

Application Type: A married person may apply for individual credit, you are applying for:

- JOINT CREDIT**, with another person, complete entire application.
- INDIVIDUAL CREDIT**, complete only applicant section.

# Darvin Furniture Card Program

## APPLICANT (Please Print)

First Name	Middle Initial	Last Name	Social Security Number				Date of Birth (MM/DD/YYYY)	
			□ □ □ - □ □ - □ □ □ □	/	/			
Address		Apt. #	City	State	Zip Code	Home Phone		
						(    )		
Work Phone	Housing Status: <input type="checkbox"/> Buyer/Owner		Annual Income* (Gross)	Check if you have a:		E-Mail Address (Optional)		
(    )	<input type="checkbox"/> Rent/Lease			<input type="checkbox"/> Checking Account				
	<input type="checkbox"/> Other/Misc.		\$	<input type="checkbox"/> Savings Account				

\*Note: Alimony, child support or separate maintenance income need not be disclosed if you do not wish to have it considered as a basis for paying this obligation.

## JOINT APPLICANT (or spouse of applicant if married WI resident - complete name and address only)

First Name	Middle Initial	Last Name	Social Security Number				Date of Birth (MM/DD/YYYY)	
			□ □ □ - □ □ - □ □ □ □	/	/			
Address		Apt. #	City	State	Zip Code	Home Phone		
						(    )		
Work Phone	Annual Income* (Gross)							
(    )	\$							

## APPLICANT(S) SIGNATURE REQUIRED BELOW

All of the information furnished on this application is, to the best of your knowledge, complete and accurate. You agree that you are furnishing all such information on this application to both Darvin Furniture, and to HSBC Bank Nevada, N.A. ("we", "us"), the issuer of the Darvin Furniture credit card. I authorize HSBC Bank Nevada, N.A. and Darvin Furniture to exchange information about my Account(s) and myself so that I can receive the benefits and services of the Darvin Furniture Credit Card program, and so that Darvin Furniture can inform me of additional information, offers and opportunities. You agree that we may obtain a credit bureau report on you and we may check any of the information provided on this application from whatever source we choose. By completing and signing this application, you are applying for a credit limit in the highest amount we deem appropriate, regardless of any initial sale amount, and you are requesting a Card issued to you by us which will allow you to make purchases under this Account. By a) signing, using or permitting others to use this Card; b) signing or permitting others to sign sales slips; c) making or permitting others to make purchases by telephone, Internet, or any other means, you agree to the terms and conditions of this Important Terms of Your Credit Card Account, Form 6022-001-38-US-24 (1-12), (which includes an arbitration provision) stated on both sides of this combined application and Important Terms of Your Credit Card Account, which are incorporated herein by reference, and to the Cardholder Agreement and Disclosure Statement which shall be sent to you with the credit card. You have read and received a copy of your Important Terms before making any purchase under this Account. Terms are attached. If this is a joint credit application, you understand that each applicant has the right to use the Account and that you shall be liable for all purchases made under the Account by any joint applicant. You grant us a purchase money security interest in the goods purchased on your Account.

<b>Applicant's Signature</b>	<b>Date (MM/DD/YY)</b>	<b>Joint Applicant's Signature</b>	<b>Date (MM/DD/YY)</b>
↓	/ /	↓	/ /

**(For Darvin Furniture Use Only)** INITIAL SALE AMT \_\_\_\_\_ CREDIT LIMIT \_\_\_\_\_ I.D. Verified by: \_\_\_\_\_

I.D. #1 Photo ID (Applicant) Type: \_\_\_\_\_ I.D. # \_\_\_\_\_ State \_\_\_\_\_ Date of Issue \_\_\_\_/\_\_\_\_/\_\_\_\_ Exp. Date \_\_\_\_/\_\_\_\_/\_\_\_\_

I.D. #2 Credit Card (Applicant)  MC  VISA  AMEX  DISCOVER  OTHER Exp. Date \_\_\_\_/\_\_\_\_/\_\_\_\_

I.D. #1 Photo ID (Joint Applicant) Type: \_\_\_\_\_ I.D. # \_\_\_\_\_ State \_\_\_\_\_ Date of Issue \_\_\_\_/\_\_\_\_/\_\_\_\_ Exp. Date \_\_\_\_/\_\_\_\_/\_\_\_\_

I.D. #2 Credit Card (Joint Applicant)  MC  VISA  AMEX  DISCOVER  OTHER Exp. Date \_\_\_\_/\_\_\_\_/\_\_\_\_

ACCOUNT# □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ (Account #'s may be either 15 or 16 digits in length)



IMPORTANT CUSTOMER DISCLOSURE INFORMATION ATTACHED - PLEASE DETACH AND RETAIN FOR YOUR RECORDS.

