

**Genesis Credit® Account**  
**First Electronic Bank**

| <b>Interest Rates and Interest Charges</b>                                |  |
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| <b>Annual Percentage Rate (APR) for Purchases</b>                         | <b>34.9%</b>   |
| <b>Paying Interest</b>  | We will begin charging interest on purchases on the transaction date.  |
| <b>For Credit Card Tips from the Consumer Financial Protection Bureau</b> | <b>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 <a href="http://www.consumerfinance.gov/learnmore">http://www.consumerfinance.gov/learnmore</a>.</b> |

| <b>Fees</b>   |  |
|---|--|
| <b>Set Up and Maintenance Fees</b> <ul style="list-style-type: none"><li>Monthly Fee</li></ul>            | <b>\$59.40 Annually (Billed \$4.95 Each Month)</b> |
| <b>Penalty Fees</b> <ul style="list-style-type: none"><li>Late Payment</li><li>Returned Payment</li></ul> | Up to <b>\$40</b><br>Up to <b>\$40</b>             |

**How We Will Calculate Your Balance:** We use a method called “average daily balance (including new purchases)”. See “How We Calculate Interest” in the Important Disclosures below for more details.

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in the Important Disclosures below and in the Account Agreement.

**You can choose to stop receiving “prescreened” offers of credit from this and other companies by calling toll free, 1-888-567-8688. See PREScreen & OPT OUT NOTICE below for more information about prescreened offers.**

**PREScreen & OPT OUT NOTICE:** This “prescreened” offer of credit is based on information in your credit report indicating that you meet certain criteria. This offer is not guaranteed if you do not meet our criteria. If you do not want to receive prescreened offers of credit from this and other companies, call the consumer reporting agencies toll free at 1-888-567-8688, or write to: TransUnion, P.O. Box 505, Woodlyn, PA 19094-0505; Equifax, P.O. Box 740123, Atlanta, GA 30374 0123; or Experian, P.O. Box 919, Allen, TX 75013.

**TERMS AND CONDITIONS**

The Genesis Credit® Account (“Account”) is issued by First Electronic Bank (“we”, “us”, and “our”) and may be used for Purchases at participating Retailers that accept this Account. Offer is (a) applicable only to the consumer who is informed that he or she is pre-approved for an Account, (b) non-transferable, and (c) subject to credit approval. Offer expires at close of business day on [MM/DD/YYYY].

Information contained in your credit report from a credit reporting agency was used in connection with this credit offer. You are receiving this credit offer because you satisfied the criteria for creditworthiness that was previously established. However, please keep in mind that certain criteria for creditworthiness may still need to be met or verified before credit can actually be extended to you, and if we determine at the time you respond to this offer, that you no longer meet credit eligibility requirements previously established that you previously met, we may not extend credit to you.

You authorize us to gather information about you, including from your employer, your bank, credit reporting agencies, (including obtaining a copy of your credit reports), and others, to verify your identity and evaluate your credit, and to review, maintain and

perform collection activities on your Account. If you ask us, we will tell you whether or not we requested your credit report, and the names and addresses of any credit reporting agencies that provided us with such reports.

To be approved for an Account, you must meet our credit qualification criteria. Your credit limit will be determined by your income and review of your debt, including debt on your credit report. You will be informed of your credit limit if you are approved.

You authorize us, even if you are declined, to share your information, except your social security number, with the participating Retailers that accept your Account and any of their affiliates. You also authorize us to share experience and transaction information with them about your Account. To stop us from sharing information about you or your Account with the participating Retailers for marketing purposes, please call Genesis FS Card Services at 1-800-303-8341.

If you are approved for an Account, we may report information about your Account to credit bureaus. Any late payments, missed payments, and other defaults on your Account may be reflected in your credit report.

**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.

**Electronic Signature:** You acknowledge that by clicking "Submit" or similar button on the electronic credit application, you are indicating your intent to receive electronic communications about your credit application for a Genesis Credit® Account and that this shall constitute your electronic signature.

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### CONSENT TO ELECTRONIC COMMUNICATIONS

By accepting a preapproved offer and/or submitting an application online, you agree to the following and this constitutes your consent for us to send you electronic communications about your preapproved offer, application, and/or Account during the application process. When you successfully consent and submit your acceptance of a preapproved offer and/or application through this website, you have successfully demonstrated that you are able to access the information we have posted on such online website.

**Communications:** You consent to receive communications relating to the Account in electronic form. The communications covered by your consent may include, but are not limited to, (i) the initial disclosure statement, (ii) any disclosure required by federal, state or local law, including disclosures under the federal Truth in Lending Act, the federal Fair Credit Reporting Act, and the financial privacy provisions of the Gramm-Leach-Bliley Act, and (iii) other disclosures, notices or communications in connection with your preapproved offer and/or application for an Account.

