

CARDHOLDER AGREEMENT AND DISCLOSURE  
THE FUTURA DISCOVER® NETWORK GIFT CARD

IMPORTANT TERMS & CONDITIONS - PLEASE READ CAREFULLY  
ALL SALES ARE FINAL

1. Definitions. This Cardholder Agreement and Disclosure constitutes the agreement (“Agreement”). In this Agreement, “Card” means the FUTURA™ Discover® Network Gift Card issued to you by PALM DESERT NATIONAL BANK (“PDNB”). “You” and “Your” means the person or persons who have received the Card and are authorized to use the Card as provided for in this Agreement. “We”, “Us” and “Our” mean Stored Value Cards, Inc. (“SVC”), Futura Card Services (“FUTURA”), our successors, affiliates or assignees.

2. Terms and Conditions for the FUTURA™ Discover® Network Gift Card. This Agreement outlines the “Terms” and “Conditions” under which the FUTURA™ Card has been issued to you. By accepting and using this Card, You agree to be bound by the Terms and Conditions contained in this Agreement. These Terms and Conditions are effective as of August 1, 2007 and replace any previous Agreement of this Card. All sales are final and activated gift cards may not be returned.

3. Prepaid Card. The Card is a prepaid card. The Card allows You to access available funds you “Load” on the Card. The Card does not constitute a checking, savings or other bank account and is not connected in any way to any other account You may have. The Card is not a credit card. Once activated, a FUTURA™ Discover® Network Gift Card is to be treated as cash.

4. Available Funds on the Card. The Available Funds on the Card at the time of purchase is printed on the front of the Card and these funds will only be available for spending after activation, the Card has no value until it is activated. As you use the Card, the Available Funds will be reduced by the full amount of each purchase including taxes, and any other fees. Once the Available Funds are depleted, the Card is no longer valid and you agree (i) not to use the Card and (ii) after you are sure that you do not intend to return any merchandise purchased with the Card, to cut it in half and discard it.

5. No Interest on Your Funds. You will not receive any interest on your Funds.

6. Rights, Usage and Understanding. This Card is issued by Palm Desert National Bank, pursuant to a license by Discover® Network. The Futura Discover® Network Gift Card is an instant-issue prepaid card. It can be used to make purchases everywhere Discover® Network Cards are accepted. The total dollar amount of purchases made with the Card will be automatically deducted from the balance on the Card and reduce the total Available Funds.

7. Account Funds. The Funds you Load on to the Card are maintained in an account with PDNB, that is a member of the FDIC. You access your Funds through Your use of the Card.

8. Tracking Available Funds. You must keep track of the amount of Available Funds. To obtain your Available Funds balance or to request information about previous transactions, you can check your balance anytime by calling us toll free within the United States at 1-866-345-6992 or visiting our website at [www.futuracards.com](http://www.futuracards.com). Each balance inquiry by telephone will incur a fee (See, the “Fee Schedule” below) which will be assessed against your Card balance. There is no fee for checking your Card balance online at [www.futuracards.com](http://www.futuracards.com).

9. Signature on Card. Before using your Card, you must sign your signature on the back, where indicated. Write down the Gift Card number and the Customer Service number on a separate piece of paper in case the Card is lost or stolen. During any Customer Service call, we may request that you provide the card security code printed on the front and/or back of your Card, as well as additional identification information including, but not limited to, your home phone number, date of birth, and zip code. We may use this data for a range of purposes, including but not limited to facilitating refunds if the Card is lost or stolen, enhancing usage at Merchants that may require zip code authorization, and aiding in collection efforts in the event of a “Shortage.” We will hold your information in confidence in accordance with the section below entitled “Data Protection and Privacy”).

10. Card Security. This Card is equivalent to cash and should be treated as such. It may be used without a personal identification number (PIN) to make purchases. Therefore, if you lose your card, someone will be able to use its remaining value.

11. Lost or Stolen Card. If you lose your card, call us immediately at 1-866-345-6992. When reporting a lost or stolen card you will be required to provide us with your name, the card number, your most recent transaction(s) and any other personal information necessary to verify your identity and your ownership of the card. Once this information is verified, we will refund the remaining balance to you less the refund processing fee (see, “Fee Schedule” below) and the settlement of any pending transactions on the card account. Please be advised that we reserve the right to require an affidavit confirming the information you provide related to your lost or stolen card prior to the issuance of any refund. Please also be advised that it is your responsibility to take reasonable measures to safeguard your card from loss or theft, failure to take such measures may result in the denial of any lost or stolen refund.

