

## CITIZENS & NORTHERN BANK VISA® LIFETIME BUSINESS REWARDS CARDHOLDER AGREEMENT

---

This Cardholder Agreement (“Agreement”) covers the use of your business credit card account (“Account”) with us. It also includes the Important Terms of Your Credit Card Disclosure. Both the Cardholder Agreement and Important Terms of Your Credit Card Disclosure are effective as of June 19, 2020. The combination of terms that could apply to you will differ depending on the specific card offer and creditworthiness at the time of application. You accept the terms of this Agreement and Important Terms of Your Credit Card Disclosure by using or activating your Account. Please read this Agreement carefully and save it for future reference.

In this Agreement, “you” and “your” means each individual applying for the Account or otherwise agreeing to be responsible for the Account and each authorized user of the Account. “We”, “us”, and “our” means Citizens & Northern Bank, the issuer of the Card and your Account creditor. The word “Borrower” means the Business (sole proprietorship, corporation, association, partnership, municipality, organization, or other business entity) and any individual Guarantors of the Account.

### DEFINITIONS

---

**Account:** Your credit card account that you can access with your C&N Visa Lifetime Business Rewards Card.

**Account Statement:** The periodic statement we mail to you in connection with your Account.

**Authorized User:** Means a person who may use the Card, but is not responsible for the repayment of the Account.

**Balance Plans:** Means the different parts of your Account we may establish that are subject to unique APRs, pricing, or other terms. We create these parts of your Account for such things as your purchases, balance transfers and cash advances. The sum of your plans equals your total Account balance.

**Billing Cycle:** A billing cycle is a time period that ends on a Statement Closing Date (or Closing Date) determined by us and begins on the day after the Closing Date of the previous billing cycle. Each monthly statement reflects a single billing cycle.

**Card:** One or more cards or other access devices, including your account number, that we issue to you, or someone authorized, to receive credit under this Agreement.

**Credit Access Device:** A device, other than your Card we allow you to use to access credit on your account.

**Foreign Transaction:** A transaction that occurs or is submitted to us from outside the United States or in a foreign currency.

**Fees:** Means charges imposed on your Account not based on the Annual Percentage Rates.

**Interest Charges:** Means any charges to your Account based on the application of Annual Percentage Rates.

**Minimum Payment Due:** The minimum amount the Borrower must pay by the Payment Due Date shown on the front of the Account Statement.

**Payment Address:** The remittance address indicated on the front of your Account Statement.

**Payment Due Date:** The date shown on the front of your Account Statement by which we must receive payment for the Billing Cycle.

**Purchase:** The use of your Account to buy or lease goods or services.

*Additional Terms are defined throughout the Agreement below.*

### TRANSACTIONS

---

This is a Business Credit Card Account which you may use for Purchases, Balance Transfers, Cash Advances, and any other transactions we allow you to complete. Charging privileges on the Card and Account are provided by us pursuant to a contract with the Business and are subject to this Agreement. The Card and Account are to be used only for business purposes. Charge activity, account status, and any Account penalty information will be provided to the Business monthly. We may deny authorization of any transactions identified as Internet gambling. We are not responsible if anyone does not allow you to use your Account or refuses to accept any other Credit Access Device. We may decline any transaction at any time.

**Purchases:** You may use your Account for Purchases. The applicable APR is listed in the *Important Terms of Your Credit Card Disclosure*. Transactions at some merchants (such as hotels, car rental companies, restaurants, and gas stations) may result in temporary authorizations for amounts greater than the actual Purchase amount, which will make less credit available on your Account for several days (usually until the date the actual Purchase amount is received from the merchant.)

**Balance Transfers:** A Balance Transfer means a transfer of funds to another creditor initiated by us at your request. A Balance Transfer does not include a transaction that is otherwise a Cash Advance. You may use your Account for balance transfers. The applicable APR and balance transfer fees are listed in the *Important Terms of Your Credit Card Disclosure*. The transferred amount will post to your C&N credit card account at the time the funds are transferred. Balance transfers will not automatically close your other account(s). To do so, please contact each creditor directly. If you have a dispute with a creditor and pay that balance by transferring it to your new account, you may lose certain dispute rights. Balance Transfers may not be used to pay off or pay down any account issued by Citizens & Northern Bank.

**Cash Advance:** means a transaction in which you:

1. Use your Card to get cash from an ATM;

2. Present your Card to any bank or other person that accepts the Card to get cash or cash-like equivalents (for example, money orders, traveler's checks or other payment instruments) from your Account.

