

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.

**19. COMMUNICATIONS.** You consent to have LutherSales communicate with you, in connection with your application or loan, using any telephone number, email address or other contact information that you provided in the application, or using any telephone number, email address, or other contact information that you provide in the future. You hereby give LutherSales permission to communicate with you using, including but not limited to: automated telephone dialing equipment, artificial or re-recorded voice messages; telephone or other electronic facsimile machine; SMS or text messages; and email directed to you at a mobile telephone service, or email otherwise directed by you. By providing your cell phone number on this credit application or if provided through subsequent contacts, you are providing consent to LutherSales and any person or entity acting on LutherSales behalf to contact you for collection purposes. These contacts may use automated telephone dialing systems or prerecorded messages and you may incur costs as a result of these contracts.

**20. 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.**

**21. 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 contract 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.

**22. ARBITRATION CLAUSE PLEASE REVIEW - IMPORTANT - AFFECTS YOUR LEGAL RIGHTS**

**THE FOLLOWING ARBITRATION PROVISION WILL APPLY TO YOUR AGREEMENT, UNLESS: (A) YOU ARE A "COVERED BORROWER" AS DEFINED BY THE FEDERAL MILITARY LENDING ACT, 10 U.S.C. § 987; OR (B) YOU ARE AFFORDED PROTECTIONS UNDER STATE OR FEDERAL LAW THAT PROHIBIT THE LENDER FROM REQUIRING YOUR SUBMISSION OF A DISPUTE TO ARBITRATION.**

**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.

**23. 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 INSTALLMENT CREDIT AGREEMENT** Luther Appliance and Furniture Sales, Inc.

Dated: November 15, 2016

129 Oser Avenue, Suite A Hauppauge • NY 11788  
800.358.6466 www.luthersales.com



## Retail Installment Credit Agreement

### Luther Credit Terms & Conditions



## Luxury Made Easy

# Retail Installment Credit Agreement (Retail Charge)

## RETAIL INSTALLMENT CREDIT AGREEMENT (RETAIL CHARGE)

**1. PROMISE TO PAY:** “You” (meaning each existing obligor who has a VacationWiser 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 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 VACATIONS:** 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, you agree that in order to finance the purchase of a Vacation you must have a zero balance on your VacationWiser account on the date of your purchase, and that until you pay off the balance owed, you may not use your VacationWiser account to finance an additional Vacation. 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.

**3. MONTHLY STATEMENTS and MONTHLY PAYMENTS FOR VACATION PURCHASES:** If you finance the purchase of a Vacation (see Section 2), we will calculate your Minimum Payment Due as follows: We will add up the total of your unpaid Vacation 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 Monthly Payment Due if you finance the purchase of a Vacation. You will have a repayment period of 12 months to repay the financed Vacation in 12 substantially equal payments of principal. If you make all required payments on time and pay the total balance due in full within the first 12 months of purchase, and are not otherwise in default under this Agreement (see Section 11), we will not impose any Interest Charges on the financed purchase. If you make any of the 12 required monthly payments more than 10 days late, or any payment is returned by your financial institution for any reason, we will impose Interest Charges on the original financed amount of the purchase at the applicable rate set forth in Section 4 retroactive to the date of purchase (as described more fully in Sections 4 and 5 below). Your Minimum Monthly Payment Due under this Section 3 will not change if we impose accrued Interest Charges on the original financed vacation package (unless you are otherwise in default and we exercise our rights under Section 12 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 purchase 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 3 (including any monthly payments we have already received) to accrued Interest Charges, late charges, and other permitted charges (as described in Sections 7, 8 and 9) before applying monthly payments towards the unpaid balance owed on the financed purchase. Therefore, the number of payments you will be required to make in order to repay the full amount owed on a financed Vacation will increase if you do not make each of the first 12 required monthly payments under this Section 3 on time (or within 10 days of the payment due date).

**4. FINANCE CHARGE ON LUTHER VACATION PURCHASES:** If you finance the purchase of a Vacation, and fail to pay any of the required payments described in 3 above within 10 days of the payment due date, or any payment is returned by your financial institution for any reason, you will pay a Finance Charge on the original financed Vacation, retroactive to the date of purchase, as part of your monthly payment described in Section 3 above. We will figure the Finance Charge on your account as described in this Section 4, retroactive to the billing cycle that included the date of purchase, and for each following billing cycle, until the full amount owed on the financed Vacation has been paid in full. The Finance Charge on your account is computed the following way: (a) The “Average Daily Balance Method (including new purchases)” is used. Under this method, the interest charged on your account is determined by applying the Periodic Rate to the “average daily balance” of your account. To determine the “average daily balance,” the beginning balance of your account is taken each day and any payments or credits, as well as and any unpaid finance charges, are subtracted out. Then all daily balances for the billing cycle are added together and divided by the total number days in 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 1.5% 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 17%.)

**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 the 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. or (c) On new purchases during the billing cycle in which the purchases are first added to your account. In addition, no Interest Charges (including credit service charge or interest) will be charged to your account for the financed purchase provided that: i) you make each of your 12 required monthly payments (see Section 3 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 purchase from the time of purchase at the rates set forth in Section 4 will be charged to your account, as described in Section 4 above. Your statement will reflect the amount of any accrued Interest Charges that you owe.

**6. ANNUAL FEE:** There is no annual fee.

**7. LATE PAYMENT FEE:** You agree to pay a late payment fee of \$20.00 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.

**8. 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.

**9. REFUND/CANCELLATION POLICY:** Vacations are non-refundable. Upon written notice of cancellation of any Vacation, customer is responsible for any stated fees and other permitted charges as part of cancellation policy. All monies in our possession will be applied toward those stated fees. Any additional monies on account due to customer may only be applied toward future travel credit on VacationWiser.com. Credit must be used within 1-year of the original cancellation date. To obtain such a refund, you must notify us at Luther Appliance & Furniture Sales, Inc. 129 Oser Avenue, Hauppauge, NY 11788, or telephone us at 1-800-358-6466.

**10. 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.

**11. 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; or (5) you die or become unable to manage your affairs.

**12. CONSEQUENCES OF DEFAULT:** If you default, we will have the right to require immediate payment of everything you owe us, after we provide you with any notice of default and opportunity to cure default required by applicable 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. Notice to District of Columbia residents: 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.

**13. 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.

**14. 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.occc.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.

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

**16. 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.

**17. 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.

**18. OPTIONAL PAYMENT METHODS:** You may elect to make