

1. PROMISE TO PAY: "You" (meaning each existing obligor who has an account with Luther, and each applicant and co-applicant for credit identified on the application which is incorporated by reference into this Agreement who is approved for credit by Luther Appliance and Furniture Sales Inc. (also referred to as "us," "we," "our," "Luther" and similar terms)) promise to pay to us or anyone we designate in accordance with the monthly statements we provide to you from time to time, the full amount billed for the goods ("Luther Merchandise") and any vacation package "Vacation", you order, including all taxes and related fees and charges, according to the terms of this Retail Installment Credit Agreement (Retail Charge).

2. CREDIT LIMIT and SUBSEQUENT PURCHASES OF LUTHER MERCHANDISE: You agree that we may establish a credit limit and that the balance of your credit purchases at one time will not exceed your credit limit. You will be advised of your initial credit limit at the time your account is opened. If you exceed your credit limit or if you are in default, we have the right to suspend or cancel your account. You agree that we may change your credit limit from time to time. We may do so based upon our evaluation of changes in your credit worthiness or otherwise at our discretion. You may make purchases from time to time, subject to your credit limit. However, if you only finance the purchase of Luther Merchandise, and do not finance the purchase of a vacation package (see Sections 2A and 2B below), you may not make subsequent purchases on credit, until you have repaid forty percent (40%) or more of the total outstanding balance of prior purchases that have not been repaid. Purchases may be documented by an invoice or other memorandum evidencing your purchase and your agreement to finance that purchase according to the terms of this Agreement.

2A. VACATION PACKAGE PURCHASE and SUBSEQUENT PURCHASES: You agree that in order to finance the purchase of a vacation package you must have a zero balance on your Luther account on the date of your Certificate purchase, and that until you pay off the balance owed for any Certificate you may not use your Luther account to finance additional purchases of either Luther Merchandise or additional vacation package Certificates.

2B. VACATION PACKAGE DOWN PAYMENT: You will be required to make payments equal to one-sixth (1/6) of the total cost of the vacation package Certificate before the "Certificate" representing the vacation package purchased from us will be delivered to you. You may make this down payment at the time you purchase the Certificate. If you do not make this down payment in full at the time you purchase the Certificate, we will apply the monthly payments you make, as required by Section 3A below, towards your required down payment. After we receive the required down payment in full, we will deliver the Certificate to you. You agree to continue to make all additional monthly payments as provided in this Agreement until the Certificate is paid in full.

3. MONTHLY STATEMENTS and MONTHLY PAYMENTS FOR LUTHER MERCHANDISE PURCHASES: When you have an outstanding balance, we will send you a monthly statement. For each monthly billing cycle in which you make a purchase of Luther Merchandise (provided you do not have any outstanding unpaid balance due for a vacation certificate Package), we will calculate your new monthly payment amounts ("Minimum Payment Due") as follows: (a) We will add up the total of your outstanding principal balance of purchases and the amount of your new purchase(s) to determine your new outstanding balance of purchases. (b) Your Minimum Payment Due will be based on the amount of the new outstanding balance of purchases. (c) Your repayment period will be determined based on the outstanding balance of purchases and your creditworthiness and will be disclosed at the time of your purchase. In no event will the repayment period extend beyond the following terms based on the outstanding balance of purchases: \$0 to \$175 – 6 months; \$176 to \$449 – 12 months; \$450 to \$1,199 – 18 months; \$1,200 to \$1,700 – 24 months; \$1,701 to \$2,400 – 30 months; \$2401 and up – 36 months. You may be offered a shorter repayment term based on credit criteria. If you have an outstanding balance at the time you finance an additional purchase, the outstanding balance and the financed amount of the new purchase will be combined. We will then disclose a repayment term for the new outstanding balance of purchases and your Minimum Payment Due for the new outstanding balance will be calculated based on that repayment term. We will determine the amount of the monthly payment that would be sufficient to repay the outstanding balance of purchases you then owe in full at the monthly periodic rate in substantially equal payments. The result of this calculation will be the new Minimum Payment Due until you have repaid the outstanding balance of purchases plus Interest Charges. Beginning with your first monthly payment due for the billing cycle in which you make a new purchase, you must pay the new Minimum Payment Due until you have repaid the outstanding balance of purchases plus Interest Charges. If you do not make payments when due, you must make: (a) more payments, (b) a higher final payment, or (c) both.

