

CREDIT APPLICATION

SELLER **Designer Furniture Gallery** Store # or Location _____

Salesperson # _____

Amount Requested: \$ _____

Account # _____

Approval # _____

PLEASE PRINT CLEARLY. COMPLETE ALL BLOCKS AND SIGN APPLICATION. Any married applicant may apply for a separate account

| | | | | | | | | |
|---|--|--|---|---|---|-------|---|----------|
| APPLICANT'S NAME (FIRST, MIDDLE, LAST) | | | SOCIAL SECURITY # | | DATE OF BIRTH | | # DEPENDENTS | |
| STREET ADDRESS | | | | | | | | |
| CITY | | | STATE | | ZIP CODE | | HOME PHONE yrs mos () | |
| APPLICANT: <input type="checkbox"/> Rents <input type="checkbox"/> Owns/Buying | MONTHLY RENT OR MORTGAGE PAYMENT \$ | | LANDLORD/MORTGAGE HOLDER | | IF APPLICANT OWNS OR IS BUYING: CURRENT HOME VALUE: MORTGAGE BALANCE: \$ \$ | | APPLICANT HAS: <input type="checkbox"/> Checking Acct(s) <input type="checkbox"/> Savings Acct(s) | |
| PREVIOUS ADDRESS (if less than 2 years at current address) | | | | | | | | |
| CITY | | | STATE | | ZIP CODE | | HOME PHONE () | |
| EMPLOYER | | | POSITION (Job title, if military, rank) | | HOW LONG yrs mos | | WORK PHONE () | |
| PREVIOUS EMPLOYER (if less than 2 years at current employer) | | | POSITION (Job title, if military, rank) | | HOW LONG yrs mos | | WORK PHONE () | |
| OTHER INCOME: Income from alimony, child support, or separate maintenance payments need not be disclosed if you do not wish to have it considered as a basis for repaying this obligation. \$ Per Source: | | | | | | | HAS APPLICANT EVER DECLARED BANKRUPTCY: <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Complete co-applicant information if you are a MARRIED WISCONSIN RESIDENT or INDIVIDUAL CREDIT (but relying on income of another) | | | | | | | | |
| CO-APPLICANT'S NAME (FIRST, MIDDLE, LAST) | | | | SOCIAL SECURITY # | | | DATE OF BIRTH | |
| CURRENT STREET ADDRESS (Check if same as applicant <input type="checkbox"/>) | | | | CITY | | STATE | | ZIP CODE |
| CO-APPLICANT'S EMPLOYER | | | POSITION (Job title, if military, rank) | | HOW LONG yrs mos | | WORK PHONE () | |
| NEAREST RELATIVE NOT LIVING WITH YOU: (RELATIONSHIP, NAME, ADDRESS, CITY, STATE, ZIP, PHONE) | | | | | | | | |
| FAIR CREDIT REPORTING ACT NOTICE TO CUSTOMER: Buyer's credit application will be submitted for consideration to CitiFinancial or one of its affiliates, Home Office, 300 St. Paul Place, Baltimore, MD 21202. | | | | | | | | |
