



# RETAIL CHARGE AGREEMENT

I agree to the following terms regarding all merchandise and services purchased on my retail charge account with Home Appliance & Heating of Kankakee, Inc.

1. I will pay the time sale price of all purchases charged to my account. The time sale price shall consist of the cash sale price including applicable sales tax, any charges for shipping, delivery, or installation, and any recording fees, plus any **FINANCE CHARGES** that may accrue.
2. I can avoid incurring a **FINANCE CHARGE** by paying my account balance ("New Balance") in full within 25 days of the billing date shown on my monthly statement. If I do not pay the entire New Balance shown on my monthly statement within 25 days of the billing date, I agree to pay a **FINANCE CHARGE** on the Average Daily Balance of my account. The Average Daily Balance is determined by totaling the balance outstanding for each day throughout the billing cycle and dividing the sum thereof by the number of days in the billing cycle. The balance outstanding for any given day is determined by adding to the previous day's ending balance any purchases or other charges and subtracting any payments or other credits. Unpaid **FINANCE CHARGES** may be a part of the daily balances upon which the **FINANCE CHARGE** is computed.
3. The **FINANCE CHARGE** will be the greater of \$1.00 or an amount determined by applying a periodic rate of 1.8% (**ANNUAL PERCENTAGE RATE 21.6%**) to the Average Daily Balance.
4. Whenever there is an outstanding balance on my account at the end of a billing period, I will make a minimum payment of one-tenth (10%) of the New Balance or a \$20.00 minimum payment when the New Balance is \$200.00 or less, within 25 days of the billing date. If the New Balance is \$20.00 or less, I will pay the full amount of the New Balance within 25 days of the billing date. I may pay more than the minimum payment each month and have the right to pay the entire outstanding balance in full at any time.
5. Payments made on my account will be applied first to the unpaid **FINANCE CHARGES** and then to purchases made on my account in the order of the purchases.
6. If I default in performing this agreement, my entire outstanding balance may, at the option of Home Appliance become immediately due and payable. In addition, I will pay all reasonable costs of collection of my account, including attorney's fees and court costs. Waiver by Home Appliance of any default shall not operate as a waiver of any other default.
7. Home Appliance has the right to amend this agreement to purchases made after the notice of the intended charge has been given to me in the manner and to the extent required by applicable law. Home Appliance may, from time to time, limit my account balance and further purchases without prior notice.
8. Home Appliance reserves titles to and retains a purchase money security interest under the Uniform Commercial Code in all merchandise purchased under this agreement. I agree not to sell, lease or encumber the merchandise, place the merchandise in any other person's possession, or remove the merchandise from my address given above without the prior written consent of Home Appliance.
9. I authorize Home Appliance to investigate my credit history and capacity and to furnish information concerning this account to credit reporting agencies and others who may lawfully receive that information. Home Appliance may also send or have sent to me advertising and promotional materials, circulars, and offers relating to its business.
10. If any provision of this agreement is finally determined to be inconsistent with or contrary to applicable law, that provision shall be deemed amended or omitted to conform therewith without affecting any other provision or the validity of this agreement.

**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.**

**NOTICE TO BUYERS: (1) DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS BLANK SPACES (2) YOU ARE ENTITLED TO A COPY OF THIS AGREEMENT. KEEP IT TO PROTECT YOUR LEGAL RIGHTS (3) YOU HAVE THE RIGHT TO PAY IN ADVANCE THE FULL AMOUNT DUE.**



**ACCEPTED BY:**

**Sales Person** \_\_\_\_\_  
**Store** \_\_\_\_\_  
**Date** \_\_\_\_\_

I HEREBY ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT.

SIGN HERE X \_\_\_\_\_  
 Accountholder's Signature (Full legal name)

SIGN HERE X \_\_\_\_\_  
 Signature of Spouse or Co-Accountholder (Full legal name)  
 (If Joint Account Requested)

### In Case of Errors or Inquiries About Your Bill

The Federal Truth in Lending Act requires prompt correction of billing mistakes:

1. If you want to preserve your rights under the Act, here's what to do if you think your bill is wrong or if you need more information about an item on your bill:
  - a. Do not write on the bill. On a separate sheet of paper write (you may telephone your inquiry but **doing so will not preserve your rights under this law**) the following:
    - i. Your name and account number.
    - ii. A description of the error and an explanation (to the extent you can explain) why you believe it is an error.  
 If you only need more information, explain the item you are not sure about and if you wish, ask for evidence of the charge such as a copy of the charge slip. Do not send in your copy of a sales slip or other document unless you have a duplicate copy for your records.
    - iii. The dollar amount of the suspected error.
    - iv. Any other information (such as your address) which you think will help us identify you or the reason for your complaint or inquiry.
  - b. Send your billing error notice to the address on your bill which is listed after the words: "Send inquiries to" or similar wording. Mail it as soon as you can, but in any case, early enough to reach us within 60 days after the bill was mailed to you.
2. We must acknowledge all letters pointing out possible errors within 30 days of receipt, unless we are able to correct your bill during that 30 days. Within 90 days after receiving your letter, we must either correct the error or explain why we believe the bill was correct. Once we have explained the bill, we have no further obligation to you even though you still believe that there is an error, except as provided in paragraph 5 below.
3. After we have been notified, neither we nor an attorney nor a collection agency may send you collection letters or take other collection action with respect to the amount in dispute; but periodic statements may be sent to you, and the disputed amount can be applied against your credit limit. You cannot be threatened with damage to your credit rating or sued for the amount in question, nor can the disputed amount be reported to a credit bureau or to other creditors as delinquent until we have answered your inquiry. **However, you remain obligated to pay the parts of your bill not in dispute.**
4. If it is determined that we have made a mistake on your bill, you will not have to pay any finance charge on any disputed amount. If it turns out that we have not made an error, you may have to pay finance charges on the amount in dispute, and you will have to make up any missed minimum or required payments on the disputed amount. Unless you have agreed that your bill was correct, we must send you a written notification of what you owe, and if it is determined that we did make a mistake in billing the disputed amount, you must be given the time to pay which you normally are given to pay undisputed amounts before any more finance charges or late payment charges on the disputed amount can be charged to you.
5. If our explanation does not satisfy you and you notify us **in writing** within 10 days after you receive our explanation that you still refuse to pay the disputed amount, we may report you to credit bureaus and other creditors and may pursue regular collection procedures. But we must also report that you think you do not owe the money, and we must let you know to whom such reports were made. Once the matter has been settled between you and us, we must notify those to whom we reported you as delinquent of the subsequent resolution.
6. If we do not follow these rules, we are not allowed to collect for the first \$50 of the disputed amount and finance charges, even if the bill turns out to be correct.
7. If you have a problem with property or services purchased with a credit card, you may have the right not to pay the remaining amount due on them, if you first try in good faith to return them or give the merchant a chance to correct the problem.

"Residents of Illinois may contact the Illinois Commissioner of Banks and Trust Companies for comparative information on interest rates, charges, fees and grace periods." State of Illinois CIP, P.O. Box 10181, Springfield, Illinois 62791, 1-800-634-5452.