**FACTS****WHAT DOES HSBC DO WITH YOUR PERSONAL INFORMATION?****Why?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

**What?**

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- Account balances and payment history
- Credit history and credit scores

When you are *no longer* our customer, we continue to share your information as described in this notice.

**How?**

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons HSBC chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does HSBC share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes—</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	Yes	Yes
<b>For our affiliates to market to you</b>	Yes	Yes
<b>For nonaffiliates to market to you</b>	Yes	Yes

**To limit our sharing**

- Call 1-800-365-3804—our menu will prompt you through your choice(s).

**Please note:**

If you are a *new* customer, we can begin sharing your information 30 days from the date we sent this notice. When you are *no longer* our customer, we continue to share your information as described in this notice.

However, you can contact us at any time to limit our sharing.

**Questions?**

Call 1-800-365-3804

## Who we are

## Who is providing this notice?

This notice is being provided by HSBC Bank Nevada, N.A., HSBC Bank USA, N. A., HSBC Retail Credit (USA) Inc. and Household Credit Services, Inc. for your private label credit card or loan.

## What we do

## How does HSBC protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.  
Also, we only allow employees, authorized service providers and other parties as required or permitted by law to access your information.

## How does HSBC collect my personal information?

We collect your personal information, for example, when you:

- open an account or give us your contact information
- pay your bills or apply for a loan
- use your credit or debit card

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

## Why can't I limit all sharing?

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.

## What happens when I limit sharing for an account I hold jointly with someone else?

Your choices will apply to everyone on your account.

## Definitions

## Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.  
■ *Our affiliates include companies with an HSBC name and financial companies such as Household, Beneficial and HFC.*

## Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.  
■ *Nonaffiliates we share with can include financial services providers (such as mortgage bankers, insurance agents or a re-insurer), or they may be nonfinancial companies such as retailers or marketing companies or service providers.*

## Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.  
■ *Our joint marketing partners include companies such as insurance service providers.*

## Other important information

HSBC companies and affiliates with access to your personal information may be located in countries other than where you reside, including but not limited to the United Kingdom, India and China.

**Special notice for residents of California or Vermont**

HSBC does not share your information with affiliates or nonaffiliates, except as permitted or required by applicable law.

**Special notice for residents of Nevada**

Pursuant to Nevada law, we are providing this notice, which applies to accounts with Nevada mailing addresses, to inform you that you may elect to be placed on our internal "do not call" list. If you would like to be placed on the list, please let us know by simply calling us toll-free at 1-800-365-3804. For more information, contact us at P.O. Box 98735, Las Vegas, NV 89134, the phone number provided or email [privacy@hrsaccount.com](mailto:privacy@hrsaccount.com) with 'Nevada Do Not Call' in the subject line. You may also contact the Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington Avenue, Suite 3900, Las Vegas, Nevada 89101, Telephone: (702) 486-3132, or Email: [BCPINFORM@ag.state.nv.us](mailto:BCPINFORM@ag.state.nv.us).

**Notice to customers with credit-related insurance products**

Household Life Insurance Company and its insurance affiliates collect demographic information (such as your name or address) and information related to insurance (such as health information) to administer your insurance. This information comes either from you, HSBC, a credit report, or a Medical Information Bureau report. Household Life Insurance Company and its insurance affiliates do not disclose information about you to affiliates or to third parties, except as permitted by law, such as for servicing, fraud prevention, verification of coverage, or regulatory reviews. You have a right to see personal information collected about you and the right to correct any information, which may be wrong, by writing to us at the following address: Insurance Customer Service Operations, 90 Christiana Rd., New Castle, DE 19720.

**IMPORTANT INFORMATION:  
ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

**What this means for you:**

When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

**Interest Rates and Interest Charges**

<b>Annual Percentage Rate (APR) for Purchases</b>	<b>21.6%</b>
<b>Penalty APR and When it Applies</b>	<b>25.6%</b> This APR may be applied to your account if you make a late payment. <b>How Long Will the Penalty APR Apply?:</b> If your APRs are increased for this reason, the Penalty APR may apply indefinitely.
<b>How to Avoid Paying Interest on Purchases</b>	Your due date is at least 23 days after the close of each billing cycle. We will not charge you 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 <b>\$2.00</b> .
<b>For Credit Card Tips from the Federal Reserve Board</b>	To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at <a href="http://www.federalreserve.gov/creditcard">http://www.federalreserve.gov/creditcard</a> .