| Notice to Applicant: A consumer report may be requested with the processing of your credit. Upon request, you will be informed whether or not a consumer report was requested and, if such report was requested, informed of the name and address of the consumer reporting agency that furnished the report. Subsequent consumer reports may be requested or utilized in connection with an update, renewal or extension of credit or collection. We authorize you to investigate credit and employment history and understand that if I/we do not qualify for the requested amount, you may consider me for a lesser amount. | | | | | | | | |
| If this application is approved you agree to all the terms and conditions of the attached Agreement (Form 23062-B (08/01)), which are incorporated herein by reference. | | | | | | | | |
| NOTICE TO THE BUYER: 1. SEE TOP OF ATTACHED AGREEMENT FOR THE RATE, FEES AND OTHER INFORMATION APPLICABLE TO YOUR ACCOUNT. 2. DO NOT SIGN THIS APPLICATION BEFORE YOU READ THE ATTACHED AGREEMENT OR IF IT CONTAINS ANY BLANK SPACES. 3. YOU ARE ENTITLED TO A COMPLETELY FILLED IN AND EXACT COPY OF THE AGREEMENT WHEN YOU SIGN THIS APPLICATION. 4. KEEP THE ATTACHED AGREEMENT TO PROTECT YOUR LEGAL RIGHTS. 5. YOU HAVE THE RIGHT TO PAY IN ADVANCE THE FULL AMOUNT DUE. 6. SERVICE CHARGES (FINANCE CHARGES) NOT IN EXCESS OF THOSE PERMITTED BY LAW MAY BE CHARGED ON THE OUTSTANDING BALANCES FROM MONTH TO MONTH. 7. IF YOU DO NOT MEET YOUR CONTRACT OBLIGATIONS, YOU MAY LOSE THE PROPERTY YOU BOUGHT UNDER THIS CONTRACT. 8. IF YOU DESIRE TO PAY OFF IN ADVANCE THE FULL AMOUNT DUE, THE AMOUNT WHICH IS OUTSTANDING WILL BE FURNISHED UPON REQUEST. 9. THE ATTACHED AGREEMENT CONTAINS PROVISIONS REQUIRING ARBITRATION OF VARIOUS CLAIMS AND CONTROVERSIES. | | | | | | | | |
| BY YOUR SIGNATURE BELOW, YOU ACKNOWLEDGE THAT YOU HAVE READ AND RECEIVED A COPY OF THE AGREEMENT BEFORE MAKING ANY PURCHASES UNDER THIS ACCOUNT. | | | | | | | | |
| CAUTION – IT IS IMPORTANT THAT YOU THOROUGHLY READ THE AGREEMENT BEFORE YOU SIGN IT. | | | | | | | | |
| <input type="checkbox"/> BUYER'S RIGHT TO CANCEL: IF THIS BOX IS CHECKED, YOU, THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION OR RECEIPT OF THE PRODUCT, WHICHEVER IS LATER. SEE THE SEPARATE NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT. | | | | | | | | |
| X _____ Signature of Applicant Date | | | | X _____ Signature of Co-Applicant Date | | | | |
| Driver's License # _____ | | | | Driver's License # _____ | | | | |

