

60 days of the due date or, at the end of the Same as Cash Plan period, calculated at the rate and in the manner described in Paragraph 6 above for regular non-promotional purchases.

9.a.1 How Payments Are Applied When Same as Cash Plan Is In Effect: Unless otherwise required by Applicable Law, during the two billing cycles immediately preceding expiration of the Same as Cash Plan period, any amount paid in excess of the minimum payment due will be allocated first to the balance subject to the Same as Cash Plan and any remaining portion to any other balances. We may offer Same as Cash Plan periods of 6 months, 9 months, 12 months or of different lengths that we will announce from time to time.

10. Application of Payments: Unless otherwise required by Applicable Law, payments except down payments, shall be applied first to past due Minimum Monthly Payments, beginning with the oldest, then to the current Minimum Monthly Payment, and then to other unpaid late fees, costs and fees arising under this Agreement. In Colorado and Indiana: For purposes of assessing delinquency charges, payments first will be applied to the current payment due in the payment period in which the payment is received and then to delinquent installments. Mississippi: Payments will first be applied to any finance charge, next to repayment of cash advanced or other credit extended, and finally to the chronological repayment of purchases. Arkansas: Partial payments will be applied first to any accrued Interest Charges.

11. Other Charges:

11.a. Late Fees: Except in Delaware, Guam, New Mexico, the Northern Mariana Islands and Vermont, you will pay the maximum late fee allowed (which you agree we will add to the balance due on your Account) for payments not made on time, calculated as Applicable Law allows. Except in Alaska, Arkansas (5 days), Iowa, Maine (15 days), Maryland, Nevada, North Carolina (30 days), Oregon, Pennsylvania, Rhode Island (40 days), Texas (21 days), Utah and Virginia (7 days), the statutory time period for the imposition of a Late Fee is 10 days after the due date ("Due Date") for each payment not received on the scheduled Due Date. Currently, Applicable Law provides for the late fees provided in the table below:

AZ, KS, MO	\$10, \$5 when the monthly payment is less than \$25
NC	\$5 on accounts having an outstanding balance of less than \$100; \$10 on accounts having an outstanding balance of \$100 or more
NJ, TX	\$10
RI	\$12
CO	\$15
AK, MD, MI, MS, NV, NH, ND, OR, PA, SD, TN, WI	\$20
GA, IN (The amount of the late fee is subject to change as allowed by Ind. Code §24-4.5-1-106.), WA	\$25
IA	\$30
AR (maximum \$5.00), CT (maximum \$10), HI (maximum \$50), IL (minimum \$10), KY (minimum \$10), NE (minimum \$5.00), VA	5% of the installment
AL (minimum \$18, maximum \$100), ID (minimum \$15), LA (minimum \$10), ME (maximum \$10), OH (maximum \$3.00), OK (minimum \$26.50), SC (minimum \$8.40, maximum \$21), UT (minimum \$30), WV (maximum \$30), WY (minimum \$10)	5% of the unpaid amount of the installment
MT	15% of the installment

Notwithstanding anything to the contrary above, if the late fee as calculated above would exceed \$25, you will not be charged more than \$25 for the first violation, or \$35 for any violation occurring within six billing cycles of a previous late payment. In addition, regardless of the amounts reflected above, you will not be charged more than the amount of the required minimum periodic payment due immediately prior to the assessment of the late payment fee.

11.b. Returned Check Charge: Except in Nebraska, New Mexico, Pennsylvania and Wyoming, you will pay a returned check charge (except in Guam and the Northern Mariana Islands, which you agree we will add to the balance due on your Account) if any check, negotiable order of withdrawal, share draft, or item you give us for payment under the Agreement is dishonored for any reason by the bank or other institution on which it is drawn. We will impose the maximum returned check charge as Applicable Law allows of which the current returned check charge is provided in the table below:

ME, VT	Bank Charge Only
KS	\$10
MD (on the second presentment), MO (plus bank charges)	\$15
CT, ID, NJ, UT	\$20
AZ (plus bank charges), CO, GU, IL, IN, MI (\$35 if not paid within 7 days of notice of dishonor), MP, NV, OK, RI, WI, WV	\$25
AL, AR (plus bank charges), HI, IA, MT, OH, SC, TN, TX	\$30
AK, DE, KY, MS (a separate demand will be made), NH, NC, ND, OR, SD, VA, WA	\$35
GA (minimum \$30 plus bank charges), LA (minimum \$25)	5% of the amount of the check

Notwithstanding anything to the contrary above, if the returned check charge as calculated above would exceed \$25, you will not be charged more than \$25 for the first violation, or \$35 for any violation occurring within six billing cycles of a previously dishonored payment. In addition, regardless of the amounts reflected above, you will not be charged more than the amount of the required minimum periodic payment due immediately prior to the date on which the payment is returned or otherwise dishonored.

