

## †Details of Rate, Fee and Other Cost Information

Account terms are not guaranteed for any period of time. All terms, including fees and APRs for new transactions, may change in accordance with the Credit Card Agreement and applicable law based on information in your credit report, market conditions, business strategies, or for any reason. Please review all the materials in this package so that you are fully informed about the terms of this credit card offer.

Interest Rates and Interest Charges	
<b>Annual Percentage Rate (APR) for Purchases</b>	<b>19.80%</b>
<b>Penalty APR and When it Applies</b>	<p><b>29.99%</b></p> <p>This APR may be applied to your Account if you do not make your Minimum Payment Due within sixty (60) days of the applicable Payment Due Date reflected on your statement.</p> <p><b>How Long Will the Penalty APR Apply?</b> The Penalty APR will apply until you make six (6) consecutive Minimum Payments by the Payment Due Date.</p>
<b>How to Avoid Paying Interest</b>	Your due date is at least 21 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.
<b>Minimum Interest Charge</b>	If you are charged interest, the charge will be no less than \$0.50
<b>For Credit Card Tips from the Consumer Financial Protection Bureau</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> .

Fees	
<b>Annual Fee</b>	<b>None</b>
<b>Penalty Fees</b>	
• Late Payment	Either <b>\$ 10</b> or <b>5%</b> of the Amount Past Due, whichever is less.
• Returned Payment	<b>\$ 25</b>

**How We Will Calculate Your Balance:** We use a method called the “Average Daily Balance (excluding new purchases)”. See your Cardholder Agreement for more details.

More Information about Penalty Fees and Penalty APR

Penalty Fees: If your Total Minimum Payment Due is not received by your Payment Due Date, a Late Payment Fee of \$10 or 5% of the Amount Past Due, whichever is less will be assessed. However, the Late Payment Fee will not exceed the total minimum payment that was due.

Penalty APR: Your Penalty APR will not exceed 29.99% on new transactions.

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in your Cardholder Agreement.

In this agreement (the "Cardholder Agreement"), the words "we", "us", and "our" refer to H.E. Murdock Company, Inc., doing business as "Day's Jewelers," and the words "you" and "your" refer to each applicant whose signature appears on the credit application and in whose favor a credit account (the "Account") will be opened if the application is approved. The term "Card" refers to any card or other device that we provide to you to access the Account. Your Cardholder Agreement includes and incorporates by reference (a) the card carrier sent to you with your Card, (b) your "Details of Rates, Fee and Other Cost Information", and (c) any other documents or information provided to you regarding the terms and conditions applicable to your Account, each such document (collectively the "Documents") as it may be amended; you also agree to pay and/or to be held jointly and severally liable for all charges incurred under such terms. Any changes you make to the terms of this application will have no effect. Capitalized terms not defined in this Cardholder Agreement shall have the meaning given in the Documents.

**1. YOUR AGREEMENT** - By applying for an Account, or by maintaining, using or consenting to the use of your Account, you agree that the terms and conditions of this Cardholder Agreement will govern your Account, the use of your Card, and all credit extended under this Cardholder Agreement. You also understand and agree that the use of your Account, whether by use of a Card or otherwise, will constitute your acceptance of, and will be subject to, this Cardholder Agreement. Please keep a copy of this Cardholder Agreement for future reference.

**2. YOUR ACCOUNT** – You have applied to us for an Account. If your credit application is approved, we will open an Account in your favor, which you may use to make purchases from us.

**3. REQUESTING CREDIT REPORTS** – Before we open an Account we may check the information you have given us with a consumer reporting agency or with others. We may also request additional information from them, including a credit report, before approving your application. We may also ask for a credit report after your Account is opened if we want to update our records, renew your Account, decide whether to give you additional credit, or for any other legitimate business purpose. If you ask, we will tell you if we requested a credit report. If so, we will give you the name and address of the consumer reporting agency that supplied the report.

**4. CREDIT LIMIT** - You agree that we establish a credit limit for your Account and that your purchases and other charges on your Account, at any one time, will not exceed your credit limit. You agree that we may change your credit limit from time to time, based upon our evaluation of changes in your credit capacity. We will provide you with notice of any change in your credit limit to the extent and in the manner required by applicable law.