The applicable APR and Cash Advance fees are listed in the *Important Terms of Your Credit Card Disclosure*.

**Recurring Preauthorized Transactions:** Recurring preauthorized transactions occur when you authorize a merchant to automatically initiate a transaction using your account on a recurring basis. If we issue a new credit card with a different number or expiration date to you, we may (but are not obligated) to provide your new card number and expiration date to a merchant with whom you have set up a recurring preauthorized transaction in order to continue your recurring preauthorized transactions. There will be circumstances where you will have to contact the merchant. You may notify Citizens & Northern Bank at 1-877-838-2517 if you would like to opt-out of this service.

#### **Account Statements**

We will send monthly Account statements detailing Account activity and the Borrower may select either the Individual Billing method or the Consolidated Billing Method.

---

#### **AUTHORIZED USER RESPONSIBILITY**

The Card is provided by us pursuant to a contract with the Borrower. The Borrower has authorized issuance of each Card which is to be used only by the Authorized User and only for legitimate business charges as determined by the Borrower and the Authorized User. No other use of the Card is permitted and any other use is considered improper use. The Borrower and the Authorized User are responsible for all uses of the Card. The Borrower may limit Authorized Users from some transaction types listed in the Transaction or Foreign Currency Transaction Sections. If another person is voluntarily given possession of the Card or other access to the Account, you and/or the Borrower will be liable for all transactions made by that person to the extent allowed by applicable law. The Borrower may cancel the Card at any time by delivering written notice to us. We may suspend or cancel any and all Cards at any time and for any reason whatsoever. Each Authorized User agrees to surrender the Card immediately upon request of the Borrower or Bank. The Card may not be used after it has expired, after it has been revoked, and/or after the Authorized User's employment or affiliation with the Business has terminated, or upon termination of the Agreement between us and the Borrower.

---

#### **FOREIGN CURRENCY TRANSACTIONS**

If you make a transaction in a foreign currency (for example, online purchases from foreign merchants), the transaction will be converted by VISA International, into a U.S. dollar amount in accordance with the operating regulations or conversion procedures in effect at the time the transaction is processed. Currently, those regulations and procedures provide that the currency conversion rate to be used is either (1) a wholesale market rate or (2) a government-mandated rate in effect one day prior to the processing date. The currency conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date.

---

#### **REWARDS**

The Account may provide the Borrower with the opportunity to earn rewards. If it does, we will separately provide the Borrower with information and terms about the rewards.

---

#### **CREDIT LIMITS**

We may assign the following limits to the Account:

- Revolving Line of Credit Limit. This is the amount of credit we will extend to the Account.
- Cash Advance Limit. This is a portion of the revolving line of credit that is available for Cash Advances.

Your total revolving line of credit is shown on the document that accompanies your Card and on each of your billing statements. The Borrower is liable for setting the spending limits for each Authorized User. You promise to use your Account only to the limits. If you exceed your total revolving line of credit, we may authorize the transaction without increasing your total revolving line of credit (we may treat that amount as immediately due), or deny the authorization. If you exceed the limits, you and/or the Borrower will still remain liable for all credit you receive.

The amounts shown on your monthly statement as available credit do not take into account Purchases, Balance Transfers, Cash Advances, interest charges, fees, any other transactions, or credits which post to your account after the Closing Date of that monthly statement.

We may adjust the revolving line of credit at any time without notice. We base that decision on a variety of factors such as the payment and transaction history with us, and information we receive from third parties, including credit reporting agencies.

---

#### **FEES**

We will assess the following fees to your account in the same Balance Plan to which the transaction is posted. See the *Important Terms of Your Credit Card Disclosure* for fee amounts.

- Balance Transfer Fee- This fee may be charged if you engage in a balance transfer transaction.

- Cash Advance Fee- This fee may be charged when a Cash Advance is posted to your account.
- Foreign Transaction Fee- This fee may be charged if a Transaction is made in a foreign currency, and we convert the transaction into a U.S. dollar amount.
- Late Payment Fee- This fee may be charged each time we do not receive the required Minimum Payment due by the Payment Due Date.
- Returned Payment Fee- This fee may be charged when a payment is not processed the first time or is returned unpaid.
- Payment by Phone Fee- We may add a \$10.00 service charge if you call us to make a payment on your Account and are assisted by a representative to make the payment.

Additional fees may be charged if agreed between you and us. All fees will be added to the Purchase Balance Plan, except Cash Advance fees which will be added to the Cash Advance Balance Plan on your Account.