11.c. Phone Payment Processing Fee: Except in Colorado, Connecticut, Delaware, Guam, Illinois, Indiana, Kansas, Kentucky, the Northern Mariana Islands, North Carolina, Texas, Vermont and Wisconsin, you will pay the current phone payment processing fee (which you agree we will add to the balance due on your Account) for each expedited payment you make by phone. Except in Iowa (\$6), the current phone payment processing fee is \$11.75. In Missouri, the phone payment processing fee will only apply to expedited payments made by credit or debit cards.

12. Security Agreement: You grant us a purchase money security interest in each household good purchased with this Account ("Goods") to the full extent not prohibited by Applicable Law (including the Uniform Commercial Code which may require that we sign, file or record one or more UCC financing statements, fixture filings or other documents to perfect or otherwise protect this security interest). You will, on request, take all reasonable actions requested by us to preserve and protect the Goods and our security interest in the Goods. You also agree to take all reasonable actions requested by us to establish, determine the priority of, perfect, continue the perfection of, terminate or enforce our security interest in the Goods and our rights under this Agreement. In addition to other rights we may have under this Agreement, if you do not make payments as agreed, this security interest allows us to take actions not prohibited by Applicable Law governing security interests in the Goods. You also agree to keep the Goods installed at the address you provided in your credit application and to not remove or alter the Goods without our prior written consent. You may lose the Goods if you do not meet your obligations to us under this Agreement. We have not (and will not) take any security interest to secure repayment of obligations under this Agreement apart from an interest in goods as set forth herein, even when a financing statement is filed. Accordingly, we do not maintain any interest in your dwelling or real property and waive any right we (or our assignee) may have to foreclose on real property pursuant to any applicable real property foreclosure laws.

13. Default: If you fail to make any payment when due, or if the prospect of your payment, performance, or our realization of collateral is significantly impaired, to the extent not prohibited by Applicable Law, and subject to any notice of default and opportunity to cure required by Applicable Law, we may declare the full remaining balance immediately due and payable. We may also repossess any article of merchandise in which we retain a security interest if we do so peacefully and the law allows it. Notwithstanding the preceding provisions, in the event of a late payment or nonpayment, we will not declare the

full remaining balance immediately due and payable or repossess any article of merchandise if, within the applicable grace period identified in Paragraph 11 above, we receive payment together with any late fees. If you fail to pay within the applicable grace period, we may, at our option, declare the full remaining balance immediately due and payable, to the extent permitted by Applicable Law. Unless we are required by Applicable Law to provide you a notice of default and a right to cure, you agree that we do not have to give you notice that we intend to demand or are demanding immediate payment of all you owe. If the Account is referred to an attorney who is not our salaried employee and we bring suit against you to collect the amount you owe and we are the prevailing party, you agree to pay our reasonable attorneys' fees and court costs as not prohibited by Applicable Law. In Wisconsin: If we obtain a court judgment against you for default under this Agreement, we may request an award of statutory costs and statutory attorney fees pursuant to section 814.04 of the Wisconsin Statutes. If our request is granted, you will be required to pay these fees. In Alabama, Colorado, Connecticut, Guam, Kansas, Missouri, Montana, Oklahoma (unless financed amounts are less than \$5,300), and South Carolina, attorneys' fees for collection will not exceed 15% (25% in Louisiana) of the unpaid debt. In New Jersey, attorney's fees for collection will not exceed 20% of the first \$500 of the unpaid debt and 10% on any unpaid debt in excess of \$500. In Alabama, you will not have to pay attorney's fees after default if the unpaid balance at the time of default is \$300 or less. In Ohio, you will not have to pay attorney's fees for collection unless authorized by a court. In Delaware, New Hampshire, North Carolina, and Pennsylvania, if you prevail in any action, suit or proceeding we bring or in an action you bring, reasonable attorney's fees shall be awarded to you. If you successfully assert a partial defense, setoff, recoupment or counterclaim to an action brought by us, the court may withhold from us the entire amount or such portion of the attorney's fees as the court deems appropriate. You also agree to pay our collection costs and costs incurred in taking the collateral, holding it, preparing it for sale, and selling it, as not prohibited by Applicable Law. In Iowa, Kentucky, Nebraska, North Dakota, South Dakota, and Wisconsin, you will not have to pay attorney's fees. In Maine and West Virginia, you will not pay attorney's fees or collection costs, other than reasonable charges we incur to realize on our security interest in the Goods (other than attorney's fees). Notwithstanding anything to the contrary above, in Wisconsin, if you have not paid the required minimum payment when due on two occasions within any 12-month period, or if you breach a covenant that materially impairs the condition, value or protection of or our right to collateral secured under this Agreement or materially impairs your ability to pay amounts you owe us, you will be in default. In addition, after we have given you notice of your right to cure the default (where applicable) and after we have waited the appropriate number of days under Wisconsin law, we may declare the remaining balance due and payable and we may commence legal action to recover the merchandise.

