

**DEPARTMENT STORES NATIONAL BANK AMERICAN EXPRESS® CREDIT CARD AGREEMENT**

Interest Rates and Interest Charges	
<b>Annual Percentage Rate (APR) for Purchases</b>	<b>24.50%</b> This APR will vary with the market based on the Prime Rate.
<b>APR for Cash Advances</b>	<b>24.50%</b> This APR will vary with the market based on the Prime Rate.
<b>Paying Interest</b>	For Purchases, your due date is at least 25 days after the close of each billing period. We will not charge you interest if you pay the Purchase balance in full by the due date each billing period.  For Cash Advances, we will begin charging interest on the transaction date.
<b>Minimum Interest Charge</b>	If you are charged interest, the charge will be no less than \$2.
<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>
Fees	
<b>Transaction Fees</b> • Cash Advance • Foreign Transaction	Either <b>\$5</b> or <b>4%</b> of the amount of each cash advance, whichever is greater. <b>3%</b> of the U.S. dollar amount of each transaction made outside the U.S. and its territories, whether or not the transaction is in U.S. dollars.*
<b>Penalty Fees</b> • Late Payment • Returned Payment • Returned Convenience Check	Up to <b>\$35</b> Up to <b>\$35</b> Up to <b>\$35</b>

**How We Will Calculate Your Balance:** We use a method called "Average Daily Balance (including new Purchases)."

\*1% of the U.S. dollar amount is paid to American Express as an international transaction charge.

You need not accept the credit card or pay any fee unless you use the card or have already used the Account.

**1. Definitions:** This Department Stores National Bank ("DSNB") American Express Credit Card Agreement ("Agreement") is between Department Stores National Bank, 701 E 60th St. N, Sioux Falls, SD 57104, ("we," "us," or "our") and each person who signs the application or otherwise requests a DSNB American Express Card Account ("you" or "your"). This Agreement contains the terms which govern the use of your DSNB American Express Card ("Card") and your DSNB American Express Card Account ("Account"). Please read this Agreement and keep it for future reference.

**2. Promise to Pay:** In return for extending credit to you on this Account from time to time, you promise to pay us in U.S. Dollars with an instrument drawn on a financial institution located in the United States ("payment") for all purchases of goods and services and all cash advances, incurred by you or anyone you authorize to use this Account or Card, according to the terms of this Agreement.

**3. Acceptance of This Agreement:** The use of this Account or Card by you or anyone you authorize means that you accept this Agreement and agree to be bound by its terms.

**4. Billing Statement:** We will send you a monthly billing statement ("Statement") after each monthly billing period at the end of which you have a debit or credit balance of more than \$1.00. Your payment is due at the address shown on your Statement on or before the Payment Due Date shown on that Statement.

**5. Use of Your Account and the Card:** Your Account and the Card may be used for the following transactions:

**A.** To purchase or rent goods and services for personal, family or household use (collectively referred to in this Agreement as "Purchases") from participating establishments that accept the Card.

**B.** To obtain cash advances from financial institutions, automatic teller machines or others that accept the Card as a substitute for cash, or by writing a convenience check/cash advance check that we may provide to you (collectively referred to in this Agreement as "Cash Advances").

Your Account and Card may not be used for any illegal transactions, which may include gambling in certain states.

**6. Minimum Payment Due:** Each month, you agree to pay at least the Minimum Payment Due, which is the sum of a Monthly Minimum plus any amounts which exceed your credit limit, all unpaid Late Payment Fees, any credit protection charges (if enrolled) applied that month and any delinquent Monthly Minimums by the Payment Due Date. The Monthly Minimum is calculated as follows:

- The greater of \$25.00 or 3.25% of the New Balance, rounded up to the next whole dollar amount, or the entire New Balance if it is under \$25.00.

**7. Additional Payment Information:** You may pay all or part of your account balance at any time. However, you must pay, by the Payment Due Date, at least the Minimum Payment Due as calculated above. If you pay more than the Minimum Payment Due and there is still a balance due, you must continue to make your Minimum Payment Due in future months. Payments in excess of the Minimum Payment Due will be applied in accordance with law, and payments less than the Minimum Payment Due and credits will be applied at our discretion. If we accept any late payment or partial payment, whether or not marked as payment in full, it will not affect the due date of any payment due under this Agreement, it will not act as an extension of time or a waiver of any amount then remaining

unpaid, and it will not affect any of our rights under this Agreement including our right to declare the entire balance in your Account to be due. Returns and credits are not applied toward your Minimum Payment Due.

