

# The Lockard Company

## Universal Pacific Pride Access Card Terms and Condition

For a complete list of fees and charges see Fee Schedule below.

### PACIFIC PRIDE ACCESS AGREEMENT

1. Definitions. The following words have the following meanings:

"Account(s)" means the charge card credit line extended to Company by Issuer. An Account may be evidenced by a plastic Card or an account number.

"Account User" means Company or any other entity or individual authorized by Company to use Account or Cards.  
"Agreement" means this Fleet Business Charge Card Agreement.

"Business Day" means any day other than a Saturday, Sunday or other day on which banking institutions in Utah are generally authorized or required by law or executive order to close.

"Card" means an access card provided by Issuer which is used to access Company's Account.

"Controls" are a set of authorization tools designed to assist Company with managing purchases.

"Company" means the corporation, partnership, limited liability company, proprietorship or other business entity that has applied for, or accepted an Account with Issuer.

"DIN", "DID" or "PIN" means the identification number associated with an Account User or Card.

"Issuer" means Wayne S. Lockard & Sons, Inc., T/A/D/B/A The Lockard Company.

"Transaction" means the use of a Card or Account to buy goods or services at accepting merchants.

"Unauthorized Transaction" means a Transaction made on a Card or Account by any person or entity other than an Account User.

### 2. Credit Limits and Accounts.

2.1. Issuer may, in its sole discretion, extend credit, establish Accounts and/or issue Cards under this Agreement. Issuer may at any time, investigate the financial condition of Company or, as applicable, its subsidiaries and affiliates. As a part of that investigation, Issuer may require financial statements from the Company or, as applicable, its subsidiaries and affiliates.

2.2. Account Users can make purchases on the Account up to the credit limit that is assigned by Issuer. The credit limit for each billing account appears on the billing statement. Company agrees not to exceed its total credit limit. Issuer may change the credit limit of an Account User or the Company without prior notice. If Issuer permits or has previously permitted Company to exceed its credit limit, it does not mean that Issuer will permit Company to exceed its credit limit again.

2.3. Issuer may suspend an Account or refuse to authorize any Transaction in its sole discretion and specifically in the event that: (i) any balance is past due; and/or (ii) the amount of the Transaction plus the outstanding balance (including Transactions authorized but not yet posted) exceeds the credit limit. Company shall, immediately upon request, pay the amount over the limit and any associated fees or the entire balance due on the Account. Nothing

contained in this Agreement prevents Company or an Account User from requesting an increase or decrease of the credit limit.

2.4. Company shall designate its Account Users as well as those contacts authorized to: (i) provide Issuer with the information necessary to establish and maintain Account(s), Cards, and DINs; (ii) provide vehicle, driver and other information; (iii) receive all Account numbers, Cards or reports; (iv) receive other Account information; and (v) select additional products and/or services that may be offered. Company will provide notice of any change or removal of any contact or Account User either in writing, by telephoning Issuer's customer service department or through Issuer's online system. Company remains liable for any unauthorized use until Issuer receives notice of any change in or removal of any Account User or contact. Issuer is authorized to take instruction from any Account User or contact with apparent authority to act on Company's behalf. Unless Company reports any errors in Account information or Cards within three (3) business days of receipt, Issuer is entitled to rely on that information for servicing the Account.

2.5. Company is responsible for notifying Issuer of any revocation of any Account User's authority to use or access its Accounts, Cards or, as applicable, DINs and Company shall remain liable for any charges made by an Account User until notice of revocation of authority is received by Issuer. Company agrees that use of a Card and the applicable DIN is deemed authorized use of the Account. Company assumes all risk if Company chooses to leave a Card at a merchant for use by its drivers or Account Users and as such, agrees to pay for all charges made with that Card. Company agrees to keep DINs confidential and to provide for its employees or Account Users to not disclose any DIN. If Account Users or other employees disclose a DIN or write a DIN on a Card, then Company is liable for any fraudulent use that may result even if the disclosure is inadvertent or unintentional.