14. Canceling or Reducing Your Credit Limit: We have the right at any time to limit or terminate the use of your Account and raise or lower your credit limit without giving you advance notice. Some purchases will require prior authorization, in which case you may be asked to provide identification. If our authorizations system is unavailable, we may not be able to authorize a transaction, even if you have sufficient credit. We will not be liable to you if this happens. We are not responsible for the refusal of anyone to accept or honor an addition to this Account. In addition, even if you cancel the use of your Account, you are still responsible for any Account balances incurred by an authorized user that remain unpaid.

15. Change in Terms: You agree that we may amend the terms of this Agreement, subject to any notice required by Applicable Law. To the extent not prohibited by Applicable Law, any new terms may be applied to any balance existing on the Account at the time of the change, as well as subsequent transactions.

16. No Verbal or Oral Modifications: Except in Connecticut, you agree that we are not bound by any verbal or oral agreements or verbal or oral modifications to this Agreement.

17. Home Sale Disclosure Laws: Home Sale Disclosure laws govern this transaction. The Home Sale Disclosure law applicable to this Agreement is determined as set forth in paragraphs 1 and 20 of this Agreement: in Alabama, Ala. Code § 5-19-12; Alaska, § 45.02.350; Arizona, title 44, chapter 15; Arkansas: Ark. Code §§ 4-89-101 *et seq.*; Colorado, Colo. Rev. Stat. §§ 5-3-401 *et seq.*; Connecticut, Conn. Gen. Stat. §§ 42-134 *et seq.*; Delaware, Del. Code Ann. tit. 6, §§ 4401 *et seq.*; Georgia, Ga. Code Ann. §§ 10-1-1 *et seq.*; Hawaii, Haw. Rev. Stat. §§ 481C-1 *et seq.*; Idaho, Idaho Code §§ 28-43-401 *et seq.*; Illinois, § 815 ILCS 505/2B; Indiana, Ind. Code §§ 24-4.5-2-501 *et seq.*; Iowa, Iowa Code §§ 555A *et seq.*; Kansas, Kan. Stat. Ann. § 50-640; Kentucky, Ky. Rev. Stat. §§ 367.410-367.460; Louisiana, La. Rev. Stat. §§ 9:3538 *et seq.*; Maine, Me. Rev. Stat. tit. 9-A, §§ 3-501 *et seq.*; Maryland, Md. Code Ann., Com. Law II §§ 14-301 *et seq.*; Michigan, Mich. Comp. Laws Ann. §§ 445.111 *et seq.*; Mississippi: Miss. Code Ann. §§ 75-66-1 *et seq.*; Missouri, Missouri's Home Solicitation Sales Law, Mo. Rev. Stat. §§ 407.700 to 407.720; Montana, Montana Personal Solicitation Sales Act, Mont. Code Ann. §§ 30-14-501 *et seq.*; Nebraska, Neb. Rev. Stat. §§ 69-1601 *et seq.*; Nevada, Nev. Rev. Stat. §§ 598.140 *et seq.*; New Hampshire, N.H. Rev. Stat. Ann. §§ 361-B:1 *et seq.*; New Jersey, New Jersey Door-to-Door Retail Installment Sales Act of 1968, N.J. Rev. Stat. §§ 17:16C-61 *et seq.*; New Mexico, N.M. Stat. Ann. § 57-12-21; North Carolina, N.C. Gen. Stat. §§ 25A-38 *et seq.*; North Dakota, N.D. Cent. Code §§ 51-18-01 *et seq.*; Ohio, Ohio Rev. Code §§ 1345.21 *et seq.*; Oklahoma, 14A Okla. Stat. §§ 2-501 *et seq.*; Oregon, Or. Rev. Stat. §§ 83.710 *et seq.*; Pennsylvania, 73 Pa. Stat. § 201-7; Rhode Island, R.I. Gen. Laws §§ 6-28-1 *et seq.*; South Carolina, S.C. Code Ann. §§ 37-2-501 through 506; South Dakota, S.D. Codified Laws §§ 37-24-5.1 *et seq.*; Tennessee, Tenn. Code Ann. §§ 47-18-701 *et seq.*; Texas, Tex. Bus. & Com. Code §§ 601.001 *et seq.*; Utah, Utah Code Ann. §§ 70C-5-101 *et seq.*; Vermont, Vt. Stat. Ann. Tit. 9, §§ 2451-B:1. *et seq.*; Virginia, Va. Code §§ 59.1-21.1 *et seq.*; Washington, Washington's Credit Disclosure Act, Rev. Code Wash. §§ 63.14.010 *et seq.*; West Virginia, W.Va. Code § 46A-2-133; Wisconsin, §§ 423.201 *et seq.*; Wyoming, Wyo. Stat. § 40-12-104 and Wyo. Sta. §§ 40-14-251 *et seq.*