12. Transactions where funds may be held until settlement. To use your card at a gas station it is recommended that you pay inside. Paying inside will avoid having an additional portion of your card balance (up to \$75.00) held and unavailable for use for a period of time after the use of the card at the pump. Hotels and car rental agencies may also authorize/approve an amount of funds above the actual transaction amount to ensure that there are adequate funds available for the purchase. You are only charged the actual amount of the purchase at the time the transaction is settled, but a portion of your funds may be unavailable prior to settlement. Lastly, certain merchants may authorize/approve an amount as high as 25% above the actual purchase price, this is done to take into account tip/gratuity. Please be advised that while this additional amount may be unavailable for up to 7 business days, your card will only be charged the actual amount of the purchase at the time the transaction is settled.

13. Recurring and Pre-Authorized Transactions Prohibited. Cardholder shall not make any preauthorized or recurring payments using the card, such as assigning the card to pay a recurring monthly utility bill. One-time payments are acceptable.

14. Card Valid Thru Date. The card will be valid and usable until the occurrence of one of the following two events: (1) all the purchased monetary value on the card has been used (2) it is past

the expiration date embossed on the Card. The Card cannot be reloaded and as such cannot have any additional value added to it. If there is a balance remaining after the expiration date, for a period of 24 months (or longer where required by law), you may call our customer service center at 1-866-345-6992 and request that the remaining balance be moved to a new card that will be valid for a period of 18 months from the date of issuance. Please be advised that there is a fee of \$9.95 to transfer the balance to a new card.

15. Merchandise Returns. PLEASE BE AWARE OF THE MERCHANT’S RETURN POLICIES PRIOR TO COMPLETING THE TRANSACTION. If you wish to return any merchandise purchased with the Card, you will be subject to the Merchant’s return policies. SVC, PDNB, Discover® Network, and their affiliates, employees, and agents are not responsible for the services or merchandise purchased with the Card. PDNB is not responsible for the return or exchange of merchandise purchased with the Card. By use of this FUTURA™ Discover® Network Gift Card, You agree that the issuer is not liable for any consequential damages, direct or indirect. Exchange or return of merchandise purchased in whole or in part with the Card is governed by the policies of each merchant and applicable law. If the Merchant agrees to issue a credit to the Card, such funds may not be available for up to 7 business days.

16. No Warranty Regarding Goods and Services. Except as expressly otherwise provided in this Agreement, we make no representations or warranties of any kind to you, whether express or implied, and, therefore, we are not responsible or liable to You for the quality, safety, legality, or any other aspect of any goods or services purchased from any Merchant with your Card. If you have a dispute with a Merchant, you agree to settle the dispute directly with the Merchant.

17. Refusal of Card. We are not responsible or liable to You if any Merchant refuses to honor the Card or for any other problems you may have with any Merchant. If a Merchant fails to honor the Card, please call the Customer Service Number to report the incident.

18. No Warranty of Availability or Interrupted Use. From time to time, the Card service may be inoperative, and when this happens, you may be unable to use your Card or obtain information about your Available Funds. Please notify us immediately if you have any problems using your Card. You agree that we are not responsible for any interruption of service.

19. Changing the Terms and Conditions, Notices and Card Cancellation. We may change the terms of, or add new terms to, these Terms and Conditions at any time, with or without cause, and without giving you notice, in accordance with applicable law. Any modifications to the Terms and Conditions are maintained online at [http://www.futuracards.com/terms\\_and\\_conditions.shtml](http://www.futuracards.com/terms_and_conditions.shtml) and replace any previous Agreement of this Card. In addition, we may suspend, cancel, add, modify or delete any feature offered in connection with your Card at our sole discretion at any time, with or without cause, and without giving you notice, subject to applicable law. If we cancel Your Card, any Available Funds remaining on the Card upon such cancellation, after payment for all applicable fees, will be returned to you.

20. Error Resolution. In case of errors or questions about electronic Card transactions, please notify Us as soon as possible if You think there has been an error, or You need more information about a transaction. You can notify SVC via telephone at free 1-866-345-6992. You must notify us no later than sixty (60) days after which the problem or error appeared and:

20.1 Tell us Your name and Card number.

20.2 Describe the error or transaction that You are unsure about, and explain as clearly as possible why You believe that it is an error or why You need more information.

20.3 Tell us the dollar amount of the suspected error and where and when the transaction took place. If You tell us orally, We may require that You send us Your complaint or question in a signed affidavit within ten (10) business days.

20.4 Within ten (10) business days after We hear from You, We will determine whether an error occurred, and if so, We will correct the error promptly. If We need more time, however, We may take up to forty-five (45) days to investigate Your complaint or question. If We ask You to put Your complaint or question in writing and We do not receive it within ten (10) business days, We may not so credit Your account.

20.5 After completing our investigation, if We decide that there was no error, We will send You a written explanation. If we decide that an error did in fact occur we will adjust your card balance accordingly.