2.6. All Cards will be valid through the expiration date listed on the Card unless the Card has been suspended or terminated. Company will automatically receive new Cards prior to the expiration date of their current Cards unless this Agreement is terminated.

2.7. Accounts and Cards will only be used for the purchase of products and services for business or commercial purposes and not for personal, family or household purposes. Purchases of lottery tickets or other games of chance, gift cards, pre-paid cards or other cash equivalent charges are prohibited. Company shall adopt internal policies and controls to ensure that the Accounts and Cards are used strictly for business or commercial purposes. Company agrees that Company's use of Cards or Accounts is deemed acceptance by Company of this Agreement's terms. All Cards or Account numbers provided remain the property of Issuer and shall be returned to Issuer or destroyed upon our request.

2.8. Issuer is not responsible in the event a merchant does not accept or honor a Card or Account number as payment.

2.9. Company may purchase dyed special fuel using its Account or Cards. Company acknowledges that all dyed special fuel purchases will be used exclusively for off-road purposes and according to all applicable laws governing its use. Company understands that it may be subject to fines or other legal action by governmental authorities for misuse or mishandling of dyed special fuel. Issuer is not liable in any way for any misuse or mishandling by Company

of any dyed special fuel. Upon request from applicable governmental authorities, Issuer may provide information regarding Company's dyed special fuel purchases without prior authorization from Company.

2.10 Account User acknowledges that cards issued by Company are for access to authorized products and is not to be construed as a credit card and is not subject to any state or federal liability limitation.

### 3. Controls.

Company may request that Controls be applied to its Account(s).

3.1. The availability and effectiveness of Controls is dependent upon each merchant's adoption of card specifications and the information, including product codes that the merchant transmits to Issuer. The product codes are assigned by each merchant, and as such, Issuer is not responsible for inappropriate product code assignment. In addition, some Controls are not enforceable at island card readers.

3.2. Default Control values will be assigned by Issuer unless Company makes its own election(s). Issuer is not responsible for the prudence of any particular Control level selected by Company. Issuer shall use reasonable efforts to deny requests for Transaction authorizations that fall outside the selected Control parameters. Company remains responsible for payment in full of Transactions which fall outside of the Control parameters selected, if such Transactions are made with a valid Card and are processed by Issuer. The existence and/or use of Controls will not affect Company's liability for Unauthorized Transactions.

3.3. Only transactions submitted for authorization are subject to Controls and those Controls can only be enforced when the merchant provides sufficient information as part of the authorization. Issuer may, in its sole discretion, at any time, without prior notice modify Controls for the purpose of, among others, aiding in the prevention of suspected fraudulent activity. Issuer will notify Company after any modification is made. Company agrees it is responsible for reviewing fraud control data provided by Issuer for the purpose of detecting fraud that may occur within Control parameters.

### 4. Reports.

Issuer provides transaction data for each Account to the Company as transmitted by merchants. Company is responsible for reconciling that data. Issuer is not liable in connection with the accuracy or completeness of any specialty reports, management reports, data services or other information services provided to Company because that data may be based upon third party information. In addition, Company understands that in the event an error is identified in a report, such as incorrect product code, Company is still liable for the Transaction, but may follow the dispute process to obtain clarifying information.

### 5. Payment Promise.

5.1. Company agrees to pay and/or perform, as the case may be, when due all indebtedness, obligations and liabilities of Account(s) established pursuant to this Agreement of every kind, nature and character whatsoever, including, without limitation: (i) fees listed on the attached fee schedule; (ii) all amounts payable for Transactions on

each Card or each Account; (iii) any and all costs (including reasonable attorneys' fees) incurred in enforcing its obligations in this Agreement.

5.2. Payment is due in full fifteen (15) calendar days from the billing date appearing on the invoice. If the payment due date falls on a non-Business Day, payment is due on the Business Day before the payment due date.