18. Delay in Taking Action: We will not lose any of our rights under this Agreement if we delay taking action for any reason. To the extent not prohibited by Applicable Law, we may take other action not described in this Agreement, and by doing so will not lose our rights under this Agreement.

19. Severability: To the extent not prohibited by Applicable Law, including the Wisconsin Consumer Act, if any provision of this Agreement is found to be unenforceable, all other provisions shall remain in full force and effect.

20. Applicable Law: The law that applies to this Agreement is defined in this Agreement at paragraph 1. Definitions.

21. Telephone Recording: You understand and agree that for our mutual protection, we may electronically record any of your telephone conversations conducted with Seller or Seller's assigns, including Preferred Credit, Inc. (PCI), without further notice to the parties to such conversations. These telephone conversations include all conversations between you and Seller or Seller's assigns communicated via traditional telephone wire and wireless devices such as cordless and cellular phones. You acknowledge and consent to the retention of and use of such recordings by Seller or Seller's assigns, their employees, representatives and agents of all information and data obtained in any recorded conversation for purposes of settling disputes as well as for ongoing quality assurance programs.

22. Communications: You expressly authorize us or our agents to contact you at any phone number (including mobile, cellular/wireless, or similar devices), fax number, or email address, you provide at any time, for any lawful purpose. The ways in which we may contact you include live operator, automatic telephone dialing systems (auto-dialer), prerecorded message, text message, fax, or email. Such lawful purposes include, but are not limited to: obtaining information; account transactions or servicing-related matters; suspected fraud or identity theft; collection on the Account; and providing information about special products and services. You agree to pay any fee(s) or charge(s) that you may incur for incoming communications from us or outgoing communications to us, to or from any such number, or email address, without reimbursement from us.

23. Credit Investigation and Reporting: You agree that we may investigate your credit in connection with the initial extension, review, or collection of your Account. You agree that we may examine employment and income records, verify your credit references, and report to credit reporting agencies, merchants, and other creditors the status and payment history of your Account. A negative credit report may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

Please see Applicable Law for the following disclosures:

Where Connecticut is the Applicable Law: Insurance, if any, included in this Agreement does not provide coverage for personal liability and property damage caused to others.

Where Arizona is the Applicable Law: NOTICE: BY GIVING US A SECURITY INTEREST IN THE MERCHANDISE, YOU WAIVE ALL RIGHTS PROVIDED BY LAW TO CLAIM THE PROPERTY EXEMPT FROM LEGAL PROCESS.

Colorado Notice to Cosigner

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, that fact may become a part of your credit record.

This notice is not the contract that makes you liable for the debt.

Oral agreements or commitments to loan money, extend credit or forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect you (borrower(s)) and us (creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it.

Where Pennsylvania is the Applicable Law: 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 with the proceeds hereof. Recovery hereunder by the debtor shall not exceed amount paid by the debtor hereunder.

