

The South Financial Group Advertising Checklist

Different regulations have slightly different definitions of "advertising", but for purposes of this checklist, advertising is any message in any media designed to attract attention to the bank and its products and services. Examples include:

- Messages in a newspaper, magazine, leaflet, promotional flyer, or catalog
- Announcements on radio, television, or public address systems
- On-line messages, such as e-mail
- Information on Internet websites, including the bank's own website
- Direct mail literature
- Printed material on any exterior or interior sign
- Point of sale displays
- Telephone solicitations, telephone voice response systems and telephone hold messages
- Letters sent to customers as part of an organized solicitation of business
- Messages on account statements offering additional bank products or services
- Messages on ATM screens promoting bank products or services

Examples of messages that would NOT be considered advertisements include:

- Direct personal contacts, such as follow up letters, cost estimates for individual consumers, or oral or written communication relating to the negotiation of a specific transaction
- Informational material, for example, interest rate and loan term memos, distributed only to business entities
- Notices required by federal or state law, if no additional information other than that required is displayed
- News articles the use of which is controlled by the news medium
- Market-research or educational materials that do not solicit business
- Communications about existing accounts (such as a promotion encouraging additional use of an existing credit card account).

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All items should be answered either "Yes" or "N/A". Any answered "No" must receive further attention.

See cover page for definition of advertisements covered by this checklist.

	Yes	No	N/A
General Requirements			
Does ad contain only accurate information that is not misleading?			
Does ad include "Member FDIC" in conjunction with the bank name? (see below if ad includes nondeposit investment products)			
Does ad include "Equal Housing Lender" logo (house with "=" in the middle) and legend?			
Does the ad use pictures and images that tend to portray the bank as inclusive rather than exclusive with relation to race, sex, handicap, or any other prohibited discriminatory basis?			

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	Yes	No	N/A
Lending Advertisements - Closed End Credit			
Does the ad state only specific credit terms that actually are or will be arranged or offered by the bank?			
Does the ad state finance charge rates only as an "annual percentage rate" using that term (or the abbreviation, "APR")?			
If the annual percentage rate is stated and may increase after consummation, does the ad disclose that fact?			
If the simple interest rate applied to the unpaid balance is stated in the ad, is it stated only in conjunction with, and not more conspicuously than, the APR?			
Does the ad state the number of payments or period of repayment, the amount of any payment, or the amount or rate of any finance charge? If so, does the ad also include, clearly and conspicuously, the terms of repayment (number, amount and frequency of payments) and the "annual percentage rate" using that term (or the abbreviation, "APR")? An example of one or more typical extensions of credit with a statement of all terms applicable to each may be used.			
If the ad is a multiple-page ad, does the ad include a table or schedule of all required disclosure information in one place, and does each reference to number of payments or period of repayment, the amount of any payment, or the amount or rate of any finance charge include a clear reference to the page on which the table or schedule is located?			
Does the ad contain a statement that offer of credit is subject to credit approval?			

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Lending Advertisements - Open End Credit			
Does the ad state only specific credit terms that actually are or will be arranged or offered by the bank?			
Does the ad state clearly and conspicuously any minimum, fixed, transaction, activity or other similar charge that may be imposed?			
Does the ad state clearly and conspicuously any periodic rate that may be applied expressed as an annual percentage rate, using that term (or the abbreviation, "APR")?			
If the plan provides for a variable periodic rate, does the ad disclose that fact?			
Does the ad disclose any membership or participation fee that could be imposed?			
Does the ad contain a statement that offer of credit is subject to credit approval?			
Additional Requirements for Home Equity Open End Credit			
Does the ad clearly and conspicuously state any loan fee that is a percentage of the credit limit under the plan?			
Does the ad clearly and conspicuously state an estimate of any other fees imposed (by the bank or third parties, such as appraisers) for opening the plan? These fees may be stated as a single dollar amount or a reasonable range.			
Does the ad clearly and conspicuously state the maximum annual percentage rate that may be imposed in a variable-rate plan?			
If the ad states an initial annual percentage rate that is not based on the index and margin used to make later rate adjustments, does the ad also state the period of time such rate will be in effect? Also, does the ad state, with equal prominence to the initial rate, a reasonably current annual percentage rate that would have been in effect using the index and margin?			
If the ad contains any statement about any minimum periodic payment, does the ad also state, if applicable, that a balloon payment may result?			
If the ad makes any reference to tax deductibility, does the ad state, "Consult a tax advisor regarding the deductibility of interest."?			
Does the ad avoid referring to a home-equity plan as "free money" or any other similar misleading terms?			