**8. Paying Interest on Purchases:** If you make Purchases during a billing period with no previous balance or where the sum of payments and credits is at least equal to the Previous Balance, no Interest Charges are added to your account for that billing period. If you pay the Total New Balance on that statement by the Payment Due Date, you can avoid Interest Charges for those Purchases during the next billing period. However, if you pay less than the full balance, you still avoid Interest Charges on that portion of the balance paid.

If you make a Purchase during a billing period with an unpaid previous balance, we will begin charging interest on the Purchase from the date it is added to the balance and continue to accrue interest until payment in full is credited to your account. You can avoid Interest Charges on new Purchases that appear on your current billing statement if you pay your Total New Balance by the Payment Due Date on your current statement.

**9. Paying Interest on Cash Advances:** We will begin charging interest on Cash Advances on the transaction date. We reserve the right to waive all or part of any Interest Charge in certain cases without losing our right to impose such Interest Charge in future billing periods.

**10. Interest Charge - Balance Computation Method:** An Interest Charge will be imposed on your Account by applying a Daily Periodic Rate or Rates, multiplied by the number of days in the billing period, to the Average Daily Balance for Purchases and the Average Daily Balance for Cash Advances and by assessing certain fees which are explained below. The Average Daily Balance for Purchases and the Average Daily Balance for Cash Advances are calculated separately.

The Interest Charge for Purchases is computed by applying the Daily Periodic Rate for Purchases, multiplied by the number of days in the billing period, to the Balance Subject to Interest Rate, which appears on your Statement. To get the Balance Subject to Interest Rate for Purchases, we take the beginning balance of your Purchases each day, add any new Purchases, any Interest Charges applied to the previous day's balance, and new fees, and subtract any new payments and credits. This gives us the daily balance. Then, we add up all of the daily balances for the billing period and divide the total by the number of days in the billing period. This gives us the Balance Subject to Interest Rate for Purchases. (This results in daily compounding of Interest Charges.)

The Interest Charge for Cash Advances is computed by applying the Daily Periodic Rate for Cash Advances, multiplied by the number of days in the billing period, to the Balance Subject to Interest Rate for Cash Advances, which appears on your Statement. To get the Balance Subject to Interest Rate for Cash Advances, we take the beginning balance of your Cash Advances each day, add any new Cash Advances, any Interest Charges applied to the previous day's balance, and new fees, and subtract any new payments and credits. This gives us the daily balance. Then, we add up all the daily balances for the billing period and divide the total by the number of days in the billing period. This gives us the Balance Subject to Interest Rate for Cash Advances. (This results in daily compounding of Interest Charges.)

**11. Cost of Credit** - Cost of credit is determined as follows:

**A.** The Daily Periodic Rates applicable to Purchases and Cash Advances for the billing period is 1/365th of the Annual Percentage Rate (regardless of leap years) in effect for the billing period as disclosed below, rounded down to five decimal places. The Annual Percentage Rate may be changed quarterly. It will be calculated by taking the rate disclosed as the "Prime Rate" in the "Money Rates" section of *The Wall Street Journal* on the 15th day of March, June, September and December of each year (or the next business day if the 15th day falls on a weekend or holiday) and adding 21.25% to that rate. As of February 1, 2014, the **ANNUAL PERCENTAGE RATE** so calculated is **24.50%**, which corresponds to a Daily Periodic Rate of .06712%. The variable Annual Percentage Rate may increase. Any change in the Annual Percentage Rate will go into effect on the first day of the billing period that begins after the first day of the next calendar quarter and may result in an increase or decrease in the Interest Charge imposed on your Account and in the Minimum Payment Due.

**B.** There will be a Minimum **INTEREST CHARGE** of \$2.00 in any billing period in which the **INTEREST CHARGE** resulting from application of the Daily Periodic Rate would be less than \$2.00.

**C.** We charge a Cash Advance Fee for each Cash Advance posted to your Account. This Fee will be the greater of \$5.00 or 4% of the amount of your Cash Advance.

**D. International Transaction Fee:** We will charge an International Transaction Fee for each transaction (including, but not limited to, a Purchase or Cash Advance) processed to your American Express Account by a merchant outside the United States and its territories, whether or not the transaction is in U.S. Dollars. This fee will be equal to 3% of the transaction amount in U.S. Dollars. A portion of that fee, 1% of the transaction amount in U.S. Dollars, is paid to American Express as an international transaction charge.

