FORM B10(Official Form) (9/97)

UNITED STATES BANKRUPTCY COURT District of IDAHO

PROOF OF CLAIM

Name of Debtor **VINCE R TULLOCK**

Case Number **00-00774**

U.S. COURTS
00 JUL -3 PM 2:09
REC'D_____FILED_____
CAMERON S. BURKE,
CLERK, IDAHO

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" of payment of an administrative expense may be filed pursuant to 11 U.S.C. §503.

Name of Creditor (The person or other entity to whom the debtor owes money or property):

SEARS

Name and Adresses Where Notices Should be Sent:

SEARS, ROEBUCK & CO.
45 Congress St.
Salem, MA 01970

Telephone No. 1-800-366-7561

☐ Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

☐ Check box if you have never received any notices from the bankruptcy court in this case.

☐ Check box if the address differs from the address on the envelope sent to you by the court.

This Space is for Court Use Only

Account or other number by which creditor identifies debtor:

00 52225 51409 1

Check here ☐ replaces if this claim ☐ amends a previously filed claim, dated:

1. Basis for Claim

- [x] Goods sold
- ☐ Services perfomed
- ☐ Money loaned
- ☐ Personal injury/wrongful death
- ☐ Taxes
- ☐ Other
- ☐ Retiree benefits as defined in 11 U.S.C. §1114(a)
- ☐ Wages, salaries, and compensations (Fill out below)

Your SS # _____

Unpaid compensation for services performed

from _____ (date) to _____ (date)

2. Date debt was incurred: 07/01/1997 To Present

3. If court judgment, date obtained:

4. Total Amount of Claim at Time Case Filed: $143.60

If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below.

☐ Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.

5. Secured Claim.

☐ Check this box if your claim is secured by collateral (including a right of setoff).

Brief Description of Collateral:

☐ Real Estate ☐ Motor Vehicle

☐ Other_____

Value of Collateral: $0.00 @ % per annum

Amount of arrearage and other charges at time case filed included in secured claim, if any: $ _____

6. Unsecured Priority Claim.

☐ Check this box if you have an unsecured priority claim

Amount entitled to priority $_____

Specify the priority of the claim.

- ☐ Wages, salaries, or commissions (up to $4000),* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. §507(a)(3).
- ☐ Contributions to an employee benefit plan - U.S.C. §507(a)(4).
- ☐ Up to $1800* of deposits toward purchase, lease or rental of property or services for personal, family, or household use - 11 U.S.C. §507(a)(6).
- ☐ Alimony, maintenance, or support owed to a spouse, former spouse or child - 11 U.S.C. §507(a)(7).
- ☐ Taxes or penalties of governmental units - 11 U.S.C. §507(a)(8).
- ☐ Other - Specify applicable paragraph of 11 U.S.C. §507(a)(__).

**Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.*

7. Credits: The amount of all payments on this claim has been credited and debited for the purpose of making this proof of claim.

8. Supporting Documents: *Attach copies of supporting documents,* such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.

9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

This Space is for Court Use Only

Date: 6/27/00

Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any)

NANCY ROBINSON
Bankruptcy Associate

Penalty for presenting fraudulent claim: Fine of up to $500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§152 and 3571.

SEARS
45 Congress St.
Salem, MA 01970

U.S. BANKRUPTCY COURT
550 W FORT ST #42
BOISE ID 83724

Date: June 26, 2000
Bankruptcy No.: 00-00774
Chapter: 13

STATEMENT OF ACCOUNT

VINCE R TULLOCK
8200 HIGHWAY 44
MIDDLETON ID 83644

Account Number: 00 52225 51409 1
Date Account Opened: Jul 01, 1997

Account Balance as of Date of Bankruptcy Filing: $143.60

Direct all inquiries to: 1-800-366-7561

SEARS NATIONAL BANK
SEARS CARD ACCOUNT
SEARS PREMIER CARD™ ACCOUNT
CARDHOLDER ACCOUNT AND SECURITY AGREEMENT

This Sears Card Account and Sears Premier Card Account Cardholder Account and Security Agreement ("Agreement") governs the use of your Sears Card Account and Sears Premier Card Account ("Account"). You should read and keep this Agreement for your records. You agree to use you Account only for personal, family or household purposes, and you intend to keep all merchandise purchased on the Account in your principal residence.

