

**The Pampered Chef® Consultant Visa® Card
Cardholder Agreement**

THIS AGREEMENT CONTAINS AN ARBITRATION CLAUSE

1. Binding Agreement. This is the Agreement that will govern your Account with the Bank. The term "Agreement" includes any changes we make to The Pampered Chef Consultant Visa Card Cardholder Agreement from time to time. Your use of the credit associated with your Account, including the maintenance of any outstanding balance in your Account, shall constitute your acceptance of, and agreement to, the terms of this Agreement. However, with respect to a change in the terms of this Agreement, applicable law may give you a right to reject the change. If we make changes to this Agreement and applicable law gives you a right to reject those changes, we will notify you of your right to reject the changes in accordance with applicable law.

2. Certain Definitions. In this Agreement, the words "you" and "your" refer to the persons who have applied for and either have accepted or used the Visa credit card account ("Account") covered by this Agreement and include the applicant, joint applicant and any authorized users. The word "you" also means any other person who has guaranteed payment of the Account. The words "New Millennium Bank," "Bank," "we," "our" and "us" refer to New Millennium Bank and any assignee of this Agreement or the Account, and any successor to New Millennium Bank. The word "Card" means all Visa card(s) and other credit devices issued to you in connection with your Account, including renewal and replacement Cards. The term "**Pricing Appendix**" refers to the enclosed pricing sheet. The **Pricing Appendix** is an important part of this Agreement and is incorporated into and made part of this Agreement by reference.

3. Important Information About Your Account and the Card. This is a joint Account if the application was made in the name of at least two persons. The people in whose names the application was made are joint account holders. Each joint account holder will be responsible for repayment of all amounts due on the Account, even if the Account is used by only one of the joint account holders. If this is a joint Account, any of the joint account holders may request that the Account be closed, and the Bank will honor that request without any liability to the other. You must sign the back of your Card in order to use it. If you have not used your Card to make a Purchase or to obtain a Cash Advance, you may cancel your Account without liability or obligation at any time during the 90-day period following your receipt of the Card by calling 1-866-750-2297 or by writing to us at P.O. Box 9207, Old Bethpage, NY 11804-9007. Subject to the terms of this Agreement, the Card will be valid through the expiration date printed on the face of the Card. If you do not make a payment, or if you do not use your Card to make any Purchase or to obtain any Cash Advance within 90 days following your receipt of the Card, we may close your Account.

4. Purchases. Your Account allows you to buy or lease goods and services any place Cards are honored. Such transactions are called "Purchases." You may also be allowed to transfer qualified balances to your Account from time to time, if the Bank agrees to allow such transfers in the Bank's sole discretion. Such transfers are called "Balance Transfers." If the Bank agrees to allow a Balance Transfer, the Bank will treat the Balance Transfer as a special type of Purchase, subject to the terms and conditions in this Agreement that apply to Purchases generally, and also subject to special terms and conditions (such as special Annual Percentage Rate, interest charge, and fee terms and conditions) that apply specifically to Balance Transfers under this Agreement (including the Pricing Appendix, if applicable) and/or that may otherwise be agreed to in writing by the Bank. All Purchases (including any Balance Transfer the Bank agrees to allow in the Bank's sole discretion) are subject to your available total credit limit and the terms and conditions of this Agreement. The Bank reserves the right to deny authorization for any requested charge. You agree not to use your Account to make payments on your Account.

5. Cash Advances. Your Account also allows you to obtain "Cash Advances." Cash Advance transactions include, but are not limited to, cash advances from merchants or ATMs (automated teller machines), transfer of funds initiated by us at your request, convenience checks, person-to-person and all other money transfers, the purchase of money orders, tax payments, the purchase of traveler's checks, the purchase of foreign currency, and legalized betting activities. We may permit you to obtain Cash Advances from time to time in the following ways:

- From or through any institution, merchant or entity that displays the Visa logo and offers Cash Advances.
- From any authorized automated teller machine ("ATM").

All Cash Advances are subject to: (i) your available total credit limit; (ii) your available Cash Advance credit limit; and (iii) the terms and conditions of this Agreement. The Bank reserves the right to deny authorization for any requested Cash Advance, or to elect, in its sole discretion, to treat any Cash Advance as a Purchase without waiving its right to treat any or all other Cash Advances as Cash Advances, as set forth in this Agreement.

6. Total Credit Limit and Cash Advance Limit. The Bank has established a total credit limit and a Cash Advance limit for your Account. Your Cash Advance limit may be smaller than your total credit limit. Your total credit limit and your Cash Advance limit will be shown on your monthly statement. (The monthly statements are called "periodic statements," and the monthly interval between periodic statements is called a "billing cycle".) Your Account balance may not exceed your total credit limit and you may not make any Cash Advance that causes you to exceed your Cash Advance limit. If you exceed your total credit limit, the Bank reserves the right to refuse to honor any new Purchases or Cash Advances until the balance of your Account falls below your total credit limit. If you exceed your Cash Advance limit, the Bank reserves the right to refuse to honor any new Cash Advances until your Cash Advance balance falls below your Cash Advance limit. If you exceed your total credit limit, you agree to return your Card to the Bank, at the Bank's request. Subject to applicable law, we reserve the right from time to time, and without notice, to increase or decrease your total credit limit or your Cash Advance limit.

