



RETAIL INSTALMENT CREDIT AGREEMENT/ SECURITY AGREEMENT
Preferred Credit, Inc. – 628 Roosevelt Road, St. Cloud, MN 56301 ZIP Line: 877-878-1079 Customer Service: 800-972-0825

IF YOU ARE MARRIED, YOU MAY APPLY FOR CREDIT SEPARATELY AS AN INDIVIDUAL. TYPE OF CREDIT REQUESTED (CHECK APPROPRIATE BOX): ☐ INDIVIDUAL – IN YOUR NAME, RELYING ON YOUR OWN INCOME. COMPLETE BUYER INFORMATION. ☐ JOINT – WITH ANOTHER PERSON. COMPLETE BUYER AND CO-BUYER INFORMATION.		WE INTEND TO APPLY FOR JOINT CREDIT APPLICANT/ BUYER INITIALS CO-APPLICANT/ CO-BUYER INITIALS	PO Consumer Account No.
---	--	---	-------------------------

**** IDENTIFICATION VERIFICATION ****			
Verify Customer's Government Issued I.D.	Applicant's Driver's License/I.D. #	State	Expiration Date
	Co-Applicant's Driver's License/I.D. #	State	Expiration Date

**** APPLICANT INFORMATION ****					
Last Name	First Name	Middle Init.	Date of Birth	Social Security #	Home Phone #
					Cell Phone #
Physical Address			Apt./Lot # Mailing Address (If different from Physical Address)		
City/State		ZIP	Years There	Email Address	
Primary Income Type ☐ Full-Time ☐ Self-Employed ☐ Military Pay Grade _____ ☐ Part-Time ☐ Retired ☐ Other _____			Monthly Gross Income \$	Other Income Type(s) (Check ALL that apply): Alimony, child support and maintenance payments need not be disclosed if you do not wish us to consider them in determining your credit worthiness.	
Employer/Primary Source of Income			Years There	Monthly Gross Other Income \$	
Job Title			Employer Phone	Business Ext.	
Employer Location (City, State)					
			☐ OWNS ☐ RENTS } ☐ HOUSE ☐ APT ☐ CONDO		Monthly Housing Payment
			☐ PROVIDED ☐ OTHER } ☐ MOBIL ☐ LIVES WITH FAMILY		\$
			Bank Accounts Please Check ALL that Apply:		☐ CHECKING ☐ SAVINGS

CO-APPLICANT INFORMATION: ☐ SPOUSE ☐ CO-BUYER; RELATIONSHIP:						NY18-R
Last Name	First Name	Middle Init.	Date of Birth	Social Security #	Home Phone #	Cell Phone #
Physical Address			Apt./Lot #	City/State	ZIP	Years There
Primary Income Type ☐ Full-Time ☐ Self-Employed ☐ Military Pay Grade _____ ☐ Part-Time ☐ Retired ☐ Other _____			Monthly Gross Income \$	Other Income Type(s) (Check ALL that apply): Alimony, child support and maintenance payments need not be disclosed if you do not wish us to consider them in determining your credit worthiness.		
Employer/Primary Source of Income			Years There	Monthly Gross Other Income \$		
Job Title			Employer Phone	Business Ext.		
Employer Location (City, State)						
			☐ OWNS ☐ RENTS } ☐ HOUSE ☐ APT ☐ CONDO		Monthly Housing Payment	
			☐ PROVIDED ☐ OTHER } ☐ MOBIL ☐ LIVES WITH FAMILY		\$	
			Bank Accounts Please Check ALL that Apply:		☐ CHECKING ☐ SAVINGS	

**** REFERENCES ****			
(1) Name of Nearest Relative Not Living With You	City/State	Relative's Phone	Relationship
(2) Name of Nearest Relative Not Living With You	City/State	Relative's Phone	Relationship

By signing below you (a) apply for credit; (b) agree that, to the best of your knowledge, all information contained in the application above is complete and accurate; (c) recognize that we may obtain consumer reports on you in connection with your application and may obtain and use subsequent reports in connection with an update, renewal or extension of credit for which you may apply, and other uses not prohibited by law; (d) expressly authorize any third party (i.e. creditor, bank, or financial institution, employer, landlord, etc.) to release whatever information that we may request concerning you; (e) agree that we may monitor and record telephone calls regarding your account for quality assurance and for other reasons not prohibited by law; (f) expressly consent and agree to us using written, electronic or verbal means to contact you as not otherwise prohibited by law including, but not limited to, contact by manual calling methods, prerecorded or artificial voice messages, text messages, emails, posts and/or automatic dialing systems and do so using any email address, social media account or telephone number you provide or we otherwise may obtain, now or in the future, including a number for a mobile phone or other wireless device regardless of whether you may incur charges as a result; (g) acknowledge that the terms and conditions of this Agreement are subject to credit approval; (h) acknowledge that Interest Charges will be imposed in amounts or rates not in excess of those permitted by law; (i) acknowledge this instrument is based upon a home solicitation sale, which is subject to the provisions of the Home Sale Disclosure law set forth under Additional Terms and Disclosures in paragraph 17 "Home Sale Disclosure Laws"; (j) grant us a purchase money security interest in any goods of \$200 or more under this Agreement which are described in any order, invoice or similar document issued by the Seller which becomes part of this Agreement; (k) acknowledge that this instrument is not negotiable; and (l) acknowledge that you are receiving the Retail Instalment Credit Agreement: Additional Terms and Disclosures. The Additional Terms and Disclosures are in effect on the date of execution and incorporated herein.