Section 1. DEFINITIONS; ACCEPTANCE. In this Agreement: (a) the words "you," "your" and "yours" mean any person named on the credit application or acceptance certificate as an accountholder, applicant, or co-applicant; (b) "Sears" means Sears, Roebuck and Co.; (c) the words "we," "us" and "our" mean Sears National Bank (an affiliate of Sears) or any subsequent holder of the Account or any balances arising under the Account; and (d) "Card" means a credit card issued by Sears National Bank for use with the Account. You agree that the terms and conditions of this Agreement apply to your use of your Account. You also agree that the terms and conditions apply to you when you allow any other person to use your account. Your acceptance of this Agreement is effective when you receive this Agreement. It will be considered effective the first time any accountholder, or other person you allow, uses the Account.

Section 2. LOANS AND LIABILITY

(a) ***Loans.*** You authorize us to make loans and extend credit to you to pay for purchases of goods and services made using the Card or the Account. All transactions are subject to our approval. You may be required to sign a sales slip or other written authorization for purchases. You agree that your authorization, authentication, or instruction by mail, telephone or electronic means is effective as your signature.

(b) ***Liability.*** You agree to pay all amounts owed on the Account whether incurred by you, any other accountholder, anyone you allow to use the Account or any person from which you receive a benefit. Every person who uses the Card or Account is liable for the use of the Card and Account according to the terms of this Agreement. Court decrees for divorce or separation do not affect liability for any use of the Card or Account. You promise to use your Account only if you have the intent and financial capacity when the transaction occurs to repay the amount in full pursuant to this Agreement.

(c) ***Joint Accounts.*** If the Account is a joint Account, each accountholder is bound by the terms of this Agreement and is jointly and individually liable for all amounts owed under this Agreement even when they do not use the Account themselves. The delivery of notices or Account Statements (see Section 3 of this Agreement) to any accountholder or Authorized User (see Section 4) will constitute delivery to all accountholders. We may rely on instructions given by you and will not be liable for honoring any such instructions. If any accountholder give us notice disclaiming liability for amounts owed under this Agreement, we may close the Account.

(d) ***Failure To Honor Card Or Authorize Transaction.*** We are not responsible for the failure of any person to honor a Card or the Account. We will not be liable if, for any reason and at any time, we do not authorize a transaction on the Account, even if you have sufficient available credit.

Section 3. ACCOUNT STATEMENT. We will send you an account statement ("Account Statement") for each period (a "Billing Cycle") where there is purchase activity on the Account, there is a balance of $1.00 or more, or a finance charge is imposed. The Account Statement (including the reverse side) contains important in formation and should be carefully red and reviewed each time it is received.

Section 4. AUTHORIZED AND UNAUTHORIZED USE

(a) ***Authorized Users.*** You may ask that an individual be added, deleted or changed as an authorized user ("Authorized User") by calling us at the telephone number, or writing to us at the address, indicated on your Account Statement. You understand we will issue a Card to each Authorized User. If you terminate this authority, you will retrieve the Card from the Authorized User and destroy the Card. Any Authorized User may use the Account, and may take any action on the Account that you could take, either on behalf of your self or the Authorized User. Each Authorized User grants us a security interest in any property purchased with the Account in accordance with Section 6 of this Agreement. You understand that: (i) this Agreement controls all charges made on the Account by the Authorized User; (ii) you are responsible for and will pay all charges made by the Authorized User; (iii) we may disclose information about the Account to the Authorized User; (iv) the Authorized User is your agent for purposes of managing the Account to the same extent you can manage the Account, subject to such limitations as we may impose; and (v) we may, without any liability, accept and act upon the directions or requests of any Authorized User, including to process requests to raise or lower a Credit Limit (see Section 5 of this Agreement) application to the Account.