7. Promise to Pay. You promise to pay, according to the terms of this Agreement, all amounts owing under your Account and this Agreement, including, without limitation, the total amount of all Purchases, Cash Advances, interest charge and all other charges to your Account and fees set forth in this Agreement. If you have requested a Card for use by someone else, or if you permit anyone else to use your card, account number or other credit device, you will be responsible for that person's transactions, including charges for which you may not have intended to be liable. You authorize the Bank to report your performance under this Agreement to credit bureaus and others who may properly receive such information, but the Bank is under no duty to do so. 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 this Agreement.

8. Unauthorized Use. You agree to report any loss or theft of the Card, as soon as practicable after you become aware of such loss or theft, by calling the Bank's customer service representatives at 1-866-750-2297 or by writing to The Pampered Chef Consultant Visa Card, P.O. Box 9207, Old Bethpage, NY 11804-9007. You may be liable for the unauthorized use of your Card, but you will not be liable for use that occurs after you notify the Bank orally or in writing of the loss, theft, or unauthorized use of the Card. You will not be liable for any unauthorized Visa Transactions posted to your Account provided you were not grossly negligent or fraudulent in handling the Account or the Card, as reasonably determined by the Bank based upon substantial evidence. You agree to cooperate with the Bank during its investigation of any unauthorized use. For purposes of this Agreement, transactions are "Visa Transactions" only if they are processed by the Visa system. "Visa Transactions" do not include any cash disbursements received from automated teller (or similar) machines or commercial card transactions.

9. Statements. We will send a periodic statement for each month in which your Account has a debit (you owe the Bank) or a credit (the Bank owes you) balance in excess of \$1, a balance upon which an interest charge is imposed or as otherwise required by applicable law. This periodic statement will show the total amount that you owe the Bank at the end of the current billing cycle (the "New Balance") and the transactions that have been registered (or "posted") to your Account since your last periodic statement. The periodic statement will also show the minimum amount that you must pay to the Bank and the date on which your payment is due (the "Payment Due Date").

You should review your periodic statement carefully. If there is an error on your periodic statement and you do not advise the Bank of that error within 60 days after the Bank mails the periodic statement to you, you will be bound by what the periodic statement shows. You should also read carefully the billing dispute information provided in Section 29 of this Agreement. The Bank will mail the periodic statement to only one mailing address, even when it is a joint Account. You must notify us of any change in your mailing address. If you instruct us to mail your periodic statement to the address of any third party, we will not be responsible for your failure to receive, or your failure to receive in a timely manner, your periodic statement or any other information relating to your Account.

10. Minimum Payment. Each month you must pay the Minimum Payment shown on your periodic statement. The minimum payment shown on your periodic statement will be calculated each month in the manner described under *Minimum Monthly Payment* in the "Fees and Payments" section of the **Pricing Appendix**.

11. Making Payments. You should send your payments, along with the return portion of your periodic statement, to the remittance address shown on your periodic statement. Receipt of your payment without the return portion of your periodic statement or at any address other than that designated in your periodic statement may create a delay in posting the payment to your Account and could thus result in the imposition of a late payment fee and additional interest charges. **We can accept late or partial payments without losing any of our rights under this Agreement. You agree not to send us partial payments marked "paid in full," "without recourse," or similar language. If you send such a payment, we may accept it without losing any of our rights under this Agreement. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount, must be mailed or delivered to us at The Pampered Chef Consultant Visa Card, P.O. Box 9207, Old Bethpage, NY 11804-9007.**

You must make payments in U.S. Dollars, with a draft, money order or check drawn on a U.S. Bank or through an automated clearinghouse acceptable to us in our sole discretion. The Bank processes electronic check conversions. If you send us a check, it may be converted into an electronic funds transfer (EFT). This means that we may take information from your check (including, for example, your bank routing number, checking account number, and check number) to initiate an EFT from your checking account in the amount of your check, instead of submitting your check for processing and payment. With electronic check conversion, you will not receive your cancelled check back, but your checking account statement should show you the EFT we initiated using information on your check. Funds may be debited faster from your checking account (often within 24 hours) with electronic check conversion, than if we submit your check for processing and payment. If we are unable to process the EFT (for example, for technical reasons), we may submit either your original check or a copy of your original check to your bank for payment and processing. If, at any time, you do not wish to participate in the Bank's check conversion program, please send a written request to remove you from this program to The Pampered Chef Consultant Visa Card, P.O. Box 9207, Old Bethpage, NY 11804-9007. We may take up to 30 days after we receive your written request to process it. Any checks we receive from you during that period that are to be converted into an EFT may not be covered by your written request.

With regard to each payment or credit, we will decide the order in which Purchases, Cash Advances, interest charges, fees, and costs are paid, subject to any restrictions under applicable law. Whenever we receive a payment, the payment will be credited promptly, as required by applicable law. Payments received with the return portion of your periodic statement and received by 5:00 p.m., local time of the payment address indicated on the relevant periodic statement, will be posted to your Account as of that date. For security reasons, however, we reserve the right to delay increasing the amount of credit available through your Account as a result of any payment or credit posted to your Account for up to eleven days following the date on which (and not as of which) such payment or credit is actually posted to your Account. This delay in increasing your available credit will not affect the proper crediting of your payment or credit to Purchases, Cash Advances, and interest charges, and will not alter the calculation of interest charges.

