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Buy Now.**

YARD
CARD



No
Annual Fee

Quick
Credit Decisions

Preferred
Customer Status

Low
Monthly Payments

FROM _____
STREET _____
CITY _____ STATE _____ ZIP CODE _____

SHOPPERS CHARGE ACCOUNTS CO.
YARD CARD
P.O. BOX 731
MAHWAH, NJ 07430

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Truth In Lending Disclosure

ANNUAL PERCENTAGE RATE ("APR") FOR PURCHASES	VARIABLE PERCENTAGE RATE INFORMATION	Grace Period for repayment of the balance for purchases	METHOD OF COMPUTING THE BALANCE FOR PURCHASES	Annual Fee	Minimum Monthly FINANCE CHARGE
<p>19.8% if purchase is \$2,000 or less</p> <p>15.9% if purchase is \$2,001 - \$5,000</p> <p>14.9% if purchase is \$5,001 or more (as of 10/1/01)</p>	<p>Your APR may vary. The rate is determined monthly by adding the "Spread" indicated below to the highest Prime Rate published in <i>The Wall Street Journal</i> as of the 15th day of each month (with a minimum APR as indicated below).</p> <p>Spread: 10.8% Minimum: 19.8%</p> <p>Spread: 6.9% Minimum: 15.9%</p> <p>Spread: 5.9% Minimum: 14.9%</p>	<p>24 days from Statement Date</p>	<p>Average Daily Balance (including new purchases)</p>	<p>None</p>	<p>None</p>

The information about the costs of the Credit Card described in this Application is accurate as of October, 2001 when it was printed. This information may have changed after that date. To find out what may have changed, write to us at: P.O. Box 731 Mahwah, New Jersey 07430.

Notice to **California** Residents: If you are married, you may apply for credit in your own name.

Notice to **New York** Residents: In connection with your application for credit. Shoppers Charge Accounts Co. may request a consumer report. If you make a request, Shoppers Charge Accounts Co. will advise you whether such a report was ordered and the name and address of the consumer reporting agency that provided the report.

New York residents may contact the New York State Banking Department to obtain a comparative listing of credit card rates, fees and grace periods. New York State Banking Department: 1-800-518-8866.

Notice to **Ohio** Residents: The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

Notice to **Married Wisconsin** Residents: No provision of a marital property agreement, a unilateral statement under Sec. 766.59 Wis. Stats., or a court decree under Sec. 766.70 Wis. Stats., adversely affects the interest of the creditor unless the creditor, prior to the time the credit is granted, is furnished a copy of the agreement, statement or decree or has actual knowledge of the adverse provision when the obligation to the creditor is incurred. You are married and this account is being opened in the interest of your marriage or family.

RETAIL REVOLVING CREDIT AGREEMENT

The credit card applied for herein would be issued by the Shoppers Charge Accounts Division of Hudson United Bank, New Jersey (the "Issuer"), if approved.

If a credit card is issued to me, I understand and agree that each purchase made shall be considered as a separate extension of credit for which a credit decision shall be independently made by the Issuer. Issuance of a credit card shall not be deemed to be approval for an established line of credit. The Issuer has the right to cancel or limit the credit to be extended to me at any time without prior notice to me. I agree to pay for all purchases and services made by or rendered to me and/or members of my family as authorized by me. Possession and/or use of the credit card by the family member shall be deemed conclusive proof of my express authorization for use by a family member. Payment shall be made in accordance with the terms and conditions of the account as in existence from time to time.

I authorize the Issuer to obtain credit reports in connection with this application and any update, extension or renewals thereof and for the purposes of collection of my account. I authorize the Issuer to verify with others any information contained in this application and to report for lawful purposes its transactions with me.

A NEGATIVE CREDIT REPORT REFLECTING ON MY CREDIT MAY BE SUBMITTED TO A CREDIT REPORTING AGENCY IF I FAIL TO FULFILL THE TERMS OF THIS CREDIT OBLIGATION.

The **FINANCE CHARGE** on the account is figured by applying the periodic rate to the AVERAGE DAILY BALANCE of your account (including current transactions). To get the AVERAGE DAILY BALANCE, the beginning balance of the account is taken each day, any new purchases are added, and any payments or credits, and unpaid finance charges are subtracted. This gives the daily balance. Then all the daily balances for the billing cycle are added and this total is divided by the number of days in the billing cycle. This gives the AVERAGE DAILY BALANCE.