3A. MONTHLY PAYMENTS FOR VACATION PACKAGE PURCHASES: If you finance the purchase of a vacation package (see Sections 2A and 2B above), we will calculate your Minimum Payment Due as follows: We will add up the total of your unpaid vacation package Certificate purchase price and divide this amount by 12. The result of this division (rounded up to the next whole dollar at our option) is your required Minimum Payment Due if you finance the purchase of a vacation package Certificate. You will have a repayment period of 12 months to repay the financed cost of the Certificate in 12 substantially equal payments of principal. If you make all required payments on time and pay the total cost of the Certificate in full within the first 12 months of purchase, and are not otherwise in default under this Agreement (see Section 14), we will not impose any Interest Charges on the financed cost of the Certificate. If you make any of the 12 required monthly payments more than 10 days late, we will impose Interest Charges on the original financed cost of the Certificate at the rates set forth in Section 4 retroactive to the date of Certificate purchase (as described more fully in Sections 4A and 5A below). Your Minimum Payment Due under this Section 3A will not change if we impose accrued Interest Charges on the original financed cost of the Certificate (unless you are otherwise in default and we exercise our rights under Section 15 of this Agreement), although the dollar amount of your final required payment will be adjusted to include the then-remaining unpaid balance owed on the Certificate and all accrued but unpaid Interest Charges, late charges, and other applicable charges. However, we will apply each of your monthly payments under this Section 3A (including any monthly payments we have already received) to accrued Interest Charges, late charges, and other permitted charges (as described in Section 13) before applying monthly payments towards the unpaid balance owed on the financed cost of the Certificate. Therefore, the number of payments you will be required to make in order to repay the full amount owed on a financed Certificate will increase if you do not make each of the first 12 required monthly payments under this Section 3A on time (or within 10 days of the payment due date).

3B. MONTHLY STATEMENTS and MONTHLY PAYMENTS FOR FURS MADE EASY PURCHASES: When you have an outstanding balance, we will send you a monthly statement. For each monthly billing cycle in which you make a purchase of Luther Merchandise we will calculate your new monthly payment amounts ("Minimum Payment Due") as follows: (a) We will add up the total of your outstanding principal balance of purchases and the amount of your new purchase(s) to determine your new outstanding balance of purchases. (b) Your Minimum Payment Due will be based on the amount of the new outstanding balance of purchases. (c) Your repayment period will be determined based on the outstanding balance of purchases and your creditworthiness and will be disclosed at the time of your purchase. In no event will the repayment period extend beyond the following terms based on the outstanding balance of purchases: The maximum term for repayment for Furs Made Easy will be Eighteen (18) months. You may be offered a shorter repayment term based on credit criteria. If you have an outstanding balance at the time you finance an additional purchase, the outstanding balance and the financed amount of the new purchase may either be combined or a separate concurrent account will be created at Luther's discretion and only if 50% of the original balance has been repaid. We will then disclose a repayment term for the new outstanding balance of purchases and your Minimum Payment Due for the new outstanding balance will be calculated based on that repayment term. We will determine the amount of the monthly payment that would be sufficient to repay the outstanding balance of purchases you then owe in full at the monthly periodic rate in substantially equal payments. The result of this calculation will be the new Minimum Payment Due until you have repaid the outstanding balance of purchases plus Interest Charges. Beginning with your first monthly payment due for the billing cycle in which you make a new purchase, you must pay the new Minimum Payment Due until you have repaid the outstanding balance of purchases plus Interest Charges. If you do not make payments when due, you must

make: (a) more payments, (b) a higher final payment, or (c) both.

4. INTEREST CHARGE ON LUTHER MERCHANDISE PURCHASES: If you finance the purchase of Luther Merchandise you will pay an Interest Charge (which may also be referred to as a credit service charge) as part of your monthly payment described in Section 3 above. The Interest Charge on your account is computed in the following way: (a) We figure the Interest Charge on your account by applying the monthly periodic rate to: the amount you owe at the end of each cycle (excluding any new purchases during the billing cycle in which they are first added to your account, and deducting payments and credits made during the billing cycle). (b) The Monthly Periodic Rate is 1.9166% and the ANNUAL PERCENTAGE RATE is 23%. Exception: If you are a resident of Colorado, Georgia or Tennessee at the time your account is opened the Monthly Periodic Rate is 1.75% and the ANNUAL PERCENTAGE RATE is 21%. If you are a resident of Florida or Texas at the time your account is opened the Monthly Periodic Rate is 1.50% and the ANNUAL PERCENTAGE RATE is 18%. If you are a resident of Arkansas at the time your account is opened the Monthly Periodic Rate is 1.41% and the ANNUAL PERCENTAGE RATE is 170%