You understand that we do not encourage the use of the Account by people who are not accountholders or Authorized Users. If you allow another person to use the Account but do not tell us, we will treat all charges made by that person as if the charges were made by an Authorized User. It is your responsibility to control or terminate the use of your Account by such persons, and you will remain liable for any and all use by such persons.

(b) ***Unauthorized Use.*** If you discover or believe that any charge on the Account is unauthorized, you agree to call us immediately at the telephone number, or write to us at the address, indicated on your Account Statement and to cooperate with us in making a reasonable investigation of your claim. If you give us oral notice concerning loss or theft, we may ask you to confirm it in writing.

(c) ***Liability for Unauthorized Use.*** You may be liable for the unauthorized use of the Account. You will not be liable for unauthorized use that occurs after you notify us of the loss, theft or possible unauthorized use. Your liability for unauthorized use of the Account will not exceed $50.

Section 5. CREDIT LIMIT. We may identify your credit limit ("Credit Limit") when the Account is opened and on each Account Statement. If a Credit Limit is not currently assigned to your Account, we may assign one at any time. We may increase, decrease, suspend or terminate a Credit Limit at any time without notice to you and without affecting your obligations (including payment) under this Agreement. If a Credit Limit is assigned to the Account, the amount available for use is reduced by unpaid balances, special promotions and transactions authorized but not posted. You understand there may be a delay after you make a payment before the amounts repaid are available for re-borrowing. You agree not to exceed any available Credit Limit established by us. An overpayment or credit balance will not increase the Credit Limit. We may authorize purchases that exceed a Credit Limit. You agree to be responsible for all charges made on the Account whether or not they exceed your Credit Limit.

Section 6. SECURITY INTEREST. Each accountholder (and each Authorized User) grants us a purchase money security interest under the Uniform Commercial Code in each item of merchandise purchased on the Account, to the extent permitted by law, to secure only the purchase price of the merchandise (including installation costs and sales tax) until that amount is paid in full. If you do not make payments as agreed, this security interest allows us to repossess, to the extent permitted by law, only the merchandise which has not been paid in full. If the merchandise is intended to be installed as a fixture, our security interest is effective before installation. We waive any right to a security interest or lien on your dwelling to secure this Account that may arise by operation of law or that gives rise to a right of rescission under the federal Truth in Lending Act. However, we do not waive any lien created, obtained or granted in a collection proceeding or by judgment or other court order. You understand and agree that you are responsible for any loss or damage to the merchandise until the purchase price is fully paid.

PAYMENTS

Section 7. PAYMENT OPTIONS. You may pay the "Total Account Balance" shown on your Account Statement each month. If you do not pay the Total Account Balance on your Account in full each month, you agree to pay at least the "Minimum Payment Due" shown on each Account Statement by the "Minimum Payment Due Date" shown on that Account Statement. You may always pay more than the required Minimum Payment Due and may pay your Total Account Balance in full at any time.

Section 8. MINIMUM PAYMENTS. The Minimum Payment Due is based on the current Total Account Balance, as shown on your Account Statement, less any Deferred Payment Balances (defined in Section 10 of this Agreement). The Minimum Payment Due each Billing Cycle will equal the scheduled monthly minimum payment ("Scheduled Monthly Payment"), plus: (a) any applicable insurance charges assessed that Billing Cycle; and (b) any past due amounts. The Scheduled Monthly Payment will equal .0238 (approximately 1/42nd) of the Total Account Balance less any Deferred Payment Balances, rounded to the next higher whole dollar amount, but not less than $10.00. If, however, the Total Account Balance less any Deferred Payment Balances is less than $10.00 but more than $0, you must pay the Total Account Balance less any Deferred Payment Balances.

Section 9. CREDITS AND PAYMENTS

(a) ***Refunds.*** Cash refunds will not be made for merchandise or services purchased withe the Account. Refunds will be made only by a credit to the Account.

