

DEPARTMENT STORES NATIONAL BANK CREDIT CARD DISCLOSURES

Bloomingdale's Store Accounts (Applies to Bloomingdale's and bloomingdales.com purchases)	
Interest Rates and Interest Charges	
Annual Percentage Rate (APR) for Purchases	<i>For billing cycles that start prior to 07/18/15:</i> 24.50% for Revolving, Major Purchase and Special Event Accounts. This APR will vary with the market based on the Prime Rate. 0% for Club Accounts <i>For billing cycles starting on or after 07/18/15:</i> 24.50% This APR will vary with the market based on the Prime Rate.
How to Avoid Paying Interest	<i>For billing cycles that start prior to 07/18/15:</i> For Revolving Account purchases, your due date is at least 25 days after the close of each billing cycle. We will not charge you interest on those purchases if you pay the Revolving Account balance in full by the due date each billing cycle. For Major Purchase Account purchases, your due date is at least 25 days after the close of each billing cycle. We will not charge you interest on those purchases if you pay the Major Purchase Account balance in full by the due date each billing cycle. <i>For billing cycles starting on or after 07/18/15:</i> Your due date is at least 25 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month.
Minimum Interest Charge	If you are charged interest, the charge will be no less than \$2.
For Credit Card Tips from the Consumer Financial Protection Bureau	To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau at http://www.consumerfinance.gov/learnmore.
Fees	
Penalty Fees • Late Payment • Returned Payment	<i>For billing cycles that start prior to 07/18/15:</i> Up to \$35 <i>For billing cycles starting on or after 07/18/15:</i> Up to \$38 <i>For billing cycles that start prior to 07/18/15:</i> Up to \$35 <i>For billing cycles starting on or after 07/18/15:</i> Up to \$38

How We Will Calculate Your Balance: We use a method called "Average Daily Balance (including new Purchases)". For billing cycles starting on or after 07/18/15, this method will be called "Daily Balance (including new Purchases)". See your Credit Card Agreement for more details.

Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided in this brochure and your Credit Card Agreement.

New York residents may contact the New York State Banking Department to obtain a comparative listing of credit card rates, fees and grace periods by calling 1-877-226-5697.

INFORMATION ABOUT OUR CARD

What credit card am I applying for? Department Stores National Bank ("DSNB") is the issuer of the Macy's Store Card. For each account with a balance, a minimum payment will be required and you may incur a late fee if you fail to make any required minimum payment on time. The Macy's Store Card may only be used to make purchases at Macy's and macys.com.

How do you report my account to the credit bureaus? If you have a Macy's Store Card, one account, the Revolving Store Account, will be reported to the credit bureaus. From time to time we may also offer you the opportunity to make purchases at Macy's on promotional terms. **For billing cycles prior to 07/18/15**, each promotional purchase will be allocated to one of the following different promotional financing accounts, as applicable, subject to credit approval: Major Purchase Account, Special Event Account or Club Store Account. We will report each promotional financing account you apply and are approved for separately to the credit bureaus. This means that you will have an entry on your credit report for each of these accounts. **For billing cycles starting on or after 07/18/15**, each promotional purchase will be allocated to the Revolving Store Account.

When can I close an account? You can close a Macy's account at any time. **For billing cycles prior to 07/18/15**, if you have a Macy's Store Card, and you close any Store Account, we will close all your Macy's Store Accounts.

What is happening for billing cycles starting on or after 07/18/15? We are making changes to the Department Stores National Bank Credit Card Agreement **for billing cycles starting on or after 07/18/15**. We will no longer offer Major Purchase, Special Event or Club Store Accounts. These accounts will be closed. Balances on Major Purchase Accounts will be transferred to the Revolving Store Account and treated as regular purchases. Balances on Special Event and Club Accounts will be transferred to the Revolving Store Account and treated as promotional balances, subject to the existing promotional terms. Promotional offers will still be available from time to time on the Revolving Store Account. **We are also adding an arbitration provision.**

Please see the Department Stores National Bank Credit Card Agreement for billing cycles starting on or after 07/18/15 for additional changes.

TERMS AND CONDITIONS OF OFFER

- This offer is only valid for new accounts. You must be at least 18 years of age to apply (21 years of age in Puerto Rico). If you are married, you may apply separately. After credit approval, each applicant shall have the right to use any account to the extent of any credit limits set by the creditor and each applicant may be liable for all amounts of credit extended under such account to any joint applicant. DSNB ("we" or "us") is located in Sioux Falls, SD.
- We may gather information about you, including from your employer, your bank, credit bureaus, and others, to verify your identity and determine your eligibility for credit, renewal of credit, and future extensions of credit. If you ask us, we will tell you whether or not we requested a credit bureau report, and the names and addresses of any credit bureaus that provided us with such reports.
- By submitting your application, you agree that the information in your application, as well as any updates to that information, will be provided to DSNB, Macy's, Inc. and their affiliates.
- If you choose to provide your email address then you authorize (1) DSNB to contact you about your account and tell you about useful products and services and (2) Bloomingdale's to email you information about upcoming promotions, sales, special events and other offers.
- If you have provided a cell phone number, or another number that you later convert to a cell phone number, you agree that we may contact you at this number about your account. You also agree to receive, from us and our service providers, calls and messages such as pre-recorded messages, calls and messages from automated dialing systems, and text messages. Normal cell phone charges may apply.
- Please see the Department Stores National Bank Credit Card Agreement for important information.
- You need not accept the credit card or pay any fee unless you use the card or have already used the account.
- For Important Information about your rights regarding our sharing of information about you, see the DSNB Privacy Policy below.
- The information about the cost of the card is accurate as of March 1, 2015. This information may have changed after that date. To find out what may have changed, write to us at P.O. Box 8051, Mason, OH 45040.