5.3. Some customers, based upon Issuer's credit review may be required to make payment more frequently or Company may elect a shorter billing or payment cycle.

## 6. Late Fees.

Late fees will be assessed at an Annual Percentage Rate of 24.99%.

Issuer will begin to assess late fees on the first day following the date a payment is due and is not posted to the Account. The late fee will be calculated by determining the total balance due on the date the Account becomes delinquent by adding the total amount due on Company's Account on the payment due date with any purchases posted to Company's Account from the end of the last billing cycle through the payment due date and subtracting from that amount any payments and/or credits entered during that period. The total balance due will then be multiplied by the applicable periodic rate to determine Company's late fee

## 7. Application of Payments and Early Payments.

Payments will be applied first to unpaid late fees and then to any unpaid balances. Company or an Account User, as applicable, may pay their Account balance or a portion of it, at any time prior to its due date without penalty.

## 8. Disputed Amounts.

8.1. Company may dispute an amount reflected on a billing statement if: (i) the amount does not reflect the face value of the Transaction; (ii) the amount being disputed is a fee that is not properly accrued under this Agreement; or (iii) Company does not believe it is liable for that amount. Charges must be disputed in writing no later than sixty (60) days from the billing date or they will be considered final and binding. Pending an investigation, Issuer may provide a temporary credit for the amounts paid that are in dispute. If Issuer determines that the amount is properly payable by Company, then Issuer will, as applicable, reverse any temporary credits issued or Company will remit such amount to Issuer as part of the payment for the next invoice. No fees (including interest, finance charges, or late fees) will accrue because the disputed amount is pending resolution, although such fees may be imposed retroactively if it is determined that the amount was properly payable and it is re-billed and not paid by the payment due date. Transactions made at an island card reader where the Company or Account User did not obtain a receipt at the time of sale are not eligible for dispute.

8.2. Certain Transactions in dispute may qualify for charge back to the merchant due to fraud or other circumstances in which the merchant may be liable. Issuer shall attempt to charge the Transaction back to the merchant in accordance with its procedures under its merchant acceptance agreements. Any accepted charge back will be

credited to the relevant Account. The Company will be liable for the Transaction if the disputed item cannot be charged back to the merchant.

#### 9. Notice of Loss, Theft or Unauthorized Use.

In the event that Company or an Account User knows of or suspects the loss, theft or possible unauthorized use of a Card or Account or if Company would like to terminate an Account User, Issuer must be immediately notified by calling 1-800-424-3835.

#### 10. Unauthorized Use and Unauthorized Transactions.

10.1. Except as otherwise expressly provided below, Company will be liable to Issuer for all unauthorized use or Unauthorized Transactions that occur if: (i) a Card is lost or stolen and Company does not give immediate notice to Issuer as provided in Section 9 of this Agreement; ii) such use or suspected use occurs as a result of the Company's lack of reasonable security precautions and controls surrounding the Cards or Accounts; or (iii) such use results in a benefit, directly or indirectly, to the Company or Account User. Misuse by an Account User or other employee does

#### 11. Term and Termination.

11.1. This Agreement may be terminated without cause by either party upon thirty (30) days prior notice. Company is still obligated to pay for all Transactions made prior to the effective date of the termination and shall return to Issuer, or provide verification of the destruction of all Account numbers or Cards. Company may retain a copy of any records or Account information for archival or data retention purposes.

11.2. Issuer may, at any time, elect to terminate products or services described in this Agreement or on any enrollment upon thirty (30) days prior written notice to Company.