12. Balance Subject to Interest Rate. For each billing cycle, interest on your Account will be determined by applying a periodic rate to one or more average daily balances (including current transactions). The average daily balances of Purchases and Cash Advances each of which is called "Balance Subject to Interest Rate" on the front of your periodic statement) are calculated separately. The "Purchase Balance Subject to Interest Rate," described below, is multiplied by the applicable daily periodic rate, then multiplied by the number of days in the billing cycle. The "Cash Advance Balance Subject to Interest Rate," described below, is multiplied by the applicable daily periodic rate, then multiplied by the number of days in the billing cycle. The results of these two calculations are then added together to determine the total interest for the period. You will not be assessed interest on new Purchases in the billing cycle in which they are posted to your Account if you pay the entire New Balance, if any, shown on the periodic statement for the preceding billing cycle by its Payment Due Date. If this condition is not met, we assess Interest Charges on the balance of any new Purchases not paid by the Payment Due Date from the later of the date of each such Purchase or the first day of the billing cycle.

To calculate the "Purchase Balance Subject to Interest Rate," we first calculate the daily balance of Purchases and billed but unpaid fees, including, if applicable, Annual Fees, Late Payment Fees, Returned Item Fees, Over Limit Fees, Copying Charges, Currency Conversion Charges related to Purchases, Pay-by-Phone Fees, and Balance Transfer Transaction Fees, and billed but unpaid Purchase interest charges (collectively, "Purchases and Purchase Fees") for each day during the relevant billing cycle (collectively, the "Purchases and Purchase Fees

Daily Balance”) by taking the beginning balance of Purchases and Purchase Fees in your Account each day during that billing cycle, adding to that amount any new Purchases and Purchase Fees posted to your Account that day, and subtracting from that amount any payments or credits applied that day to Purchases and Purchase Fees. This gives us the Purchases and Purchase Fees Daily Balance for each day in the billing cycle. Credit balances (the Bank owes you) are treated as zero balances for these calculations. We then add up all the Purchases Daily Balances for that billing cycle and divide that total by the number of days in the billing cycle. This gives us the “Purchase Balance Subject to Interest Rate.” We exclude new Purchases and Purchase Fees from the Purchases and Purchase Fees Daily Balance if you pay the entire New Balance, if any, shown on the periodic statement for the preceding billing cycle by its Payment Due Date. If this condition is not met, we assess Interest Charges on the balance of any new Purchases not paid by the Payment Due Date from the later of the date of each such Purchase or the first day of the billing cycle.

To calculate the “Cash Advance Balance Subject to Interest Rate,” we first calculate the daily balance of Cash Advances and billed but unpaid Cash Advance Transaction Fees, Cash Advance interest charges and Currency Conversion Charges related to Cash Advances, Balance Transfers, and Convenience Checks (collectively, “Cash Advances and Cash Advance Fees”) for each day during the relevant billing cycle by taking the beginning balance of Cash Advances and Cash Advance Fees in your Account each day during that billing cycle, adding to that amount any new Cash Advances and Cash Advance Fees posted to your Account that day, and subtracting from that amount any payments or credits applied that day to Cash Advances and Cash Advance Fees. This gives us the Cash Advance daily balance for each day in the billing cycle. Credit balances (the Bank owes you) are treated as zero balances for these calculations. We then add up all the Cash Advance daily balances for that billing cycle and divide that total by the number of days in the billing cycle. This gives us the “Cash Advance Balance Subject to Interest Rate.” Interest charges are assessed on each Cash Advance, or the outstanding portion of it, from the date the Cash Advance is posted until the date it is fully paid.

13. Periodic Rate for Purchases.

General. When your Account has a “Purchase Balance Subject to Interest Rate” (as described in Section 12 above), we will assess an Interest Charge calculated by applying a daily periodic rate to that balance. The daily periodic rate and corresponding Annual Percentage Rate will vary. The daily periodic rate for Purchases is 1/365th of the corresponding Annual Percentage Rate for Purchases. The corresponding Annual Percentage Rate for Purchases is determined by adding the *Purchase Margin* shown in the “*Variable Rate Information*” section of the **Pricing Appendix** to the “Prime Rate,” which is described below. The “*Annual Percentage Rates*” section of the **Pricing Appendix** includes the *Daily Periodic Rate for Purchases* and corresponding *Annual Percentage Rate for Purchases*, each current as of the date indicated in the **Pricing Appendix**. The Annual Percentage Rate for Purchases shall never be less than the *Purchase Annual Percentage Rate Floor* shown in the “*Variable Rate Information*” section of the **Pricing Appendix**. The *Annual Percentage Rate for Purchases* shall never exceed the lesser of the *Purchase Annual Percentage Rate Cap* shown in the “*Variable Rate Information*” section of the **Pricing Appendix** or the maximum rate permitted by applicable law. Subject to any limitations imposed under applicable law, we may increase your Periodic Rate for Purchases and the corresponding Annual Percentage Rate to the “Default Annual Percentage Rate” if you: (i) fail to pay at least the Minimum Payment due for any billing cycle on or before the Payment Due Date for that payment, (ii) fail to honor any other obligation (other than paying the Minimum Payment due) under this Agreement; (iii) die or become the subject of any insolvency or bankruptcy proceeding; or (iv) default in the performance of any of your obligations in connection with any other account you have with us. If any of these events occur, except as prohibited by applicable law, and subject to any right you have in notice of the change and, if applicable, an opportunity to reject the change, we may increase the Annual Percentage Rate up to a default rate equal to the Prime Rate plus the *Default Margin* shown in the “*Variable Rate Information*” section of the **Pricing Appendix**. The “*Annual Percentage Rates*” section of the **Pricing Appendix** includes the *Daily Periodic Default Rate for Purchases* and corresponding *Default Annual Percentage Rate for Purchases*, each current as of the date indicated in the Pricing Appendix. The Default Annual Percentage Rate for Purchases shall never be less than the *Default Annual Percentage Rate Floor for Purchases* shown in the “*Variable Rate Information*” section of the **Pricing Appendix**. The Default Annual Percentage Rate for Purchases shall never exceed the lesser of the *Default Annual Percentage Rate Cap for Purchases* shown in the “*Variable Rate Information*” section of the **Pricing Appendix** or the maximum rate permitted by applicable law. If you fail to make the Minimum Payment Due within 60 days after the Payment Due Date for that payment, we may apply the Default Annual Percentage Rate for Purchases to all Purchase balances, including existing Purchase balances and Purchases made after we mail or deliver notice to you advising you of the increase.