RETAIL INSTALLMENT AND SECURITY AGREEMENT

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|--|
| Seller's Name, Address and Telephone Number: |
|--|

| | |
|---|--|
| State of Seller's Location | UT |
| Annual Percentage Rate (APR) For Purchases | 20.99% |
| Daily Periodic Rate | 0.057506% |
| Grace Period For Repayment Of Balances For Purchases | YOU HAVE NO GRACE PERIOD IN WHICH TO REPAY YOUR BALANCE FOR PURCHASES WITHOUT INCURRING A FINANCE CHARGE |
| Method Of Computing The Balance For Purchases | Average Daily Balance (including new purchases) |

Returned Instrument Fee: \$20.00 (charged once per instrument returned)
As described in Section 11 of this Agreement

The Daily Periodic Rate is applicable to the entire balance.

To find out about changes in this application, write to CitiFinancial at 300 St. Paul Place, Baltimore, MD 21202, Attention: Sales Finance Department.

1. **REVOLVING CHARGE PROCEDURE:** Seller (referred to as "we", "our", or "us") will make sales of goods and services to Buyer ("you" or "your") under this Retail Installment and Security Agreement, if the amount owed, except current Finance Charges, is not more than the amount of credit you may use (your "Credit Limit"). We will give you transaction slips that describe sales under this account and show your Account Number. By signing the transaction slips, you agree those sales will be governed by this entire Agreement. In return, you shall pay the amount of those sales and other charges shown on your monthly statement. If more than one Buyer is named in this Agreement, we may enforce this Agreement against all or any Buyer(s), but not in a combined amount greater than the amount owed. To make a purchase, you may present your Revolving Charge Account identification card ("card") to one of our retail locations.
2. **IDENTIFICATION CARD:** You may be issued an identification card by us which you may present to identify yourself as authorized to make purchases against the revolving line of credit evidenced by this Agreement ("your account"). You will promptly notify us if the card is lost, stolen, or used without your authorization.
3. **PAYMENT:** You promise to pay the amount you (or any Buyer under this Agreement) owe to us, which is the unpaid amount of your purchases, insurance premiums (if any), and other fees and charges ("principal balance") plus Finance Charges at our business address or other address we give you. You shall pay monthly at least the Minimum Payment Due shown on each billing statement, which consists of the "Minimum Monthly Payment" defined below, plus the past due amount of any prior Minimum Monthly Payments and the full amount by which your account exceeds your Credit Limit. You may prepay all or part of your account balance at any time, but any partial prepayment will not affect your obligation to make subsequent Minimum Monthly Payments, and Finance Charges will continue to accrue on any remaining unpaid principal balance including unpaid balances of Credit Plans set forth in paragraph 6 below. Payments must be mailed to us at the address shown on your monthly billing statement. Payments shall be made by check, money order, or similar negotiable instrument payable in U.S. dollars and drawn on or payable through a depository institution in the U.S.
4. **MINIMUM MONTHLY PAYMENT:** The Minimum Monthly Payment depends on the outstanding balance and will be the greatest of: (1) 3.00% of the principal balance immediately following the most recent purchase, rounded to the next higher \$1.00; (2) \$15.00; or (3) the remaining account balance, if less than \$15.00.
5. **FINANCE CHARGES:** Finance Charges are computed on your Average Daily Balance for each billing cycle. The Average Daily Balance is the total of the daily balances, including or excluding new purchases as shown on the chart above, and subtracting all payments and credits, for all days in the billing cycle divided by the number of days in that cycle. To determine the Finance Charge for a billing cycle, multiply the Average Daily Balance by the Daily Periodic Rate shown in the chart above times the number of days in the billing cycle. There is no "free ride" on new purchases except as specified in the chart above. Finance Charges continue until there is no unpaid balance.
6. **CREDIT PLANS: REGULAR -** This is the standard revolving program set forth in your agreement. The minimum payment is a fixed amount that will change as you make additional purchases. **NO PAY -** Finance Charges accrue from the date of purchase, no minimum monthly payment will be due until the payment due date of the billing cycle following the expiration of the No Pay period. **NO INTEREST/NO PAYMENT -** No minimum monthly payments will be due and no Finance Charges will accrue until the expiration of the deferred period. **SAME AS CASH (SAC) -** Finance Charges will accrue on the purchases from the date of purchase and minimum monthly payments will be due each billing cycle. If you pay the cash sales price of the purchase by the expiration date of the Same As Cash period as indicated on your monthly statement, no Finance Charges will be due on the purchase. **NO PAY/SAME AS CASH -** Finance Charges will accrue on the purchase, but no minimum monthly payments will be due prior to the deferred due date as indicated on your monthly statement, and if you pay the cash sales price of the purchase by the expiration of the Same As Cash period, no Finance Charges will be due on the purchase. **NO INTEREST -** No Finance Charges will accrue on the purchase until the day following the expiration of the "No Interest" period, with minimum monthly payments due each billing cycle. **FREE FINANCING** No Finance Charges will accrue on the purchase for the "Free Financing" period assuming you make the required minimum monthly payments and the account is paid as agreed. If a balance remains after the specified period expires, Finance Charges are assessed at the rate disclosed in this agreement.
7. **CHANGE OF TERMS (INCLUDING FINANCE CHARGE RATE):** We or our assignee may, at any time and to the extent not prohibited by law: (a) terminate this Agreement; (b) change your credit limit; or (c) change any other terms (including the periodic rate of Finance Charge) or conditions by mailing written notice to you at your last known billing address at least 30 days before the beginning of the billing cycle in which such change is to

become effective. You hereby consent to any such change and agree that any such change may apply to the existing balance of your account as well as to new purchases.