**E. The information about the cost of the card is accurate as of February 1, 2014. This information may have changed after that date. To find out what may have changed, write us at P.O. Box 8051, Mason, OH 45040.**

**12. Late Payment Fee:** We may add a late payment fee for each billing cycle in which you have a past due payment. For late payment fee purposes, you have a past due payment any time you fail to pay the Minimum Payment Due by the Payment Due Date. The fee will be \$25; or \$35 for any additional past due payment during the next six billing cycles after a past due payment. However, the fee will not exceed the amount permitted by law.

**13. Returned Payment:** We may add a returned check fee for a returned payment. A returned payment is an electronic debit, payment check, or similar payment instrument, which is returned unpaid. We may add this fee the first time your payment is returned, even if it is not returned upon resubmission. The fee will be \$25; or \$35 for any additional returned payment during the next six billing cycles after a returned payment. However, the fee will not exceed the amount permitted by law.

**14. Returned Convenience Check:** We may add a returned check fee for a returned convenience check. A returned convenience check is any convenience check we do not honor. We may not honor these checks if the amount of the check would cause the balance to go over the cash advance limit or credit limit. We also may not honor these checks if you default; if you do not comply with our instructions regarding the check; if your account has been closed; or for other reasons. The fee will be \$25; or \$35 for any additional past due payment during the next six billing cycles after a past due payment. However, the fee will not exceed the amount permitted by law.

**15. Pay-by-Phone Fee:** We may allow you to make payments by authorizing us over the telephone to transfer funds from a deposit account to your Account. We will charge a Pay-by-Phone Fee for each such transfer, if permitted by law. The amount of the Fee will be disclosed at the time you request this optional payment service.

**16. Document Production Fee:** We may charge you a fee of \$3.00 per item if you request copies of previously provided records, such as Statements and sales checks. We will not charge you for documents produced in connection with a Billing Error investigation.

**17. Fees:** For all fees, we reserve the right to waive all or part of any fee in certain cases without losing our right to impose such fee in future billing periods.

**18. Foreign Currency Conversion:** When your American Express Account is used to initiate any transaction (including, but not limited to a Purchase, Return or Cash Advance) in a currency other than U.S. Dollars, it will be converted into U.S. Dollars on the date it is processed by American Express or its agents. Unless a particular rate is mandated by applicable law, the conversion rate used by American Express will be no greater than (a) the highest interbank conversion rate identified by American Express from customary banking sources or (b) the official conversion rate published by a government agency, on the conversion date or the prior business day. This conversion rate may differ from the rate in effect on the date of your transaction. A merchant (such as an airline) may convert a transaction into U.S. Dollars before sending it to American Express. In that case, the merchant selects the conversion rate.

**19. Default/Collection Costs:** If we fail to receive any Minimum Payment Due, if you declare bankruptcy, or if you die, it will be a default, and, subject to any right you may have under state law to receive notice of and to cure such default, we may declare the entire unpaid balance in your Account due and payable. If your Account is referred to an attorney who is not our salaried employee, and we prevail in a suit against you to collect the amount you owe, in addition to the full amount owed and any court costs, you agree to pay our reasonable attorney's fees, to the extent permitted by law. No attorney's fees will be imposed in any state, or in any amount, unless permitted by law. To the extent permitted by law, after we declare the entire unpaid balance due, we may continue to impose Interest Charges under the terms set forth in this Agreement each month until we obtain a court judgment for the amount you owe.

**20. Credit Limit:** You agree not to go over the credit limit assigned to your American Express Account. We may refuse to authorize any transaction on your Account which would exceed your credit limit. If you owe more than your credit limit we can require you to immediately pay the excess. We can increase or decrease your credit limit at any time without giving you notice in advance unless required by law. We may, from time to time, establish limits on the amount of Cash Advances that may be charged to your Account.

**21. Lost or Stolen Cards, Account Numbers or Convenience Checks:** You must call us if any card or account number or check is lost or stolen. You must also call us if you think someone used or may use them without permission. When you call, we may require you to provide information to help our investigation. We may require you to provide this information in writing. For example, we may ask you to identify any charges that were not made by you or someone authorized by you. We may also ask you to confirm that you received no benefit from those charges.

**22. Closing Your Account:** You may close your account by notifying us in writing or over the phone. If you close your Account, you must still repay the total balance in accordance with this Agreement. We may also close your Account or suspend account privileges at any time for any reason. We may do this without prior notice to you unless required by law. You must return any card to us upon request.