21. Fee Schedule

Transaction Type	Transaction Amount
POS Purchase	No Charge
Online Balance Inquiry	No Charge
IVR (Telephone) Balance Inquiry	\$0.50
Live Customer Service Assistance	\$2.50
Refund Processing Fee - For the issuance of a new card or paper check upon the reporting of a lost or stolen card, or upon expiration of the card	\$9.95
Administrative Fee - This fee is waived for the first six months that the card is active. Beginning on the 7th month after the card is activated, the card will be assessed this administrative fee on a monthly basis until the card balance reaches \$0.00	\$3.95
NSF (non-sufficient funds) decline fee	\$0.10

22. Unclaimed Property. If we have no record of Card activity for several years, applicable law may require us to report the balance on the Card as unclaimed property. If this occurs, we may try to locate the owner of the Card at the address shown in our records. If we are unable to locate you, we may be required to deliver any value remaining on the Card to the state as unclaimed property.

23. Your Liability for Unauthorized Transactions. You are responsible for all transactions initiated through use of the Card, including those initiated by presenting the number only, such as for internet or mail order transactions, and for any transactions initiated by someone else using the Card. You shall notify us immediately if you believe that your Card has been lost or stolen or that someone has learned your Card number. Telephoning us is the best way of minimizing your possible losses. You could lose all of your Funds. You shall notify us immediately if your Card statement shows transfers or transactions that you did not make or authorize. If you tell us that your Card has been lost or stolen, we will close down your account and reissue your card to keep losses down.

24. Transactions in Excess of Available Funds. If you attempt to use the Card when there are insufficient Available Funds for the particular transaction (e.g., \$100 purchase when the Card only has \$75 in Available Funds), and the Merchant does not fulfill a request to process a "split tender" transaction as described above, the transaction will usually be declined. However, if due to a system's malfunction or for any reason whatsoever, a transaction occurs despite insufficient Available Funds on the Card (creating a negative amount on the Card, referred to herein as a "Shortage"), you agree to reimburse us, upon request, for the amount of the Shortage.

25. Data Protection and Privacy. We value your trust and respects your expectation of privacy. As such, we are committed to maintaining the confidentiality of your personal financial information. This document outlines our privacy policy in connection with the nonpublic personal information we receive regarding you. We collect nonpublic personal information about you in order to understand your needs, administer our business, process your transactions, and provide you with products and services. We obtain nonpublic personal information about you from the following sources:

- Information you provide to us by telephone, on applications, in membership requests, at our web site, and on other forms (such as your name, address, telephone number and date of birth);
- Information about your transactions with us, joint marketers, or others (such as your card balance, payment history, parties to transactions, and card usage); and
- Information we receive from a consumer reporting agency (such as your creditworthiness and credit history).

We may disclose all of the information we collect, as described above, to financial institutions with whom we have joint marketing agreements, such as insurance agents and card issuers, so that they can market goods and services to you. We also may disclose:

- Some of this information, such as your name and address, to companies that perform marketing services on our behalf (e.g., to companies that assist us with mailings).
- Information about your card and transactions: (a) where it is necessary or helpful to effect, process or confirm your transactions; (b) to verify the existence and availability of funds associated with your card; (c) to comply with legal process, such as subpoenas and court orders; (d) to law enforcement authorities if we believe a crime has been committed; and (e) if you give us your consent. We do not disclose nonpublic personal information about our current or former customers to unaffiliated third parties except as set forth in this policy or as permitted by law.

Information Security. We restrict access to nonpublic personal information about you to our employees who have a need to know such information (e.g., to process your transactions). We train our employees on the importance of customer privacy and confidentiality. We also maintain physical, electronic, and procedural safeguards that comply with federal standards to guard the nonpublic personal information of our customers.

Other Privacy Rights. We will comply with applicable state laws regarding the information we share about you. Certain state laws restrict the types of information that we may disclose about you or require that we provide you with additional notices or opt-out rights. If our records reflect that you are a resident of Vermont, for example, our sharing of information about you with nonaffiliated third parties with whom we have joint marketing agreements will be limited to information about your name, contact information, and our transactions with you.

26. Governing Law/Jurisdiction. This Agreement will be governed by and interpreted in accordance with Federal law and, to the extent Federal law does not apply, by the laws of the State of California. You consent and submit to the exclusive jurisdiction of the state and federal courts located in San Diego, California in all controversies arising out of or in connection with the use of the Card and this Agreement.

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

28. Non-Assignability. You may not assign or transfer this Agreement or any of your rights or obligations under this Agreement. Any attempt to the contrary shall be null and void. This Agreement shall be binding on you, your executors, administrators, and any permitted assigns.