- **Notice to 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 to Wisconsin Residents:** No marital property agreement, unilateral statement or court decree adversely affects our rights, unless you give us a copy of such agreement, statement or court order before we grant you credit, or we have actual knowledge of its terms before your account is open. You must promptly provide your spouse's name and address to us by calling 1-800-243-6552.

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.

DEPARTMENT STORES NATIONAL BANK CREDIT CARD AGREEMENT FOR BILLING CYCLES THAT START PRIOR TO 07/18/15:

This Credit Card Agreement ("Agreement") governs your open-end credit plan ("Credit Plan") which includes the following accounts to the extent you or a joint cardholder apply and are approved: the Revolving Account, the Major Purchase Account, the Club Account and the Special Event Account (each an "Account"). This Agreement includes the Department Stores National Bank Credit Card Disclosures for each Account for which you apply and are approved. In this Department Stores National Bank ("DSNB") Credit Card Agreement, the words "you" and "your" mean any person who has requested and is issued a DSNB Credit Card ("credit card") and any other person responsible for complying with this Agreement. The words "we", "us" and "our" mean Department Stores National Bank, 701 E 60th St. N, Sioux Falls, SD 57104, and any person to whom this Agreement or the indebtedness created under this Agreement may be assigned. Please read this Agreement and keep it for future reference.

1. Use of Your Card and Store Accounts: Your Card and each Store Account subject to the terms of this Agreement may only be used to purchase goods and services for personal, family and household use.

2. Promise to Pay: In return for extending credit to you on one or more Accounts that are subject to the terms of this Agreement from time to time, you promise to pay us for all purchases that you make on any Account at retailers authorized to accept our credit card. You also promise to pay us for all other charges mentioned below, in accordance with the terms of this Agreement. You agree to make your payment by check, money order or similar instrument payable in U.S. dollars drawn on a financial institution located in the United States ("payment"). We also reserve the right to accept payments made in foreign currency and instruments drawn on funds on deposit outside the U.S. If we do, we select the currency conversion rate. We will then credit your Account in U.S. dollars.

3. Billing Statement: We will send you a monthly billing statement ("Statement") after each billing cycle at the end of which you have a debit or credit balance of more than \$1.00. Purchase made on your Revolving Account, Major Purchase Account, Club Account and Special Event Account will appear on one Statement. Your payment is due at the address shown on your Statement on or before the Payment Due Date shown on that Statement.

4. Types of Store Accounts: The types of Store Accounts that are subject to the terms of this Agreement are the Revolving Account, Major Purchase Account, Club Account and Special Event Account (each a "Store Account"). You may make a purchase on your Revolving Account for any merchandise or service offered by retailers authorized to accept our credit card without any minimum purchase requirements. You may make a qualifying purchase on a Major Purchase Account, Club Account or Special Event Account as permitted by us, subject to minimum purchase requirements. Your desire to charge purchases to a Major Purchase Account, Club Account or Special Event Account must be indicated at the time of purchase. Purchases made on a Major Purchase Account, Club Account or Special Event Account will be reflected on your sales receipt.

5. How to Avoid Paying Interest on the Revolving and Major Purchase Account: If you make purchases during a billing cycle when there is no Previous Balance on the Statement or the sum of payments and credits (excluding credits for returns of purchases made during the billing cycle) is at least equal to the Previous Balance (these purchases are "New Purchases"), no Interest Charges are added to

these Store Accounts for that billing cycle for the New Purchases. If you pay the New Balance for that billing cycle by the Payment Due Date, you can avoid Interest Charges for the New Purchases during the next billing cycle. If you pay less than the New Balance for that billing cycle, you can avoid Interest Charges on that portion of that Store Account balance paid but we will assess Interest Charges on any unpaid portion until you pay the full balance you owe on that Store Account. If you make a purchase during a billing cycle with an unpaid Previous Balance, we assess Interest Charges on the purchase from the date it is added to the balance. We continue to assess Interest Charges until you pay the full balance you owe on that Store Account.

The allocation of payments and credits may affect how you may avoid Interest Charges. Payments and credits are applied to each Store Account at our discretion and in accordance with law. **The method of assessing Interest Charges described in this section may result in a Statement with only an Interest Charge.**

6. Interest Charge - Balance Computation Method: An Interest Charge will be imposed on each balance within each Store Account that is subject to Interest Charges by applying a Daily Periodic Rate, multiplied by the number of days in the billing cycle, to the Average Daily Balance for purchases (including new transactions) for that Store Account, which appears on your Statement as the Balance Subject to Interest Rate, and by assessing certain fees which are explained below. To get the Balance Subject to Interest Rate for each Store Account, we take the beginning balance of each Store Account each day, add any new purchases, any Interest Charges applied to the previous day's balance, and new fees, and subtract any new payments and credits. This gives us the daily balance. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the Balance Subject to Interest Rate. (This results in daily compounding of Interest Charges.)