Where Louisiana is the Applicable Law: If you default, we may choose to institute executory, ordinary, or other legal proceedings to have the articles of merchandise taken from you and sold to satisfy your obligations to us. You **confess judgment** in favor of us for the full amount you owe under this Agreement for purposes of Louisiana's executory process procedures, and consent to a judgment being rendered and signed in our favor for that amount. To the extent permitted by law, you waive any benefits of an appraisal of the articles of merchandise and other rights under Articles 2331, 2332, 2336, 2722, 2723, and 2724 of the Louisiana Code of Civil Procedures when the articles of merchandise is sold under executory process or other legal process, and any other law that may give you similar rights and benefits. You also authorize us to serve as keeper or appoint a keeper if the articles of merchandise is taken from you through legal proceedings. If you owe us a deficiency, you may be charged interest at the Annual Percentage Rate or the highest lawful rate until you pay us all that you owe.

Where Texas is the Applicable Law: For questions or complaints about this Contract, contact Preferred Credit, Inc. at (800) 972-0825 or www.preferredcredit.com. The Office of Consumer Credit Commissioner (OCCC) is a state agency, and it enforces certain laws that apply to this Contract. If a complaint or question cannot be resolved by contacting the creditor, consumer can contact the OCCC to file a complaint or ask a general credit-related question. OCCC address: 2601 N. Lamar Blvd., Austin, Texas 78705. Phone: (800) 538-1579. Fax: (512) 936-7610. Website: occc.texas.gov. E-Mail: consumer.complaints@occc.texas.gov.

Where Ohio is the Applicable Law: 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.

Where Utah is the Applicable Law: As required by Utah law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

Where Vermont is the Applicable Law: NOTICE TO CO-SIGNER: YOUR SIGNATURE ON THIS NOTE MEANS THAT YOU ARE EQUALLY LIABLE FOR REPAYMENT OF THIS LOAN. IF THE BORROWER DOES NOT PAY, THE LENDER HAS A LEGAL RIGHT TO COLLECT FROM YOU.

ARBITRATION PROVISION

Except in New Jersey and Wisconsin, this Arbitration Provision significantly affects your rights in any dispute with us. Please read this Arbitration Provision carefully before you sign it.

1. EITHER YOU OR WE MAY CHOOSE TO HAVE ANY DISPUTE BETWEEN US DECIDED BY ARBITRATION AND NOT IN COURT.
2. IF A DISPUTE IS ARBITRATED, YOU AND WE WILL EACH GIVE UP OUR RIGHT TO A TRIAL BY THE COURT OR A JURY TRIAL.
3. IF A DISPUTE IS ARBITRATED, YOU WILL GIVE UP YOUR RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER ON ANY CLASS CLAIM YOU MAY HAVE AGAINST US.
4. THE INFORMATION YOU AND WE MAY OBTAIN IN DISCOVERY FROM EACH OTHER IN ARBITRATION IS GENERALLY MORE LIMITED THAN IN A LAWSUIT.
5. OTHER RIGHTS THAT YOU AND WE WOULD HAVE IN COURT MAY NOT BE AVAILABLE IN ARBITRATION.
6. EVEN IF A DISPUTE IS ARBITRATED, WE CAN STILL REPOSSSESS YOUR MERCHANDISE IF YOU DO NOT HONOR YOUR AGREEMENT AND YOU OR WE MAY SEEK PROVISIONAL REMEDIES FROM A COURT.

Any claim or dispute, whether in contract, tort or otherwise (including the interpretation and scope of this clause and the arbitrability of any issue), between you and us or our employees, agents, successors or assigns, which arises out of or relates in any manner to the purchase and financing of the merchandise under the Agreement or any resulting transaction or relationship (including any such relationship with third parties who do not sign the Agreement) shall, at your or our election (or the election of any such third party), be resolved by neutral, binding arbitration and not by a court action. Any claim or dispute is to be arbitrated on an individual basis and not as a class action, and you expressly waive any right you may have to arbitrate a class action (this is called the "class action waiver"). You may choose the applicable rules of either the American Arbitration Association (1-800-778-7879), JAMS (800-352-5267) or any other nationally recognized arbitration organization, subject to our approval, and if the arbitration organization selected by you is unwilling to serve, we shall select the arbitration organization. We waive the right to require you to arbitrate an individual (as opposed to a class) claim if the amount you seek to recover, including attorneys' fees and expenses, is less than \$7,500 or the maximum jurisdiction the venue of a state court providing for the resolution of small claims. You may obtain a copy of the rules of these organizations by calling the numbers indicated or by visiting their web sites.