Otherwise, the Default Annual Percentage Rate for Purchases, if imposed, will apply only to Purchases made more than 14 days after we mail or deliver notice to you advising you of the increase. If applicable law grants you a right to reject the increase to the Default Annual Percentage Rate for Purchases, the notice we send to you informing you of the change in terms will advise you of that right. If you reject the increase, however, we reserve the right to close your Account.

In calculating the daily periodic rate applicable to the Default Annual Percentage Rate for Purchases, the rounding conventions used by our computers may cause the daily periodic rate to be 1/100,000th less than the actual value of the rate divided by 365. We may use this slightly lower rate to determine your interest charge. We will ensure that the rounding conventions do not cause the rate we use to be higher than the disclosed Default Annual Percentage Rate for Purchases. If at any time you become obligated to pay interest on all Purchase balances (including existing balances) on your Account at the Default Annual Percentage Rate for Purchases because you failed to make the Minimum Payment Due within 60 days after the Payment Due Date for that payment, and you thereafter make payments on your Account as required by this Agreement in a timely manner for the next six consecutive billing cycles beginning with the first payment due following the effective date of the increase, the corresponding Annual Percentage Rate for Purchases will return to the non-default Annual Percentage Rate for Purchases.

Introductory Rate Purchases. If your Account has an *Introductory Annual Percentage Rate for Purchases*, that rate, together with the *Introductory Daily Periodic Rate for Purchases* and the *Introductory Rate Period*, is shown in the "*Introductory Rate Information*" section of the **Pricing Appendix**. The Introductory Annual Percentage Rate for Purchases is a fixed rate and is not based on movements in the Prime Rate, as described below. After the *Introductory Rate Period* shown in the "*Introductory Rate Information*" section of the **Pricing Appendix** (if applicable), Interest Charges will be assessed on all Purchases (including any applicable introductory rate Purchases) as described in the "General" subsection above. Subject to applicable law, including any required notices of an increase in the rate from the Introductory rate to a Default Annual Percentage Rate, the Introductory rate will not apply to any Purchases in existence at any time that your Account is subject to a Default Annual Percentage Rate because of your failure to make the Minimum Payment Due within 60 days after the Payment Due Date for that payment. Further, subject to any notice required by or limitations imposed under applicable law, the Introductory rate may not apply to any new Purchases posted to your Account if you are in default under the terms of this Agreement.

Introductory Balance Transfers. If your Account has an *Introductory Balance Transfer Annual Percentage Rate*, that rate, together with the *Introductory Balance Transfer Daily Periodic Rate* and the *Introductory Balance Transfer Rate Period*, is shown in the "*Introductory Balance Transfer Rate Information*" section of the **Pricing Appendix**. The Introductory Balance Transfer Annual Percentage Rate is a fixed rate and is not based on movements in the Prime Rate, as described below. After the *Introductory Balance Transfer Rate Period* shown in the "*Introductory Balance Transfer Rate Information*" section of the **Pricing Appendix**, Interest Charges will be assessed on all Balance Transfers in the same manner and at the same non-introductory rate(s) described in the "General" subsection above for Purchases. Subject to applicable law, including any required notices of an increase in the rate from the Introductory Balance Transfer rates to a Default Annual Percentage Rate, the Introductory Balance Transfer rate may not apply to any Balance Transfers in existence at any time that your Account is subject to a Default Annual Percentage Rate because of your failure to make the Minimum Payment Due within 60 days after the Payment Due Date for that payment. Further, subject to any notice required by or limitations imposed under applicable law, the Introductory Balance Transfer rate will not apply to any new Balance Transfers posted to your Account if you are in default under the terms of this Agreement.

Prime Rate. Either an increase in the Prime Rate or your failure to pay your Account in a timely manner may result in an increase in any or all of the following: the amount of the interest for the period; the Minimum Payment; or the outstanding balance.

The "Prime Rate" used to determine your Periodic Rate for Purchases and your Default Annual Percentage Rate for Purchases is the Prime Rate published in the "Money Rates" table of *The Wall Street Journal* on the last business day of each month (the "Change Date"). Any change in the Prime Rate from the previous Change Date will cause the corresponding Purchase Annual Percentage Rate or Default Annual Percentage Rate for Purchases (as applicable) to be adjusted as of the first day of your billing cycle that ends in the following month.