8. **SECURITY:** You give to us, or our assignee, a Security Interest under the Uniform Commercial Code in any goods you buy under this account, until you pay for them. To determine our Security Interest, payments will be applied in sequence to any unpaid Finance Charges and then to the amount financed of the oldest unpaid purchase (if more than one purchase on the same date, to the lowest priced). We, or our assignee, may take goods covered by our Security Interest if you don't pay on time and may require that you make them available for us at a convenient place of our choice. If any goods you buy are later attached to your real estate, we waive all legal right to your real estate (except our rights if we get a judgment against you).
9. **TREATMENT OF PAYMENTS:** Each payment (except a down payment) is applied, in the following order, to (1) delinquent Finance Charges (if any); (2) delinquent principal (if any); (3) other fees and charges; (4) unpaid Finance Charges; and (5) principal balance.
10. **FAILURE TO PAY:** If you do not fully pay any payment when it is due, we may: (1) stop any additional sales on your account and (2) bring a proceeding against you for what you owe. We may also exercise any other rights we may have at law or under this Agreement, including taking possession of the property given as security, accepting voluntary surrender of the property, selling the property and applying the proceeds of the sale to the amounts owed. You will be liable for any deficiency balance to the extent permitted by law. If we obtain a judgment against you, you will pay our reasonable court costs and reasonable attorney's fees, to the extent permitted by law. After default, all your account balances including Credit Plan balances will accrue Finance Charges at the rate in effect at the time of default.
11. **RETURNED INSTRUMENT FEE:** We may charge your Account a fee of \$20 for each item (check, draft, money order, etc.) which is sent to us as payment on your Account and which is returned to us not honored (unpaid) for any reason.
12. **WARRANTIES:** You understand that there are no warranties, promises, or statements as to the performance, condition, or quality of any goods and/or services you purchase unless they are provided to you in a separate writing.
13. **SALE OF THIS AGREEMENT:** This Agreement and all transaction slips on your account may be purchased by and assigned to CitiFinancial, Inc. or any of its affiliates, ("our assignee"), Home Office, 300 St. Paul Place, Baltimore, MD 21202.
14. **ANNUAL FEES AND MINIMUM CHARGES:** We charge no Annual Fees or Minimum Finance Charges.
15. **TERMINATION OF THIS AGREEMENT:** This Agreement and your Credit Limit may be terminated by us without notice if your account has no balance for twelve (12) consecutive billing cycles. If your account is terminated under paragraph 7, 10, or 15, you must cut up your card and return it to us.
16. **ARBITRATION:** Except as expressly set forth in this Paragraph, all claims or controversies between you and us (or the other persons and entities described below) based upon, arising under, or in connection with this Agreement shall be resolved by binding arbitration. This includes (but is not limited to) any claim or controversy relating to your Account, any products, warranties, insurance or other services that we or our affiliates offer in connection with this Agreement; any violation of any federal, state or local statute, rule, regulation, ordinance, or common law; or any claim or controversy involving or against any of our affiliates, successors or assigns or our or their officers, employees or agents. This arbitration provision is governed by the Federal Arbitration Act, not by any state arbitration statutes or rules. The arbitration shall be administered by JAMS under both its Financial Services Arbitration Rules and Procedures then in effect and this Paragraph. If there is