## INTEREST

---

### When Interest is Charged

Interest will be charged on Purchases if the Borrower does not pay the previous balance in full by the Payment Due Date. We will charge interest on the Average Daily Balance (including new purchases). We calculate the interest charge on your account by multiplying the periodic rate to the "average daily balance" of your account. To get the "average daily balance" we take the beginning balance of your account each day, add any new purchases, and subtract any payments or credits. This gives us the daily balance. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance". The periodic rate is the Annual Percentage Rate for Purchases or Balance Transfers divided by 12 months. For Cash Advances, you cannot avoid paying interest. We will charge interest on the Average Daily Balance (including new cash advances). We calculate the interest charge on your account by multiplying the periodic rate to the "average daily balance" of your account. To get the "average daily balance" we take the beginning cash advance balance of your account each day, add any new Cash Advances, and subtract any payments or credits. This gives us the daily balance. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance". Cash Advance continues to accrue interest until payment of the total Cash Advance balance is posted. Interest accrued from the last statement date until the Cash Advance payoff date will appear on the next statement. The periodic rate is the Annual Percentage Rate for Cash Advance divided by 12 months.

### Promotional Rates and Fees

Promotional or Introductory Offers are temporary APRs (Promotional or Introductory Rates) that are offered on certain qualifying new transactions for a specified period of time. If the Borrower revolves the balance to take advantage of a Promotional or Introductory Offer, all transactions and balances, including purchases, will be charged interest.

### Current Rates

Your current rate is the rate that will apply to transactions that are not subject to an Introductory or a Promotional Rate. [see the *Important Terms of Your Credit Card Disclosure* for current rates]

### Penalty APR and When it Applies

The Penalty APR is the APR(s) which may be applied to new Purchases, Balance Transfers, and Cash Advances, for certain default occurrences. We may increase the APRs on new transactions up to the Penalty APR, based on creditworthiness, each time a Total Minimum Payment Due is not received by its applicable Payment Due Date. We will provide a minimum of 45 days advance notice. Once the account is subject to this Penalty APR, we may change the APR back to the respective APRs in effect for the Account, but only if the Minimum Payment Due is paid by the Payment Due Date for six (6) consecutive Billing Cycles.

### How to Calculate Variable Rates

Variable Rates are calculated by adding together an index and a margin. This index is the highest U.S. Prime Rate as published in the "Money Rates" section of *The Wall Street Journal* on the last publication day of each month. An increase or decrease in the index will cause a corresponding increase or decrease in the variable rates on the first day of the next Billing Cycle. An increase in the index means that there will be higher interest charges and a higher Total Minimum Payment Due. If *The Wall Street Journal* does not publish the U.S. Prime Rate, or if it changes the definition of the U.S. Prime Rate, we may, in our sole discretion, substitute another index.

### Minimum Interest Charge

The *Important Terms of Your Credit Card* disclose the Minimum Interest Charge applicable to your Account.

## PAYMENTS

---

### Promise to Pay

The Borrower (which includes the individual co-obligor(s) who executed the application for credit or has otherwise agreed to be liable) is liable for all charges to the Account, including, without limitation, all fees and Interest charges assessed to all Cards issued to Authorized Users designated by the Borrower. The Borrower's liability includes unauthorized charges by any Authorized User,

and when the Borrower and the Authorized User have agreed that the Authorized User is liable for certain transactions. We may provide the Borrower with the Authorized User's transaction activity, Account status and any Account delinquency information. The Borrower is responsible for paying any total outstanding balance. We may refuse to release the Borrower from liability until all of the cards and other credit devices outstanding under the account have been returned to us and the Borrower repays us the total outstanding balance owed to us under the terms of this Agreement.

### **Payments on the Account**

The Borrower must pay each month at least the Total Minimum Payment Due shown on the monthly statement by its Payment Due Date. Payments must conform to the requirements set out on that monthly statement; these requirements may vary without prior notice. The Borrower may pay the entire amount owed to us at any time. Payments made in any Billing Cycle that are greater than the Total Minimum Payment Due will not affect your obligation to make the next Total Minimum Payment Due. If the Borrower overpays or if there is a credit balance on the account, we will not pay interest on such amounts. We reserve the right to reject any payment if the account has a credit balance as of the day we receive that payment. Generally, credits to the account, such as those generated by merchants or by person-to-person money transfers, are not treated as payments and will not reduce the Total Minimum Payment Due.

### **ACH Payments**

We process most payment checks electronically. We use the information on the check to create an electronic funds transfer. Each time a check is sent, the Borrower authorizes a one-time electronic funds transfer. The Borrower also authorizes us to process the check as a check or paper draft, as necessary. Funds may be withdrawn from your account as soon as the same day we receive the payment. The original check or other document that is sent to us will not be retained, but a copy will be available if requested.