14. Periodic Rate for Cash Advances.

General. When your Account has a "Cash Advance Balance Subject to Interest Rate" (as described in paragraph 12 above), we will assess an Interest Charge calculated by applying a daily periodic rate to that balance. The daily periodic rate and corresponding Annual Percentage Rate will vary. The daily periodic rate for Cash Advances is 1/365th of the corresponding Annual Percentage Rate for Cash Advances. The corresponding Annual Percentage Rate for Cash Advances is determined by adding the *Cash Advance Margin* shown in the "Variable Rate Information" section of the **Pricing Appendix** to the "Prime Rate," which is described below. The "Annual Percentage Rates" section of the **Pricing Appendix** includes the *Daily Periodic Rate for Cash Advances* and corresponding *Annual Percentage Rate for Cash Advances*, each current as of the date indicated in the **Pricing Appendix**. The Annual Percentage Rate for Cash Advances shall never be less than the *Cash Advance Annual Percentage Rate Floor* shown in the "Variable Rate Information" section of the **Pricing Appendix**. The Annual Percentage Rate for Cash Advances shall never exceed the lesser of the *Cash Advance Annual Percentage Rate Cap* shown in the "Variable Rate Information" section of the **Pricing Appendix** or the maximum rate permitted by applicable law. Subject to any limitations imposed under applicable law, we may increase your Periodic Rate for Cash Advances and the corresponding Annual Percentage Rate to the "Default Annual Percentage Rate" if you: (i) fail to pay at least the Minimum Payment due for any billing cycle on or before the Payment Due Date for that payment; (ii) fail to honor any other obligation (other than paying the Minimum Payment due) under this Agreement; (iii) die or become the subject of any insolvency or bankruptcy proceeding; or (iv) default in the performance of any of your obligations in connection with any other account you have with us. If any of these events occur, except as prohibited by applicable law, and subject to any right you have in notice of the change and, if applicable, an opportunity to reject the change, we may increase the Annual Percentage Rate up to a default rate equal to the Prime Rate plus the *Default Margin* shown in the "Variable Rate Information" section of the **Pricing Appendix**. The "Annual Percentage Rates" section of the **Pricing Appendix** includes the *Daily Periodic Default Rate for Cash Advances* and corresponding *Default Annual Percentage for Cash Advances*, each current as of the date indicated in the **Pricing Appendix**. The Default Annual Percentage Rate for Cash Advances shall never be less than the *Default Annual Percentage Rate Floor for Cash Advances* shown in the "Variable Rate Information" section of the **Pricing Appendix**. The Default Annual Percentage Rate for Cash Advances shall never exceed the lesser of the *Default Annual Percentage Rate Cap for Cash Advances* shown in the "Variable Rate Information" section of the **Pricing Appendix** or the maximum rate permitted by applicable law. If you fail to make the Minimum Payment Due within 60 days after the Payment Due Date for that payment, we may apply the Default Annual Percentage Rate for Cash Advance to all Cash Advance balances, including existing Cash Advance balances and any Cash Advance made after we mail or deliver notice to you advising you of the increase. Otherwise, the Default Annual Percentage Rate for Cash Advances, if imposed, will apply only to any Cash Advances made more than 14 days after we mail or deliver notice to you advising you of the increase. If applicable law grants you a right to reject the increase to the Default Annual Percentage Rate for Cash Advances, the notice we send to you informing you of the change in terms will advise you of that right. If you reject the increase, however, we reserve the right to close your Account.

In calculating the daily periodic rate applicable to the Default Annual Percentage Rate for Cash Advances, the rounding conventions used by our computers may cause the daily periodic rate to be 1/100,000th less than the actual value of the rate divided by 365. We may use this slightly lower rate to determine your interest charge. We will ensure that the rounding conventions do not cause the rate we use to be higher than the disclosed Default Annual Percentage Rate for Cash Advances. If at any time you become obligated to pay interest on all Cash Advance balances (including existing balances) on your Account at the Default Annual Percentage Rate for Cash Advances because you failed to make the Minimum Payment Due within 60 days after the Payment Due Date for that payment, and you thereafter make payments on your Account as required by this Agreement in a timely manner for the next six consecutive billing cycles beginning with the first payment due following the effective date of the increase, the corresponding Annual Percentage Rate for Cash Advances will return to the non-default Annual Percentage Rate for Cash Advances.

Prime Rate. Either an increase in the Prime Rate or your failure to pay your Account in a timely manner may result in an increase in any or all of the following: the amount of the interest for the period; the Minimum Payment; or the outstanding balance.

The "Prime Rate" used to determine your Periodic Rate for Cash Advances and your Default Annual Percentage Rate for Cash Advances is the Prime Rate published in the "Money Rates" table of *The Wall Street Journal* on the last business day of each month (the "Change Date"). Any change in the Prime Rate

from the previous Change Date will cause the corresponding Cash Advance Annual Percentage Rate or Default Annual Percentage Rate for Cash Advances (as applicable) to be adjusted as of the first day of your billing cycle that ends in the following month.

15. Transaction Fees and Minimum Interest Charge. These transaction fees will be added to the appropriate purchase or cash advance balance with the corresponding Purchase or Cash Advance.