(b) ***Method of Payment.*** You agree to repay all amounts owed on the Account in U.S. dollars. All payments should be made by negotiable instruments drawn on federally-insured depository institutions located in the U.S. or Puerto Rico. Payments received at the payment processing location specified on your Account Statement by 1:00 p.m. local time, on a business day, will be credited as of the day of receipt. Payments received at that location after 1:00 p.m. local time will be credited to your Account the next business day. Our business days are Monday through Friday, excluding federal holidays. Crediting to your Account may be delayed up to five days if payment is: (a) received at any location other than the payment processing location specified on your Account Statement (including payments made at Sears stores); (b) not made in U.S. dollars drawn on a federally-insured depository financial institution located in the U.S. or Puerto Rico; or (c) not accompanied by the remittance portion of your Account Statement.

We may charge a late payment fee and/or additional Finance Charges if any payment is not received or credited by the required time and date. Although we will credit your payment as described in this section, your available Credit Limit, if one is assigned to the Account, may not be restored for several days after we receive your payment.

(c) ***Conditional Payments.*** *Any conditional check, money order or any other instrument tendered with a restrictive endorsement or as full satisfaction of a disputed debt must be sent to our address for billing error notices, shown on each Account Statement, and must conspicuously state on the face of the payment or in an accompanying letter that it is tendered for this purpose. If you make payment in any other way and we accept it, we will not have waived our right to collect any amount from you owing under this Agreement.*

(d) ***Application of Payments.*** Payments received will be applied in the following order: Sears Credit Protection Plan insurance charges, Finance Charges, returned payment charges, Regular Purchases (see Section 12) in the order in which they were made, late charges, Deferred Payment Balances (see Section 10) in the order in which they were made, and No Finance Charge Balances (see section 10) in the order in which they were made. If more than one item is charged to you Account on the same date, you payment will apply first to the lowest priced item(s). However, we will apply payments received on the Account to special promotion purchases (see Section 10), other than Deferred Payment and No Finance Charge Balances, before applying them to Regular Purchases, regardless of the order in which purchases were made.

(e) ***Skip a Payment.*** Under the Skip a Payment promotion, when offered by us, you may elect not to make the Scheduled Monthly Payment for the designated Billing Cycle. However, Finance Charges will continue to accrue during the period of payment deferral and you still must pay any insurance charges due.

SPECIAL PROGRAMS

Section 10. SPECIAL PROMOTIONS. From time to time, we may offer special promotions, under which purchases of merchandise or services may be billed to your Account with special promotional terms. The Finance Charges, minimum payment, and other terms for special promotions may differ from the standard terms described in this Agreement and as may be shown on your Account Statement. The standard terms of this Agreement apply to any special promotion, except where changed by the special promotion. Standard terms will continue to apply to any and all transactions that are not subject to a special promotion. If you elect a special promotion, you agree to the promotion and understand that any unpaid balance related to the promotion will be treated as a Regular Purchase (see Section 12) when the promotional period ends. We are not required to give you advance notice before resuming or starting to bill you according to the standard terms described in this Agreement. You understand that the terms of any special promotion may be cancelled if at any time you are in default under this Agreement (see Section 19). If you are in default under this Agreement, you may not be eligible for any special promotions. Special promotion balances on which payments are deferred are referred to as "Deferred Payment Balances" in this Agreement. Special promotion balances on which there are no Finance Charges assessed during the promotion period are referred to as "No Finance Charge Balances" in this Agreement.

Section 11. REWARDS PROGRAMS. From time to time, bonus point, rebate, merchandise certificate or other incentive programs may be offered by us or others in conjunction with the Account ("Rewards Programs"). You agree that a Rewards Program only applies during the period specified by us for the particular program, and only for the transaction(s) specified. Rewards Programs participation may be cancelled if at any time you are in default under this Agreement. You also agree that the Rewards Program points or credits have no monetary value and may only be used as specified under the Rewards Program. We may, at any time and subject to applicable law, change any term or condition, or add any term or condition, to any Rewards Program without notice to you. You understand and agree that any Rewards Program points or credits will be forfeited immediately upon closure of the Account by you or us.