NOTICE TO THE BUYER: 1. Do not sign this credit agreement before you read it or if it contains any blank space. 2. You are entitled to a completely filled in copy of this credit agreement.

Your initials below mean that (a) you have read and agree to the terms and conditions as set forth on all 5 pages of this Agreement; (b) you agree to the terms of this Agreement; (c) you will pay any advances made under this Agreement according to its terms; and (d) **you have received a completely filled in copy of this Agreement.**

RETAIL INSTALMENT CREDIT AGREEMENT

X	Date / /		
Buyer's Signature			
X	Date / /		
Co-Buyer's Signature		BUYER INITIALS	CO-BUYER INITIALS
Seller's Company Name and Address: Company Name:		Sale Information Consultant	Promotional Credit Plan (if applicable):
Address:		PCI Client No.:	Decision Code:

AUTHORIZATION FOR PREAUTHORIZED PAYMENTS	
By signing below, I hereby request and authorize Preferred Credit, Inc. (PCI) to initiate entries to debit my account on such dates and in such amounts as described in my signed Retail Instalment Credit Agreement ("Agreement") and as otherwise described below. This authority is to remain in full force and effect until PCI is paid in full, or PCI and Bank/Financial Institution have received written notification from me of its termination at such time and in such manner as to afford PCI and Bank/Financial Institution a reasonable opportunity to act on it. 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. If my payment is returned unpaid, I authorize PCI to make a one-time electronic fund transfer from my account to collect a fee as provided in my Agreement.	
Bank/Financial Institution Name: _____	Location (City, State, Zip): _____
Check Which One Applies: ☐ CHECKING ☐ SAVINGS Routing Number: _____ Account Number: _____	
Name (Print): _____	Signature: _____

CUSTOMER PRIVACY

FACTS	WHAT DOES PREFERRED CREDIT, INC. ("PCI") DO WITH YOUR PERSONAL INFORMATION?		Rev. 05/17
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: (1) Social Security Number and income; (2) account balances and payment history; and (3) 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	Complete the opt-out election form below. Please note: 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. However, you can contact us at any time to limit our sharing.		
Questions?	Call 320-255-9784 or go to www.preferredcredit.com		
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. We continually evaluate and access new technology for protecting your nonpublic personal information.			
How does PCI collect my personal information? - We collect personal information, for example, when you (1) apply for financing or give us your contact information; (2) provide account information or pay your bills; and (3) show your government-issued ID. We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.			
Why can't I limit all sharing? - Federal law gives you the right to limit only (1) sharing for affiliates' everyday business purposes (i.e. information about your creditworthiness); (2) affiliates from using your information to market to you; and (3) sharing for nonaffiliates to market to you. State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.			
What happens when I limit all sharing for an account I hold jointly with someone else? - Your choices will apply to everyone on your account unless you tell us otherwise.			
Definitions			
Affiliates - Companies related by common ownership or control. They can be financial or nonfinancial companies. <i>PCI does not share with our affiliates</i>			
Nonaffiliates - Companies not related by common ownership or control. They can be financial and nonfinancial companies. <i>Nonaffiliates we share with can include direct marketing companies and the retailer named on your account.</i>			
Joint Marketing - A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <i>PCI does not jointly market</i>			
Other Important Information			
We follow state law if state law provides you with additional privacy protections.			
Opt-out Election	Mark if you wish to limit how we share your personal information with nonaffiliates: Applicant ☐ Co-Applicant ☐ Do not share my personal information with nonaffiliates to market their products and services to me.		

Assignment by Seller (With Full Recourse): For Value Received: Seller sells and assigns this Retail Instalment Credit Agreement (the "Agreement") to Preferred Credit, Inc., 628 Roosevelt Rd., Suite #100, P.O. Box 1679, St. Cloud MN, 56302, the assignee, its successors and assigns, including all of Seller's rights, title, and interest in this Agreement and any guarantee executed in connection with this Agreement. Assignee has full power to take all legal and other actions, which Seller could have taken under this Agreement. The undersigned hereby guarantee payment of the Agreement in accordance with its terms and agree to pay all costs and reasonable attorney's fees incurred in enforcing the obligations of the undersigned hereunder.