#### 12. Default.

12.1. A party to this Agreement may terminate this Agreement at any time upon the default of the other party. "Default" means: (i) the failure of the Company to remit payment to Issuer in accordance with the terms of this Agreement; (ii) exceeding Company's credit line; (iii) the breach by either party of this Agreement, provided the breach is not remedied within 15 days of the defaulting party's receipt of written notice from the other party specifying the breach; (iv) the representation or warranty by either party of any facts in connection with this Agreement that prove to have been materially incorrect or misleading when the representation or warranty was made; (v) the filing by or against either party of any petition in bankruptcy, insolvency, receivership, or reorganization or pursuant to any other debtor relief law or the entry of any order appointing a receiver, custodian, trustee, liquidator, or any other person with similar authority over the assets of either party; (vi) the insolvency, dissolution, reorganization, assignment for the benefit of creditors or any other material adverse change in the financial condition of either party; (vii) the entry of any adverse judgment, order or award against either party that has a material adverse impact on the

financial condition of either party or a detrimental effect on the ability of either party to perform its obligations; or (viii) the default by Company under any other agreement between Company and Issuer.

12.2. If Company Defaults: (i) it will not have any further right to borrow under this Agreement; (ii) all outstanding amounts under the Account are immediately due and payable; (iii) Issuer may terminate this Agreement; and (iv) Issuer will have the right to bring suit and exercise all rights and remedies available under applicable law which may include the payment of all reasonable costs of collection. Alternatively, Issuer may, in its sole discretion: (i) suspend all services and obligations; (ii) shorten the billing cycle; or (iii) change the payment terms. The suspension of services and/or obligations will not be deemed a waiver of any right to terminate this Agreement, whether as a result of the Default to which such suspension of services or obligations relates or otherwise.

### 13. Force Majeure.

13.1. In no event shall either party be liable to the other party for any failure or delay in performance wholly or in part due to causes or circumstances beyond its reasonable control and without its fault or negligence including, but not limited to the following: Acts of God; acts of the public enemy; civil disturbance; war; acts of the United States of America or any state, territory or political division of the United States of America; fires; floods; natural disasters; pandemic or epidemic events, regional, statewide, or nationwide strikes, or any other general labor dispute not specific to that party; communication line failures; and/or freight embargoes (collectively "force majeure"). A party's failure to perform its obligations under this Agreement due to force majeure events will not be considered breach or Default if the party has made its best efforts to: (i) comply with its obligations; (ii) avoid an interruption of its performance; and (iii) resume its performance.

13.2. The party claiming a failure or delay in performance under this Agreement due to force majeure must promptly notify the other party in writing. In the event that any such force majeure failure or delay continues for a period of more than ten (10) business days, the other party may, upon written notice to the other party, have the option of terminating this Agreement without incurring additional liability.

### 14. Assignment and Amendment.

14.1. Company may not assign this Agreement or any interest, payment or rights under this Agreement for any reason, without Issuer's prior written consent. Issuer may, in our sole discretion, assign this Agreement and its obligations, transfer any right, or delegate any duty of performance under this credit Agreement without further notice. The person or entity(ies) to whom Issuer makes any assignment is entitled to all of Issuer's rights under this Agreement, to the extent that those rights were assigned.

14.2. Issuer may amend any part of this Agreement at any time in accordance with applicable law. Issuer will provide written notice to Company if such notice is required by applicable law.

### 15. Covenants.

15.1. The parties represent and warrant that this Agreement constitutes the legal, valid, binding, and enforceable agreement of each party, and its execution and performance of this Agreement: (i) does not constitute a breach of

any agreement of either party with any other party, or of any duty arising in law or equity; (ii) does not violate any law, rule or regulation applicable to it; (iii) is within the party's corporate powers; and (iv) has been authorized by all necessary corporate action of the parties. Company agrees to provide any evidence of corporate (or other organizational) existence and authorization that Issuer may reasonably request.

15.2. Company will provide Issuer with advance written of: i) any change in Company's legal structure or legal name; (ii) any consolidation, merger or sale of a substantial part of Company's assets; or (iii) any change of control of Company.

Issuer reserves the right to make any necessary modifications to the Account terms based upon changes made by Company as referenced above.