**5. USE OF ACCOUNT** – If you request us to do so at the time of purchase, we will charge your Account for purchases made from us. Purchases may be charged by other persons whom you allow to use your Account. You agree to pay for purchases charged to your Account, together with INTEREST CHARGES, if any, in accordance with the terms of this Cardholder Agreement. If your application for an Account is approved in the name of two (2) or more persons, you agree that each of you is jointly and severally liable for all debt and other obligations relating to the Account. You agree that this Account is intended and shall only be used for personal, family or household purposes.

**6. MONTHLY STATEMENTS** - We will mail you a statement at periodic intervals, approximately one (1) month apart. The monthly statement will contain important information about your Account as explained in this Cardholder Agreement, including the amount of your Minimum Payment Due and the INTEREST CHARGE, and late fees if any, imposed on your Account during that billing period. However, we will not mail you a monthly statement if the New Payment on your Account is \$ 1.00 or less or if you have a Credit Balance on your Account, unless an INTEREST CHARGE was imposed on your Account during the billing period.

**7. NEW BALANCE** - We calculate the New Balance on your Account by taking the balance you owed at the end of the previous billing period (the "Previous Balance"), then adding the amount of all purchases made using your Account and other charges to your Account during the current billing period, including the INTEREST CHARGE, late fees (if any) and returned item fees (if any), and then subtracting all payments and credits to your Account during the billing period.

**8. MINIMUM PAYMENT DUE** - We operate all of our Accounts as revolving Accounts with either a TEN MONTH PAYOUT or a FIXED PAYMENT. The Minimum Payment Due for FIXED PAYMENT Accounts is determined at the time of purchase and is disclosed on your purchase receipt. The Minimum Payment Due indicated on your monthly statement for TEN MONTH PAYOUT Accounts will be as follows:

If your New Balance is:	\$20.00 or less
Your Minimum Payment Due is:	Full Amount of New Balance
If your New Balance is:	over \$20.00
Your Minimum Payment Due is:	10% of the New Balance

You can pay your New Balance at any time. Or you can pay any amount greater than your Minimum Payment Due but less than the New Balance. The larger the payment that you make on your New Balance, and the sooner we receive your payment, the less INTEREST CHARGE you will have to pay. Your Minimum Payment Due may include any amounts past

due, any returned check fee, and a late fee if we do not receive your Minimum Payment Due by the Payment Due Date.

**9. PAYING YOUR MINIMUM PAYMENT DUE** - You must make payments in U.S. dollars via check, money order or similar instrument, or via automatic debit that is drawn on or honored by a bank located in the United States. Do not send cash. Please send your payments to the address that that we furnish to you on your statement. Please send your payment in with the remittance stub that accompanies your statement and/or write your Account number on the memo line of your check or other similar form of payment. Payments that do not follow these instructions may cause a delay in crediting your Account. Except as provided below, we can accept late payments, partial payments, or conditional checks or money or orders or any checks or money orders marked "payment in full" without losing our rights under this Cardholder Agreement, including the right to require full payment of all amounts owed under this Cardholder Agreement. If you pay us with a check or similar instrument that has notations or instructions on or with the check, you agree that (i) we may disregard such notations or instructions, and (ii) we may credit any payment we receive to your Account, and our crediting of that payment will not mean that we have agreed to such notations or instructions on or with that payment, unless you send the payment (including the special notations or instructions) to:

Day's Jewelers  
Credit Department  
88 Main Street  
Waterville, Maine 04901

**10. PAYMENT DUE DATE** - Your Payment Due Date will be indicated on your monthly statement. It will be at least twenty one (21) days from the date that your statement was mailed or otherwise made available to you. Payments received at the address found on your remittance stub after 5:00 p.m. Eastern Time, or on any day or at any time on any day that our payment remittance center is not open will be considered as payments made on the following day. Payments made at one of our retail store locations will be considered received on the date the payment is made.

**11. LATE FEES** - If we do not receive your Minimum Payment Due within fifteen (15) days of the Payment Due Date reflected on your statement, it will be considered late and we may assess you (and you agree to pay) a late fee in the amount(s) set forth in your "Details of Rates, Fee and Other Cost Information". However, if your Payment Due Date is on a day that we do not receive or accept payments (such as a federal holiday) we will not consider payments received the following business day to be late.

**12. RETURNED ITEM FEE** - If your payment is rejected or returned unpaid for any reason (such as for insufficient funds), we may assess you (and you agree to pay) a returned payment charge in the amount set forth in your "Details of Rates, Fee and Other Cost Information".