- a. **Cash Advance Transaction Fee.** A *Cash Advance Transaction Fee*, as shown in the "Fees and Payments" section of the **Pricing Appendix**, will be charged to your Account as a **Transaction Fee** each time you obtain a Cash Advance.
- b. **Transaction Fee for Purchases and Cash Advances made in Foreign Currencies.** Purchases and Cash Advances made in currencies other than U.S. Dollars will be converted to U.S. Dollars under the operating regulations or foreign currency conversion procedures established by Visa International or MasterCard International then in effect. Conversion to U.S. Dollars may occur on a date other than the date of the transaction; therefore, the currency conversion rate may be different from the rate in effect at the time of the transaction. We do not determine the currency conversion rate that is used. You agree to pay the converted amount. For each Purchase or Cash Advance made in a foreign currency, we add an additional **Transaction Fee** equal to the *Transaction Fee for Purchases and Cash Advance made in Foreign Currencies*, as shown in the "Fees and Payments" section of the **Pricing Appendix**.
- c. **Balance Transfer Transaction Fee:** A *Balance Transfer Transaction Fee*, as shown in the "Fees and Payments" section of the **Pricing Appendix** (if applicable), will be charged to your Account as a **Transaction Fee** for each Balance Transfer the Bank agrees to post to your Account during the *Balance Transfer Transaction Rate Period* described in the **Pricing Appendix** (if applicable), regardless of whether the Balance Transfer qualifies for an introductory rate.

Minimum Interest Charge. In any billing cycle in which your Account has a balance, the interest for the period for Cash Advances and Purchases is less than the *Minimum Interest Charge* shown in the "Fees and Payments" section of the **Pricing Appendix**, and you were not charged a Cash Advance Transaction Fee, the *Minimum Interest Charge* shown in the "Fees and Payments" section of the **Pricing Appendix** may be charged to your Account.

16. Default. If: (i) you miss a payment on your Account; (ii) you default in the performance of any of your obligations in connection with any other account you may have with us; (iii) you fail to honor any other obligation (other than paying the Minimum Payment due) under this Agreement; or (iv) you die or become the subject of any insolvency or bankruptcy proceeding; you will be in default and the Bank reserves the right to (1) refuse to honor any further Purchases or Cash Advances, (2) reduce your credit limit, (3) require payment of a portion of your outstanding balance greater than the Minimum Payment, (4) begin charging interest at the Default Annual Percentage Rates for Purchases and Cash Advances (subject to any notice and right to reject that may be required under applicable law), and/or (5) declare the entire balance of your Account immediately due and payable. In addition, if the Bank considers you not to be creditworthy, the Bank reserves the right to: (A) refuse to honor any further Purchases or Cash Advances, and/or (B) reduce your credit limit. A default by any cardholder will be a default by all cardholders. The Bank's failure to exercise any of its rights under this Agreement, or its waiver of its rights on any one occasion, shall not constitute a waiver of such rights on any other occasion. All rights and remedies of the Bank are cumulative and may be pursued singularly, successively or together, at its sole option. In determining your creditworthiness, the Bank, in its discretion, may consider, among other things, the total amount of debt you are carrying compared to your resources or any other of your credit characteristics, regardless of your performance on the Account.

17. Revocation. Subject to applicable law, the Bank may revoke your Card and/or cancel or suspend your credit privileges at any time, with or without cause and without giving notice. You may not use your Card after it has expired, after it has been revoked or after your Account has been closed. Any such action on the part of the Bank will not affect your obligation to pay the outstanding balance, interest charges and other charges due on your Account under the terms of this Agreement. You agree to pay to the Bank all such obligations despite any cancellation or suspension of your Account.

18. Illegal Transactions. You promise not to use your Card or the Account for any illegal or unlawful purpose. However, if you use, or allow someone else to use, your Card or the Account for any unlawful purpose, you will be responsible for such use and may be required to reimburse the Bank or Visa for all amounts

or expenses the Bank or Visa pays as a result of such use. You understand that it is your responsibility to determine if the transactions for which you use or allow someone else to use your Card or the Account are lawful and that neither the Bank nor Visa are responsible for determining the legality of such transactions.

19. Your Responsibility For Collection Costs. In the event you default in the performance of any of your obligations under this Agreement, and the Account is referred to an attorney, including one who is a salaried employee of the Bank or its assignee, you agree to pay all court costs and collection expenses allowed by law, including reasonable attorney's fees.

20. Other Charges. In addition to interest charges (including Minimum Interest Charges) and transaction fees, the Bank may impose and post the following charges to your Account.