4A. INTEREST CHARGE ON VACATION PACKAGE CERTIFICATE PURCHASES: If you finance the purchase of a vacation package Certificate (see Sections 2A and 2B above), and fail to pay one of the first 12 required monthly payments described in Section 3A above within 10 days of the payment due date, you will pay a Interest Charge (which may also be referred to as a credit service charge or interest) on the original financed cost of the Certificate retroactive to the date of Certificate purchase. We will figure the Interest Charge on your account in the same manner and using the same Monthly Periodic Rate and ANNUAL PERCENTAGE RATE described in Section 4 above, retroactive to the billing cycle that included the date of Certificate purchase, and for each following billing cycle, until the full amount owed on a financed Certificate has been paid in full.

5. NO INTEREST CHARGE: The "beginning balance" at the start of a monthly billing cycle is the same as the amount you owe as of the last day of the prior monthly billing cycle. You will not be charged an Interest Charge: (a) In a monthly billing cycle in which there is no previous balance (e.g. the previous balance shown on your statement is "zero" or a credit balance) or at the end of which there is a zero balance or a credit balance (meaning that there was no outstanding account balance at either the start or the end of the monthly billing cycle); (b) In a monthly billing cycle during which your payments and/or credits to your account (other than payments and credits attributable to amounts not included in the beginning balance for that billing cycle) are equal to or exceed the beginning balance for that billing cycle. (Note: for Maryland residents there is no Interest Charge in a monthly billing cycle in which you payoff the outstanding balance on your monthly statement within 25 days of the end of the prior monthly billing cycle.); or (c) On new purchases during the billing cycle in which the purchases are first added to your account.

5A. NO INTEREST CHARGE ON CERTAIN VACATION PACKAGE CERTIFICATE PURCHASES: In addition to the general provisions of Section 5 above and Section 6 below, no Interest Charges (including credit service charge or interest) will be charged to your account for the financed purchase of a Certificate provided that: i) you make each of your 12 required monthly payments (see Section 3A above), in full, within 10 days of the payment due date shown on your monthly statements and ii) you are not otherwise in default under the terms of this Agreement. If you fail to meet any of these conditions, Interest Charges that have accrued on the original financed cost of the Certificate from the time of purchase at the rates set forth in Section 4 will be charged to your account, as described in Section 4A above. You will be advised of the amount of any accrued Interest Charges that you owe.

6. EARLY PAYMENT INCENTIVES FOR BUYER: We offer a "25% Discount and Interest Rebate" program. Under this program, we will give you a 25% credit off of the list price if you make payment in full within an "early repayment period." This early repayment period will be communicated to you at the time of purchase, and may be 6 months, 9 months, or one year from (a) delivery of the financed Luther Merchandise to you, or (b) your purchase of a Certificate. We will also give you an additional 10% credit off of the list price if the order is paid in full in advance of delivery of the financed Luther Merchandise or vacation package Certificate to you. (Section 2B above describes the down payment that must be received by us before we deliver a vacation package Certificate to you.) For Luther Merchandise purchases, we will also rebate Interest Charges for orders paid in full within the early repayment period. See Section 5A above for information about avoiding deferred Interest Charges on the purchase of vacation package Certificates.

7. ANNUAL FEE: There is no annual fee.

8. LATE PAYMENT FEE: You agree to pay a late payment fee of \$15.00 on each monthly payment due which is not paid in full within 10 days (15 days for California residents) of the due date shown on your monthly billing statement unless applicable law limits this fee to a lesser sum in which case you agree to pay the maximum fee that may be imposed. Exception: Texas residents will not be charged a late fee. Virginia residents will not be charged more than 5% of the amount of the payment.

9. RETURNED CHECK FEE: You agree to pay a returned check fee if any check or other instrument for payment on your account is returned unpaid in the amount of \$20.00, unless applicable law limits this fee to a lesser sum in which case you agree to pay the maximum fee that may be imposed. Unless prohibited by applicable law, this fee will be added to the unpaid balance under the Agreement. Exceptions: District of Columbia residents: you agree to pay a fee equal to the greater of \$100 or 2 times the face amount of the returned check provided the check remains unpaid for 30 days after we mail you notice of the returned check in accordance with D.C. Code Ann. § 28-3152. Maryland residents: you agree to pay a fee of \$15.00 if any check for payment on your account is returned unpaid on a second presentment. California and Texas residents: you agree to pay a returned check fee of \$15.00.