(Corporate, Firm or Trade Name of Seller)

(Owner, Officer or Firm Member)

(Date)

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

RETAIL INSTALMENT CREDIT AGREEMENT: ADDITIONAL TERMS AND DISCLOSURES

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT - To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents

Interest Rates and Interest Charges

Annual Percentage Rate (APR) for Purchases	21.99%. See your account agreement for more details.
---	---

How to Avoid Paying Interest	Your due date is at least 25 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month.
-------------------------------------	--

Minimum Interest Charge	If you are charged interest, the charge will be no less than \$0.70. See your account agreement for more details.
--------------------------------	---

For Credit Card Tips from the Consumer Financial Protection Bureau	To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau at http://www.consumerfinance.gov/learnmore .
---	--

Fees

Transaction Fees	None.
-------------------------	--------------

Penalty Fees	The lesser of \$5 or 5% of the payment. See your account agreement for more details.
---------------------	--

- Late Payment - Return Payment	\$20. See your account agreement for more details.
--	--

How We Will Calculate Your Balance: We use a method called "average daily balance (including new purchases)." See your account agreement for more details.

Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided in your account agreement.

1. Definitions: In this Retail Installment Credit Agreement ("Agreement"); The word "Account" refers to the account that is established with the Seller, and their successors or assigns, that is the subject of this Agreement. The words "you" and "your" refer to each individual who signs the Application for the Account, and who is authorized to use the Account. The words "we," "us" and "our" refer to the Seller, and any assignee of the Seller. The words "Acceptable Documentation" shall refer to Purchase Orders, phone orders, or orders from our website, so long as such orders are signed (physically or electronically) or otherwise verbally or electronically authenticated. The words "Applicable Law" shall mean federal law and the laws of the state of New York. You and we agree that these Applicable Laws apply to this Agreement. The words "Purchase Order" refer to the document describing the type, quantity and agreed price of merchandise you buy from the Seller.

2. Account: This Agreement applies to your retail charge purchase of goods and services from us. The amount of your initial purchase from Seller will govern the amount of the initial credit limit on your Account, which will be set at a higher amount than the cost of the goods purchased based on our expectation that you will use the Account to make additional purchases. You may make add-on purchases from the Seller or Seller's assigns which will be evidenced by Acceptable Documentation. Acceptable Documentation must provide the cash price of the merchandise purchased. By signing future Acceptable Documentation you agree those purchases thereby confirmed will be subject to this Agreement. You agree that add-on orders which exceed the credit limit established with your initial order are subject to credit approval. We reserve the right to deny authorization for any requested credit limit increase.

3. Promise to Pay: In return for extending credit to you on this Account from time to time, each of you agrees to pay for all purchases any of you charge on this Account, and all other charges mentioned below, according to the terms of this Agreement. When you sign the Application for this Account, you will be agreeing to the terms and conditions in this Agreement, which include the cost of credit disclosures required by Applicable Law. This Agreement will not be effective until we approve your Application, and we or our assignee provides any disclosures required by the federal Truth in Lending Act, and then, after that, only if you or someone authorized by you sign a Purchase Order or otherwise charge a purchase to this Account and we extend credit for that purchase.

4. Billing: You will be billed monthly for credit purchases from us, as shown on a Purchase Order signed by you (or completed at your direction), and for any previous unpaid balance. You will receive a monthly periodic statement of account for any month in which you have an outstanding balance of more than \$1.00 or on which an Interest Charge has been imposed. Your monthly periodic statement of account will show your new unpaid balance, any new purchases you have made since your last monthly periodic statement of account, and your Minimum Monthly Payment. Your credit limit will also be shown on your monthly periodic statement of account.

5. Payment: You have the right to pay your entire balance in full or more than the Minimum Monthly Payment at any time. Otherwise, you agree to pay at least the Minimum Monthly Payment, which includes Interest Charges. You must make payment in U.S. Dollars, with a draft, money order, or check drawn on a U.S. Bank or the U.S. Post Office. We may accept late payment, partial payments, or any payments marked "payment in full," without losing any of our rights under this Agreement or Applicable Law.