**Fees**

<b>Annual Fee</b>	<b>NONE</b>
<b>Penalty Fees</b>	
• Late Payment	Up to <b>\$35</b>
• Over the Credit Limit	<b>NONE</b>
• Returned Payment	Up to <b>\$25</b>

**How We Will Calculate Your Balance:** We use a method called "average daily balance (including new purchases)".

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

You may pay the entire Balance at any time.

**NOTICE FOR MARRIED WISCONSIN RESIDENTS:** No provision of a marital property agreement, unilateral statement under Section 766.59 of the Wisconsin Statutes, or court order under Section 766.70 of the Wisconsin Statutes adversely affects the interest of the creditor unless the creditor, prior to the time the credit is granted, is furnished a copy of the agreement, statement or decree or has actual knowledge of the adverse provision when the obligation to the creditor is incurred. If you are married, by submitting your credit card application you are confirming that this credit card obligation is being incurred in the interest of your marriage and your family. If the credit card for which you are applying is granted, you will notify the Bank if you have a spouse who needs to receive notification that credit has been extended to you.

**NOTICE FOR CALIFORNIA RESIDENTS:** California law requires that we inform customers that should they fail to fulfill the terms of their credit obligation, a negative report reflecting on their credit record may be submitted to a credit reporting agency. If you are married, you may apply for credit in your own name.

**NOTICE FOR DELAWARE RESIDENTS:** Service charges not in excess of those permitted by law will be charged on the outstanding balances from month to month.

**NOTICE FOR FLORIDA RESIDENTS:** You (borrower) agree that, should we obtain a judgment against you, a portion of your disposable earnings may be attached or garnished (paid to us by your employer), as provided by Florida and Federal law.

**NOTICE FOR MAINE RESIDENTS:** We may request a consumer report in connection with your application for credit. You may ask whether a consumer report was obtained by us and we will tell you the name and address of the consumer reporting agency, if a report was obtained.

**NOTICE FOR NEW YORK RESIDENTS:** A consumer credit report may be requested in connection with this application or in connection with updates, renewals or extensions of any credit granted as a result of this application. Upon your request, you will be informed whether or not such a report was requested and, if so, the name and address of the agency that furnished the report. New York residents may contact the New York state banking department to obtain a comparative listing of credit card rates, fees and grace periods. New York State Banking Department: 1-800-522-3330.

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

**NOTICE FOR VERMONT RESIDENTS:** A consumer credit report may be requested in connection with this application or in connection with updates, renewals or extensions of any credit granted as a result of this application. Upon your request, you will be informed whether or not such a report was requested and, if so, the name and address of the agency that furnished the report.

**IMPORTANT TERMS OF YOUR CREDIT CARD ACCOUNT**

**INTEREST RATES INFORMATION**

Annual Percentage Rate ("APR") and Daily Periodic Rate ("DPR"). Your Daily Periodic Rate (DPR) is described in the INTEREST CHARGES section.

	<b>APR</b>	<b>DPR</b>
<b>Standard APR</b>	21.6%	.05918%
<b>Penalty APR</b>	25.6%	.07014%

**ABOUT THE PENALTY APR**

If you do not make your Minimum Payment Due within 60 days after the Payment due date we may increase your APRs to the Penalty APR.

If this occurs:

- we will provide advance notice before the Penalty APR goes into effect.
- once the Penalty APR goes into effect, if you make six consecutive on-time minimum payments when due, your rates will return to the non-penalty APRs applicable to your Account.
- if you do not make six consecutive on time minimum payments, we may keep the Penalty APR on your Account indefinitely.

**ABOUT INTEREST CHARGES**

**TREATMENT OF FEES AND INTEREST**

Any fees or Interest will be added to your purchase balance unless otherwise stated in this Agreement.

**MINIMUM INTEREST CHARGE**

If you are charged Interest, the charge will be no less than the Minimum Interest Charge listed in the chart.

**ABOUT ACCOUNT FEES & OTHER CHARGES**

**FEES AND LIMITS**

The fees that apply to your Account are shown in the purchase balance unless otherwise stated in this Agreement.

If charging any fee shown in the chart would exceed first-year fee limits set by law, we may charge an amount allowed by law. If we do this, it does not affect our ability to charge the full fee amount later.