FINANCE CHARGES AND OTHER CHARGES

Section 12. FINANCE CHARGES. See the enclosed explanation of "Finance Charges" that will apply to your Account.

Section 13. LATE PAYMENT FEE. If you fail to pay any Minimum Payment Due by its Minimum Payment Due Date, we may charge, and you agree to pay, a late payment fee of $25.00 if your balance is $50.00 or greater, $10.00 if your balance is less than $50.00.

Section 14. RETURNED PAYMENT FEE. If you make a payment, including an electronic payment, that is not honored or is returned unpaid for any reason, we may charge, and you agree to pay, a returned payment fee of $25.00. At our option, we may assess this charge the first time your payment is not honored or returned, even if it is paid upon submission.

Section 15. OTHER FEES

(a) ***Collection Fees.*** If you are in default (generally a failure to pay what you owe us; see Section 19 of this Agreement), we may charge you reasonable attorney's fees, collection costs (including expenses incurred in realizing on a security interest) and court costs if permitted by applicable law. Reasonable attorney's fees will be considered to be 35% of the outstanding balance on your Account when it is referred to an attorney for collection. State law may limit what collection costs and fees we may charge.

(b) ***Other Fees.*** We reserve the right to charge a service fee of $3.00, to the extent permitted by law, for requests that you make to us, such as asking for copies of sales slips or providing other documentation regarding your Account (other than in connection, with actual billing errors).

PHONE CALLS, CREDIT INVESTIGATION REPORTING AND INFORMATION SHARING

Section 16. PHONE CALLS. We and our servicers or agents may call you by telephone regarding the Account, including the use of an automatic dialing-announcing device. We and our servicers or agents may listen to and record any phone conversations with you for training purposes or to evaluate the quality of service, as permitted by law. You agree that we may call you about your Account without advance notice from us.

Section 17. CREDIT INVESTIGATION AND DISCLOSURE OF INFORMATION. We have the right to investigate your credit, employment and in come records, and to verify your credit references for the purposes of considering your application for the Account and, subsequently, in connection with any updates, renewals or extensions of credit or reviewing or collecting the Account. We also may report our transactions or experiences with you, including the way you pay the Account, and otherwise disclose information about you to credit reporting agencies and others, including our affiliates and Sears licensees. You understand we may obtain a consumer report prepared by a credit reporting agency when you apply for the Account and at any time thereafter. If you violate any of the terms of this Agreement, you understand and agree that a negative report may be submitted to credit reporting agencies and entered on your credit record. *If you believe we have reported inaccurate information regarding the Account to a credit reporting agency, contact us at P.O. Box 818014, Cleveland, OH, 44181-8014.* Your letter must identify the inaccurate information and describe why you believe it is incorrect. If you have a copy of a credit report that includes the inaccurate information, you should also send us a copy of that report. Account information may be reported to the credit reporting agencies in the Authorized User's name as well as your name. You understand that we cannot ensure against unauthorized inquiries about or access to the Account. You agree that we, while acting in good faith, will not be liable for the release of information to anyone who, without your authorization or permission, has gained access to the Account or has learned other identifying characteristics about you including, but not limited to, your personal identification number, Account number or social security number.

Section 18. INFORMATION SHARING WITH AFFILIATES. *From time to time, subject to applicable law, we may use or furnish third parties information about you or your Account. Specifically, applicable law permits us to share information about our transactions or experiences with you or your Account with third parties and also with companies affiliated with us ("Sears Affiliates"). Applicable law also permits us to share additional information about you or your Account (including, but not limited to, information from applications you submit and information from credit reporting agencies) with Sears Affiliates. By entering into the Account relationship with us, you agree to this use and disclosure of information.* **You can prohibit us from sharing information with Sears Affiliates that does not relate solely to our transactions or experiences with you the Account by contacting us by telephone at 1-800-917-7700 or by mail at P.O. Box 818014, Cleveland, OH 44181-8014, and instructing us not to share such non-transaction and non - experience information with Sears Affiliates.**