15.3. As part of Issuer's commitment to customer service, its managers periodically will monitor telephone communications between its employees and its customers to ensure that high quality service standards are maintained. Company consents to that monitoring and recording of telephone communications and agrees to notify employees who may be in telephone contact with Issuer's representatives that periodic monitoring of conversations will occur.

#### 16. Severability and Waivers.

If any portion of this Agreement is held to be invalid, the remaining portions shall remain in full force and effect and shall continue to be binding upon the parties. Failure of either party to exercise any of its rights under this Agreement in a particular instance will not be construed as a waiver of those rights or any other rights for any other purpose. The parties agree voluntarily, intentionally and irrevocably to waive all right to trial by jury in any proceeding instituted in any court, arising out of this Agreement, Company's application for credit, or any related documents. Company waives personal service of process in connection with any action or proceeding commenced by Issuer in connection with this Agreement, and agrees that service may be made by certified mail to the last known address in Issuer's records.

#### 17. Disclaimers and Limitations.

17.1. Issuer is not liable for any loss sustained by any party resulting from any act, omission or failure to act by Issuer, whether with respect to the exercise or enforcement of its rights or remedies under this Agreement, or otherwise, unless the loss is caused by Issuer's gross negligence or willful misconduct. Issuer's liability under this Agreement shall be limited to actual damages incurred by Company as a direct result of Issuer's gross negligence or willful misconduct. Furthermore, Issuer's liability for actual damages shall not exceed the sum of: (i) all fees paid by Company to Issuer under this Agreement prior to the date when any claim is made against Issuer; plus (ii) all other revenue earned by Issuer for all Transactions made in the 12 months prior to the date of any claim made against Issuer. In no event will either party be liable for incidental, special, consequential or punitive damages and, any right or claim to either is expressly and unconditionally waived.

17.2. Except as otherwise required under law, Issuer makes no warranty with respect to goods, products or services purchased on credit through Issuer. Issuer further disclaims all warranties with respect to goods, products and services purchased with a card, including, without limitation, the implied warranty of merchantability.

17.3. Company acknowledges and agrees that Issuer is not liable to Company for any loss, liability or damages company suffers which result from, are related to, or in any way are connected with any fraud control or purchase restriction measures Issuer elects to implement from time to time, unless such loss, liability or damage is a direct result of Issuer's gross negligence or willful misconduct in implementing fraud control or purchase restriction measures Issuer has expressly agreed in writing to undertake for Company.

#### 18. Applicable and Conflicting Law.

18.1. This Agreement is governed by and construed in accordance with federal law and the laws of the Commonwealth of Pennsylvania (without reference to choice of law rules). Any judicial action brought under or involving the subject matter of this Agreement shall be brought exclusively in the courts of the Commonwealth of Pennsylvania, County of Indiana, and the parties expressly consent to the exclusive jurisdiction of those courts for the resolution of any disputes under this Agreement. Each party waives any objection to venue and any objection based on forum non conveniens in any such court.

18.2. If either party is notified by a state or federal regulatory body that any aspect of the services provided by Issuer or this Agreement does not comply with any applicable law, regulation, rule, policy, or order, then the affected party shall give the other party prompt written notice of the non-compliance. Following notice, the affected obligations will be suspended and the failure to perform those obligations will not be deemed a breach of or Default under this Agreement so long as the affected party is unable to perform due to the notice given by the state or federal regulatory body.

#### 19. Notices.

Except as otherwise provided in this Agreement, all notices will be in writing and deemed effective when personally delivered or mailed, first class postage prepaid to the appropriate party at the address set forth in the application for credit or at such other address as the parties may indicate from time to time. In addition to the notice methods provided above, the parties agree that a communication: (i) by facsimile to a number identified by the recipient as appropriate for communication under this Agreement: or (ii) by e-mail to or from an address normally used by an Account User for business communications shall be considered to be a "writing" and to be "signed" by the party transmitting it for all purposes. The parties agree to waive any claim that a transmission does not satisfy any writing or signature requirements under applicable law. The parties agree that a photocopy or printed copy of a facsimile or e-mail constitutes the "best evidence" and an "original" of such a writing.