Variable Rate: The Daily periodic Rate of Finance Charge (and the corresponding Annual Percentage Rate ("APR")) on your account may vary from month to month. The Daily Periodic Rate of Finance Charge (and corresponding APR) will vary based on the Prime Rate as published in *The Wall Street Journal* (the "Prime Rate") on the 15th day of the last full calendar month before the beginning of the billing cycle. When the Prime Rate on any such day is 9% or less, we will charge a Daily Periodic Rate of **FINANCE CHARGE** of **0.0543%** (corresponding **APR** of **19.8%**) if the original purchase amount is \$2,000 or less; **0.0436%** (corresponding **APR** of **15.9%**) if the original purchase amount is between \$2,001 and \$5,000; **0.0409%** (corresponding **APR** of **14.9%**) if the original purchase amount is \$5,001 or more. When the Prime Rate on any such day is greater than 9%, the Daily Periodic Rate of **FINANCE CHARGE** will be the Prime Rate plus a fixed percentage ("Spread") divided by 365 or 366 depending on the actual number of days in each year (the corresponding APR will be the Prime Rate plus the same Spread). If the original purchase amount is \$2,000 or less, the Spread is 10.8 percentage points; if the original purchase amount is between \$2,001 and \$5,000, the Spread is

6.9 percentage points; if the original purchase amount is \$5,001 or more, the Spread is 5.9 percentage points. For example, on January 1, 2001, the Daily Periodic Rate of Finance Charge in accordance with the foregoing formula would have been 0.0557% and the corresponding APR would have been 20.3% for an original purchase amount of \$2,000 or less; 0.0450% and the corresponding APR would have been 16.4% for an original purchase amount between \$2,001 and \$5,000; 0.0422% and the corresponding APR would have been 15.4% for an original purchase amount of \$5,001 or more. If a Prime Rate is not published on the 15th, the Prime Rate will be the rate on the immediately preceding day on which the rate is published. If more than one Prime Rate is published, we will use the highest rate. The initial Daily Periodic Rate of **FINANCE CHARGE** (and the corresponding initial **APR**) are indicated in the table at the beginning of this Agreement under the headings "Daily Periodic Rate for Purchases" and "**ANNUAL PERCENTAGE RATE ("APR")** for Purchases". The Daily Periodic Rate of Finance Charge (and corresponding APR) may increase if the Prime Rate increases, but the Daily periodic Rate of Finance Charge will not exceed the maximum rate permitted by applicable law. If the Prime Rate increases in a calendar month, the Daily periodic Rate of Finance Charge (and corresponding APR) may increase in the billing cycle beginning in the next calendar month. The increased Daily Periodic Rate of Finance Charge (and corresponding APR) will apply to new purchases, as well as to the existing balance on your account. If the Daily Periodic Rate of Finance Charge (and corresponding APR) increases, the amount of the finance charge and the minimum monthly payment may increase.

Payments: You will receive a billing statement each month as required by federal law. Each payment is due within 24 days of the "Statement Closing Date" shown on the billing statement. Subject to applicable law, we reserve the right to apply payments to your account in any manner we may choose in our sole discretion. Payments are to be sent to the address designated on your billing statement. Payments received at such address with the return portion of the billing statement by 6:00 a.m. Monday through Friday (excluding bank holidays) will be credited on the day of receipt; payments received after 6:00 a.m. will be credited on the next business day. You agree that credit for payments not received in U.S. dollars and for payments not made in the envelope provided with my billing statement, and accompanied by the payment stub which is part of my billing statement, may be delayed up to five (5) days. Payments must be made by check or money order payable in U.S. funds and drawn on a financial institution located within the United States. The Issuer may accept late payments or partial payments or checks or money orders worded "Payment in Full" without losing any of its rights for full payment and collection of this account in accordance with its terms and acceptance shall not be deemed to be a waiver of any of the Issuer's rights.

YOU MAY AT ANY TIME PAY MORE THAN THE TOTAL PAYMENT DUE. YOU ALSO MAY AT ANY TIME PAY THE FULL UNPAID BALANCE OF YOUR ACCOUNT WITHOUT INCURRING ADDITIONAL CHARGES.