any conflict between this Paragraph and the arbitration provisions in any other applicable agreement, or between this Agreement and JAMS' rules and procedures, the arbitration provisions in this Agreement shall control. You may obtain copies of the current rules of JAMS and forms and instructions for initiating an arbitration by contacting it as follows: JAMS, 1920 Main Street, Suite 200, Irvine, CA 92610 [Web site: www.jamsadr.com]. Each party is responsible for paying for its own attorneys' fees and witness fees, unless otherwise provided by law or by other terms of this Agreement. We will pay the fees of the arbitrator for the first day of the hearing unless you want to share with us equally such fees for such day. We will reimburse you or credit your Account for any portion of the fee for filing a demand for arbitration that you pay to the extent it exceeds \$125.00, if your claims are subject to arbitration and made in good faith. The arbitration shall be conducted in the county or parish of your residence, unless all parties agree to another location. The arbitrator shall not award damages, equitable relief or any other relief, for any person or entity who is not a party to the arbitration proceeding. The arbitrator will be restricted to resolving disputes between you, us, and the other parties covered by this arbitration agreement. Arbitration is not available and shall not be conducted on a class-wide basis or consolidated with the claims or demands of other parties. The arbitrator's decision shall be final, binding and enforceable in any court having jurisdiction over the parties and the dispute. This arbitration provision shall survive any termination of this Agreement. Arbitration is not required to repossess or foreclose on collateral pledged to secure your Account. Also, neither you nor we are obligated to arbitrate: (i) any claim or controversy brought in and subject to the jurisdiction of a small claims court, so long as such matter remains in such court and advances only an individual (that is, a non-class, non-representative) claim; or (ii) any claim or controversy where all parties collectively (including multiple named parties) seek monetary relief in the aggregate of \$10,000 or less, including (but not limited to) compensatory, statutory and punitive damages, restitution, disgorgement, costs and fees (including attorneys fees). If you attempt to assert any claim or controversy on behalf of a putative class of persons, the amount of the damages you seek shall be deemed to exceed \$10,000. If any party fails to specify the amount being sought for any relief, or any form or component of relief, the amount being sought shall be deemed to exceed \$10,000 for purposes of the above exception.

17. **UPDATED INFORMATION:** The information contained in this Agreement is accurate as of August 22, 2001. To find out what may have changed, write to us c/o CitiFinancial, Sales Finance Department, 300 St. Paul Place, Baltimore, Maryland 21202.
18. **EXECUTION OF THIS AGREEMENT:** Your signing of the attached Application is the same as your signing this Agreement. You have read the Notice to the Buyer, Acknowledgment of Receipt of Copy, and Caution before signing the Application. You will be given a copy of this Agreement.
19. **REFINANCING:** You understand that the overall cost of refinancing a purchase balance into a new loan may be greater than the cost of keeping the existing purchase balance and obtaining a separate loan for any additional funds you wish to borrow.

NOTICE

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 OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

YOUR BILLING RIGHTS KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and the responsibilities of the Company designated on the reverse side for the State of Seller's Location, as purchaser and assignee of your account, under the Fair Credit Billing Act. The Company that has purchased your account is called "CitiFinancial", "We", and "Us" in this notice.

Notify CitiFinancial in Case of Errors or Questions About Your Bill

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill after the words: "Send inquiries to (CitiFinancial's name and address)". Write to us as soon as possible. We must hear from you no later than 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 CitiFinancial 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 CitiFinancial's Responsibilities After CitiFinancial Receives 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. 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 did not 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 CitiFinancial's 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, CitiFinancial 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 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.

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

| State of Seller's Location | ANNUAL PERCENTAGE RATE (APR) For Purchases | Daily Periodic Rate | Grace Period for Repayment of Balances for Purchases | Method of Computing the Balances for Purchases |
|----------------------------------|--|---------------------|--|---|
| UT | 20.99% | 0.057506% | YOU HAVE NO GRACE PERIOD IN WHICH TO REPAY YOUR BALANCE FOR PURCHASES WITHOUT INCURRING A FINANCE CHARGE | AVERAGE DAILY BALANCE (INCLUDING NEW PURCHASES) |
| RETURNED INSTRUMENT FEE: \$20.00 | | | As described in Section 11 of this Agreement | |

The Daily Periodic Rate is applicable to the entire balance.

To find out about changes in this application, write to CitiFinancial at 300 St. Paul Place, Baltimore, MD 21202, Attention: Sales Finance Department.