#### 20. Confidentiality.

All information furnished by either party or by any affiliate of Issuer in connection with this Agreement will be kept confidential (and will be used by the other party only in connection with this Agreement), except to the extent that the

information: (i) is already lawfully known when received; (ii) becomes lawfully obtainable from other sources; (iii) is required to be disclosed in any document filed with the Securities and Exchange Commission, the Federal Deposit Insurance Corporation, or any other agency of any government; or (iv) is required by law to be disclosed, provided that notice of the disclosure has been given (when legally permissible) by the party proposing to make such disclosure, which notice, when practicable, shall be given sufficiently in advance of the proposed disclosure to permit the other party to take legal action to prevent the disclosure. Nothing in this section or this Agreement prohibits Issuer from providing any information to its affiliates or third-party servicers in connection with the operation and maintenance of Issuer's Card program, and Company expressly agrees to these disclosures and use of information, provided that such affiliates and third party servicers agree to maintain the information confidentially and not disclose it to any other parties without Issuer's authorization. In addition, Company agrees and understands that transaction information may be provided to merchants who have accepted the Card as payment for goods and services purchased by Company.

#### 21. Relationship of the Parties.

Nothing contained in this Agreement shall be construed as constituting or creating a partnership, joint venture, agency, or other association or relationship between Issuer and Company. To the extent that either party undertakes or performs any duty for itself or for the other party as required by this Agreement, the party shall be construed to be acting as an independent contractor and not as a partner, joint venturer, or agent for the other party.

#### 22. International Use of Cards/Currency Conversion.

22.1. Cards are issued for use by Company's United States based operations, but may be used in Canada. Company may not distribute Cards to employees based in countries other than the United States. If Cards are used in any other country other than the United States, Company will: (i) be billed in US Dollars; (ii) receive reporting in English; and (iii) accept the currency conversion fee as reflected in Issuer's Fee Schedule.

22.2. Issuer will convert any purchase made in a foreign currency into a U.S. Dollar amount before the Transaction is posted to the Account. The exchange rate between the Transaction currency (the foreign currency) and the billing currency (U.S. Dollars) used for processing international Transactions is a rate selected by Issuer using rates available in wholesale currency markets for the date that the Transaction is posted by Issuer, which rate may vary from the rate Issuer itself receives, or the government mandated rate in effect at that time.

#### 23. Additional Products and Card Features.

Company may elect to enroll in or use additional products or features that are offered by Issuer or approved vendors of Issuer. Company understands that additional terms of use for such products or features, including any associated fees may apply and will be provided to Company prior to enrollment.

23.1. Online Products: Certain products and services may be accessed by Company or Account Users through the Internet. Although Issuer uses both passwords and data base security methods for our online products, security cannot be guaranteed. Issuer is not liable to Company for any data corruption, loss or unauthorized Account access,

as a result of Company's access to Issuer's website through the Internet or dial-in computer, notwithstanding reasonable security measures instituted by Issuer.

#### Fee Schedule

Account Set-up Fee - \$40.00

Monthly Card Fee - \$2.00 per Card

Replacement Card Fee - \$2.00 per Card

International Currency Conversion Fee - 1% of the total Transaction value

Reproduced Report Fee - \$25.00 per request

General Research Fee - \$15.00 per hour

Regular Mail Fee - \$0.00

Expedited Shipping Fee - Cost varies\*

Returned Payment Fee (e.g. NSF/ACH) - \$35.00

Fees or Charges for Additional Products or Features is Available Upon Request.

\*The expedited shipping fee varies based on the options and address chosen by Company.