7. Cost of Credit - The cost of credit is determined as follows:

A. The Daily Periodic Rate applicable to purchases for the billing cycle is 1/365th of the Annual Percentage Rate (regardless of leap years) in effect for the billing cycle as disclosed below, rounded to five decimal places. The Annual Percentage Rate may be changed quarterly. It will be calculated by taking the rate disclosed as the "Prime Rate" in the "Money Rates" section of *The Wall Street Journal* on the 15th day of March, June, September and December of each year (or the next business day if the 15th day falls on a weekend or holiday) and adding 21.25% to that rate. As of March 1, 2015, the **ANNUAL PERCENTAGE RATE** so calculated is **24.50%**, which corresponds to a Daily Periodic Rate of .06712%. The variable Annual Percentage Rate may increase. Any change in the Annual Percentage Rate will go into effect on the first day of the billing cycle that begins after the first day of the next calendar quarter and may result in an increase or decrease in the Interest Charge imposed on a Store Account and in the Minimum Payment Due.

B. There will be a Minimum **INTEREST CHARGE** of \$2.00 in any billing cycle in which the **INTEREST CHARGE** resulting from application of the Daily Periodic Rate would be less than \$2.00.

8. Minimum Payment:

A. Minimum Payment Due: Each month, for each Store Account with a balance, you agree to pay at least the Minimum Payment Due, which is the sum of a Monthly Minimum plus all unpaid Late Payment Fees, any credit protection charges (if enrolled) applied that month and any delinquent Monthly Minimums by the Payment Due Date. The Monthly Minimum for each Store Account is calculated as follows:

- 1. Revolving Account:** The greater of \$25.00 or 3.25% of the New Balance on your Statement for the Revolving Account, rounded up to the next whole dollar amount, or the entire New Balance for the Revolving Account if it is under \$25.00.
- 2. Major Purchase Account:** The greater of \$25.00 or 3.25% of the New Balance on your Statement for the Major Purchase Account, rounded up to the next whole dollar amount, or the entire New Balance for the Major Purchase Account if it is under \$25.00.
- 3. Club Account:** The greater of \$25.00 or 1/12 of the highest New Balance for the Club Account since it last had a \$0 balance, rounded up to the next whole dollar amount, or the entire New Balance for the Club Account if it is under \$25.00.
- 4. Special Event Account:** The greater of \$25.00 or 3.25% of the New Balance for the Special Event Account on your Statement, rounded up to the next whole dollar amount, or the entire New Balance for the Special Event Account if it is under \$25.00.

B. Level Payments: Since the Minimum Payment for a Club Account is based on the highest New Balance for the Club Account until the balance is paid in full, the Minimum Payment for a Club Account will not decrease as the New Balance for the Club Account decreases, even if you pay more than the

Minimum Payment required for the Club Account. Your Minimum Payment will increase, however, if a new purchase increases the New Balance in the Club Account above a previous high.

9. Additional Payment Information: You may pay all or part of your Account balance at any time. However, you must pay, by the Payment Due Date, at least the Minimum Payment Due as calculated above. If you pay more than the Minimum Payment Due and there is still a balance due, you must continue to make your Minimum Payment Due in future months. Payments in excess of the Minimum Payment Due will be applied in accordance with law, and payments equal to or less than the Minimum Payment Due and credits will be applied at our discretion. If we accept any late payment or partial payment, whether or not marked as payment in full, it will not affect the due date of any payment due under this Agreement, it will not act as an extension of time or a waiver of any amount then remaining unpaid, and it will not affect any of our rights under this Agreement including our right to declare the entire balance for all Accounts to be due. Returns and credits are not applied toward your Minimum Payment Due.

10. Promotions: We may offer you promotional terms from time to time for all or a part of any balances. Any promotional terms may apply for a limited period of time. They will be governed by the terms of the promotional offer and this Agreement, in accordance with law. They may include the Special Event Account and Club Account offers described below. Your promotional terms will end when the promotional period expires. (a) Special Event Account: No Interest Charges will be imposed on the Special Event Account balance if you pay the balance in full by the end of the promotional period for that Special Event Account balance. We will impose Interest Charges on the Special Event Account balance from the date of purchase if you do not pay the balance in full by the end of the promotional period. If you have not paid a Special Event Account balance in full by the end of the promotional period, any remaining balance, including any Interest Charges for that balance, will be transferred to the Major Purchase Account and subject to the terms for the Major Purchase Account. The promotional offer will specify any minimum purchase amount. (b) Club Account: No Interest Charges will be assessed on your Club Account balance during the promotional period. The promotional offer will specify any minimum purchase amount.

11. Late Payment Fee: We may add a late payment fee for each billing cycle in which you have a past due payment. For late payment fee purposes, you have a past due payment any time you fail to pay the Minimum Payment Due by the Payment Due Date. The fee will be \$25; or \$35 for any additional past due payment during the next six billing cycles after a past due payment. However, the fee will not exceed the amount permitted by law.

12. Returned Payment: We may add a returned check fee for a returned payment. A returned payment is an electronic debit, payment check, or similar payment instrument, which is returned unpaid. We may add this fee the first time your payment is returned, even if it is not returned upon resubmission. The fee will be \$25; or \$35 for any additional returned payment during the next six billing cycles after a returned payment. However, the fee will not exceed the amount permitted by law.

13. Document Production Fee: We may charge you a fee of \$3.00 per item if you request copies of previously provided records, such as Statements and sales checks. We will not charge you for documents produced in connection with a Billing Error investigation.

14. Default/Collection Costs: If we fail to receive any Minimum Payment Due, if you declare bankruptcy, or if you die, it will be a default, and, subject to any right you may have under state law to receive notice of and to cure such default, we may declare the entire unpaid balance in any or all Accounts due and payable. If an Account is referred to an attorney who is not our salaried employee and we prevail in a suit against you to collect the amount you owe, in addition to the full amount owed and any court costs, you agree to pay our reasonable attorney's fees, to the extent permitted by law. No attorney's fees will be imposed in any state, or in any amount, unless permitted by law. To the extent permitted by law, after we declare the entire unpaid balance due, we may continue to impose Interest Charges under the terms set forth in this Agreement each month until we obtain a court judgment for the amount you owe.

