

RC WILLEY REVOLVING CHARGE SECURITY AGREEMENT TERMS AND CONDITIONS

1. I authorize you, RC Willey Home Furnishings Inc. dba RC Willey Financial Services (RC Willey), to obtain credit reports at any time in connection with (a) the issuance of this account; (b) the collection, review or renewal of the account; and (c) any change to the credit limit or terms of the account. I further authorize my employer (past, present or future) and other references to release and/or verify information to RC Willey as requested. I agree that I will promptly notify RC Willey of any changes to my credit information, i.e. address, phone number, employment etc.
2. By my/our signature(s) on the attached Credit Application, I/we (applicant, joint applicant, cosigner) agree to abide by all the terms and conditions of this agreement. I/we have also read the Federal Truth-In-Lending Disclosure Statement for Revolving Charge Accounts ("Disclosure Statement") on the reverse side of this Agreement, and agree to pay all amounts I owe you according to the terms of the Disclosure Statement and this Agreement, as those terms may be changed from time to time.
3. I will timely pay to RC Willey, all amounts billed to me under the terms of the Disclosure Statement including all interest charges and other costs. RC Willey agrees to provide a monthly billing statement to the most recent billing address on file, or to my email address as per my request, for each month a balance is outstanding. Non-receipt of the billing statement shall not be deemed "cause" to withhold payment on the balance owing. Any purchase I make on credit evidenced by sales slip, memorandum, invoice or similar document will be deemed to have been made under the terms and conditions of this Agreement.
4. To the extent permitted by law, you may deem the outstanding balance on my account together with accrued interest charges in default if; a) I fail to make my payments on time; b) my account is included in a bankruptcy proceeding, or; c) if I breach any other terms of this agreement. In such event I may be required to pay off my entire balance, including accrued interest charges all at once or at a faster rate than shown on the "Disclosure Statement."
5. I (applicant, joint applicant, cosigner) agree that my liability for any purchases made under this Agreement is joint and several, meaning that I am responsible for the entire balance of the account, whether incurred by myself, any other applicant, or authorized user. I also agree that any notice from RC Willey to one, whether verbal or written, will serve as notice to all signers.
6. I am giving you a purchase money security interest in all goods financed on credit under this Agreement and all proceeds of such goods. You may exercise any rights granted to a secured party under the provisions of the Uniform Commercial Code, including the right to repossess and sell such goods or proceeds thereof. If the amount received on sale of the goods, less costs of repossession, storage, sale and other costs, is insufficient to pay all amounts I owe you, I agree to pay you the amount of any such deficiency including interest charges and other fees.
7. I agree that, until the entire purchase price together with applicable charges shall have been fully paid for goods purchased under this Agreement, I will not sell the goods to a third party or pledge the goods as collateral to another lender.
8. The decision to offer credit to me is entirely yours, and you may revoke any credit granted to me or decline to grant further credit to me for any reason whatsoever.
9. If I elect Payment Protection insurance coverage in connection with this account, I authorize you to charge the insurance premium for each monthly repayment plan of my account. I understand the amount of the insurance premium is based on each month's ending balance of my revolving plans. Credit Insurance charges begin to accrue on the date of the sale for all purchases made on monthly repayment plans on my account. I understand this coverage is not required to obtain or retain my credit account.
10. You may change the terms of this Agreement at any time after giving me the minimum notice required by law, and the new terms will apply to the balance I owe you on the effective dates of any such changes. Specifically, but without limiting your right to make other changes, I agree that you may raise or lower the annual percentage rate chargeable on my account after two months prior notice to me.
11. In the event you are required to instigate legal action or to take other means to collect amounts I owe you, I agree to pay all your costs of collection, including, but not limited to, a collection agency fee assessed by a collection agency and/or reasonable attorney fees, with or without suit, together with all unpaid interest and court costs. Any judgment you obtain against me shall continue to bear interest until satisfied at the annual percentage rate applicable to my account balance at the date of Judgment. If I make payment on any purchase or billing on my account by check or debit card, and the item is returned to you unpaid for any reason, I agree to pay you a minimum fee as allowed by the laws of the state in which I reside for each such item, or for each time the item is resubmitted for payment together with your attorney's fees and costs in collecting payment on the item. (The return check fee is not applicable on accounts opened in Wyoming.)

The Payment Protection Plan: The following benefits are available to the Primary Insured Accountholder who is the first person listed on the account.

Unemployment Coverage — Makes your minimum monthly account payment if you (Primary Insured Cardholder) become involuntarily unemployed (loss of job, strike or layoff) for more than 30 consecutive days. In CA and MT, unemployment benefits are limited to nine (9) months.