### **Total Minimum Payment Due**

You may pay your total outstanding balance at any time. Each Billing Cycle, you must pay at least the Total Minimum Payment Due shown on your monthly statement by its Payment Due Date. The Total Minimum Payment Due is the sum of all past due amounts plus the Current Payment. The Current Payment for each Billing Cycle is 3.00% of your balance (including new interest charges and late fees) rounded up to the nearest dollar, plus amounts over your credit limit. Your current Payment will not be less than \$20.00. The Total Minimum Payment Due will not be greater than your New Balance Total. If a payment is credited to your account but is returned unpaid in a later Billing Cycle, we will recalculate the Total Minimum Payment Due for the Billing Cycle in which the payment was originally credited.

### **When Your Payment Will Be Credited to Your Accounts**

We credit payments as of the date received, if the payment is: (1) received by 5 p.m. local time at the address shown on the remittance slip on the front of the monthly statement; (2) paid with a check drawn in U.S. dollars on a U.S. financial institution or a U.S. dollar money order; and (3) sent in the return envelope with only the bottom portion of your statement accompanying it. Payments received after 5 p.m. local time at the remittance address on any day including the Payment Due Date, but that otherwise meet the above requirements will be credited as of the next day or as otherwise permitted by law.

We also credit payments as of the date made in person in U.S. dollar to Citizens & Northern Bank personnel in any of our branch lobby or drive-thru locations during regular business hours or through automatic payment from a deposit account at Citizens & Northern Bank. All other credit card payments received, will be credited as of the next business day or as otherwise permitted by law.

### **How We Allocate Your Payments**

Payments are allocated to posted balances. If the account has balances with different APRs, we will allocate the amount of the payment equal to the Total Minimum Payment Due to the lowest APR balances first. Payment amounts in excess of the Total Minimum Payment Due will be applied to balances with higher APRs before balances with lower APRs.

### **Closing Your Credit Card**

Borrower may close the Account at any time by notifying the Bank in writing. We may close the Account at any time without cause and without notice. When the Account is closed (whether by Borrower or by the Bank), the right to use the Card and to make charges to the Account will be automatically revoked.

---

### **REEVALUATION OF FINANCIAL CONDITION AND CREDIT HISTORY**

We may reevaluate the Borrower's financial condition and investigate any information provided on the Account application at any time. In the course of doing so, we may obtain a current credit report or business bureau file report and ask for additional information about the Borrower's financial condition. The Borrower gives us permission to obtain any information that we believe would be beneficial to facilitate our determination of eligibility for the Account and the Card. We may, as a result of any such

reevaluation, (1) increase the credit line; (2) decrease the credit line; or (3) deem the Account to be in default. Upon request, we will inform the Borrower if a consumer report was requested and, if it was, provide the name and address of the consumer reporting agency that furnished the report.

---

#### CREDIT REPORTING

We may provide information about the Account to Credit Bureaus and others who may properly receive that information. The Borrower has the right to dispute the accuracy of information that we have reported by writing to us at Citizens & Northern Bank, Attn: LPC, 10 Nichols Street, Wellsboro, PA 16901 and describing the specific information that is inaccurate or in dispute and the basis for any dispute with supporting documentation. In the case of information that you believe relates to an identity theft, you will need to provide us with an identity theft report.

---

#### CHANGE OF ADDRESS

We will rely on the address we have for you in our records for any Account communications we send to you unless and until either you or the U.S. Postal Service notifies us of a change of address and we have had a reasonable opportunity to act on such notice.

---

#### TELEPHONE CALLS: CALLING, MONITORING AND RECORDING

You consent to and authorize Citizens & Northern Bank, any of its affiliates, or its marketing associates to monitor and/or record any of your telephone conversations and other electronic communications with our representatives or the representatives of any of those companies for reasonable business purposes including security and quality assurance. We will not remind you that we may be monitoring or recording a call at the outset of the call unless required by law to do so. Where you have provided a cell phone number directly to us, you consent and agree to accept servicing calls and text messages to your cell phone from us. For example, we may place calls to you about fraud alerts or amounts you owe us (collection calls) on your account. For any telephone or cell phone calls/communications we place to you, you consent and agree that those calls may be automatically dialed including prerecorded messages or texts.