10. REFERRAL BONUS: If you refer a new buyer to us who places an order for Luther Merchandise, we will give you a referral bonus. Your referral bonus for referring a new buyer who places an order for Luther Merchandise will be your choice of either: (a) \$100.00 towards a monthly payment (see Sections 3 and 3A); or (b) a gift certificate for \$100.00 towards any cash purchase from us. The new buyer will also receive their choice of either: (a) \$50.00 towards a monthly payment; or (b) a gift certificate for \$50.00 towards any cash purchase from us. To qualify, you must sign-up for the referral program at www.luthersales.com prior to the new buyer's purchase of Luther Merchandise. The referral bonus is subject to additional terms and conditions, which are available and may be reviewed online at www.luthersales.com. Notice: The referral bonus is not available to Washington D.C. residents or to residents of any other state where prohibited by law. This offer is not available for referral of new buyers who purchase vacation package Certificates.

11. REFUND/RETURN POLICY: You may obtain a refund of any amounts you have paid to us in connection with the purchase price of Luther Merchandise if you are not satisfied with such merchandise. To do so, you must refuse to accept the Luther Merchandise upon delivery and you must return the merchandise to us in good condition and in its original packaging. Before we make a refund, we are entitled to a return of the Luther Merchandise in good condition and in original packaging. If you have received but not used your vacation package Certificate, you may obtain a refund of any amounts you have paid to us that we have applied towards the original purchase price of that Certificate (excluding amounts we applied towards sales taxes, Interest Charges, late charges, and other permitted charges), less a one hundred dollar (\$100) restocking fee, if you return the vacation package Certificate to us within 10 days of your receipt of the Certificate. To obtain such a refund, you must notify us at Luther Appliance & Furniture

Sales, Inc. 60 Plant Avenue, Hauppauge, NY 11788, or telephone us at 1-800-358-6466 and return the Certificate to us or our agent at an address that we designate. Before we make a refund, we are entitled to a return of the Certificate in good condition and in original packaging.

12. SECURITY: By signing this Agreement, you hereby give us a purchase money security interest in the goods you purchase under this Agreement, including any vacation package Certificate and any contract rights relating to any vacation package Certificate you purchase under this Agreement, which have a list price of \$200 or more (the "Collateral"). This is a security interest under the Uniform Commercial Code and other laws and protects us if you do not repay your debt under this Agreement. This is a security interest in the Collateral and any proceeds of the Collateral, whether in the form of cash or other property taken in exchange for, or resulting from the disposal of the Collateral. You authorize us to file a financing statement naming you as a debtor which covers the Collateral. The security interest will be valid until: (a) the purchase price for the Collateral is fully paid or (b) five years have elapsed from the date of purchase, whichever happens first.

13. ALLOCATION OF PAYMENTS: We will allocate your payments to your outstanding balance (after deducting amounts owed for Interest Charges, late charges, and other permitted charges) to purchases in the order in which we post them to your account.

14. DEFAULT: You will be in default under this Agreement if: (1) you fail to make a minimum payment within 10 days of its due date; (2) you break any of the promises in this Agreement or in any other written agreement you have with us; (3) you have made any false or misleading statements in connection with your credit application or this Agreement; (4) a petition is filed by or against you under any bankruptcy or insolvency law; (5) you die or become unable to manage your affairs; or (6) there is a significant impairment of, or damage to, the Collateral.

15. CONSEQUENCES OF DEFAULT: If you default, we will have the right to require immediate payment of everything you owe us. We also will have the right to repossess (take) any Collateral or foreclose on any security interest given as security for what you owe under this Agreement, provided payment is over due by at least thirty (30) days and we thereafter provide you with a notice and an additional thirty (30) day period to cure the default. If we repossess the Collateral, we may sell it at a public or private sale. We will give you at least 10 days written notice before we do so. The proceeds of the sale will be applied toward what you owe. We first will subtract the costs of repossessing, storing, preparing for sale, selling the Collateral, and other allowable expenses, to the extent permitted by law. If we refer your account to an attorney for collection, unless prohibited by applicable law, you also agree to pay us our reasonable attorneys' fees of up to twenty percent (20%) of the amount you owe us, provided the attorney is not our salaried employee. You agree to pay us court costs and disbursements unless prohibited by applicable law. If our sale of Collateral does not cover all that you owe, you must pay the deficiency. If there is a surplus, it will be paid to you or to any other person legally entitled to it. Notice to District of Columbia residents: 1. If we repossess the Collateral and our sale of Collateral does not cover all that you owe, we waive our right to claim any deficiency between the proceeds of the sale and the amount you owe us. 2. We will not charge you any attorneys' fees as a consequence of your default.