6. Interest Charges: Unless you are offered a Promotional Credit Plan as described below, Interest Charges will begin to accrue upon delivery of the merchandise you purchase. Delivery occurs upon the earlier of the date of shipment of the merchandise, or the date of hand delivery of the merchandise. No Interest Charges will be imposed on new purchases, however, if: (a) there was no outstanding balance under your Account at the beginning of the billing period in which the purchase was made (which includes the period in which you make your initial purchase of merchandise under this Agreement), and (b) you pay off your Account in full by the payment due date reflected in the monthly periodic statement of account for that billing period (though no payment may be due). We figure the Interest Charge on your Account by applying a daily periodic rate to the "average daily balance" of your Account (including current transactions) and multiplying the result by the number of days in the billing period. To get the "average daily balance" we take the beginning balance of your Account each day, add any new purchases, and subtract any payments or credits. This gives us the daily balance. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance." Your daily periodic rate and the corresponding Annual Percentage Rate are indicated in the chart below. The daily periodic rate will be the annual rate divided by 365 (366 in a leap year).

Applicable Law	Daily Periodic Rate	Corresponding ANNUAL PERCENTAGE RATE
NY	0.0603%	21.99%

Notwithstanding the above, if we receive payment in full for the unpaid balance on your Account prior to the date we next send a monthly periodic statement of account, no additional Interest Charges will be imposed for the current billing period. The portion of any balance arising from the sale of goods which are returned will be excluded from the unpaid balance as of the date the goods are returned.

7. Minimum Monthly Interest Charge: As allowed by Applicable Law, if the Interest Charge that results from the application of the above stated daily periodic rate (the "Calculated Interest Charge"), is less than \$0.70, we will impose a minimum monthly **INTEREST CHARGE** of \$0.70. If we receive payment in full for the unpaid balance on your Account prior to the next billing date, we will not impose a minimum additional Interest Charge for that billing period.

8. Minimum Monthly Payment: You will make payments of at least the total Minimum Monthly Payment each month as required by our monthly periodic statements of account. Your total Minimum Monthly Payment will consist of: (1) any past due amounts and (2) a regularly scheduled Minimum Monthly Payment. The regularly scheduled Minimum Monthly Payment will be equal to the greater of: (a) the regularly scheduled Minimum Monthly Payment shown on your Purchase Order; (b) \$25.00; or (c) 3.00% of the Account balance immediately following the first or any subsequent purchase on your Account.

9. Promotional Credit Plans: In addition to purchases that accrue Interest Charges and require monthly payments as described previously in this Agreement, as part of this Account, Promotional Credit Plans may be offered from time to time on specific additional purchases for qualified buyers. Purchases made under these Promotional Credit Plans may have different interest charge calculations and required minimum payments. A Promotional Credit Plan is strictly limited by its terms and the terms and conditions of the special promotion to which it relates. In addition, the benefits of a Promotional Credit Plan will expire and all accrued Interest Charges in these plans will be added to your Account if you fail to pay the promotional balance by the end of the promotional period or you are in default for a period of 60 or more days during the promotional period. The special promotions that may be offered include:

9.a. Same as Cash Plan: If you pay the full purchase price before the expiration date of a Same as Cash Plan, as indicated on your monthly periodic statement of account, and pay the Minimum Monthly Payment each billing period when due, no Interest Charges will be imposed on the purchase. If such payments are not made, Interest Charges from the date of delivery will be added to your Account either when you fail to make a payment within 60 days of the due date or, at the end of the Same as Cash Plan period if any portion of the promotional balance remains outstanding.

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.

11. Other Charges:

11.a. Late Fees: 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. The statutory time period for 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, the maximum late fee allowed is 5% of the amount of the payment or \$5, whichever is less. Notwithstanding the preceding provisions, 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: You will pay a returned check charge (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. Currently, that amount is \$20. Notwithstanding the preceding provisions, 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. If your payment is returned unpaid, you authorize us to make a one-time electronic fund transfer from your account to collect a fee as provided above.

12. Security Agreement: You grant us a purchase money security interest in each household good purchased with this Account ("Goods") for a price of \$200 or more to the full extent not prohibited by Applicable Law (including the Uniform Commercial Code). 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.

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 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 ten days of the date on which the installment was due, we receive payment together with any late fees. If you fail to pay within 10 days of the due date, 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 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 (not to exceed 20% of the amount due and payable) and court costs as permitted by Applicable Law. 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.

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 Oral Modifications: You agree that we are not bound by any oral agreements 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 New York's Door-to-Door Sales Protection Act, NY Pers. Prop. Law §§ 425 *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 allowed by 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: If any provision of this Agreement is found to be unenforceable, all other provisions shall remain in full force and effect.

20. Applicable Law: Federal and New York law apply to this Agreement.

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, email address or social media account, 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, email or post. Phone numbers, fax numbers, email addresses and social media accounts you provide include those you give to us, those from which you contact us or which we obtain through other means. 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, email address or social media account, 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.

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., P.O. Box 1679, St. Cloud, MN 56302.

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., P.O. Box 1679, St. Cloud, MN 56302.

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.

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.