## LATE PAYMENT FEE

This fee is shown in the chart below. It is charged in any billing cycle that you do not pay at least the Minimum Payment Due by the Payment Due Date. In no event will your Late Payment Fee exceed the Minimum Payment Due.

Outstanding Balance on Payment Due Date	Late Payment Fee - first time your payment is late	Late Payment Fee - if another payment is late during the next 6 billing cycles
Up to and including \$100	\$19	\$19
More than \$100 and up to and including \$500	\$25	\$29
More than \$500	\$25	\$35

## OVER THE CREDIT LIMIT FEE

This fee is shown in the "Fees" table at the front of this credit application and will be charged if:

- your Account balance exceeds your credit limit at any time during a billing cycle.

## RETURNED PAYMENT FEE

This fee is shown in the "Fees" table at the front of this credit application. It is charged each time a check or other form of payment to us is returned or not honored.

## PAYMENT BY PHONE FEE

This fee:

- may be charged each time anyone makes a payment to your Account with the assistance of a live phone representative; and
- the amount is disclosed at the time a payment by phone is requested.

## COPY REQUEST FEE

A copy request fee may be charged each time a copy of a document is requested. The fee amount will be disclosed at the time of your request.

## REISSUED CARD FEE

You may be charged \$5 each time you request that your credit card be reissued.

## INTRODUCTION

### KEY TERMS

"You" and "your" means each Applicant and Joint Applicant who:

- applied for this Account bearing the name Darvin Furniture; and/or
- agrees to pay for the Account.

"We," "us," and "our" means HSBC Bank Nevada, N.A. located at 1111 Town Center Drive, Las Vegas, Nevada 89144.

"Applicant" means the primary Cardholder. "Joint Applicant" means the secondary Cardholder.

"Agreement" means all parts of this document and any future supplements or amendments.

"Card" means any card, card number or other device we issue to access your Account.

### GETTING STARTED

The Card must be signed to be used.

When you use the Account or sign the card or sales slips, you agree to:

- the terms of this Agreement; plus
- any amendments or supplements to the Agreement.

You may close your Account at any time. Please see the CLOSING YOUR ACCOUNT section in your Cardholder Agreement for details.

## USING YOUR ACCOUNT

### ALLOWED USE

You agree to:

- use your Account only for lawful purposes
- use your Account for only personal, family, household, or charitable purposes; and
- repay us for all costs related to uses not allowed under this Agreement.

You are not allowed to use your Account:

- to make payments to this credit card or any other loan payments to us or our affiliates; or
- for internet gambling.

If you have given someone permission to use the Card, this is not unauthorized use and you will be liable for all use by that person.

### SECURITY INTEREST

A "Security Interest" is our interest in an item that you buy using your Account that secures the payment of your Account.

Except as noted below, you grant us a security interest (which we may or may not perfect) in the following items financed using your Account:

- any goods you buy with your Card; and

- any proceeds you get from the following:
  - a) insurance contracts, and returned premiums; and/or
  - b) mechanical failures and/or
  - c) extended service contracts.

Each good you buy using your Account:

- secures your entire Account balance until that good is paid in full; and
- may be taken from you if you do not pay on time.

To decide when a purchase is paid off and no longer subject to a security interest, your payments will be first applied to: described in the "How We Apply Payments" section of your Cardholder Agreement.

Once you have fully paid for any good, we will release our purchase money security interest in that good.

We do not take a security interest if you:

- live in NY and the original purchase price of the good was less than \$200 or
- live in MD and the original purchase price of the good was less than \$700.

If we take back any good, we may charge you our costs and require you to make the good available at a convenient place of our choice as allowed by law. This may include our cost to:

- repair the good; and/or
- store the good; and/or
- sell the good; and/or
- other costs allowed by law.

## ACCOUNT FEES AND OTHER INTEREST RATES

### ABOUT YOUR APRs

Your APRs are shown in the "Interest Rates and Interest Charges" table at the front of this credit application.

A Daily Periodic Rate is used to determine your Interest Charges in any billing cycle. To determine this rate, we divide your APR by 365; then round this number up to the next hundred thousandth of a percentage point.

### PROMOTIONAL CREDIT PLANS

From time to time, we may offer one or more Promotional Credit Plans. These may be offered to you:

- prior to your purchase; and/or
- at the time of your purchase.

Any of these Plans may be offered at any time and are conditioned on your timely payment of at least the Minimum Payment Due for each billing statement:

#### a) Waived Interest Charge Credit Plan

With this Plan there are no Interest Charges on your purchase for a specified period.