**Withdrawing Consent:** You may not submit your acceptance of a preapproved offer or application online for an Account unless you also provide your consent to receive electronic communications. Because this consent applies only to your acceptance of a preapproved offer and/or submission of an application, and not to any future communications, you do not have an opportunity to withdraw the consent after your acceptance and/or application is submitted.

**Hardware and Software Requirements:** In order to access and retain electronic communications, you must have the following:

1. A widely used, recent generation web browser (for example, Internet Explorer, Safari or Firefox);
2. A personal computer or equivalent device capable of connecting to the internet via dial-up, DSL, cable modem, wireless access protocol or equivalent;
3. A widely used, recent-generation portable document file reader; and
4. Sufficient storage capacity on your hard drive or other data storage facility, or a means to print or store notices and information through your browser software.

**Paper Copies of Communications:** Upon your request, we will provide you with a paper copy of any communication that we provide electronically. If you would like a paper copy of any material, write to us at First Electronic Bank, c/o Genesis FS Card Services, P.O. Box 4477, Beaverton, Oregon 97076. There will be no charge for a paper copy of any material we have provided electronically.

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### IMPORTANT DISCLOSURES

Keep this document for your records. If you are approved for a Genesis Credit® Account, we will mail you a complete Account Agreement. Definitions used in this document:

- "you" and "your" means the applicant or Accountholder;
- "we", "us" and "our" means First Electronic Bank;
- "Account" means your Genesis Credit® Account.

**Using Your Account.** You may use your Account for Purchases from participating Retailers that accept this Account.

**Deferred Interest.** Each Purchase on your Account is subject to a deferred interest period:

- Purchases of \$1199.99 or less will be subject to up to 6 months of deferred interest; and
- Purchases of \$1200 or more will be subject to up to 6 months of deferred interest or up to 12 months of deferred interest as selected by you at the time of Purchase.

The deferred interest period will begin on the date of the Purchase. Interest will be charged to your Account from the date of the Purchase if the Purchase balance is not paid in full within the deferred interest period or if you make a late payment.

Each Purchase accrues interest from the date of the Purchase, but we will not charge that interest to your Account if you pay that Purchase balance in full before the end of the deferred interest period and you make Monthly Minimum Payments as required. The deferred interest period will end when one or more of the following events occur:

- 6 or 12 months from the Purchase date, as applicable;
- Your Account becomes more than 180 days past due;
- Your Account is charged off for any reason.

Interest on each Purchase will accrue during the deferred interest period at an APR of 34.9%.

You must make Monthly Minimum Payments during the deferred interest period. The monthly statement we send you will include these Monthly Minimum Payment amounts and will help you keep track of your Purchase balance(s) and their deferred interest period(s). Paying only the Monthly Minimum Payment may not pay off the Purchase balance within the deferred interest period. You may have to make additional or increased payments during the deferred interest period to avoid having to pay all accrued deferred interest.

After the deferred interest period, interest will be charged at an APR of 34.9%.

#### **HOW INTEREST CHARGES ARE DETERMINED**

**Your Interest Rate.** We use a daily periodic rate to calculate the interest on your Account. The daily periodic rate is the applicable APR multiplied by 1/365. The daily periodic rate for your Account is 0.09561% and the applicable APR is 34.9%.

**When We Charge Interest.** We charge interest on your Purchases from the post date until you pay the Purchase in full. We charge interest on Fees and other debits from the transaction date until you pay the Fees in full.

**How We Calculate Interest.** We calculate interest separately for each balance segment on your Account. We do this by applying the daily periodic rate to your average daily balance (including new Purchases), and then multiplying the resulting number by the number of days in the Billing Cycle for each balance segment. An average daily balance is calculated for the following balance segments as applicable: Purchase Balance segments and the Regular Balance segment.

We calculate interest for each balance segment as follows:

1. For each day, we take the beginning balance of each balance segment in the Billing Cycle, including any unpaid interest charges, add any new purchases, Fees, and debits, and then subtract the applicable portion of any payments and credits. This gives us the daily balance.
2. Then, we add all the daily balances for the Billing Cycle together and divide the total by the number of days in the Billing Cycle. This gives us the average daily balance.
3. Next, we multiply the daily periodic rate by the average daily balance.
4. Finally, we take the resulting number from #3 and multiply it by the number of days in the Billing Cycle. This gives us the interest charge for each balance segment for the Billing Cycle.