DEFAULT, TERMINATION AND OTHER

Section 19. EVENTS OF DEFAULT. You will be in default of this Agreement if any of the following events occurs:

- You do not pay any Minimum Payment Due on the Account by the Minimum Payment Due Date as shown on each Account Statement;
- You violate any term or condition of this Agreement;
- You provide us with any false or misleading information or signatures in conjunction with the credit application or the Account, or fail to provide material information on the credit application, sales tickets or other documents and instruments;
- You file a petition or someone files a petition against you under the federal bankruptcy code or any state insolvency statute, or our ability to enforce our rights against you or your interest in any property, including any community property, is adversely affected by a petition filed by or against someone else;
- We receive information or have a reasonable belief that you are unwilling or unable to perform the terms or conditions of this Agreement;
- We receive information from third parties which indicates a serious delinquency or charge-off against you with other creditors or other adverse or negative information about you which, in our determination, adversely affects your ability to meet the obligations of this Agreement;
- You become the subject of attachment, foreclosure, repossession, lien, judgment or garnishment proceedings, or
- You are in default under any other agreement you may have with us, Sears or any Sears Affiliate.

If any of you are in default under this Agreement, then all of you will be in default.

Section 20. OUR REMEDIES AND ENFORCEMENT. If you are in default or in the event of your death, in addition to any Finance Charge increase under Section 12(d) of this Agreement, we may (subject to applicable laws, including notice and right to cure) (a) terminate the Account, in which case the terms of this Agreement will continue to apply until full payment is received of the amount owing on the Account, including Finance Charges which we will continue to impose to the date of full payment; (b) suspend your credit privileges under this Agreement; (c) reduce any Credit limit applicable to the Account; (d) change the terms of the Account and this Agreement; (e) withdraw the terms of any special promotion; (f) require immediate payment of your entire Total Account Balance, including special promotion balances (see Section 10 of this Agreement), all accrued but unpaid Finance Charges, and all fees and other charges listed in this Agreement; (g) sue you for what you owe and enforce any security interest granted in the merchandise purchased on the Account; or (h) use other lawful remedies. In addition, we may refer the Account to a collection agency or attorney, who shall be entitled to enforce this Agreement according to its terms and any of our rights shall apply to those persons. If we (including our agents) repossess one or more items of merchandise, we have the right to sell them at public or private sale and apply the proceeds (net of expenses) to the unpaid balance of each item's purchase price. If we receive more money than we are due for goods, we will pay the difference to you. As an alternative to sale of the merchandise, we may retain the goods in satisfaction of the unpaid balance of that item's purchase price, as allowed by law. Applicable Finance Charges and fees continue to accrue at the rate specified in this Agreement (including as may be amended) until the Account is paid in full. In the event of default, we may discuss collection of the Account with Authorized Users, with your spouse and with others.

Section 21. FAILURE TO ENFORCE IS NOT A WAIVER. We may choose not to enforce any term in this Agreement (including rates and fees) without losing our rights. Any failure or delay by us in enforcing strict performance of this Agreement (including, but not limited to, accepting late or partial payments or money orders marked "payment in full" or tendered with other conditions or limitations) shall not be considered a waiver of any of the terms of this Agreement or any of our rights. Any waiver of rights by us must be in writing and signed by one of our authorized representatives.

Section 22. ARBITRATION. Any and all claims, disputes or controversies of any nature whatsoever (whether in contract, tort, or otherwise) arising out of, relating to, or in connection with: (a) this Agreement; (b) any prior agreement you may have had with us, Sears, the Sears Affiliates, or with any of their predecessors, successors, and assigns, or with any of the dealers, contractors, licensees, agents, employees, officers, directors and representatives of any of the foregoing entitles; (c) the application for the Account, this Agreement or any prior agreement; (d) the relationships which result from this Agreement or any prior agreement (including any relationship with us, Sears or any of the Sears Affiliates); or (e) the validity, scope or enforceability of this arbitration section or this Agreement or any prior agreement (the immediately preceding subsections [a] through [e] shall be referred to in this section, collectively, as "claims"), shall be resolved, upon your election or our election, by final and binding arbitration before a single arbitrator, on an individual basis without resort to any form of class action, except that each party retains the right to seek relief in a small claims court, on an individual basis without resort to any form of class action, for claims within the scope of its jurisdiction.