15. Credit Limit: You agree not to go over the credit limit individually assigned to each Store Account. We may refuse to authorize any transaction on a Store Account which would exceed your credit limit. If you owe more than your credit limit we can require you to immediately pay the excess. Available credit cannot be moved between Store Accounts. We can increase or decrease your credit limit at any time without giving you notice in advance unless required by law.

16. Change In Terms/Change In Address: We may change any term of this Agreement or add a new term at any time, including changes to the Minimum Payment schedule(s) or the Interest Charge rates, and may apply the new terms to any unpaid balances, as well as to any future balances, unless

prohibited by applicable law. When required by applicable law, we will mail you prior notice of the change(s). You agree to notify us promptly in writing if you move. Until we receive written notice of your new address, we will continue to send Statements and other notices to the address in our records.

17. Lost or Stolen Cards or Account Numbers: You must call us if any card or account number is lost or stolen. You must also call us if you think someone used or may use them without permission. When you call, we may require you to provide information to help our investigation. We may require you to provide this information in writing. For example, we may ask you to identify any charges that were not made by you or someone authorized by you. We may also ask you to confirm that you received no benefit from those charges.

18. Closing an Account: You may close an Account subject to the terms of this Agreement by notifying us in writing or over the phone. If you close your Revolving, Major Purchase, Club or Special Event Account, we will close all of your other Accounts. If you close an Account, you must still repay the total balance in accordance with this Agreement. We may also close any of your Accounts or suspend Account privileges at any time for any reason. We may do this without prior notice to you unless required by law. You must return any card to us upon request.

19. Credit Investigation: You give us permission to investigate your credit history by obtaining consumer reports and by making direct inquiries of businesses where you have accounts and where you work. We may request a consumer report from consumer reporting agencies in considering your application for one or more Accounts and later in connection with an update, renewal, extension of credit, or in connection with the collection of one or more Accounts. Upon your request we will tell you whether or not a consumer report was requested and the name and address of any consumer reporting agency that furnished the report.

20. Disputed Accuracy of Credit Report: We may report information about each of your Accounts to credit reporting agencies. Late payments, missed payments, or other defaults on an Account may appear on your credit report. If you request cards on your Credit Plan for others, we may report information on all Accounts under that Credit Plan in the names of those other people as well. If you think we reported erroneous information to a credit reporting agency, write to: Credit Bureau Dispute Verification, P.O. Box 8218, Mason, OH 45040-8218. In doing so, please identify the inaccurate information and tell us why you believe it is incorrect. If you have a copy of the credit report that includes the inaccurate information, please send a copy of that report to us as well. We will promptly investigate the matter and notify you in writing of the results. If we agree with you, we will contact each credit reporting agency to which we reported and request a correction.

21. Governing Law: You understand and agree that this Agreement is entered into between you and us in South Dakota and any credit we extend to you is extended from South Dakota. You further understand and agree that this Agreement is governed only by applicable federal law and the law of the State of South Dakota, whether or not you live in South Dakota and whether or not you use your credit card in South Dakota.

22. Identifying Information: The identifying information you provided in your credit application (including name, address, telephone number, email address and social security number) as well as any updates to that information is provided to DSNB, Macy's, Inc. and their affiliates.

23. Assignment: We may assign the Credit Plan that is subject to the terms of this Agreement and any of our rights under this Agreement to our affiliates or some other financial institution or company without prior notice to you. Following such assignment, that entity will take our place in this Agreement.

24. Acceptance of this Agreement: The use of this Credit Plan by you or anyone you authorize means that you accept this Agreement and agree to be bound by its terms.

25. Disputed Amounts: All communications concerning disputed amounts, including any check or other payment instrument in an amount less than the full amount due that you send to us marked "paid in full", or which you otherwise tender as full satisfaction of a disputed amount, must be sent to us at the address for billing inquiries shown below in the section regarding your right to dispute billing errors under federal law.

26. Telephone Monitoring: We treat every customer call confidentially. To ensure that you receive accurate and courteous customer service, on occasion, your call may be monitored and/or recorded.

27. No Waiver by Us: We reserve the right, at any time and in our sole discretion, not to impose part or all of any fee or other amount imposed pursuant to this Agreement or not to exercise any right as set forth in this Agreement and in doing we will not waive our right to impose any such fee or exercise any such right in the future. Without limiting the foregoing, we may, at our option: (a) accept late or partial

payments or checks or money orders whether or not marked as payment in full or tendered with other conditions or limitations, (b) agree to extend the due date of any payment due under this Agreement for any length of time and/or (c) release any other person responsible under this Agreement, without notifying you and without releasing you from your obligation to pay all amounts owing under this Agreement in full, or to otherwise perform the terms and conditions of this Agreement.

DEPARTMENT STORES NATIONAL BANK CREDIT CARD AGREEMENT

FOR BILLING CYCLES STARTING ON OR AFTER 07/18/15.

THIS CREDIT CARD AGREEMENT INCLUDES AN ARBITRATION PROVISION.

This Credit Card Agreement is your contract with us. It governs the use of your card and account. Please read this Agreement carefully. Keep it for your records.

Definitions

account means the relationship established between you and us by this Agreement.

APR means an annual percentage rate.

authorized user means any person you allow to use your account.

card means one or more cards or other access devices that we give you to get credit under this Agreement. This includes account numbers.

we, us, and our mean Department Stores National Bank, the issuer of your account. Department Stores National Bank is located in Sioux Falls, SD.

you, your, and yours mean the person who applied to open the account. It also means any other person responsible for complying with this Agreement.