Minimum Monthly Payment/Total Payment Due: For each credit plan, you agree to pay a minimum monthly payment (rounded to the next higher dollar) which is the sum of (a) the greater of \$10 or 3% of the original credit plan balance if the original purchase amount for such a plan was \$2,000 or less; or 2% of the original credit plan balance if the original purchase amount for such a credit plan was \$2,001 or more, plus (b) any applicable insurance premiums, late fees and returned check fees as of your statement closing date. If your account includes balances arising from more than one credit plan, the "Total Payment Due" will be the sum of the amounts calculated for each credit plan as stated above, plus any insurance premiums, late fees and returned check fees that are immediately due and payable.

Late Payment Charge: If a payment is received after the due date, we will charge your account \$29, and may revoke any special offers without notice. At our option, such late fee will be immediately due and payable.

Special Credit Plans: Notwithstanding any other provisions of this Agreement, we may occasionally, at our option, offer special credit plans. Some of these special credit plans include, but are not limited to, the following: **(a) Deferred Payment:** Your first payment is deferred for a specified time period, however, finance charges will be assessed for the deferred period and insurance premiums, if applicable, must be paid as billed; **(b) Deferred Payment and No Finance Charges:** Your first payment is deferred for a specified time period and no finance charges will be assessed for the deferred period, however, insurance premiums, if applicable, must be paid as billed; **(c) Same As Cash ("SAC"):** If during a specified time period you pay in full the amount of your purchases made under this special credit plan, plus any applicable insurance premiums, no finance charges will be assessed on those purchases. However, if full payment plus any applicable insurance premiums, is not paid within this time period, finance charges will be assessed from the date of purchase; **(d) Same As Cash Minimum Monthly Payment ("SACMMP"):** If during a specified time period you pay your minimum monthly payments each month and pay in full the amount of your purchases made under this special credit plan, plus any applicable insurance premiums, no finance charges will be assessed on those purchases. However, if full payment plus any applicable minimum monthly payments and insurance premiums, are not paid within this time period, finance charges will be assessed from the date of purchase; and **(e) Finance Charge Free:** You will not be assessed any finance charges on your purchase for a specified time period. During this "finance charge free" period, you must still pay a minimum monthly payment on this purchase, plus any applicable insurance premiums.

Specific terms of a particular purchase made under a special credit plan will be indicated on or with your sales memorandum at the time of your purchase. Purchases made under special credit plans will be shown separately on your billing statement. You must pay at least the "Total Payment Due", if any, (which will include any applicable minimum monthly payments, insurance premiums, late fees and returned check fees) shown on your billing statement while any special credit plan is applicable. Balances under any special credit plan may be combined, at our option, with balances under your standard terms upon the expiration of any deferred or specified time period applicable to the special credit plan. If you default under this Agreement, we may revoke our consent to the deferral of any minimum monthly payments and/or accrual of finance charges, immediately and without any notice. If you use your account with a special credit plan, you acknowledge and agree to the terms of the special credit plan without formal modification of this Agreement. The standard provisions of this Agreement apply to all transactions not subject to a special credit plan.

Entire Agreement: You agree that this Agreement (as amended from time to time in writing) and the Application constitute the final expression of the agreement between you and us and that this Agreement may not be contradicted by evidence of any prior or contemporaneous oral agreement between you and us regarding your account. Neither any retail store nor its employees are agents of the Bank, and they have no authority to change, add to or explain the terms of this Agreement. If you have any questions about this Agreement, please call us at 1-800-538-3638.

Signature: Your signature and address on the Application represents your signature and address on this Agreement.

NOTICE OF PROPOSED INSURANCE

To elect insurance, you need to sign the "Insurance Election - Optional" section of the Credit Application. You understand that Transamerica Bank, N.A. ("TA Bank") may profit from the sale of insurance elected by you. If you elect insurance, there will be delivered to you a certificate of coverage setting forth the terms and conditions of the insurance. If you elect insurance, you authorize us to charge the applicable monthly premium for such insurance to your account on a monthly basis and understand that the amount charged will be based on the average daily balance of your account (including new purchases). Insurance elected by you will continue as long as you make timely payments on your account and there is outstanding indebtedness.