**Monthly Minimum Payment.** Your Monthly Minimum Payment due will be the sum of:

1. The fixed payment amount applicable to each Purchase; plus
2. The greater of 5% of the Regular Balance or \$15.

Each Purchase will have a fixed payment amount which we calculate when the Purchase is posted to your Account. We determine the fixed payment amount for a Purchase by multiplying the Purchase amount by 5%, and then rounding the result to the nearest dollar. If the remaining balance of a Purchase plus accrued interest on that Purchase is less than the fixed payment amount, we will reduce the fixed payment amount for that Purchase accordingly. We will continue to include the fixed payment amount for a Purchase in the Monthly Minimum Payment due until the Purchase plus accrued interest on that Purchase is paid in full.

Your Monthly Minimum Payment due also will include any past due amount. Your Monthly Minimum Payment due will never exceed your New Balance.

If you elect not to pay your New Balance in full, you must pay at least the Monthly Minimum Payment by the Payment Due Date shown on your Statement, which is at least 25 days after the Closing Date of the Billing Cycle. If you make a payment in excess of the Monthly Minimum Payment due for any month, it will not reduce the fixed payment amount applicable to any Purchase that is used to calculate your Monthly Minimum Payment due in subsequent months, but it may result in your paying off a Purchase more quickly.

**Application of Payments.** For each Billing Cycle, payments up to the amount of your Monthly Minimum Payment due will be applied to charges and principal due (including new transactions) in any way we determine. We will generally apply payments up to the amount of your Monthly Minimum Payment due in a manner most favorable or convenient for us.

For each Billing Cycle, to the extent your payments exceed your Monthly Minimum Payment due, we will apply these excess amounts in the order required by applicable law. During the last two Billing Cycles of a deferred interest period, if you have an outstanding deferred interest balance, we will apply these excess amounts to the deferred interest promotion balance.

#### **OTHER FEES**

**Monthly Fee.** We will charge a Monthly Fee of \$4.95 if the total balance on your Account is greater than \$0 on the Closing Date of the Billing Cycle. Your payment of the Monthly Fee does not affect our right to close your Account or our ability to limit transactions on your Account.

**Late Payment Fee.** If we do not receive your Monthly Minimum Payment Due by the Closing Date of the Billing Cycle in which the Payment Due Date occurs and the amount past due is more than \$9.99, we will charge a Late Payment Fee to your Account. The Late Payment Fee is \$29 if you were not charged a Late Payment Fee during any of the prior six billing periods. Otherwise, the Late Payment Fee is \$40. The Late Payment Fee will never exceed the amount of your most recently required Monthly Minimum Payment.

**Returned Payment Fee.** If any payment on your Account is returned to us unpaid for any reason, we will charge a Returned Payment Fee to your Account. The Returned Payment Fee is \$29 if you were not charged a Returned Payment Fee during any of the prior six Billing Cycles. Otherwise, the Returned Payment Fee is \$40. The Returned Payment Fee will never exceed the Monthly Minimum Payment.

**Documentation Fee.** You may request a copy of a statement previously sent to you for a Documentation Fee of \$3 per statement, which fee we will charge to your Account. Copies of sales tickets or other items posted to your Account may be obtained for a Documentation Fee of \$10 per sales ticket or other item, which will be applied to your Account. Notwithstanding the foregoing, we will not impose any fee in connection with a good faith assertion of a billing error or other exercise of your Billing Rights (see below under "Your Billing Rights – Keep This Notice For Future Use").

#### **MILITARY LENDING ACT ("MLA")**

The Military Lending Act provides protections for certain members of the Armed Forces and their dependents ("Covered Borrowers"). The provisions of this section apply to Covered Borrowers. If you would like more information about whether you are a Covered Borrower, you may contact us at 1-800-228-0582.

**MLA – Statement of MAPR.** Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an Annual Percentage Rate of 36%. This rate must include, as applicable to the credit transaction or Account: (1) the costs associated with credit insurance premiums; (2) fees for ancillary products sold in connection with the credit transaction; (3) any application fee charged (other than certain application fees for specified credit transactions or Accounts); and (4) any participation fee charged (other than certain participation fees for a credit card Account).

**MLA – Oral Disclosures.** In order to hear important disclosures and payment information about your Account, you may call 1-800-290-6421.

**MLA – Applicability of Arbitration of Disputes Provision.** The Arbitration of Disputes Provision set forth in this document and in the Account Agreement does not apply to Covered Borrowers.