Your Account

You agree to use your account in accordance with this Agreement. You must pay us for all amounts due on your account. This Agreement is binding on you unless you close your account within 30 days after receiving the card and you have not used or authorized use of the card. Your account must only be used to purchase goods and services for personal, family and household use. Your account must only be used for lawful transactions.

Authorized Users. You may request additional cards for authorized users. You must pay us for all charges made by authorized users. You must pay us even if you did not intend to be responsible for those charges. You must notify us to withdraw any permission you give to an authorized user to use your account.

Joint Accounts. If this is a joint account, each of you is responsible individually and together for all amounts owed. Each of you is responsible even if the account is used by only one of you. You will continue to be liable for the entire balance of the account, even if your co-applicant is ordered by a court to pay us. You will remain liable to us if your co-applicant fails to pay as ordered by the court. Your account status will continue to be reported to the credit bureau under each of your names. The delivery of notices or billing statements to either of you serves as delivery to each of you. We may rely on instructions given by either of you. We are not liable to either of you for relying upon such instructions.

Credit Limit. Your initial credit limit is on the confirmation screen you receive when your application for a new account is approved online. After that, your credit limit appears on your billing statement. The full amount of your credit limit is available to use where the card is honored. We may reduce or increase your credit limit at any time for any reason as permitted by law. We will notify you of any change, but the change may take effect before you receive the notice. You should always keep your total balance below the credit limit. However, if the total balance goes over your credit limit you still must pay us. If your account has a credit balance, we may reduce the credit balance by any new charges on your account. You may not maintain a credit balance in excess of your credit limit.

Billing Statement. Your billing statement shows the New Balance. This is the total amount you owe us on the Statement Closing Date. To determine the New Balance, we begin with the total balance at the start of the billing cycle. We add any purchases. We subtract any credits or payments. We then add any interest charges or fees and make other adjustments.

Your billing statement also shows your transactions; the Minimum Payment Due and payment due date; your credit limit; and your interest charges and fees.

We deliver a billing statement to only one address. You must notify Customer Service of a change in address. We may stop sending you statements if we deem your account uncollectible or start collection proceedings; but we may continue to add interest and fees as permitted by law.

APRs

Variable APRs Based on Prime. If any APR is based on the U.S. Prime Rate ("Prime Rate"), the APR will equal the Prime Rate plus an additional amount. If the Prime Rate increases, it will cause the APR to increase. If the Prime Rate decreases, it will cause the APR to decrease. For each billing cycle we use the Prime Rate published in *The Wall Street Journal* two business days before the Statement Closing Date. If the Prime Rate causes an APR to change, we put the new APR into effect as of the first day of the billing cycle for which we calculate the APR. We apply the new APR to any existing balances, subject to any promotional rate that may apply. If *The Wall Street Journal* does not publish the Prime Rate, we will use a similar published rate.

APR for Regular Purchases. There is a variable regular purchase APR. It equals the Prime Rate plus 21.25%. As of March 1, 2015, this Annual Percentage Rate is 24.50%. This APR equals a daily periodic rate of 0.06712%.

Effect of APR Increases. If an APR increases, interest charges increase. Your minimum payment may increase as well.

Promotions

We may offer promotional terms for all or a part of any balances. Any promotional terms may apply for a limited period of time. They will be governed by the terms of the promotional offer and this Agreement. They may include the Special Event and Club Plan offers described below. We may offer other promotional offers from time to time. Your promotional terms will end when the promotional period expires.

Special Event offers. If a promotional offer is a Special Event offer, interest is deferred, which means no interest charges will be imposed on the Special Event balance if you pay the balance in full by the end of the promotional period for that Special Event balance. We will impose interest charges on the Special Event balance at the APR for regular purchases from the date of purchase if you do not pay the balance in full by the end of the promotional period.

Club Plan offers. If a promotional offer is a Club Plan offer, no interest charges will be imposed on the Club Plan balance.

Interest Charges Based on APRs

Interest Charges. We impose interest charges when we apply APRs to your account balances. We do this every day by using a daily periodic rate. To get a daily periodic rate, we divide the APR by 365.

When Interest Charges Begin. We begin to impose interest charges the first day we add a charge to a daily balance. The charges we add to a daily balance include purchases. They also include interest charges and fees. We continue to impose interest charges until we credit your account with full payment of the total amount you owe us. This method of assessing interest charges described in this section may result in a billing statement with only an interest charge.

Grace Period on Purchases. You can avoid interest charges on purchases. This is called a grace period on purchases. The grace period is at least 25 days. To get a grace period on purchases, you must pay the New Balance by the payment due date every billing cycle.

If you have a balance subject to a Special Event promotion and that promotion does not expire before the payment due date, that balance (the "excluded promotional balance") is excluded from the amount you must pay in full to get a grace period. In addition, if you have a Club Plan balance, that balance (the "excluded promotional balance") is excluded from the amount you must pay in full to get a grace period on a purchase balance other than an excluded promotional balance. However, you must still pay any separately required payment on the excluded promotional balance. In billing cycles in which payments are allocated to Special Event balances first, the Special Event balance will be reduced before any other balance on the account. However, you will continue to get a grace period on purchases so long as you pay the New Balance less any excluded promotional balances in full by the payment due date each billing cycle.

Other promotional offers not described above may also allow you to have a grace period on purchases without having to pay all or a portion of the promotional balance by the payment due date. If either is the case, the promotional offer will describe what happens.