---

#### DEFAULT

The Borrower will be in default if:

1. Borrower fails to make any payment when it is due;
2. Any payment Borrower makes is rejected, not paid or cannot be processed;
3. The Credit limit is exceeded;
4. Borrower files for bankruptcy or become insolvent and generally unable to pay its debts;
5. We determine that the Borrower made a false, incomplete or misleading statement to us, or otherwise tried to defraud us;
6. The Borrower does not comply with any terms of this Agreement or any other agreement with us.

If the Borrower is in default, we may take certain actions with respect to the Account. For example, depending on the default, we may take the following actions, without notifying the Borrower; unless the law says that we must give notice:

1. Charge Fees, or change the APRs and Fees on the Account, if applicable;
2. Close or Suspend the Account;
3. Lower the credit limit(s);
4. Demand that the Borrower immediately pay the total balance owing on the Account;
5. Continue to charge Interest charges and Fees as long as the balance remains outstanding; and/or
6. File a lawsuit against the Borrower, or pursue another action that is not prohibited by law. If we file a lawsuit, the Borrower agrees to pay our court costs, expenses and attorney fees, unless the law does not allow us to collect these amounts.

#### Enforcement Rights

We may waive or delay enforcing any of our rights without losing them. We may waive or delay enforcing a right against one Borrower without waiving it as to another. A court decree or separation or a noncourt mutual agreement does not affect our ability to enforce this Agreement or collect the Outstanding Balance against all liable parties if we are not a part to the decree or agreement.

---

#### ASSIGNMENT

You may not sell, assign or transfer your Account or Card or any of your rights and obligations under this agreement. We may, however, sell, assign or transfer your Account, or any balance due thereunder, and our rights and obligations under this agreement to another entity without your consent and without prior notice. That entity will take our place in this Agreement.

---

#### AGREEMENT PROVISIONS

##### Changes to This Agreement

Subject to Applicable Law, we can change this Agreement at any time, regardless of whether you have access to your Account, by adding, deleting, or modifying any provision (including increasing any rate of interest charge, increasing or adding fees or charges (including annual fee), changing the method of computing the date upon which interest charges begin to accrue, changing the

Minimum Payment Due or limiting the number or amount of Transactions on your Account). Any such changes will generally be effective immediately unless we are required by Applicable Law to provide you with advance written notice of the proposed changes. If this is the case, those changes will be effective immediately following the effective date stated in the notice. Subject to Applicable Law, any such changes will apply to your outstanding Account balance on the effective date of the change and to any future balances created after that date. If we give you the right to reject a change (whether because it is required by Applicable Law or otherwise), and you do not notify us by the date stated in a notice, or if you notify us but then use your Account after the date stated in the notice, you will be deemed to accept all changes in the notice and to accept and confirm all terms of your Agreement and all changes in prior notices we have sent you regardless of whether you have access to your Account. If you reject a change that we make, we will close your Account. No change to any term of the Agreement will affect your obligation to pay all amounts you owe under this Agreement.

#### **Cancellation**

We may cancel, revoke, or suspend your rights under this Agreement for any reason. The Borrower may also close the Account at any time. If the Account is closed for any reason, the Borrower must still repay any unpaid balance owed to us according to the terms of this Agreement.

#### **Separation of Unlawful Provisions**

If any provision of this Agreement is determined to be unlawful, the rest of the Agreement will stand and the unlawful provision will be deemed amended to conform to law.

#### **GOVERNING LAW**

---

This Agreement will be governed by Federal law applicable to us and, to the extent not preempted by Federal law, the laws of the Commonwealth of Pennsylvania without regard to its conflicts of law provisions. This Agreement has been accepted by us in the Commonwealth of Pennsylvania.

#### **DISPUTED CHARGES**

---

If you want to dispute a charge or think there is an error on your statement, write to us at: Citizens & Northern Bank, Attn: Deposit Operations, PO Box 58, Wellsboro, PA 16901. This address is different than the address you use to make account payments. You may also contact us at 1-855-895-8173.

#### **LOST OR STOLEN CARD**

---

Please notify us immediately if your Card is lost or stolen, or if you believe your Account is being used without your permission. You may contact us at 1-855-895-8173 or 1-301-287-9920. You may be liable for the unauthorized use of the Card, but you will not be liable for unauthorized use that occurs after you notify us verbally or in writing of the loss, theft or possible unauthorized use of your Card. In any case, your liability for unauthorized use of the Card will not exceed \$50. Do not use your account after you report a lost or stolen card. You agree to assist us in our investigation of the matter.

#### **QUESTIONS**

---

If you have any questions about this Agreement or your Card, please contact us at:  
1-877-838-2517