#### b) Same As Cash / Monthly Payment Credit Plan

With this Plan, there are no Interest Charges on your purchase if you repay the full cash price of the purchase before the promotional expiration date shown on your billing statement.

If you do not repay in full by the promotional expiration date, Interest Charges will be imposed from the purchase date.

#### c) Reduced Rate Credit Plan

With this Plan, you will receive a reduced periodic rate on your purchase for a specified period.

#### d) Special Repayment Term Credit Plan

With this Plan special repayment terms will be applied to the purchase for the specified period.

#### e) Special Repayment Term / Reduced Rate Credit Plan

With this Plan special repayment terms and a reduced periodic rate will be applied to the purchase for the specified period.

Purchases that do not fall under one of these Plans are called Regular Credit Plan purchases.

If you make more than one purchase on your card, these balances may be treated differently.

**Certain rules apply to the allocation of payments and interest charges on your promotional purchase if you make more than one purchase on your Card. Call 1-888-367-4310 or review the HOW WE APPLY PAYMENTS section of your Cardholder Agreement for information.**

## INTEREST CHARGES

### HOW INTEREST CHARGES ARE CALCULATED

Each billing statement shows the Interest Charges, which are calculated separately for each:

- Promotional Credit Plan with a unique due date or unique terms;
- Regular Credit Plan

The total interest charge for the billing cycle is the sum of the interest charge for each plan subject to the minimum interest charge shown in the chart.

For Same As Cash Plans, if interest is applied, the interest is accrued from the transaction date of the purchase through the current cycle. The Interest Charge is the total of:

- the applicable Daily Periodic Rate for the current cycle times the Daily Balance for each day in the current cycle; plus
- the applicable Daily Periodic Rate for each prior cycle times the Daily Balances of the Credit Plan for each day during each prior cycle.

For Plans other than Same As Cash, the interest charge is the total of:

- the applicable Daily Periodic Rate for the Plan times the Daily Balance for the plan for each day in the cycle.

## HOW DAILY BALANCE IS DETERMINED

To determine your Daily Balance, we:

- take the opening balance for each Plan for that day; then
- add the following that were incurred on that day:
  - a) any new purchases
  - b) any previous day's periodic Interest Charges
  - c) any fees and charges, including any credit insurance premiums or debt cancellation fees, if these apply;

then

- subtract any payments and/or credits.

For any Same As Cash Credit Plan:

Any credit insurance premiums or debt cancellation fees are not included in the Daily Balance of that Plan during the promotional period.

We also make any needed adjustments. For example:

- If a transaction posts after but occurs before the start of a billing cycle, we may adjust the amount above to include this transaction. It will be included as of the first day of the billing cycle in which it posts.
- If your Account is subject to a grace period during the billing cycle, your payments will be subtracted from all Daily Balances in the current billing cycle.
- If a transaction for a returned payment or a dispute resolved in our favor posts after the beginning of the billing cycle, we will make this adjustment:
  - the applicable Daily Balance(s) and any related Interest Charges will be adjusted to include the transaction amount as of the date of the original payment or transaction.

To calculate your Average Daily Balance, we:

- add the Daily Balances for each day of the billing cycle; then
- divide this total by the number of days in the billing cycle.

## HOW TO AVOID PAYING INTEREST ON PURCHASES

The number of days until your Payment Due Date after the close of each billing cycle is indicated in the Interest Rates and Interest Charges section of this Agreement. We will not charge you Interest on purchases if you pay your entire balance by the due date each month.

Interest charges begin on the transaction date and continue to accrue until paid in full except as noted below:

### EXCEPTIONS

**1. For New Purchases and balances:** No interest is charged in a billing cycle on a Regular, Reduced Rate, or Special Repayment Terms Credit Plans if the combined Previous Balance of those Plans at the beginning of the cycle is:

- a) zero; or
- b) a credit balance (e.g., less than zero); or
- c) paid in full before the Payment Due Date that falls during the cycle;

**2. For Waived Interest Charge Credit Plans:** No interest is charged for the promotional period.

**3. For Same As Cash Credit Plans:** No interest is charged if the full cash sales price is paid in full before the promotion expiration date.

## MONITORING PRACTICES

You agree that we may listen to and record phone calls between you and our representatives.