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Deposit Advertisements			
Does the ad refer to an account as "free" or "no cost" (or use any similar term) only if no maintenance or activity fee may be imposed on the account?			
Does the ad avoid using the term "profit" in referring to interest paid on an account?			
If the ad states a rate of return, does it state the rate as an "annual percentage yield", using that term? The abbreviation "APY" may be used, provided that the term "annual percentage yield" is stated at least once in the ad.			
If the ad states any other rate, is it only the simple "interest rate," using that term and is it stated in conjunction with, but not more conspicuously than, the APY to which it relates?			
If the ad refers to an account that has activity restrictions (savings accounts and money market accounts), does the ad indicate those activity restrictions that apply?			
<p>If the ad states the APY, does it also state, to the extent applicable, clearly and conspicuously the following (<i>italics</i> indicate special requirements with regard to certain ads – see below):</p> <ul style="list-style-type: none"> • <i>For variable rate accounts, a statement that the rate may change after the account is opened?</i> • <i>The period of time the APY will be offered, or a statement that the APY is accurate as of a specified date? This date must be recent in relation to the publication. Use of the phrase "Rate is current through the date of this issue" if the publication shows the date.</i> • The minimum balance required to obtain the advertised APY? For tiered-rate accounts, the minimum balance required for each tier must be stated in close proximity and with equal prominence to the applicable APY. • <i>The minimum balance to open the account, if it is greater than the minimum balance necessary to obtain the advertised APY?</i> • <i>A statement that fees could reduce earnings on the account?</i> • For time accounts, the term of the account? • <i>For time accounts, a statement that a penalty will or may be imposed for early withdrawal?</i> 			
<p>If the ad states a bonus, does the ad also state the following, to the extent applicable, clearly and conspicuously (<i>italics</i> indicate special requirements with regard to certain ads – see below):</p> <ul style="list-style-type: none"> • The annual percentage yield, using that term (and all of 			

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<p>the additional disclosure requirements above)?</p> <ul style="list-style-type: none"> • The time requirement to obtain the bonus? • The minimum balance required to obtain the bonus? • <i>The minimum balance to open the account, if it is greater than the minimum balance necessary to obtain the bonus?</i> • <i>When the bonus will be provided?</i> 			
<p>For deposit advertising requirements above listed in italics, these may be omitted in advertisements in certain media. These media include:</p> <ul style="list-style-type: none"> • Broadcast or electronic media, such as television or radio (but not Internet), • Outdoor media, such as billboards, or • Telephone response systems 			
<p>Signs inside the premises of the bank are not subject to any of these deposit advertising requirements (except in referring to accounts as "free" or "no cost" or similar term) if the sign:</p> <ul style="list-style-type: none"> • States the rate as an "annual percentage yield," using that term or the term "APY". • States no other rate except that the interest rate may be stated in conjunction with the APY to which it relates. • Contains a statement that advises consumers to contact an employee for further information about applicable fees and terms. <p>Indoor signs include advertisements displayed on computer screens, banners, preprinted posters, and chalk or peg boards. Advertisements may be indoor signs even though they may be viewed by consumers from outside. An example is a banner, in a bank's glass-enclosed branch office, that is located behind a teller facing customers but is readable by those passing the branch. Any advertisement inside the premises that can be retained by a consumer (such as a brochure, flyer, or computer printout) is NOT an indoor sign.</p>			

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Nondeposit Investment Products (including Brokerage, Insurance, Annuities)			
Does the ad avoid any misleading information about the nature of these products or the lack of FDIC insurance?			
Does the ad avoid use of the legend "Member FDIC" as it relates to these products?			
Does the ad include clear and conspicuous disclosure of the following (as applicable): <ul style="list-style-type: none"> • NOT A DEPOSIT • NOT FDIC-INSURED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY • NOT GUARANTEED BY THE BANK • MAY GO DOWN IN VALUE 			
Does the ad clearly and conspicuously identify the third party company selling the investment product?			
If the ad combines advertising for nondeposit investment products and FDIC-insured deposit products, is the information about nondeposit investment products clearly segregated from the information about the FDIC-insured products in the ad?			
If the ad is for a product sold by a third party company (such as UVest), has the ad been approved by their compliance group?			