Family Leave Coverage — Makes your minimum monthly account payment for up to 6 months (3 months AZ and CA) if you or your Co-Accountholder should take an unpaid leave of absence from full-time employment for more than 30 consecutive days. Family Leave Coverage is not available to residents of Colorado and Oregon.

Property Coverage — Pays to repair or replace insured property if it is accidentally damaged, destroyed or stolen in a burglary, while in your possession. Coverage continues for 36 months after the purchase of the insured property while this coverage is in effect. Property coverage is not available to residents of Colorado and Idaho. If you are a resident of Nevada and would like to purchase property coverage only at a cost of \$09 per \$100, please call Central States toll free at 1-800-445-6500.

Disability Coverage — Makes your minimum monthly account payment if you (Primary Insured Cardholder) become totally disabled for more than 30 consecutive days. In CA and MT, benefits are not payable for total disability which is the result of normal pregnancy or childbirth: any intentionally self-inflicted injury; or a "pre-existing medical condition" as defined in your Certificate of Insurance.

Life Coverage — Pays your unpaid account balance up to \$10,000 if you or your Co-Accountholder die prior to age 71. Life coverage is not available for the Co-Account holder in Arizona, New Mexico, Nevada, Oregon and Wyoming. In Arizona, California and Montana, Life insurance benefits are not payable for death in the event of suicide within 6 months of the Effective Date of coverage.

Benefits are based on the amount of your account balance at the time of loss or up to a maximum of \$10,000 whichever is less. Coverage does not include any amounts added to your account after your loss. During months that you have a revolving account balance, the cost is \$.89 per \$100 of your plan ending balance for residents of Idaho, Montana and Utah, \$.469 for residents of Nevada, \$.812 for residents of Arizona, \$.801 for residents of California, \$.485 for residents of Colorado, \$.742 for residents of New Mexico, \$.843 for residents of Oregon and Wyoming. In Utah, the breakout of the premium is as follows: \$.092 for Life, \$.143 for Disability, \$.307 for Unemployment, \$.048 for Family Leave and \$.30 for Property. All coverage terminates at age 71. For residents of Arizona, coverage does not terminate at age 71. Rather, the life coverage changes to Accidental Death coverage, all other coverages remain the same.

To qualify for Unemployment benefits, you must register with a recognized employment agency or your state unemployment office within 30 days after the date you become unemployed. To be eligible for Unemployment and Family Leave benefits, you must be gainfully employed on a full-time basis for at least 30 hours a week in a non-seasonal occupation at the time of the loss. Family Leave Insurance covers unpaid absences from full-time employment while you or your Co-Accountholder are caring for an immediate family member with a serious medical condition; caring for a newborn or adopted child for up to 3 months; on active military duty due to mandatory recall; on jury duty; or residing in a federally declared disaster area. Family Leave Insurance does not cover losses caused by a pre-existing medical condition. A "pre-existing condition" is one for which your family member saw or was treated by a licensed health care provider both within the 6 months before and the 6 months after the effective date of coverage. Perils for Property Insurance are specified in your Certificate of Insurance; please read your Certificate for details.

This plan is offered, administered and underwritten by Central States Indemnity Co. of Omaha and is also underwritten by Central States Health & Life Co. of Omaha; both companies of Omaha, Nebraska. Policy Form 10521/11006 Rev./11495/10723 M

Application of Accountholder (California residents only): You are applying for the credit insurance described in this application and authorizing RC Willey to add the charges for insurance to your account each month as they become due. You have the right to stop this authorization. Your signature to enroll means you agree that: 1. You are eligible for involuntary Unemployment and Family Leave coverage only if you are working for wages or profit 30 hours per week or more. If you are not, you will not be insured until you return to work. 2. You are insured only for your actual credit card balance. You are not insured for any unused credit which may be available to you. 3. Each month on your statement date, the insurance charge is calculated by multiplying the ending balance on your credit card account (up to a maximum of \$10,000) by .00801. This insurance charge will be shown on your account statement and included in your new balance. We can change the rate later on, but if we do, we will let you know in advance. The new rate will apply only to charges for insurance after the date of the rate change. 4. Your Co-Accountholder is not eligible for the Disability or involuntary Unemployment insurance. 5. Neither you nor your Co-Accountholder are eligible for insurance after you have reached your 71st birthday. Insurance for the Co-Accountholder stops on his or her 71st birthday if the Co-Accountholder reaches age 71 before you do. Otherwise, all insurance stops on the first billing date after you reach age 71.

DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR OR CHIROPRACTOR IN THE LAST SIX MONTHS. (Refer to "DO NOT COVERED" in your Certificate for details.)
Non Std AP10/Non Std I.D. #18