**The information about the costs of the Card described in this Cardholder Agreement and Disclosure Statement is accurate as of January, 2012. This information may have changed after that date. To find out what may have changed write to us at 1111 Town Center Drive, Las Vegas, Nevada 89144.**

## ARBITRATION

### FEDERAL ARBITRATION ACT

This arbitration provision is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1 - 16 (the "FAA"). In making decisions or awarding remedies, the arbitrator shall apply the applicable substantive Law, consistent with the FAA, that would apply if the matter had been brought in court. The arbitrator shall provide written reasoned findings of fact and conclusions of law upon written request as set forth in the applicable arbitration association procedures. The arbitrator's award shall not be subject to appeal except as permitted by the FAA and in the paragraph below captioned "Decision and Appeal." Judgment upon the award may be entered in any court having jurisdiction.

### CLAIMS

Unless you have exercised your right to opt out of this arbitration provision, as set forth in the paragraph below captioned "Opt Out of Arbitration," this arbitration provision shall apply to any Claim (defined below) by or against us, or you or any other Covered Person (defined below). You agree any claim, dispute, or controversy (whether based upon contract; tort, intentional or otherwise; constitution; statute; common law; or equity and whether preexisting, present or future), including initial claims, counterclaims, cross-claims and third party claims, arising from or relating to (a) this Agreement, the application, your Account, any debt cancellation or debt suspension product, any fraud prevention, identity protection or other account enhancement products, any transaction or activity involving any payment or failure to make payment on your Account, or any solicitation, advertisement, promotion, or oral or written statements related to this Agreement or your Account or any of the foregoing, or (b) the relationships which result from this Agreement and your relationship with any Covered Person in connection with the

matters set forth in subsection (a) of this paragraph (any of the foregoing a "Claim"), shall be resolved, upon the election of you, us, or any other Covered Person described below, by binding arbitration pursuant to this arbitration provision and the applicable rules or procedures of the arbitration administrator (the "Administrator") selected at the time the Claim is filed or received by a party to the Claim. However, "Claim" does not include any dispute or controversy about the validity, enforceability, coverage or scope of this arbitration provision or any part thereof (including, without limitation, the paragraph below captioned "Parties to Arbitration and Class Action Waiver" and/or this sentence); all such disputes or controversies are for a court and not an arbitrator to decide. However, any dispute or argument that concerns the validity or enforceability of the Agreement as a whole is for the arbitrator, not a court, to decide.

### STARTING AN ARBITRATION AND ARBITRATION ADMINISTRATORS

If you or we elect to arbitrate a claim, the electing party must notify the other party in writing. This notice can be given after the beginning of a lawsuit and can be given in papers filed in the lawsuit. Otherwise, your notice must be sent to: HSBC Bank Nevada, N.A., P.O. Box 98740, Las Vegas, NV 89193-8740, ATTN: ARBITRATION DEMAND and our notice must be sent to the most recent address for you in our files. The party seeking arbitration must select as the arbitration administrator either the:

American Arbitration Association ("AAA")  
1633 Broadway, 10th Floor  
New York, NY 10019  
www.adr.org  
(800) 778-7879

JAMS  
620 Eighth Avenue, 34th Floor  
New York, NY 10018  
www.jamsadr.com  
(800) 352-5267

If a party files a lawsuit in court asserting claim(s) that are subject to arbitration and the other party files a motion to compel arbitration with the court which is granted, it will be the responsibility of the party prosecuting the Claim(s) to commence the arbitration proceeding. If neither the AAA nor JAMS is able or willing to handle the dispute, then the court will appoint an arbitrator. The arbitrator shall be a lawyer with more than ten years experience or a retired or former judge. The rules and forms of JAMS and AAA may be obtained by writing to these organizations at the addresses listed above. The arbitrator will not be bound by judicial rules of procedure and evidence that would apply in a court, nor by state or local laws that relate to arbitration proceedings. If you or we request, the arbitrator will honor claims of privilege recognized under applicable law and will use best efforts to protect confidential business, financial or trade secret information of a party (including through use of protective orders).

### SMALL CLAIMS EXEMPTION

We agree not to invoke our right to arbitrate an individual Claim you may bring in small claims court or an equivalent court, if any, so long as the Claim is pending only in that court. However, if that Claim is transferred or appealed to a different court, we reserve our right to elect arbitration at such time.