#### **OTHER PROVISIONS**

**ARBITRATION OF DISPUTES PROVISION: PLEASE READ THIS ARBITRATION OF DISPUTES PROVISION CAREFULLY. UNLESS YOU SEND US THE REJECTION NOTICE DESCRIBED BELOW, THIS PROVISION WILL APPLY TO YOUR ACCOUNT, AND MOST DISPUTES BETWEEN YOU, ON THE ONE HAND, AND US OR ANY SERVICER OF YOUR ACCOUNT, INCLUDING, BUT NOT LIMITED TO, GENESIS FS CARD SERVICES, INC. ("GENESIS"), ON THE OTHER HAND, WILL BE SUBJECT TO INDIVIDUAL ARBITRATION. THIS MEANS THAT: (1) NEITHER A COURT NOR A JURY WILL RESOLVE ANY SUCH DISPUTE; (2) YOU WILL NOT BE ABLE TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING; (3) LESS INFORMATION WILL BE AVAILABLE; AND (4) APPEAL RIGHTS WILL BE LIMITED. THIS ARBITRATION OF DISPUTES PROVISION DOES NOT APPLY TO YOU IF, AS OF THE DATE YOU ARE APPROVED FOR AN ACCOUNT, YOU ARE A MEMBER OF THE ARMED FORCES OR A DEPENDENT OF SUCH MEMBER ENTITLED TO PROTECTION UNDER THE FEDERAL MILITARY LENDING ACT. PLEASE SEE THE SECTION OF THIS DOCUMENT LABELED "MILITARY LENDING ACT." IF YOU WOULD LIKE MORE INFORMATION ABOUT WHETHER YOU ARE ENTITLED TO PROTECTION UNDER THE FEDERAL MILITARY LENDING ACT, YOU MAY CONTACT US AT 1-800-228-0582.**

The Account Agreement, which we will send to you if approved, provides that you will resolve most claims against us or any servicer of your Account, including, but not limited to Genesis, that arise from or relate to your Account and other specified subjects by binding arbitration as opposed to in court with a judge or jury. You may opt out of this arbitration provision within 60 days after the opening

date of your Account by sending a rejection notice. Your Account Agreement will explain how you may do so. Your Account Agreement terms will also provide that you waive the right to pursue class actions against us.

**Credit Bureau Disputes.** If you believe we inaccurately reported credit history information about you or your Account to a credit reporting agency, write to us at Genesis FS Card Services, P.O. Box 4499, Beaverton, Oregon 97076.

**All Borrowers.** You give us (as well as our agents, successors, and assigns) permission to access your credit report in connection with any transaction, or extension of credit and on an ongoing basis, for the purpose of reviewing your Account, taking collection action on your Account, or for any other legitimate purposes associated with your Account. Upon your request, we will inform you of whether or not a consumer credit report was ordered, and if it was, you will be given the name and address of the consumer reporting agency that furnished the report.

#### **YOUR BILLING RIGHTS – KEEP THIS NOTICE FOR FUTURE USE**

This notice tells you 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, please write to us at P.O. Box 4499, Beaverton, OR 97076.

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 three (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 that 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 line.

**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 applicable interest and fees. We will then 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 Purchase.** 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 Retailer, 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 P.O. Box 4499, Beaverton, OR 97076.

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.

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#### STATE DISCLOSURES

**California Residents:** A married applicant may apply for a separate credit Account. As required by law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a consumer reporting agency if you fail to fulfill the terms of your credit obligations. After credit approval, each applicant shall have the right to use the credit Account up to the limit of the credit Account. Each applicant may be liable for amounts extended under the plan to any joint applicant.

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

**Married Wisconsin Residents:** No provision of any marital property agreement, unilateral statement or court decree adversely affects our rights, unless you give us a copy of such agreement, statement or court order before we grant you credit, or we have actual knowledge of the adverse obligation. All obligations on this Account will be incurred in the interest of your marriage or family. You understand that we may be required to give notice of this Account to your spouse. **Married Wisconsin residents must furnish the name and address of their spouse to Genesis FS Card Services, P.O. Box 4477, Beaverton, OR 97076.**

**Delaware Residents:** Service charges not in excess of those permitted by law will be charged on the outstanding balances from month to month.

**Kentucky Residents:** You may pay the unpaid balance of your credit Account in whole or in part at any time.

**New York and Vermont Residents:** We may obtain a consumer report for any legitimate purpose in connection with your Account or your application, including but not limited to reviewing, modifying, renewing and collecting on your Account. Upon your request, we will inform you of the names and addresses of any Consumer Reporting Agencies that have furnished the reports. New York residents may contact the New York State Department of Financial Services at 1-800-518-8866 or [www.dfs.ny.gov](http://www.dfs.ny.gov) to obtain a comparative list of credit card rates, fees and grace periods.

**Utah Residents:** As required by 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.