- a. **Late Payment Fee.** If the Bank does not receive at least your Minimum Payment on or before the relevant Payment Due Date for any billing cycle, you agree to pay the Bank a *Late Payment Fee*, as shown in the "Fees and Payments" section of the **Pricing Appendix**.
- b. **Returned Item Fee.** A *Returned Item Fee*, as shown in the "Fees and Payments" section of the **Pricing Appendix**, will be assessed if, for any reason, (a) a check, draft or similar instrument is not honored or cannot be processed; or (b) an electronic debit is returned unpaid or cannot be processed. You authorize us to resubmit returned payments in our discretion. At our option, we will assess this fee the first time your payment is not honored or paid, even if it is later honored or paid following resubmission. Any check, draft or similar instrument may be collected electronically if returned for insufficient or uncollected funds.
- c. **Over Limit Fee.** Applicable law prohibits us from imposing an Over Limit Fee unless you affirmatively consent (or opt in) to allowing us to honor transactions that would cause your balance to exceed any applicable limit. If, after notice to you, you have affirmatively consented to permit us to honor transactions that would cause you to exceed any applicable credit limits on your Account, You agree to pay an *Over Limit Fee*, as shown in the "Fees and Payments" section of the **Pricing Appendix**. You will have the right to revoke your consent following the assessment of an Over Limit Fee or charge.
- d. **Copying Charges.** You agree to pay a *Copying Charge*, as shown in the "Fees and Payments" section of the **Pricing Appendix**, for each page of any copy of a periodic statement, sales slip or payment copy that the Bank produces at your request. The Bank will not impose copying charges if it produces the copies in order to resolve a reported billing error under the Fair Credit Billing Act.
- e. **Phone Payment Fee.** You agree to pay a *Phone Payment Fee*, as shown in the "Fees and Payments" section of the **Pricing Appendix**, for each phone payment you initiate. This fee will be payable at the time the payment is initiated and is in addition to the amount you wish to have applied to your Account. We will not retain any portion of this fee. The fee is payable to the third party (or parties) who charge to process the phone payment.

21. Controlling Laws. This Agreement shall be governed by and construed in accordance with federal law and any applicable laws of the State of New Jersey without regard to rules concerning conflicts of law or choice of law.

22. Agreement to Arbitrate Disputes. This Section 22 is an agreement to arbitrate disputes that may arise as a result of, or in connection with, the Agreement or your Account. Read this Section 22 carefully. If a dispute arises that is covered by this agreement to arbitrate, you may be required to settle the dispute through binding arbitration. This means that you will not be able to have the dispute settled by trial or before a jury. Other rights that you would have if you went to court may not be available or may be more limited in arbitration, including your right to appeal.

In consideration for our willingness to provide you with an Account as set forth in the Agreement, you and we agree as follows:

Any claim, dispute or controversy ("Claim") by either you or us against the other arising from or relating in any way to the Agreement or your Account, including the validity of this arbitration clause or the entire Agreement, shall, at the demand of any party, be resolved by binding arbitration; however, we will not demand arbitration pursuant to this agreement to arbitrate in connection with any individual Claim that you properly file and pursue in a small claims court of your state or municipality, so long as the Claim is pending only in that court. "Binding arbitration" means an arbitration proceeding according to the rules of either the

National Arbitration Forum, JAMS, or the American Arbitration Association (each referred to herein as the "Arbitration Association"). You may select which of these Arbitration Associations to use. If you fail to select the Arbitration Association in a timely manner, we will choose one. Any arbitration proceeding will take place at a location within the federal judicial district that includes the most recent U.S. Mail address we have on file for you at the time the Claim is filed or at any other mutually acceptable location. Any party to the arbitration proceeding may enter judgment upon the arbitration award in any court having jurisdiction over the arbitration award and may have that judgment enforced by any court having jurisdiction over that judgment.

A demand for arbitration under this agreement to arbitrate may be made either before or after a lawsuit or other legal proceeding begins. However, any demand for arbitration that is made after a lawsuit or other legal proceeding has begun must be made within 90 days following the service of a complaint, third party complaint, cross-claim or counterclaim or any answer thereto or any amendment to any of the above.

This agreement to arbitrate Claims includes all controversies and claims of any kind between us. It also includes any disputes you have with our agents, contractors, employees, officers or assignees or any other third party that has been involved or becomes involved, or whose trademarks are used in connection with, any marketing, soliciting or servicing activity relating to your Account.

The Claims covered by this agreement to arbitrate include, without limitation:

- Any disputes regarding the enforceability of this agreement to arbitrate;
- Any disputes regarding: the application you prepared in connection with the issuance of your Account; any solicitation or advertising materials you received in connection with your Account; any activities relating to the maintenance or servicing of your Account; and any funds held by the Bank in connection with your Account;
- Any disputes arising from the collection of amounts you owe in connection with your Account;
- Any disputes concerning the dollar amount of payments made or transactions posted to your Account;
- Any disputes concerning the processing of items or funds transfers sent to the Bank for the purpose posting to your Account;
- Any disputes regarding information obtained by us from, or reported by us to, credit bureaus or others; and
- Any disputes related to insurance or other services or products purchased from us in connection with your Account.

No arbitrator or court may order, permit or certify a class action arbitration in connection with this agreement to arbitrate. No arbitrator or court may order or permit a joinder of parties in connection with this agreement to arbitrate, except for joinder of any person who is subject to this agreement to arbitrate. The arbitrator will be required to follow relevant law and applicable judicial precedent to arrive at a decision. You and we both agree that the transactions subject to this agreement to arbitrate involve interstate commerce. Consequently, notwithstanding any choice of law provision in the Agreement, this agreement to arbitrate shall be governed by and enforceable under the Federal Arbitration Act.

The cost of any arbitration proceeding shall be divided as follows:

- The party requesting the arbitration proceeding shall pay to the Arbitration Association an amount up to \$125.00 when the demand for arbitration is made;
- We will pay to the Arbitration Association all other costs for the arbitration proceeding up to a maximum of one day (eight hours) of hearings;
- All costs of the arbitration proceeding that exceed one day of hearings will be paid by the non-prevailing party; and
- Each party shall pay its own attorney, expert and witness fees and expenses, unless otherwise required by law.