### LOCATION OF ARBITRATION AND FEES

Any participatory arbitration hearing that you attend will take place in a location that is reasonably convenient to where you reside. On any Claim you file, you will pay the first \$50 of the filing fee. At your request we will pay the remainder of the filing fee and any administrative, arbitrator or hearing fees charged by the Administrator or arbitrator on any Claim submitted by you in arbitration up to a maximum of \$2,500. If you are required to pay any additional fees to the Administrator or arbitrator, we will consider a request by you to pay all or part of the additional fees; however, we shall not be obligated to pay any additional fees unless the arbitrator grants you an award. If the arbitrator grants an award in your favor, we will reimburse you for any additional fees paid or owed by you to the Administrator or arbitrator. The parties shall bear the expense of their respective attorney's and expert witness fees and costs, except as otherwise provided by law. If a statute gives you the right to recover any of these fees, or the fees paid to the Administrator or arbitrator, these statutory rights shall apply in the arbitration notwithstanding anything to the contrary contained herein. To the extent that such a statute is not applicable, we will pay your reasonable attorney's and expert witness fees and costs to the extent you prevail on Claims you assert against us in an arbitration which you have commenced against us or to the extent required under applicable law for this arbitration provision to be enforced. If the arbitrator issues an award in our favor, you will not be required to reimburse us for any fees we have previously paid to the Administrator or arbitrator or for which we are responsible or for any attorneys' fees or costs we have incurred in prosecuting or defending against Claims in an arbitration.

### COVERED PERSONS

This arbitration provision covers Claims by or against (a) us, any corporate parent, subsidiary, or affiliate, any predecessor or successor of the foregoing, and any officer, director, employee, or representative of any of the aforementioned, (b) you and any authorized user, and any other person claiming through you or any authorized user, and (c) any other person or company assisting us in offering Cards, administering Accounts or providing Card related benefits or services if you assert a Claim against such other person or company in connection with a Claim you assert against any person or entity specified in subparagraph (a) of this paragraph. All of the aforesaid persons and entities are "Covered Persons" for purposes of this arbitration provision.

### PARTIES TO ARBITRATION AND CLASS ACTION WAIVER

**Arbitration shall be conducted in the name of individually named parties. Unless all parties consent, neither you nor we may join, consolidate, or otherwise bring claims regarding two or more accounts, individuals, or account holders in the**

**same arbitration, other than Covered Persons, joint applicants or authorized users of an account. There shall be no class actions, private attorney general actions, or other representative or collective actions, in an arbitration, even if the underlying dispute has been asserted in a court as a class action, private attorney general action, or other representative or collective action. No party may advance a Claim in arbitration on behalf of or against a person in a representative or collective capacity, or on behalf of or against a person who is not an individually named party to the arbitration; nor may a party seek an award or benefit in arbitration on behalf of or against a person who is not an individually named party. The arbitrator shall not have authority to resolve any claim advanced by or on behalf of anyone who is not an individually named party, and shall not have the authority to make an award for the benefit of, or against, anyone who is not an individually named party. No class actions or joinder or consolidation of any Claim with the claim of any other person are permitted in arbitration without the express written consent of you and us. These limitations are hereafter referred to as the "Class Action Waiver."** Notwithstanding anything herein to the contrary, the Class Action Waiver does not apply to any lawsuit or administrative proceeding filed against us by a state or federal government agency even when such agency is seeking relief on behalf of a class of borrowers including you. This means that we will not have the right to compel arbitration of any claim brought by such an agency. The parties to this Agreement acknowledge that the Class Action Waiver is material and essential to the arbitration of any Claims between the parties and is nonseverable from this arbitration provision. If the Class Action Waiver is limited, voided or found unenforceable, then the parties' agreement to arbitrate (except for this sentence) shall be null and void with respect to such proceeding, subject to the right to appeal the limitation or invalidation of the Class Action Waiver. You and we acknowledge and agree that under no circumstances will a class action be arbitrated.

### **DECISION AND APPEAL**

The arbitrator's decision will be final and binding, except for any right of appeal provided for by the FAA. However, if the amount of the Claim exceeds \$50,000 or involves a request for injunctive or declaratory relief that could foreseeably involve a cost or benefit to either party exceeding \$50,000, any party can, within 30 days after the entry of the award by the arbitrator, appeal the award to a three-arbitrator panel administered by the Administrator. The panel shall reconsider anew any aspect of the initial award requested by the appealing party. The decision of the panel shall be by majority vote. Reference in this arbitration provision to "the arbitrator" shall mean the panel if an appeal of the arbitrator's decision has been taken. The costs of such an appeal will be borne in accordance with the paragraph above captioned "Location of Arbitration and Fees." Any final decision of the appeal panel is subject to judicial review only as provided under the FAA.

