or who is member of Company or who guarantees Company's obligations under this Agreement dies, or files a petition for relief under the Bankruptcy Code; or

g. If we, in good faith, believe that the chances of Company making payments as required under this Agreement are substantially impaired; or

h. If any default occurs with respect to any guaranty or the occurrence of any event which renders any guaranty ineffective; or

i. If there is a change of 50% or more, either direct or indirect, in the ownership of Company; or

j. If Company or any guarantor fails to pay or perform as agreed under any other agreement Company or such guarantor has with us or any of our affiliates.

22. **Collection.** Company promises to pay all collection costs, including reasonable attorneys' fees and court costs, permitted by law.

23. **Right of Offset Authorized.** In the event of any acceleration of the balance due hereunder, Company authorizes us to offset the amount due against any amount Company has on deposit with us.

24. **Submission of Applications.** Applications for the Company will only be accepted in writing or through the Internet from individuals authorized to submit such Applications.

25. **No Waiver of Rights.** If we choose to waive any terms or conditions of this Agreement on a case-by-case basis, such as by not declaring immediate payment of amounts due over the Company's overall Credit Limit, it does not mean that we have waived, or given up, our right to exercise any of our rights or remedies under this Agreement in the future. We are not required to use any particular kind of demand or notice in order to collect amounts due to us under this Agreement. No indulgence or acceptance by us of delinquent or partial payments constitute a waiver of our rights or of any provision of this Agreement. No waiver of any existing default shall be deemed to waive any subsequent default.

26. **Waiver of Certain Rights by Company.** Company agrees that they will be liable for repayment of everything they owe under this Agreement, even if we do not follow all legal procedures such as diligence, demand, presentment and notice and protest of dishonor, which we might be required to follow if it were not for this waiver.

27. **Changing Terms.** We can change, add to, delete or otherwise modify the terms found in this Agreement or the Application at any time in any way permitted by law. We will notify you of changes to this Agreement at any time in any way permitted by law. Company agrees that the change may cover all Purchases and Cash Advances made on or before the effective date of the change and any outstanding unpaid balances at that time. We do not have to send a notice of the change if it favors you, such as by reducing rates, increasing the maximum Credit Limit, etc.

28. **Canceling this Agreement.** We have the right to cancel this Agreement upon 30 days notification by sending a notice to Company. Company has the same right to cancel this Agreement upon 30 days notice to us at the BankCard Center P.O. Box 1959, Honolulu, Hawaii 96805.

a. All Cards and related accounts shall be deemed canceled effective upon termination of this Agreement or as otherwise provided herein, and all amounts outstanding under such Cards shall become due and payable in full by the Company. If this Agreement is canceled, Company's obligation to repay amounts it already owes under this Agreement and credit extended made by Employees before surrendering all Cards to us shall remain in full force and effect. The Cards issued under this Agreement remain our property and must be returned when this Agreement is canceled, when any Employee's authorization is revoked by Company, or upon our request.

b. We have the right to cancel this Agreement immediately if any of the events described in paragraph 21 of this Agreement occurs or has occurred.

29. **Other Agreements.** Use of your Card is subject to the terms of existing regulations governing deposit accounts and other agreements and disclosures for your checking, savings and credit card accounts, and any future changes.

30. **Indemnity.** The State of Hawaii shall be responsible, to the extent permitted by law, for damage or injury caused by the State's officers and employees in the scope of their employment, provided that the State's liability for such damage or injury has been determined by a court or agreed to by the State. The State shall pay for such damage and injury provided that funds are appropriated and allotted for that purpose.

31. **ProCard PVS Net.** We have licensed the use of ProCard PVS Net for the use by our Card Customers to obtain data over the Internet. In the event Company wishes to utilize the ProCard PVS Net service. The following pass through costs are applicable to users of ProCard PVS Net:

<b>PVS NET Initial Custom Mapper</b>	<b>\$1,500.00</b>
<b>Additional Custom Mappers or Changes</b>	<b>\$150.00/hour</b>
<b>PVS Net Site License Fee</b>	<b>\$30.00</b>
<b>Data Exchange File (DEF)</b>	<b>\$25.00</b>

32. **Miscellaneous.** By signing this Agreement Company agrees that:

◆ When we give the Company notice, we may give the notice by mailing it to Company at the address shown in the Application or at any address Company may later give to us in writing.

◆ This Agreement will be governed by the laws of the State of Hawaii and, as applicable, federal law, regardless of where the Purchases or Cash Advances are made, and you agree that any legal action that may be filed by you elsewhere will be transferred to an appropriate court in Hawaii if we decide that we want it to be transferred.

◆ Our supervisory personnel may listen to and record your telephone calls to us for the purpose of monitoring and improving the quality of service you receive.

◆ Company will not assign this Agreement to any other entity or person, including any purchaser of Company's business or any company into which the Company may be merged, without our prior written consent.

◆ Company will notify us promptly in writing of any (i) changes to Company's name, address, legal status or corporate structure, or (ii) the occurrence of any default on Company's part under this Agreement.

\_\_\_\_\_  
(Company Name)

By \_\_\_\_\_

Its \_\_\_\_\_

Date \_\_\_\_\_

First Hawaiian Bank

By \_\_\_\_\_

Its \_\_\_\_\_

Date \_\_\_\_\_

- 1) Initial mapper fees have been paid by SPO
- 2) Some of the fees have been waived
- 3) Cash advances not permitted