Arbitration may be elected at any time, regardless of whether a lawsuit has been filed or not, unless such a lawsuit has resulted in a judgment or the other party would suffer substantial prejudice as a result of the delay in demanding arbitration. The arbitrator shall be a lawyer or retired judge with not less that 15 years' experience in the practice of law. This arbitration section will not apply to claims previously asserted, or which are later asserted, in lawsuits filed before the effective date of this Agreement, but it will apply to all other claims, even if the facts and circumstances upon which the claims are based existed before the effective date of this Agreement. This arbitration provision does not prevent either party from seeking interim injunctive relief from a court in order to preserve the status quo or to protect assets until the arbitration has been commenced and the arbitrator has an opportunity to consider the matter of interim relief.

All arbitrations shall be administered by the National Arbitration Forum ("NAF") in accordance with its Code of Procedure in effect at the time the claim is filed. As of July, 1999, the Code of Procedure, rules and forms of the NAF may be obtained by calling 1-800-474-2371, or by visiting NAF's Web site at www.arbforum.com. All claims may be filed at any NAF office or at P.O. Box 50191, Minneapolis, MN 55405.

Any arbitration which you attend will take place at a location within the federal judicial district that includes your billing address at the time the claim is filed. We will advance either all or part of the fees on your behalf to the NAF and the arbitrator if you send us a written request. The arbitrator will decide whether you, us or any other party will ultimately be responsible for these fees. You agree to return the amount of any advanced fees as finally allocated by the arbitrator. The arbitrator shall apply relevant substantive law and applicable statutes of limitation and shall provide written, reasoned findings of fact and conclusions of law.

This arbitration section of this Agreement is made pursuant to a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act, 9 U.S.C. Section 1, *et. seq.* Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction. This arbitration section shall survive repayment of your loan or extension of credit and termination of your Account. If any portion of this arbitration section is deemed invalid or unenforceable, it shall not invalidate the remaining portions of this arbitration section. This arbitration section shall inure to the benefit of and be binding on each of the persons and entities mentioned in this section.

YOU UNDERSTAND AND AGREE, AND WE UNDERSTAND AND AGREE, THAT BECAUSE OF THIS ARBITRATION CLAUSE NEITHER YOU NOR WE WILL HAVE THE RIGHT TO GO T0 COURT EXCEPT AS PROVIDED ABOVE OR TO HAVE A JURY TRIAL, OR TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM.

Section 23. CHANGE OF TERMS. We may, at any time and subject to applicable law:

- Change any Credit Limit applicable to the Account;
- Change any term or condition of this Agreement relating to your Account, including the Annual Percentage Rate applicable to outstanding and future balances, and the fees or other charges applicable to the Account; and
- Add any new term or condition to this Agreement relating to your Account.

Our right to change or add terms or conditions to this Agreement applies both to financial terms, such as Finance Charges and fees, and to non-financial terms, such as our enforcement rights and other contractual provisions. We may apply any changed or new terms or conditions to any current and/or future balances created after that date. We will send you a written notice of any such change(s) or addition(s) as required by law.

Section 24. TERMINATION. You may terminate this Account at any time by paying all sums due under this Agreement and destroying all cards issued on the Account. We may, at any time without prior notice to you, terminate this Agreement or terminate your right to make future purchases or other transactions on the Account. If we terminate your Account, you will immediately stop using the Account and agree to destroy all cards issued on the Account. Our termination of the Account does not affect: (a) the terms of this Agreement as to outstanding balances, including changes or amendments by us from time to time after termination, which remain in effect until the entire Account balance is paid in full; or (b) your liability for payment of amounts owed on the Account according to the terms of this Agreement including as it may be amended.