For Texas residents, if you default, or we believe in good faith that you are not going to keep your promises under this Agreement, we can demand that you immediately pay all you owe. You agree that we do not have to give you notice that we intend to demand or are demanding immediate payment of all you owe.

16. NATURE OF YOUR RESPONSIBILITIES: Each person that signs the credit application for this Agreement, this Agreement, or any invoice or other memorandum evidencing a purchase made according to the terms of this Agreement, is liable (and if there is more than one person then each of you is jointly and severally liable) to pay all amounts owed, in full, and to keep all of the other promises in this Agreement. You are responsible for the amounts you owe on this Agreement even if you suffer a total loss of the goods purchased under this Agreement due to theft, confiscation, fire or other physical damage.

17. APPLICABLE LAW: This Agreement is effective when we accept and approve your application for credit under the terms of this Agreement in New York. This Agreement (which includes the application and any sales slips/orders signed by you) is governed by federal law and the law of New York without reference to the principles of conflict of laws except that if you are a resident of California, the District of Columbia (Washington D.C.), Florida, Georgia, Maryland, North Carolina, Ohio, Pennsylvania, Texas or Virginia when your account with us is opened this Agreement is governed by federal law and the law of one of the preceding states in which you resided at the time your account was opened, without reference to the principles of conflict of laws. If you are a resident of Maryland this Agreement is governed by federal and Maryland law specifically Subtitle 9, Title 12 of the Commercial Law Article. If you are a resident of Texas the following applies to you:

TEXAS CONSUMER CREDIT COMMISSIONER NOTICE: To contact Luther Appliance and Furniture Sales, Inc. about this account call (800) 358-6466. This contract is subject in whole or in part to Texas law which is enforced by the Consumer Credit Commissioner, 2601 N. Lamar Blvd., Austin, Texas 78705-4207; (800) 538-1579; www.occ.state.tx.us; and can be contacted relative to any inquiries or complaints.

If any provision of this Agreement is found invalid, the other provisions shall remain in full force and effect.

18. PREPAYMENT OF BALANCE: You may, at any time, pay off the entire balance of your account without penalty.

19. CANCELING THIS AGREEMENT: We have the right to cancel this Agreement at any time by notifying you in writing. You have the same right. Your obligation to repay amounts you already owe under this Agreement will not be affected by cancellation of this Agreement.

20. CHANGE OF TERMS: To the extent allowed by law, we may change any term of this Agreement, including the rate of interest charge. If permitted by applicable law, any new terms may at our option be applied to any balance existing on the Account at the time of change, as well as any subsequent transactions. We may make any of the changes discussed above without your consent, unless applicable law provides otherwise. We will give you any notice of change that is required by law.

21. OPTIONAL PAYMENT METHODS: You may elect to make payments under a payroll deduction plan or by choosing to have payments made by an automatic debit to your checking account by simply completing the additional authorization forms for either payment method.

You may revoke any such election by sending us and your bank or employer a signed written request. We will process your revocation in a reasonable time period after we receive it, but might not be able to stop a payment scheduled to occur within five (5) business days. If you select either of these two optional payment methods you agree to execute and implement such additional authorizations (which are incorporated into and made part of this Agreement) as may be reasonably requested by us from time to time for the purpose of authorizing your employer or bank to pay us on your behalf.

22. PRESERVATION OF CLAIMS AND DEFENSES

NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

23. 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: Luther Appliance and Furniture Sales, Inc, 129 Oser Avenue, Suite A, Hauppauge, NY 11788

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.