The arbitrators shall be attorneys or retired judges and shall be selected in accordance with the applicable rules. The arbitration award shall be in writing, but without a supporting opinion. The arbitration hearing shall be conducted in the federal district in which you reside. If you demand arbitration first, you will pay one half of any arbitrator filing fee. We will pay the rest of the filing fee, and the whole filing fee if we demand arbitration first or if the arbitrator determines that applicable law requires us to do so or that you are unable to do so or that we must do so in order for this Arbitration Provision to be enforceable. We will pay the arbitration costs and fees for the first day of arbitration, up to a maximum of eight hours. ***We will also pay any fees and charges that the arbitrator determines that we must pay in order to assure that this Arbitration Provision is enforceable.*** The arbitrator shall decide who shall pay any additional costs and fees.

The arbitrator's award shall be final and binding on all parties, except in the event where either there is a "take nothing" award or the award is in excess of \$100,000 either party may request a new arbitration under the rules of the arbitration organization by a three-arbitrator panel

This Arbitration Provision relates to a contract that evidences a transaction involving interstate commerce. Any arbitration under this Arbitration Provision shall be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). If a court should determine that the transaction did not involve interstate commerce, the parties agree that this Arbitration Provision shall be governed by state law.

If any part of this Arbitration Provision other than the Class Action Waiver is found by a court or arbitrator to be unenforceable, the remainder shall be enforceable. This Arbitration Provision shall survive the termination of any contractual agreement between you and us, whether by default or repayment in full.

You may elect to opt-out of the arbitration provision only by notifying us in writing at Preferred Credit, Inc., 628 Roosevelt Road, St. Cloud, MN 56301 within 30 days from the date in which you signed this Agreement, and including in the notice your name, address and account number and a clear statement that you do not wish to resolve disputes through arbitration. No one else may sign the rejection notice for you. Your rejection notice also must not be sent with any other correspondence. Rejection of arbitration will not affect your other rights or responsibilities under this Agreement. If you reject arbitration, neither you nor we will be subject to the arbitration provisions for this Agreement. Rejection of arbitration for this Agreement will not constitute rejection of any prior or future arbitration provision between you and us.

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.

Where Illinois is the Applicable Law:

DISCLOSURE OF 36% RATE CAP

A retailer shall not contract for or receive charges exceeding a 36% annual percentage rate on the unpaid balance of the amount financed for a calculated under the Illinois Predatory Loan Prevention Act (PLPA APR).

Any retail charge agreement with a PLPA APR over 36% is null and void, such that no person or entity shall have any right to collect, attempt to principal, fee, interest, or charges related to the retail charge agreement.

The annual percentage rate disclosed in any retail charge agreement may be lower than the PLPA APR.

BUYER SIGNATURE:	CO-BUYER SIGNATURE:
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Where Connecticut is the Applicable Law: By signing below, you acknowledge that you have read Paragraph 9 of this Agreement and have been informed of the consequences of failing to make the first or any future deferred or promotional installment payment in a timely manner.

Where Michigan is the Applicable Law: The seller retains a security interest in the subject matter of this agreement.

NOTICE TO BUYER: (a) Do not sign this Agreement before you read it or if any spaces intended for the agreed terms are left blank. (b) You are entitled to an exact copy of this Agreement at the time you sign it. (c) You may at any time pay off the full unpaid balance under this Agreement. (d) **BUYER'S RIGHT TO CANCEL:** If Iowa, New Hampshire, Rhode Island, Washington or Wyoming is the Applicable Law, you may cancel any purchases made under this Agreement if the seller or his representative solicited in person such purchase, and you sign an agreement for such purchase, at a place other than the seller's business address shown on this Agreement, by sending notice of such cancellation by certified mail return receipt requested to the seller at his address shown on this Agreement, which notice shall be posted not later than midnight of the third day (excluding Sundays and holidays) following your signing of the purchase agreement. If you choose to cancel the purchase, you must return or make available to seller at the place of delivery any merchandise, in its original condition, received by you under the purchase agreement. See the notice of cancellation in your copy of the Charge Slip. If Arizona, North Dakota, or Rhode Island is the Applicable Law, the seller has no right to unlawfully enter your premises or commit any breach of the peace to repossess goods purchased under this Agreement. If Connecticut is the Applicable Law: Under the law, you have the following rights, among others: (a) to pay off in advance the full amount due and obtain a partial refund of any unearned finance charge; (b) to redeem the property if repossessed for a default; (c) to require, under certain conditions, a resale of the property if repossessed. If Hawaii is the Applicable Law: This contract is covered by Hawaii's credit sale law, and you have rights of a buyer under that law. You also may have other rights under other state and federal law. If New Hampshire is the Applicable Law: **ANY BUYER MAY CANCEL THIS TRANSACTION ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION.** Your signatures below mean that you have received a completely filled in copy of this Agreement. Keep this Agreement to protect your legal rights. **CAUTION- IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.**