Calculation of Interest Charges – Daily Balance Method (Including Current Transactions). We calculate interest charges each billing cycle. To do this:

- We start with each of your different balances. These balances include, for example, regular purchases, and different promotional balances. (When we calculate interest charges, we treat

each Special Event transaction separately even if it has the same terms as another Special Event transaction.)

- We calculate the daily balance for each of your different balances. To get a daily balance, we start with the balance as of the end of the previous day. We add any interest charge on the previous day's balance. (This results in daily compounding of interest charges.) We add any new charges. We then subtract any new credits or payments.
- We multiply each daily balance by the daily periodic rate that applies to it. We do this for each day in the billing cycle. This gives us the daily interest charges for each of your different balances.
- We add up all the daily interest charges. The sum is the total interest charge for the billing cycle.
- You authorize us to round interest charges to the nearest cent.

When we calculate daily balances, we add a purchase as of the Transaction Date. (The Transaction Date is on the billing statement.) We add a transaction fee to the same balance as the transaction. We generally add other fees to the regular purchase balance. We subtract a payment or credit as of the day it is credited to the account and then make other adjustments. We treat a credit balance as a balance of zero.

Minimum Interest Charge. If we charge you interest, the charge will be no less than \$2. We add the charge to the regular purchase balance or allocate it among one or more of the balances that accrues interest.

Balance Subject to Interest Rate. Your statement shows a Balance Subject to Interest Rate. It shows this for each different balance. The Balance Subject to Interest Rate is the average of the daily balances during the billing cycle. A billing cycle begins on the day after the Statement Closing Date of the previous billing cycle. It includes the Statement Closing Date of the current billing cycle.

Fees

Late Fee. We may add a late fee for each billing cycle in which you have a past due payment. For late fee purposes, you have a past due payment any time you fail to pay the Minimum Payment Due by the payment due date. The fee will be \$27; or \$38 for any additional past due payment during the next six billing cycles after a past due payment. However, the fee will not exceed the amount permitted by law. We add this fee to the regular purchase balance.

Returned Payment Fee. We may add a returned payment fee for a returned payment. A returned payment is an electronic debit, payment check, or similar payment instrument, that is returned unpaid. We may add this fee the first time your payment is returned, even if it is not returned upon resubmission. The fee will be \$27; or \$38 for any additional returned payment during the next six billing cycles after a returned payment. However, the fee will not exceed the amount permitted by law. We add this fee to the regular purchase balance.

Payments

Making Payments. You may pay all or part of your account balance at any time. However, you must pay at least the Minimum Payment Due by the payment due date each billing cycle. The sooner you pay the New Balance, the less you will pay in interest charges.

We calculate the Minimum Payment Due as follows. We begin with any past due amount. We add the amount due on each Club Plan balance. We add any amount required by the Promotion Calculation. We also add the largest of the following:

- The Calculated New Balance if it is less than \$27;
- \$27 if the Calculated New Balance is at least \$27; or
- 1% of the Calculated New Balance (the result is rounded up to the nearest dollar) plus the amount of your billed interest charges on that balance, any minimum interest charge allocated to that balance, and any applicable late fee. However, we subtract interest charges that accrued during prior billing cycles on a Special Event balance that ended during the billing cycle covered by the statement.

The Calculated New Balance equals the New Balance on the billing statement less any balances subject to a Club Plan or the Promotion Calculation.

The amount due on a Club Plan balance is the smaller of:

- 1/12th of the Club Plan's Highest Balance plus any credit protection or credit insurance fee allocated to that balance. (The result is rounded up to the nearest dollar.) Or
- The Club Plan's balance on the Statement Closing Date.

For each Club Plan balance, the Highest Balance is the highest Club Plan balance on a Statement Closing Date, less any credit protection or credit insurance fee allocated to that balance for that cycle, since the last time that balance was zero. The balance is zero at account opening.

The Promotion Calculation applies to some Special Event transactions. The Promotion Calculation is based on the transaction amount as shown on the first statement that displays the transaction. It applies if paying \$27 on this balance each billing cycle would result in repayment before the end of the promotion period. The Promotion Calculation equals 1% of this balance during the promotion period. (The result is rounded up to the nearest cent.) The Promotion Calculation only applies during the promotion period.

The Minimum Payment Due may reflect adjustments to the New Balance. The Minimum Payment Due is never more than the Calculated New Balance plus the Promotion Calculation plus the amount due on a Club Plan balance.

Application of Payments. Payments in excess of the Minimum Payment Due are applied in accordance with law. This means that we will generally apply payments in excess of the Minimum Payment Due to higher APR balances first. However, excess payments received before a Special Event promotion expires are applied to the Special Event promotional balance first in the last two billing cycles of the promotional period. And, if the expiration date of a Special Event promotion is before the payment due date in the billing cycle in which the Special Event promotion expires, excess payments received before the Special Event promotion expires are applied to the Special Event promotional balance first in the last three billing cycles of the promotional period. Payments equal to or less than the Minimum Payment Due and credits are applied at our discretion and you authorize us to apply payments and credits in a way that is most favorable or convenient for us. This may include applying such payments and credits to lower APR balances first and to balances with longer promotional periods first.

Payment Instructions. We credit your payments in accordance with our payment instructions on the billing statement. You must pay us in U.S. dollars. To do so, you must use a check, similar instrument, or electronic debit that is drawn on and honored by a bank in the U.S. Do not send cash. We can accept late or partial payments, or payments that reflect "paid in full" or other restrictive endorsements, without losing our rights. We also reserve the right to accept payments made in foreign currency and instruments drawn on funds on deposit outside the U.S. If we do, we select the currency conversion rate. We will then credit your account in U.S. dollars after deducting any costs incurred in processing your payment. Or we may bill you separately for these costs.