### **CONSEQUENCES OF ELECTING ARBITRATION**

**THE PARTIES ACKNOWLEDGE THAT THEY HAVE A RIGHT TO LITIGATE CLAIMS THROUGH A COURT BEFORE A JUDGE OR JURY, BUT WILL NOT HAVE THAT RIGHT IF EITHER PARTY ELECTS ARBITRATION. THE PARTIES HEREBY KNOWINGLY AND VOLUNTARILY WAIVE THEIR RIGHTS TO LITIGATE SUCH CLAIMS IN A COURT BEFORE A JUDGE OR JURY UPON ELECTION OF ARBITRATION BY EITHER PARTY. MOREOVER, IF A PARTY ELECTS TO ARBITRATE A CLAIM, THAT CLAIM CANNOT BE THE SUBJECT OF A CLASS ACTION OR OTHER REPRESENTATIVE PROCEEDING IN COURT OR IN ARBITRATION.**

### **MISCELLANEOUS**

This arbitration provision shall survive termination of your Account as well as the repayment of all amounts borrowed hereunder and shall also survive any bankruptcy to the extent consistent with applicable bankruptcy law. In the event of a conflict or inconsistency between any other provisions of this Agreement or the rules and procedures of the Administrator, on the one hand, and this arbitration provision, on the other hand, this arbitration provision shall govern.

### **NOTICE AND CURE; SPECIAL PAYMENT**

Prior to initiating a Claim, you may give us a written Claim Notice describing the basis of your Claim and the amount you would accept in resolution of the Claim, and a reasonable opportunity, not less than 30 days, to resolve the Claim. Any Claim Notice you send must also provide your name and account number, as well as your address and a phone number where you can be reached during normal business hours. Such a Claim Notice must be sent to us at HSBC, c/o HSBC Bank Nevada, N.A., P.O. Box 98740, Las Vegas, NV 89193-8740. This is the sole and only method by which you can submit a Claim Notice. If (i) you submit a Claim Notice in accordance with this Paragraph on your own behalf (and not on behalf of any other party); (ii) you cooperate with us by promptly providing the information we reasonably request; (iii) we refuse to provide you with the relief you request; and (iv) the arbitrator subsequently determines that you were entitled to such relief (or greater relief), you will be entitled to a minimum award of at least \$7,500 (not including any arbitration fees and attorneys' fees and costs to which you will also be entitled). We encourage you to address all Claims you have in a single Claim Notice and/or a single arbitration. Accordingly, this \$7,500 minimum award is a single award that applies to all Claims you have asserted or could have asserted in the arbitration, and multiple awards of \$7,500 are not contemplated.

### **OPT OUT OF ARBITRATION**

You may reject this arbitration provision without penalty. To do so, you must send HSBC, c/o HSBC Bank Nevada, N.A., P.O. Box 98740, Las Vegas, NV 89193-8740 a signed writing ("Rejection Notice") that is received within thirty (30) days after the date you receive this arbitration provision. The Rejection Notice must identify the transaction involved and must include your name, address, and social security number and must be signed by all persons

contractually obligated on your account. You may send the Rejection Notice in any manner you see fit as long as it is received at the specified address within the specified time. No other methods can be used to reject the arbitration provision. If the Rejection Notice is sent on your behalf by a third party, such third party must include evidence of his or her authority to submit the Rejection Notice on your behalf. You agree that our business records will be final and conclusive with respect to whether you rejected this arbitration provision in a timely and proper fashion.

### ***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:

HSBC Bank Nevada, N.A.

PO Box 5893, Carol Stream, IL 60197-5893

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:

HSBC Bank Nevada, N.A.

PO Box 5893, Carol Stream, IL 60197-5893

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.

## Cardholder Benefits

- Easy to apply
- Exclusive cardholder savings
- Advance notice of special sales
- Special financing offers
- Flexibility – keep your other credit cards available for unexpected expenses

## Manage Your Account Online

- Make electronic payments
- Receive statements exclusively online
- Access up to 12 months of statement history
- View recent transactions
- E-mail alerts
- Secure, online convenience

Go to [hrsaccount.com/retailservices](http://hrsaccount.com/retailservices)

## Store Information:

15400 La Grange Road (Route 45)  
3 Blocks South of Orland Square  
Orland Park, Illinois 60462  
708-460-4100

Monday - Friday: 10:00 a.m. – 9:00 p.m.  
Saturday: 10:00 a.m. – 5:30 p.m.  
Sunday: Noon – 5:00 p.m.

Visit us at [www.darvin.com](http://www.darvin.com)



## It's All Waiting for You!



Exclusive Cardholder Savings



Advance Notice of Special Sales



Special Finance Offers