**13. APPLICATION OF PAYMENTS** - Each payment received and credited to your Account will be applied: first to previously billed INTEREST CHARGES and late fees; second, to the remainder of the New Balance indicated on your last monthly statement; third, to any charges debited to your Account during the billing period since your last monthly statement. Any excess will appear as a Credit Balance.

**14. FAILURE TO PAY** - If you fail to make at least the Minimum Payment Due by the Payment Due Date we may require you to immediately pay the New Balance subject to any notice of default and right to cure default required under applicable law. If we are forced to bring legal proceedings to collect your Account and we obtain a judgment against you, court costs will be added to the judgment to the extent permitted by applicable law. If you are a resident of New Hampshire, then (a) you also agree to repay us for all collection costs and attorneys fees we spend to collect your Account, and (b) you may recover attorneys' fees if you prevail in any court proceeding brought by you or us under this Cardholder Agreement; if you are partially successful, the court may withhold part of our attorneys' fees. You agree that the ANNUAL PERCENTAGE RATE on the Account in effect under this Cardholder Agreement will continue until a court judgment is rendered. You grant us a purchase money security interest under applicable law in all merchandise purchased on your Account until your Account is paid in full. All merchandise on your Account is purchase money collateral as defined under applicable provisions of the Uniform Commercial Code, and upon default we may demand return of said merchandise.

**15. CALCULATION OF INTEREST CHARGES** - We figure the INTEREST CHARGES on your Account by applying the periodic rate provided below to the "Average Daily Balance" of your Account. To get the "Average Daily Balance" we take the New Balance of your Account each day and subtract any payments or credits. We do not add in new purchases or returns. This gives us the daily balance. 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." To calculate the INTEREST CHARGE on your Account, we apply a periodic (monthly) rate of 1.65% (19.8% Purchase ANNUAL PERCENTAGE RATE) to the Average Daily Balance on your Account. However, if the Average Daily Balance is below \$30.30, there will be a minimum INTEREST CHARGE of fifty cents (\$0.50). You will not have to pay an INTEREST CHARGE on your next monthly statement if you have a New Balance of \$1.00 or less, or if you pay the entire New Balance on or before your Payment Due Date. If we are offering a promotional "No Interest Payment Program" there will be no interest charged on the Account if the Minimum Payment Due is made by the Payment Due Date. We reserve the right to charge INTEREST CHARGES in the manner calculated above under a No Interest Payment Program if your Minimum Payment Due is not made by the Payment Due Date.

**16. PENALTY INTEREST CHARGES** - If you have not made your Minimum Payment Due within sixty (60) days of your Payment

Due Date then you agree that we will calculate the INTEREST CHARGES on your Account by applying a periodic (monthly) rate of 2.49% (29.99% Penalty ANNUAL PERCENTAGE RATE) to the Average Daily Balance on your Account. We will provide you with advance notice in accordance with and in the manner required by applicable law prior to calculating your INTEREST CHARGES using the Penalty ANNUAL PERCENTAGE RATE. Once you have made six (6) consecutive payments in an amount equal to at least the Minimum Payment Due by the Payment Due Date reflected on your statement we will cease using the Penalty ANNUAL PERCENTAGE RATE to calculate INTEREST CHARGES on your Account and will revert to using the Purchase ANNUAL PERCENTAGE RATE calculated in the manner described in the Calculation of INTEREST CHARGES section, above).

**17. CREDIT BALANCES** - If your monthly statement shows a Credit Balance in your Account that was created from an overpayment, that Credit Balance indicates money we owe to you. If your Credit Balance is more than \$1.00, we will promptly refund the entire Credit Balance to you by check if you request us to do so, or you may charge purchases against your Credit Balance. If you do not request a refund or make sufficient charges, we will refund any part of your Credit Balance remaining in your Account after six (6) months.

**18. CANCELLATION** - We and you have the right to cancel this Cardholder Agreement as it relates to future purchases. You may close your Account at any time by notifying us at 88 Main Street, Waterville, Maine 04901. If your Account is a joint Account, any one of you may close your Account at any time by providing us with such notice at this address. We will immediately cancel your Account after we receive notice from you. You agree that we are not responsible for any costs, damages, or inconvenience you may suffer as a result of our cancelling your Account by any joint Account holder. We will provide you with notice of our cancellation of your Account in accordance with and to the extent required by applicable law. You agree to cease using and either return to us or destroy all Cards upon notice of cancellation from us.