**23. No Waiver by Us:** We reserve the right, at any time and in our sole discretion, not to impose part or all of any fee or other amount imposed pursuant to this Agreement or not to exercise any right as set forth in this Agreement and in doing we will not waive our right to impose any such fee or exercise any such right in the future. Without limiting the foregoing, we may, at our option: (a) accept late or partial payments or checks or money orders whether or not marked as payment in full or tendered with other conditions or limitations, (b) agree to extend the due date of any payment due under this Agreement for any length of time, and/or (c) release any other person responsible under this Agreement, without notifying you and without releasing you from your obligation to pay all amounts owing under this Agreement in full, or to otherwise perform the terms and conditions of this Agreement.

**24. Change in Terms/Change in Address:** We may change any term of this Agreement or add a new term at any time, including changes to the minimum payment schedule(s) or the Interest Charge rates, and may apply the new terms to any unpaid balances, as well as to any future balances, unless prohibited by law. When required by law, we will mail you prior notice of the change(s). You agree to notify us promptly in writing if you move. Until we receive written notice of your new address, we will continue to send Statements and other notices to the address in our records.

**25. Credit Investigation:** You give us permission to investigate your credit history by obtaining consumer reports and by making direct inquiries of businesses where you have accounts and where you work. We may request a consumer report from consumer reporting agencies in considering your application for this Account and later in connection with an update, renewal, extension of credit, or in connection with the collection of this Account. Upon your request we will tell you whether or not a consumer report was requested and the name and address of any consumer reporting agency that furnished the report.

**26. Disputed Accuracy of Credit Report:** We may report information about your Account to credit reporting agencies. Late payments, missed payments, or other defaults on your Account may appear on your credit report. If you request cards on your Account for others, we may report account information in the names of those other people as well. If you think we reported erroneous information to a credit reporting agency, write to: Credit Bureau Dispute Verification, P.O. Box 8222, Mason, OH 45040-8222. In doing so, please identify the inaccurate information and tell us why you believe it is incorrect. If you have a copy of the credit report that includes the inaccurate information, please send a copy of that report to us as well. We will promptly investigate the matter and notify you in writing of the results. If we agree with you, we will also contact each credit reporting agency to which we reported and request a correction.

**27. Assignment:** We may assign your Account and any of our rights under this Agreement to an affiliate or some other entity without your consent or advance notice to you. Following such assignment, that entity will take our place in this Agreement.

**28. Disputed Amounts:** All communications concerning disputed amounts, including any check or other payment instrument in an amount less than the full amount due that you send to us marked "paid in full", or which you otherwise tender as full satisfaction of a disputed amount, must be sent to us at the address for billing inquiries shown below in the notice regarding your right to dispute billing errors under federal law. This address will also appear on each Statement.

**29. Telephone Monitoring:** We treat every customer call confidentially. To ensure that you receive accurate and courteous customer service, on occasion, your call may be monitored and/or recorded by a second employee.

**30. Governing Law:** You understand and agree that this Agreement is entered into between you and us in South Dakota and any credit we extend to you is extended from South Dakota. You further understand and agree that this Agreement is governed only by applicable federal law and the law of the State of South Dakota, whether or not you live in South Dakota and whether or not you use your credit card in South Dakota.

**31. Identifying Information:** The identifying information you provided in your credit application (including name, address, telephone number, email address and social security number) as well as any updates to that information is provided to DSNB, Macy's, Inc. and their affiliates.

---

**Your Billing Rights: Keep this Document for Future Use**

**This notice tells you about your rights and 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:

Department Stores National Bank  
P.O. Box 8097  
Mason, OH 45040

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 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 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 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 Credit Card Purchases**

If you are dissatisfied with the goods or services that you have purchased with your credit card, 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 credit card for the purchase. Purchases made with Cash Advances from an ATM or with a check that accesses your credit card 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:

Department Stores National Bank  
P.O. Box 8097  
Mason, OH 45040

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 to Wisconsin Residents:** You must promptly provide your spouse's name and address to us by calling 1-800-243-6552.

American Express Account refers to all purchase activity outside of Bloomingdale's stores and bloomingdales.com on the Bloomingdale's American Express Card or outside of Macy's stores and macys.com on the Macy's American Express Card. The Bloomingdale's American Express Card program and the Macy's American Express Card program are issued and administered by Department Stores National Bank. American Express is a federally registered service mark of American Express and is used by Department Stores National Bank pursuant to a license.