Your signature(s) below mean that (a) you have read and understand the terms and conditions as set forth on all pages of this Agreement; (b) you agree to the terms of this Agreement; and (c) you will pay any advances made under this Agreement according to its terms.

CREDIT SALE CONTRACT

BUYER:	BUYER SIGNATURE:
CO-BUYER :	CO-BUYER SIGNATURE:
SELLER:	SALE: Sales Rep: PCI Client No.: SELLER SIGNATURE:

Your 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.

What To Do If You Find A Mistake On Your Statement

If you think there is an error on your statement, write to us at: Preferred Credit, Inc., 628 Roosevelt Road, St. Cloud, MN 56301.

In your letter, give us the following information:

- Account information: Your name and account number.
- Dollar amount: The dollar amount of the suspected error.
- Description of problem: If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors in writing. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

What Will Happen After We Receive Your Letter

When we receive your letter, we must do two things:

1. Within 30 days of receiving your letter, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect the amount in question, or report you as delinquent on the amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

- If we made a mistake: You will not have to pay the amount in question or any interest or other fees related to that amount.
- If we do not believe there was a mistake: You will have to pay the amount in question, along with the applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

Your Rights If You Are Dissatisfied With Your Account Purchases:

If you are dissatisfied with the goods or services that you have purchased with your Account 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 purchase.

To use this right, all of the following must be true:

1. The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these are necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)
2. You must have used your Account for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your account do not qualify.
3. You must not yet have fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at: Preferred Credit, Inc., 628 Roosevelt Road, St. Cloud, MN 56301.

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.

ASSIGNMENT – OFFICE USE ONLY

Assignment by Seller: For Value Received: Seller sells and assigns this Retail Charge Agreement (the "Agreement") to Preferred Credit, Inc., 628 Roosevelt Road, St. Cloud, MN 56301, the assignee, its successors and assigns, including all of Seller's rights, title, and interest in this Agreement. Assignee has full power to take all legal and other actions, which Seller could have taken under this Agreement. The undersigned acknowledges that this Assignment incorporates by reference the terms of the Finance Agreement between the undersigned and Preferred Credit, Inc. including but not limited to the representations, warranties, liabilities, conditions and obligations of the undersigned contained therein.

X

(Corporate, Firm or Trade Name of Seller)

(Owner, Officer or Firm Member)

THIS DOCUMENT IS SUBJECT TO A SECURITY INTEREST IN FAVOR OF US BANK NATIONAL ASSOCIATION.



AUTHORIZATION FOR PREAUTHORIZED PAYMENTS



By signing below, I hereby request and authorize Preferred Credit, Inc. (PCI) to initiate entries to debit my account on the due date for the minimum monthly payment amount shown on my monthly periodic statement of account (or the next business day if the due date falls on a weekend or holiday) and as otherwise described below. This authority is to remain in full force and effect until PCI is paid in full, or PCI has received written notification of its termination at 628 Roosevelt Road, St. Cloud, MN 56301 or I have notified my financial institution at least three business days before the scheduled payment. In addition to the payment amount, I request and authorize PCI to initiate entries to debit my account to collect any incidental fees or charges that may be due on the Agreement following maturity, as permitted by applicable law.

Bank/Financial Institution Name: _____ Location (City, State): _____

Account Type: _____ Routing Number: _____ Account Number: _____

Name: _____ Signature: **X** _____

NOTICE TO COSIGNER

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, that fact may become a part of *your* credit record.

This notice is not the contract that makes you liable for the debt.