YOU MAY CANCEL COVERAGE AT ANY TIME BY WRITTEN NOTICE TO TRANSAMERICA BANK. TRANSAMERICA BANK OR THE UNDERWRITERS MAY TERMINATE THIS INSURANCE OFFERING BY MAILING YOU NOTICE OF TERMINATION AT LEAST 30 DAYS PRIOR TO THE EFFECTIVE DATE OF TERMINATION.

SUMMARY OF INSURANCE COVERAGES

IMPORTANT INFORMATION ON CREDIT ACCOUNT PROTECTOR ("CAP") LIMITATIONS, EXCLUSIONS, COSTS: If you want to enroll in optional CAP, please read this insurance and cost disclosure. Be sure you meet the eligibility requirements and understand that you are free to cancel any time.

Credit Account Protector (CAP) Benefit Description

Credit Account Protector (CAP) helps protect your credit rating and your family by making your minimum monthly payments up to \$500 if you become involuntarily unemployed, totally disabled, or take an unpaid leave of absence for 30 days or more. It will pay your balance in full, up to \$10,000 if you or your spouse die or suffer dismemberment. CAP also helps protect the things you buy with your credit card up to \$10,000 with personal property insurance.

Total benefits are limited to the lesser of your outstanding balance as of the date of loss or \$10,000. CAP costs no more than \$1.202 per \$100 of your balance each month and there's no charge when there's no balance on your account. Interest (except for CA life and disability benefits), premium accrued and charges made after the date of loss are not covered. This insurance is optional and you may cancel at any time. The effective date of coverage is the next statement billing date after receipt and acceptance of your enrollment. If you enroll, carefully read the certificates which we send you. Enroll now by signing and returning the bottom of your application.

Eligibility: You are eligible for CAP if you are a cardholder, under the age of 66 (65 in CA; 71 in AZ, FL, GA, MI, MO, NV, NM, OK) and your account is in good standing. The person whose signature appears on the enrollment form is designated as the primary cardholder; only one primary cardholder per account. CAP covers only the primary cardholder for disability, unemployment and family leave. You must be insured at date of loss to qualify for benefits. Benefits are determined as of the date of loss. Coverage stops when you reach age 66 (65 in CA; 71 in AZ, FL, GA, MI, MO, NV, OK; 72 in NM), or when your account becomes 90 days past due. Spousal benefits are not available in NJ, NY, NC, PA & TX. CAP is not available in VA. CO residents must be currently employed to enroll.

Unemployment Benefit: Unemployment must be involuntary and does not cover retirement, resignation, incarceration, periods in which you are paid for work previously done, or self-employed people unless the business is closed for financial reasons. You must be gainfully employed at least 30 hours per week at the time of loss, and you must register at your local unemployment office. Benefits are not available in VT, and may be limited in MA and MN. Strike is not covered in IL & NY. In AZ, there is no maximum age limitation for involuntary unemployment insurance.

Family Leave Benefit: The unpaid leave of absence must be due to special circumstances (i.e., birth or adoption of a child, accident or illness affecting an immediate family member, a call to active military duty or residence in a federally declared disaster area). You must be employed a minimum of 30 hours per week. Family leave resulting from a pre-existing illness of an immediate family member will not be covered in the first six months. Your coverage must be in force for 90 days before any claims are covered, and each covered claim is limited to six months of benefits. In CA, insurance premiums are reimbursed during family leave claims. Family leave benefits are not available in CT, KS, MD, NH, NM, NY, OH, OR, PA & TX.

Life, Dismemberment and Disability Benefits: For CA & TN insureds, the

Life, Dismemberment and Disability Benefits: For CA & TN, CAP pays the balance on the account as of date of death of the primary account holder or the joint account holder up to \$10,000. AL suicide excluded first year. A dismemberment is defined as loss of sight in both eyes or a hand or a foot. Dismemberment is not covered in CA, KS, MN, NJ, PA, RI & WA. Total disability means that due to accidental injury or sickness you are unable to perform the duties of your occupation and you must be attended by a licensed physician other than yourself. Disability benefits for ME & MA residents commence on the 31st day of disability. To be eligible for disability coverage, you must be gainfully employed 30 hours per week at the time your claim begins except in CA, GA, ID, IN, ME, MD, MI, MO, NM, OK, TN, TX & WA. CA residents are not covered for disabilities resulting from normal pregnancy or intentionally self-inflicted injuries and may receive only limited benefits for other disabilities or suicide.