Section 25. YOUR NOTICE OF CHANGES. You will promptly inform us if you change your name, residence or place of employment or if there is a material adverse change in your financial condition. We may and will continue to send Account Statements and other notices to the last address we maintained on the Account until you notify us of any change. If the Account is a joint Account, each accountholder appoints the other(s) as agent(s) to designate the address to which the Account Statement (and any other notices) may be sent.

Section 26. ASSIGNMENT. You understand that the Account or any interest, balance or amount owed under the Account may be sold, assigned or transferred by us without notice to you. Any purchaser, assignee or transferee is entitled to the benefits of this Agreement (including any security interest arising under it). You may not sell, transfer or assign any of your rights or obligations under this Agreement.

Section 27. FOREIGN TRANSACTIONS. If you use the Account in a currency other than U.S. dollars, we or our affiliates will convert the charge into a U.S. dollar amount. The currency conversion rate used to determine the transaction amount will be the currency conversion rate selected by us on the date the transaction is processed for the conversion of such foreign transactions and may differ from the transaction date or transaction posting date.

Section 28. OTHER SERVICES. From time to time, third parties may offer additional features, services and enhancements related to the Account. We are not liable for these, and they are the sole responsibility of those third parties. You agree to hold us harmless from any claims, actions or damages resulting from the use of these features, enhancements or services. If you purchase credit or other types of insurance, you understand that you will receive terms and conditions from the insurer and you understand that the cost of such insurance may be based upon the state where you resided or listed on your credit application when you originally applied for the insurance and that these costs may not change even if you move. You will not be liable for any insurance charges until you receive the insurance terms and conditions and you may cancel your coverage at any time. Insurance may be cancelled if you are in default and may be reinstated when your Account becomes current or is no longer in default.

Section 29. GOVERNING LAW. This Agreement and your Account will be governed by and interpreted in accordance with the laws of the United States and, to the extent governed by state law, the laws of the State of Arizona, regardless of where you live or where you use the Account. This Agreement is entered into in Arizona.

Section 30. ENFORCEABILITY. If any term or provision of this Agreement is found to be unenforceable, it will not make any other term or provision unenforceable. If there is any conflict between any term of this Agreement and applicable law, this Agreement will be considered changed to the extent necessary to comply with the law.

Section 31. SPANISH LANGUAGE TRANSLATION. As a customer service, we will provide you with a copy of this Agreement in Spanish upon your request. To obtain such a copy, you may write to us at P.O. Box 818014, Cleveland, OH, 44181-8014, or call us at 1-800-917-7700, and request a Spanish language copy of this Agreement.

Como un servicio a nuestros clientes, le proveeremos una copia de este Acuerdo en español si usted así lo solicita. Para obtener dicha copia, puede escribirnos al P.O. Box 818014, Cleveland, OH, 44181-8014, o llamarnos al 1-800-917-7700, y solicitar una versión en español de este Acuerdo.

Section 32. AGREEMENT. This Agreement consists of this document, any other pages or materials that may be provided to you in the same envelope as this document that are clearly labeled to show that they relate to this document, and any written notices (including changes or additions to the terms or conditions of this Agreement) which may be provided to you from time to time.

STATEMENT OF CREDIT BILLING RIGHTS (KEEP THIS NOTICE FOR FUTURE USE)

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

NOTIFY US IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR BILL

If you think your bill is wrong, of if you need more information about a transaction on your bill, write us (on a separate sheet) at the address listed on your bill where it says "Mail Billing Error Notices to." Write to us as soon as possible. We must hear from you no later that 60 days after we sent you the first bill 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.

If you have authorized us to pay your credit card bill automatically from your savings or checking account, you can stop payment on any amount you think is wrong. To stop the payment your letter must reach us three business days before the automatic payment is scheduled to occur.

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 bill 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, If one is assigned to the Account. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, 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 you 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 anyone we report you to that you have a question about your bill. And, 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 bill was correct.

SPECIAL RULE FOR CREDIT CARD PURCHASES

If you have 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.

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

NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF THE GOODS OR SERVICES OBTAINED WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.