Notwithstanding the foregoing, if you believe the cost of arbitration may be too burdensome, you may seek a waiver of the filing fee and any other charges of the Arbitration Association under applicable rules of the Arbitration Association. If you seek, but do not qualify for such a waiver, we will consider a written request from you to advance all or part of the filing fee.

The arbitrator's decision shall become final and binding after 30 days unless you or we take an appeal from the decision by making a written request to the Arbitration Association. The appeal panel, which will consist of three arbitrators, will consider all factual and legal issues anew, will conduct the appeal in the same manner as the initial arbitration, and will make decisions based on the vote of the majority. The party requesting the appeal shall pay all costs of the appeals process, except that each party shall pay its own attorney, expert and witness fees and expenses unless otherwise required by law. The panel's decision shall be final and binding.

If any provision of this agreement to arbitrate should be found invalid or unenforceable, such a determination shall not affect the enforceability of the remaining provisions, which shall remain and continue in full force and effect.

You may contact any of the Arbitration Associations to obtain information about arbitration, arbitration procedures and fees by calling the telephone numbers or going to their Internet websites indicated below:

JAMS
1920 Main St. at Gillette Ave.
Suite 300
Irvine, CA 92614
800-352-5267
www.jamsadr.com

National Arbitration Forum
P.O. Box 50191
Minneapolis, MN 55405-0191
800-474-2371
www.arb-forum.com

American Arbitration Association
335 Madison Avenue (10th Floor)
New York, NY 10017-4605
800-778-7879
www.adr.org

If you do not wish to be bound by this agreement to arbitrate, you must notify us in writing within sixty (60) days after the date your Account is opened. You must send your request to: The Pampered Chef Consultant Visa Card, P.O. Box 9207, Old Bethpage, NY 11804-9007. The request must include your 16-digit Account number and a clear statement of your intent, such as "I reject the arbitration clause in The Pampered Chef® Visa® Consultant Card Cardholder Agreement."

23. Telephone Monitoring, Recording and Contacts. To ensure that all customers receive quality service, and payment-related calls are conducted in a manner consistent with Bank policy, the Bank randomly selects phone calls for monitoring and/or recording. These calls are monitored and/or recorded solely for evaluation by supervisors, training, monitoring for compliance purposes, and quality control, in order to help ensure that prompt, consistent assistance and accurate information are delivered in a professional manner. You agree that any call between a representative of the Bank and you may be monitored and/or recorded for these purposes. You further agree that: (i) you have an established business relationship with us and may be contacted from time to time regarding your Account; (ii) such contacts are not considered unsolicited or inconvenient; and (iii) any such contact may be made using any cellular or other number you may have given us, using any e-mail address you may have provided to us, or using an automated dialing and announcing or similar device, unless you notify us otherwise or unless otherwise prohibited by law.

In addition, in connection with any contact made with you by telephone, you agree that we may, in our discretion, engage the services of an unrelated third party for the sole purpose of providing language translation services.

24. Change in Terms. Subject to the limitations of applicable law, the Bank, at any time, may change or remove any of the terms and conditions of, or add new terms or conditions to, this Agreement, including (for example) increasing existing fees, charges, margins and rates, and adding new fees and charges, whether or not the Account has been cancelled, suspended or closed to new Account transactions. We will provide you notice of the change and any right to reject the change if required by applicable law. Subject to applicable law, the new terms may apply to new Purchases, Cash Advances, other charges and the outstanding balance of your Account.

25. Card Benefits. From time to time your Card may include various additional features, services and enhancements. The Bank is not liable for these features, services, and enhancements, and such features, services, and enhancements are the sole responsibility of the third party provider. You agree to hold the Bank harmless from any claims, actions, or damages resulting from your use of any of these features, services, or enhancements, when permitted by applicable law. The Bank reserves the right to adjust, add, or delete benefits and services at any time. If you are in default under this Agreement, we may cancel any additional features you have on your Account (including any rewards program).

26. Acceptance of Card. The Bank is not responsible for the failure of any merchant or bank to accept or honor your Card. Unless applicable law otherwise requires, if you make a Purchase on your Account and the merchant discloses a policy such as "no returns," "no refund," "no return or credit without receipt," "as is," "store credit only," "all sales final" or similar statements, you will be bound by that policy.

27. Assignment. You may not sell, assign, or otherwise transfer this Agreement, or the Account, or any portion thereof, without the express written consent of the Bank. The Bank may sell, assign, or transfer this Agreement or the Account, or any portion thereof, at any time and without your prior consent.

28. Integrated Agreement. This Agreement (including the accompanying **Pricing Appendix**) is the final written expression of the agreement between you and the Bank concerning the Account, and this Agreement may not be contradicted by evidence of any alleged oral agreement.

29. 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: The Pampered Chef Consultant Visa Card, P.O. Box 9207, Old Bethpage, NY 11804-9007.

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 or 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: The Pampered Chef Consultant Visa Card, P.O. Box 9207, Old Bethpage, NY 11804-9007.

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.

30. Legal Processes Against Your Account. The Bank will comply with any notice of garnishment, attachment, tax levy, injunction, restraining order, subpoena, or other legal process relating to your Account that, in its sole judgment, appears to be valid. If your Account becomes involved or subject to any legal or administrative proceeding, and the Bank is ordered or required to take any action relative to your Account that is inconsistent with the terms of this Agreement, the terms of such order or requirement shall supercede and replace the terms of this Agreement.