Personal Property Benefits: With the property benefit, CAP will repair or replace things damaged, destroyed, or taken due to a burglary with signs of forcible entry, anywhere in the world. In IL, personal property insurance pays first, but may limit recovery from similar insurance coverages the insured may have. For the first 60 days after effective date of coverage, personal property coverage is up to the highest outstanding balance you have on your account. After 60 days, the personal property coverage is then up to the highest outstanding balance on which you've paid a premium during the last three years before the date of loss. There is no deductible or depreciation except in NH. Personal Property coverage is not available in CO, HI, IN, KS, NY, NC, OK, SC, TX, WA, WI, & WY.

Monthly Program Costs Per \$100 Balance: \$1.017 in AL; \$0.876 in AK; \$0.946 in AZ; \$1.017 in AR; \$0.939 in CA; \$0.508 in CO; \$0.690 in CT; \$1.009 in DE; \$0.987 in DC; \$0.963 in FL; \$0.898 in GA; \$0.677 in HI; \$1.098 in ID; \$0.984 in IL; \$0.836 in IN; \$0.927 in IA; \$0.673 in KS; \$0.983 in KY; \$1.004 in LA; \$0.762 in ME; \$0.696 in MD; \$0.821 in MA; \$0.929 in MI; \$0.887 in MN; \$1.202 in MS; \$0.806 in MO; \$0.950 in MT; \$0.824 in NE; \$0.931 in NV; \$0.692 in NH; \$0.876 in NJ; \$0.734 in NM; \$0.350 in NY; \$0.772 in NC; \$0.923 in ND; \$0.833 in OH; \$0.827 in OK; \$0.729 in OR; \$0.641 in PA; \$0.948 in RI; \$0.800 in SC; \$0.933 in SD; \$1.019 in TN; \$0.253 in TX; \$1.028 in UT; \$0.547 in VT; \$0.679 in WA; \$1.059 in WV; \$0.724 in WI; \$0.799 in WY. The cost will be charged to your account each month. Premium rates can be increased upon written notice. If you cancel coverage within 30 days after receipt of your certificate, all premiums will be refunded.

Insurance Providers: Life, Dismemberment and Disability insurance underwritten by: The United States Life Ins. Co., New York, NY (forms G-19101/19081) in NY; All American Life Ins. Co., Springfield, IL (form GCL275 Series) in NH; American General Assurance Co./USLIFE Credit Life Ins. Co., Schaumburg, IL (form 280 in ME, form 275 in all other states). Involuntary Unemployment and Family Leave insurance underwritten by: American General Indemnity Co., Omaha, NE (form USI & UIC Series); Montgomery Ward Ins. Co., Schaumburg, IL (form 260 & 264 Series); Colonial Penn Franklin Ins. Co., Valley Forge, PA (form 360 & 364 Series). Personal Property insurance is underwritten by: American General Indemnity Co. (form UIC8700 Series and form AGIPR7025 Series); Montgomery Ward Ins. Co., Schaumburg, IL (form 262-222P); Colonial Penn Franklin Insurance Co., Valley Forge, PA (form 362 Series).

If you live in NY, NJ, PA or TX, please read the following: NY residents may choose life insurance coverage only (\$0.054 per \$100 balance) or disability and unemployment insurance coverage only (\$0.296 per \$100 balance). NJ residents may choose disability insurance coverage only (\$0.226 per \$100 balance); and TX residents may choose life & disability insurance coverage only (\$0.196 per \$100 balance). Please write to American General Bancassurance Services, Inc., CAP Services, 1000 E. Woodfield Road, Schaumburg, IL 60173 and request a special CAP enrollment form for Shoppers Charge. PA residents: your signature on the enrollment form indicates your request for a special CAP application form as you may not enroll through this offer.

This disclosure is accurate as of August 22, 2001 and may be subject to change.