29. Entire Agreement. This Agreement sets forth the entire understanding and agreement between you and us, whether written or oral, with respect to its subject matter and supersedes any prior or contemporaneous understandings or agreements with respect to their subject matter.

30. Severability. If any of the terms of this Agreement are invalid, changed by applicable law or declared invalid by order of court or regulatory authority, the remaining terms of this Agreement shall not be affected, and this Agreement shall be interpreted as if the invalid terms had not been included in this Agreement.

31. Arbitration of Claims. Please read this provision carefully. It provides that to the extent permitted by law, certain disputes will be resolved by binding arbitration instead of litigated in court. IF ARBITRATION IS CHOSEN BY ANY PARTY WITH RESPECT TO A CLAIM, NEITHER YOU NOR WE SHALL HAVE THE RIGHT TO LITIGATE THAT CLAIM IN COURT OR HAVE A JURY TRIAL ON THAT CLAIM. FURTHER, YOU AND WE WILL NOT HAVE THE RIGHT TO PARTICIPATE IN A CLASS ACTION, REPRESENTATIVE ACTION OR SIMILAR PROCEEDING PERTAINING TO ANY CLAIM SUBJECT TO ARBITRATION. In arbitration, a dispute is resolved by an arbitrator rather than by a judge or jury and the arbitrator's decision will be

final and binding. Discovery may be more limited in arbitration than in a court proceeding, and the right and grounds to appeal from an arbitrator's award are more limited than in an appeal from a court proceeding. Arbitration procedures are generally simpler and more limited than court procedures.

In the event of any dispute, claim, question, or disagreement arising from or relating to this Agreement or the breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question, or disagreement. To this effect, they shall consult and negotiate with each other in good faith and recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties. If they do not reach solution within a period of sixty (60) days, then upon notice by either party to the other, all disputes, claims, questions, or disagreements shall be finally settled in accordance with the provisions of the American Arbitration Association ("AAA") and proceed under the provisions of Title 9 of the California Code of Civil Procedure Sections 1280 through and including 1294.2. The discovery provisions of the California Code of Civil Procedure Section 1283.05 shall be applicable to this Agreement.

Other Claims Subject to Arbitration. In addition to Claims by either you or us, Claims made by or against anyone connected with you or PDNB or claiming through you or PDNB, including an Authorized User, Registered User, employee, agent, representative, affiliated company, predecessor or successor, heir, assignee, or trustee in bankruptcy shall be subject to arbitration.

How the Arbitration Works. All Claims shall be resolved on an individual basis by binding arbitration by the American Arbitration Association (the "AAA"), under its Arbitration Rules for the Resolution of Consumer-Related Disputes. There shall be no right or authority for any claims to be arbitrated on a class action basis or on any involving claims brought in a purported representative capacity on behalf of the general public, other Card holders or other persons similarly situated. You may obtain copies of the current rules, forms and instructions for initiating an arbitration by contacting: American Arbitration Association, 335 Madison Avenue, Floor 10, New York, New York 10017-4605, website: [www.adr.org](http://www.adr.org), telephone 800-778-7879 (toll free). If the AAA is not available or is unwilling administer the arbitration, the arbitration will be administered by the National Arbitration Forum ("NAF"), under the NAF Code of Procedure then in effect. You may obtain information about how to initiate arbitration from NAF at [www.arbitration-forum.com](http://www.arbitration-forum.com), or by writing to NAF at P.O. Box 50191, Minneapolis, MN 55405.

Compelling Arbitration. At any time, you or PDNB may ask a court of competent jurisdiction to compel arbitration of Claims, or to stay the litigation of Claims pending arbitration, even if such Claims are part of a lawsuit, unless a trial has begun or a final judgment has been entered. Even if a party fails to exercise these rights at any particular time, or in connection with any particular Claims, that party can still require arbitration at a later time or in connection with any other Claims. Survival. This arbitration provision shall survive: (i) the termination of this Agreement; (ii) the bankruptcy of any party; and (iii) any transfer, sale or assignment of your Card, or any amounts owed on your Card, to any other person or entity. If any portion of this arbitration provision is deemed invalid or unenforceable, the remaining portions shall nevertheless remain in force. Any different agreement regarding arbitration must be agreed to in writing.

Acknowledgement. Your Card is being made available and priced by PDNB on the basis of your acceptance of this arbitration clause. By accepting your Card, you acknowledge that you are giving up the right to litigate Claims if either party elects arbitration of the Claims pursuant to this clause, except as otherwise expressly provided herein, and you hereby knowingly and voluntarily waive the right to trial of all Claims subject to this Agreement. You further acknowledge that you have read this arbitration provision carefully, agree to its terms, and are entering into this Agreement voluntarily and not in reliance on any promises or representations whatsoever except those contained in this Agreement.