Where Wisconsin is the Applicable Law:

EXPLANATION OF PERSONAL OBLIGATION

- (a) You have agreed to pay the total of payments under a consumer credit transaction between PAUL J KROUSE and GREENWATER TECHNOLOGIES made on Jan 20, 2020 for the purpose of a consumer credit sale in the amount of \$3,747.68.
- (b) You will be liable and fully responsible for payment of the above amount even though you may not be entitled to any of the goods, services or loan furnished thereunder.
- (c) You may be sued in court for the payment of the amount due under this consumer credit transaction even though the customer named above may be working or have funds to pay the amount due.
- (d) This explanation is not the agreement under which you are obligated, and the guaranty or agreement you have executed must be consulted for the exact terms of your obligations.
- (e) You are entitled now, or at any time, to one free copy of any document you sign evidencing this transaction.
- (f) The undersigned acknowledges receipt of an exact copy of this notice.

Where Iowa is the Applicable Law:

NOTICE

You agree to pay the debt identified below although you may not personally receive any property, services, or money. You may be sued for payment although the person who receives the property, services, or money is able to pay. This notice is not the contract that obligates you to pay the debt. Read the contract for the exact terms of your obligation.

IDENTIFICATION OF DEBT YOU MAY HAVE TO PAY

Name of Debtor	Date
Name of Creditor Preferred Credit, Inc.	Kind of Debt Household Good

I have received a copy of this notice.

Signature

Date

FACTS WHAT DOES PREFERRED CREDIT, INC. ("PCI") DO WITH YOUR PERSONAL INFORMATION?

Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> ▪ Social Security Number and income; ▪ account balances and payment history; and ▪ credit history and credit scores.
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons PCI chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does PCI share?	Can you limit this sharing?
For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to the credit bureaus	Yes	No
For our marketing purposes – to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes – information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes – information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For nonaffiliates to market to you	Yes	Yes

To limit our sharing	<ul style="list-style-type: none"> ▪ Mail in the form below <p>Please note:</p> <p>If you are a <i>new</i> customer, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p> <p>However, you can contact us at any time to limit our sharing.</p>
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Questions?	Call 320-255-9784 or go to www.preferredcredit.com
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Mail-in Form										
<p>Leave Blank OR If you have a joint account, your choice(s) will apply to everyone on your account unless you mark below.</p> <p><input type="checkbox"/> Apply my choices only to me.</p>	<p>Mark any/all you want to limit:</p> <p><input type="checkbox"/> Do not share my personal information with Nonaffiliates to market their products and services to me.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="background-color: #cccccc; width: 25%;">Name</td> <td style="width: 50%;"></td> <td rowspan="4" style="width: 25%; vertical-align: top;">Mail to: Preferred Credit, Inc. 628 Roosevelt Road St. Cloud, MN 56301</td> </tr> <tr> <td style="background-color: #cccccc;">Address</td> <td></td> </tr> <tr> <td style="background-color: #cccccc;">City, State, Zip</td> <td></td> </tr> <tr> <td style="background-color: #cccccc;">Account #</td> <td></td> </tr> </table>	Name		Mail to: Preferred Credit, Inc. 628 Roosevelt Road St. Cloud, MN 56301	Address		City, State, Zip		Account #	
Name		Mail to: Preferred Credit, Inc. 628 Roosevelt Road St. Cloud, MN 56301								
Address										
City, State, Zip										
Account #										

Who we are	
Who is providing this notice?	Preferred Credit, Inc.

What we do	
How does PCI protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does PCI collect my personal information?	<p>We collect personal information, for example, when you</p> <ul style="list-style-type: none"> ▪ apply for financing or give us your contact information ▪ provide account information or pay your bills ▪ show your government-issued ID <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> ▪ sharing for affiliates' everyday business purposes - information about your creditworthiness ▪ affiliates from using your information to market to you ▪ sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p>
What happens when I limit sharing for an account I hold jointly with someone else?	Your choice will apply to everyone on your account unless you tell us otherwise.

Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial or nonfinancial companies.</p> <ul style="list-style-type: none"> ▪ <i>PCI does not share with our affiliates</i>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> ▪ <i>Nonaffiliates we share with can include direct marketing companies and the retailer named on your account</i>
Joint Marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> ▪ <i>PCI does not jointly market</i>

Other important information

We follow state law if state law provides you with additional privacy protections. For example, if (and while) your billing address is in **Vermont**, we will treat your account as if you had exercised the opt-out choice described above and you do not need to contact us to opt out. If you move from Vermont and you wish to restrict us from sharing information about you as provided in this notice, you must then contact us to exercise your opt-out choice.