Credit Reporting

We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report. We may report account information in your name and the names of authorized users. We may also obtain follow-up credit reports on you. If you think we reported incorrect information to a credit bureau, write us at the address shown on the back of your billing statement in the section titled "Disputed Accuracy of Credit Report". We will investigate the matter. We will then tell you if we agree or disagree with you. If we agree with you, we will contact each credit bureau to which we reported and request a correction. If we disagree with you, we will tell you that.

Information Sharing

You authorize us to share information about you as permitted by law. This includes information we get from you and others. It also includes information about your transactions with us. Please see our Privacy Notice for details about our information sharing practices. The identifying information you provided in your credit application (including name, address, telephone number, email address and social security number) as well as any updates to that information is provided to us, Macy's, Inc. and their affiliates.

Changes to this Agreement

We may change the rates, fees, and terms of this Agreement from time to time as permitted by law. The changes may add, replace, or remove provisions of this Agreement. We will give you advance written notice of the changes and a right to opt out to the extent required by law.

Default

You default under this Agreement if you fail to pay the Minimum Payment Due by its due date; go over your credit limit; pay by a check or similar instrument that is not honored or that we must return because it cannot be processed; pay by electronic debit that is returned unpaid; file for bankruptcy; or fail to comply with the terms of this Agreement. If you default, we may close your account and, to the extent permitted by law, demand immediate payment of the total balance.

Refusal of the Card, Closed Accounts, and Related Provisions

Refusal of the Card. We do not guarantee approval of transactions. We are not liable for transactions that are not approved. That is true even if you have enough credit. We may limit the number of transactions approved in one day. If we detect unusual or suspicious activity, we may suspend your credit privileges.

Preauthorized Charges. We may suspend any automatic or other preauthorized card charges you arrange with a third party. We may do this if you default; if the card is lost or stolen; or we change your account for any reason. If we do this, you are responsible for paying the third party directly if you wish to do so. You are also responsible for reinstating the preauthorized charges if you wish to do so and we permit it.

Lost or Stolen Cards or Account Numbers. You must call us if any card, account number, or check is lost or stolen. You must also call us if you think someone used or may use them without permission. When you call, we may require you to provide information to help our investigation. We may require you to provide this information in writing. For example, we may ask you to identify any charges that were not made by you or someone authorized by you. We may also ask you to confirm that you received no benefit from those charges.

Closing Your Account. You may close your account by notifying us in writing or over the phone. If you close your account, you must still repay the total balance in accordance with this Agreement. We may also close your account or suspend account privileges at any time for any reason. We may do this without prior notice to you. We may also reissue a different card at any time. You must return any card to us upon request.

ARBITRATION

PLEASE READ THIS PROVISION OF THE AGREEMENT CAREFULLY.

THIS SECTION PROVIDES THAT DISPUTES MAY BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, HAVE A JURY TRIAL OR INITIATE OR PARTICIPATE IN A CLASS ACTION. IN ARBITRATION, DISPUTES ARE RESOLVED BY AN ARBITRATOR, NOT A JUDGE OR JURY. ARBITRATION PROCEDURES ARE SIMPLER AND MORE LIMITED THAN IN COURT. THIS ARBITRATION PROVISION IS GOVERNED BY THE FEDERAL ARBITRATION ACT (FAA), AND SHALL BE INTERPRETED IN THE BROADEST WAY THE LAW WILL ALLOW.

Covered claims

- *You or we may arbitrate* any claim, dispute or controversy between you and us arising out of or related to your account, a previous related account or our relationship (called "Claims").
- **If arbitration is chosen by any party, neither you nor we will have the right to litigate that Claim in court or have a jury trial on that Claim.**

Except as stated below, all Claims are subject to arbitration, no matter what legal theory they're based on or what remedy (damages, or injunctive or declaratory relief) they seek, including Claims based on contract, tort (including intentional tort), fraud, agency, your or our negligence, statutory or regulatory provisions, or any other sources of law; Claims made as counterclaims, cross-claims, third-party claims, interpleaders or otherwise; Claims made regarding past, present, or future conduct; and Claims made independently or with other claims. This also includes Claims made by or against anyone connected with us or you or claiming through us or you, or by someone making a claim through us or you, such as a co-applicant, authorized user, employee, agent, representative or an affiliated/parent/subsidiary company.

Arbitration limits

- Individual Claims filed in a small claims court are not subject to arbitration, as long as the matter stays in small claims court.
- We won't initiate arbitration to collect a debt from you unless you choose to arbitrate or assert a Claim against us. If you assert a Claim against us, we can choose to arbitrate, including actions to collect a debt from you. You may arbitrate on an individual basis Claims brought against you, including Claims to collect a debt.
- Claims brought as part of a class action, private attorney general or other representative action can be arbitrated only on an individual basis. The arbitrator has no authority to arbitrate any claim on a class or representative basis and may award relief only on an individual basis. If arbitration is chosen by any party, neither you nor we may pursue a Claim as part of a class action or other representative action. Claims of 2 or more persons may not be combined in the same arbitration.

However, applicants, co-applicants, authorized users on a single account and/or related accounts, or corporate affiliates are here considered as one person.