NOTICE

- A. I MAY AT ANY TIME PAY MY TOTAL INDEBTEDNESS UNDER THIS AGREEMENT.
- B. I WILL NOT SIGN THIS AGREEMENT BEFORE I READ IT OR IF IT CONTAINS ANY BLANK SPACE.
- C. I AM ENTITLED TO A COMPLETELY FILLED COPY OF THIS CREDIT AGREEMENT, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED. I WILL KEEP IT TO PROTECT MY LEGAL RIGHTS.
- D. UPON APPROPRIATE NOTICE AND TO THE EXTENT PERMITTED BY LAW, THERE MAY BE A CHANGE IN THE TERMS OF REPAYMENT, AN INCREASE IN THE MINIMUM PAYMENT, A CHANGE IN THE METHOD OF COMPUTING INTEREST, AND AN INCREASE IN THE FINANCE CHARGE RATE.

It is further understood that this agreement and all sales arising hereunder shall be owned by the Shoppers Charge Accounts Division of Hudson United Bank a New Jersey Commercial Bank. Upon default in any payment, the entire balance shall be due and payable at the option of the Issuer together with an attorney's fee of twenty percent (20%) (or such lesser sum as allowed by law) of the amount due and payable.

I hereby give you a security interest in any purchase made by me or any person I authorize to use the account, and the proceeds thereof, including insurance proceeds. Additionally, I authorize you to file any financing statements showing your security interest in the purchase and proceeds thereof without my signature, or in the event state law requires my signature I agree to join in executing all necessary financing statements in a form satisfactory to you. Any given purchase will remain as security for all purchases until such time as that purchase is completely paid for.

If I fail to pay you on time, or if I file bankruptcy, or if I die or become incompetent, or if I become unemployed or if my employment changes, or if you believe the prospect of payment or ability to realize upon the collateral is significantly impaired, I will be in default and you can require immediate payment of the full balance.

If I pay with a check and my check is returned to you by my bank unpaid or dishonored you may charge me a fee of \$29.00, in addition to other rights and remedies you have under the law and this agreement.

Telephone calls may be made to me using an automatic dialing-announcing device. My telephone conversations with employees of agents of the Issuer may be monitored and/or recorded for quality assurance purposes. Use of my account will signify my consent to such use of an automatic dialing announcing device, monitoring, and/or recording.

Since credit is being extended by a Bank, I understand and agree that this account shall be subject to the interest rates and charges permitted under New Jersey Law regardless of my state of residence or the state in which I conduct credit transactions.

Any holder of this consumer credit contract is subject to all claims and defenses which the debtor could assert against the seller of goods or services obtained pursuant hereto but recovery shall not exceed amounts paid hereunder. A consumer report may be ordered from a credit reporting agency. If rejected or credit is terminated I may, on request, receive a statement of the reasons therefore. The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of sex or marital status. The Federal Agency which administers compliance with this law concerning this account is the Federal Deposit Insurance Corporation, Division of Compliance and Consumer Affairs, 452 Fifth Avenue, 19th Floor, New York, New York 10018.

STATEMENT OF BILLING RIGHTS:

YOUR BILLING RIGHTS

Keep This Notice For Future Use

This notice contains important information about your rights and our responsibilities under the Federal Credit Billing Act.

Notify Us In Case of Errors or Questions About Your Statement of Account

If you think your Statement is wrong, or if you need more information about a transaction on your Statement, write us on a separate sheet at the address listed on the front of your Statement. Write us as soon as possible. We must hear from you no later than 60 days after we sent you the first Statement on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights. In your letter, give us the following information:

- Your Name and Account number.
- The dollar amount of the suspected error.
- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

Your Rights and Our Responsibilities After We Receive Your Written Notice

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the statement was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including **FINANCE CHARGES**, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your statement that are not in question.

If we find that we made a mistake on your statement, you will not have to pay any **FINANCE CHARGES** related to any questioned amount. If we didn't make a mistake, you may have to pay **FINANCE CHARGES**, and will have to make up any missed payments on the questioned amount, in either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is. If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your statement was correct.

Special Rule for Credit Card Purchases

If you have a problem with the quality of property or services that you purchased with a credit card and you have tried in good faith to correct the problem with the Merchant, you may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right: (a) You must have made the purchase in your home state, or, if not within your home state, within 100 miles of your current mailing address: and (b) the purchase price must have been more than \$50.00.

These limitations do not apply if we own or operate the Merchant, or if we mailed you the advertisement for the property or services.