**19. CHANGES** - We may change any of the terms of this Cardholder Agreement. We will provide you with notice of any changes in accordance with and to the extent required by applicable law.

**20. DEFAULT** - You will be in Default under the terms of this Cardholder Agreement if you fail to pay any amount you owe under this Cardholder Agreement on time, or if you file bankruptcy, or if you die or become incompetent, or if you become unemployed or if your employment status negatively changes, or if we believe the prospect of payment or ability to realize upon the collateral is significantly impaired.

**21. CARD BELONGS TO US** - By applying for an Account with us you agree that we may issue to you a Card for use in connection with that Account. You understand and agree that all Cards belong to us, and you will return them at our request. We or any party acting on our behalf may retain your Card without prior notice to you. You agree to sign your Card in the space provided for authorized signatures before you use the Card.

**22. NO WAIVER OF RIGHTS** - We may delay in enforcing our rights under this Cardholder Agreement without losing those rights or any other rights. We may waive enforcement of our rights in one or more instances without waiving those rights or any other rights in other instances.

**23. TELEPHONE AND EMAIL COMMUNICATIONS WITH YOU** - In order to ensure a high quality of service for our customers, and to provide continuing training for our contractors and employees, you agree that we may monitor and/or record our telephone calls with you. Also, to the extent not prohibited by applicable law, you agree that we may communicate with you at (i) any telephone number or e-mail address that you provided in your application for the Account or (ii) any telephone number or e-mail address that you may provide to us in the future. You also agree that, to the extent not prohibited by applicable law, we may communicate with you at these telephone numbers using any means of communication technology, including (but not limited to) automatic telephone dialing systems, artificial or pre-recorded voice messages. Additionally, if any of the numbers that you provide to us either at application or thereafter is a cell phone number you understand and agree that we may also contact you at that number through the use of text messages or e-mail directed to your cell phone service. You understand and agree that we may contact you at your cell phone number using one or more of these communication technologies (or others that may be developed in the future) even if you will incur costs to receive such messages, text messages or e-mails.

**24. ASSIGNMENTS AND TRANSFER** - Your rights under this Cardholder Agreement may not be transferred by operation of law or otherwise. However, your obligations under this Cardholder Agreement shall be binding upon your estate or personal representatives. We may sell your Account and/or assign or transfer this Cardholder Agreement and our related rights and obligations without prior notice to you and without your consent.

**25. CHANGE OF ADDRESS** - You agree to notify us promptly of a change in your mailing address. We cannot assure that your monthly statement will be mailed to your new address if you notify us of the change later than twenty (20) days prior to the close of the billing period.

**26. GOVERNING LAW** - You understand and agree that except to the extent that they are governed by federal laws, this Cardholder Agreement and your Account are governed by the laws of the state of our store location where you opened your Account. If any provision of this Cardholder Agreement is in conflict with applicable law, that provision shall be considered modified to the extent necessary to comply with such law.

**27. DISCLOSURE OF INFORMATION TO THIRD PARTIES** - We provide a copy of our privacy policy at the time your Account is

established and annually thereafter. Should you have any questions, concerns or wish to request an additional copy, please contact us at: Day's Jewelers, 88 Main Street, Waterville, Maine 04901.

**28. LOST/STOLEN CARDS; LIABILITY FOR UNAUTHORIZED USE** - No unauthorized person is allowed to use your Account or Card for any purpose, including making purchases. You also agree to notify us as soon as possible after learning that your Card has been lost or stolen by calling our Credit Department at (207) 873-7036 or 1-800-439-3297. In addition to calling us at this number you may write to us at: Day's Jewelers, 88 Main Street, Waterville, Maine 04901. Your liability for unauthorized use will not exceed \$50.00. To assist in our efforts to minimize unauthorized use and fraud, please regularly check your monthly statements for transaction accuracy and report any actual or suspected unauthorized use as soon as possible to the applicable telephone number and address set forth above.

**29. YOUR BILLING RIGHTS: KEEP THIS DOCUMENT 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, write to us at:

Day's Jewelers  
88 Main Street  
Waterville, Maine 04901

In your letter, give us the following information:

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

You must contact us:

- o Within 60 days after the error appeared on your statement.
- o 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 why we believe the statement was correct.

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

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

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

- o 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.
- o 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 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 statement 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 statement. 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 \$50.00 of the amount you question even if your statement is correct.