How arbitration works

- Arbitration shall be conducted by the American Arbitration Association (“AAA”) according to this arbitration provision and the applicable AAA arbitration rules in effect when the claim is filed (“AAA Rules”), except where those rules conflict with this arbitration provision. You can obtain copies of the AAA Rules at the AAA’s website (www.adr.org) or by calling 800-778-7879. You or we may choose to have a hearing, appear at any hearing by phone or other electronic means, and/or be represented by counsel. Any in-person hearing will be held in the same city as the U.S. District Court closest to your billing address.
- Arbitration may be requested any time, even where there is a pending lawsuit, unless a trial has begun or a final judgment entered. Neither you nor we waive the right to arbitrate by filing or serving a complaint, answer, counterclaim, motion, or discovery in a court lawsuit. To choose arbitration, a party may file a motion to compel arbitration in a pending matter and/or commence arbitration by submitting the required AAA forms and requisite filing fees to the AAA.
- The arbitration shall be conducted by a single arbitrator in accord with this arbitration provision and the AAA Rules, which may limit discovery. The arbitrator shall not apply any federal or state rules of civil procedure for discovery, but the arbitrator shall honor claims of privilege recognized at law and shall take reasonable steps to protect account information and other confidential information of either party if requested to do so. The arbitrator shall apply applicable substantive law consistent with the FAA and applicable statute of limitations, and may award damages or other relief under applicable law.
- The arbitrator shall make any award in writing and, if requested by you or us, may provide a brief statement of the reasons for the award. An arbitration award shall decide the rights and obligations only of the parties named in the arbitration, and shall not have any bearing on any other person or dispute.

Paying for arbitration fees

- We will pay your share of the arbitration fee for an arbitration of Claims of \$75,000 or less if they are unrelated to debt collection. Otherwise, arbitration fees will be allocated according to the applicable AAA Rules. If we prevail, we may not recover our arbitration fees, unless the arbitrator decides your Claim was frivolous. All parties are responsible for their own attorney’s fees, expert fees and any other expenses, unless the arbitrator awards such fees or expenses to you or us based on applicable law.

The final award

- Any award by an arbitrator is final unless a party appeals it in writing to the AAA within 30 days of notice of the award. The arbitration appeal shall be determined by a panel of 3 arbitrators. The panel will consider all facts and legal issues anew based on the same evidence presented in the prior arbitration, and will make decisions based on a majority vote. Arbitration fees for the arbitration appeal shall be allocated according to the applicable AAA Rules. An award by a panel on appeal is final. A final award is subject to judicial review as provided by applicable law.

Survival and Severability of Terms

This arbitration provision shall survive changes in this Agreement and termination of the account or the relationship between you and us, including the bankruptcy of any party and any sale of your account, or amounts owed on your account, to another person or entity. If any part of this arbitration provision is deemed invalid or unenforceable, the other terms shall remain in force, except that there can be no arbitration of a class or representative Claim. This arbitration provision may not be amended, severed or waived, except as provided in this Agreement or in a written agreement between you and us.

Governing Law, Enforcing our Rights and Call Monitoring

Governing Law. Federal law and the law of South Dakota, where we are located, govern the terms and enforcement of this Agreement.

Enforcing this Agreement. We will not lose our rights under this Agreement because we delay in enforcing them or fail to enforce them.

Collection Costs. To the extent permitted by law, you are liable to us for our legal costs if we refer collection of your account to a lawyer who is not our salaried employee. These costs may include reasonable attorneys' fees. They may also include costs and expenses of any legal action.

Assignment. We may assign any or all of our rights and obligations under this Agreement to a third party.

Call Monitoring. We may monitor and record any calls between you and us.

For Further Information

Call us toll-free at 1-866-470-8613 for further information.



Ken Stork
Vice President

Department Stores National Bank
701 E 60th St. N
Sioux Falls, SD 57104

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:

Department Stores National Bank
P.O. Box 8066
Mason, OH 45040

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:

Department Stores National Bank

P.O. Box 8066

Mason, OH 45040

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.

FACTS**WHAT DOES DEPARTMENT STORES NATIONAL BANK ("DSNB") 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 employment information
- credit history and transaction history

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 DSNB chooses to share; and whether you can limit this sharing.

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

To limit our sharing

- Call the number below – our menu will prompt you through your choice(s):

Bloomingdale's 1-888-922-7026

Macy's 1-800-830-3087

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 any time to limit our sharing.

Questions?

Call the Customer Service number on the back of your credit card or on your billing statement.

Who we are

Who is providing this notice?	You are receiving this notice from Department Stores National Bank, the bank that issues your credit card.
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What we do

How does DSNB 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.
How does DSNB collect my personal information?	We collect your personal information, for example, when you • provide account information or contact information • provide employment information 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. • <i>Our affiliates include companies with a Citi name, including Citibank, N.A., and Macy's and Bloomingdale's.</i>
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. • <i>Nonaffiliates we share with can include companies engaged in direct marketing and the selling of consumer products and services.</i>
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products and services to you. • <i>Our joint marketing partners can include other financial service companies.</i>

Other Important Information

For Vermont Residents: We will not share information we collect about you with nonaffiliated third parties, except as permitted by Vermont law, such as to process your transactions or to maintain your account. In addition, we will not share information about your creditworthiness with our affiliates except with your authorization.

For California Residents: We will not share information we collect about you with nonaffiliated third parties, except as permitted by California law, such as to process your transactions or to maintain your account.

We may share your personal information, as permitted by law, with the retailer whose name appears on your card. You cannot limit this sharing.

To limit our affiliates from marketing to you, you must limit our sharing of information with them. Do not limit this sharing if you want to receive affiliate marketing based on our sharing of your information.

Important Information about Credit Reporting

We may report information about your account to credit bureaus. Late payments, missed payments or other defaults on your account may be reflected in your credit report.