24. ARBITRATION CLAUSE PLEASE REVIEW - IMPORTANT - AFFECTS YOUR LEGAL RIGHTS 1. EITHER YOU OR WE MAY CHOOSE TO HAVE ANY DISPUTE BETWEEN US DECIDED BY ARBITRATION AND NOT IN COURT OR BY JURY TRIAL. 2. IF A DISPUTE IS ARBITRATED, YOU WILL GIVE UP YOUR RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER ON ANY CLASS CLAIM YOU MAY HAVE AGAINST US INCLUDING ANY RIGHT TO CLASS ARBITRATION OR ANY CONSOLIDATION OF INDIVIDUAL ARBITRATIONS. 3. DISCOVERY AND RIGHTS TO APPEAL IN ARBITRATION ARE GENERALLY MORE LIMITED THAN IN A LAWSUIT, AND OTHER RIGHTS THAT YOU AND WE WOULD HAVE IN COURT MAY NOT BE AVAILABLE IN ARBITRATION. Any claim or dispute, whether in contract, tort, statute or otherwise (including the interpretation and scope of this clause, and the arbitrability of the claim or dispute), between you and us or our employees, agents, successors or assigns, which arise out of or relate to your credit application, purchase or condition of this vehicle, this contract or any resulting transaction or relationship (including any such relationship with third parties who do not sign this contract) shall, at your or our election, be resolved by neutral, binding arbitration and not by a court action. Any claim or dispute is to be arbitrated by a single arbitrator on an individual basis and not as a class action. You expressly waive any right you may have to arbitrate a class action. You may choose one of the following arbitration organizations and its applicable rules: the National Arbitration Forum, Box 50191, Minneapolis, MN 55405-0191 (www.arbforum.com), the American Arbitration Association, 335 Madison Ave., Floor 10, New York, NY 10017-4605 (www.adr.org), or any other organization that you may choose subject to our approval. You may get a copy of the rules of these organizations by contacting the arbitration organization or visiting its website. Arbitrators shall be attorneys or retired judges and shall be selected pursuant to the applicable rules. The arbitrator shall apply governing substantive law in making an award. The arbitration hearing shall be conducted in the federal district in which you reside unless the Creditor-Seller is a party to the claim or dispute, in which case the hearing will be held in the federal district where this contract was executed. We will advance your filing, administration, service or case management fee and your arbitrator or hearing fee all up to a maximum of \$1000, which may be reimbursed by decision of the arbitrator at the arbitrator's discretion. Each party shall be responsible for its own attorney, expert and other fees, unless awarded by the arbitrator under applicable law. If the chosen arbitration organization's rules conflict with this clause, then the provisions of this clause shall control. The arbitrator's award shall be final and binding on all parties, except that in the event the arbitrator's award for a party is \$0 or against a party is in excess of

\$100,000, or includes an award of injunctive relief against a party, that party may request a new arbitration under the rules of the arbitration organization by a three-arbitrator panel. The appealing party requesting new arbitration shall be responsible for the filing fee and other arbitration costs subject to a final determination by the arbitrators of a fair apportionment of costs. Any arbitration under this Arbitration Clause shall be governed by the Federal Arbitration Act (9 U.S.C. § 1 et. seq.) and not by any state law concerning arbitration. You and we retain any rights to self-help remedies, such as repossession. You and we retain the right to seek remedies in small claims court for disputes or claims within that court's jurisdiction, unless such action is transferred, removed or appealed to a different court. Neither you nor we waive the right to arbitrate by using self-help remedies or filing suit. Any court having jurisdiction may enter judgment on the arbitrator's award. This clause shall survive any termination, payoff or transfer of this contract. If any part of this Arbitration Clause, other than waivers of class action rights, is deemed or found to be unenforceable for any reason, the remainder shall remain enforceable. If a waiver of class action rights is deemed or found to be unenforceable for any reason in a case in which class action allegations have been made, the remainder of this arbitration clause shall be unenforceable.

25. ADDITIONAL NOTICES

Notice to Georgia residents: NOTICE TO THE BUYER: Do not sign this before you read it or if it contains any blank spaces. You are entitled to an exact copy of the paper you sign. You have the right to pay in advance the full amount due. Each party secondarily liable on this Agreement hereby waives any right to require us as seller or any assignee to take action against the principal as provided in O.C.G.A. § 10-7-24.

Notice to Texas residents: NOTICE TO THE BUYER: DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS BLANK SPACES. YOU ARE ENTITLED TO A COPY OF THE AGREEMENT YOU SIGN. KEEP THIS AGREEMENT TO PROTECT YOUR LEGAL RIGHTS.

Notice to Washington DC residents: NOTICE TO THE BUYER: 1. Do not sign this credit agreement before you read it or if it contains any blank space. 2. You are entitled to a completely filled in copy of this credit agreement at the time you sign it.

ACKNOWLEDGEMENT. By signing the application form, using the credit card and/or by placing your first order on credit provided by us, you acknowledge your receipt of a copy of this Agreement and agree to accept and comply with the terms of this Agreement.

NOTICE TO THE BUYER: 1. Do not sign this credit agreement before you read it or if it contains any blank space. 2. You are entitled to a completely filled in copy of this credit agreement.

RETAIL INSTALMENT CREDIT AGREEMENT
Luther Appliance and Furniture Sales, Inc.

Dated: April 16, 2013