

**JCPENNEY  
COMMERCIAL CHARGE ACCOUNT AGREEMENT  
(FOR BUSINESS USE ONLY)**

**1. GENERAL.** This JCPenney Commercial Charge Account Agreement (“Agreement”) governs the use of the JCPenney Commercial Charge Account (your “Account”). Please read and keep this Agreement for your records. In this Agreement and on the billing statement (“Statement”), the words “you” and “your” refer to each person or business entity that signs the Application (which is incorporated herein by reference) or on whose behalf the Application and Agreement is signed. “We,” “us” and “our” refer to Synchrony Bank. The Account shall be used for the purchase of merchandise and/or services (“Purchases”) from J. C. Penney Corporation, Inc. or other companies authorized to accept the Card (“Seller”) for business, commercial or organizational purposes. “Card” means the plastic cards that you requested be issued to you under this Agreement for Purchases you make from Seller from time to time under your Account. The effective date (“Effective Date”) of this Agreement will be the earlier of the (i) date you sign an Account application that is approved by us, or (ii) the first date that any authorized person uses the Account (in NY, the first date that you or someone authorized by you signs a sales slip or memorandum indicating a Purchase on the Account). You may use your Card to make Purchases on credit from time to time under your Account, up to any credit limit we may establish for your Account (your “Credit Limit”).

**2. ASSIGNMENT.** You may not assign any of your rights or obligations under this Agreement or the Account without our prior written permission; we may withhold such permission in our sole discretion. We are not required to give you notice of our assignment of our rights, obligations and interest in this Agreement or the Account.

**3. ACCOUNT FOR COMMERCIAL PURPOSES ONLY.** This Account will be opened in the name of the business identified for that purpose in the Application for this Account. This Account is established only for the purpose of purchasing goods and/or services to be used for business, commercial or organizational purposes on behalf of the business. You agree that this Account shall be used only for the purchase of goods/services for commercial or business purposes, and not for personal, family or household (or, in NC, SC and WI, agricultural) purposes. You understand that your agreement not to use this Account to purchase goods/services for personal, family or household (or, in NC, SC and WI, agricultural) purposes means that important duties imposed upon us, and important rights conferred upon a consumer, pursuant to certain federal or state laws, will not apply to this Account. You also understand that we will be unable to determine whether any given Purchase conforms to the requirements of this section. You agree that a breach by you of the provisions of this section will not affect our right to enforce your promise to pay for all amounts owed under this Agreement, or to use any remedy legally available to us even if that remedy would not have been available had the Account been established as a consumer account. Any person signing the Application personally attests that the organization is a valid business entity in good standing under the laws of the jurisdiction of its organization, or a qualified religious, educational or other non-profit entity, or a government agency or instrumentality; and that the organization has duly authorized the execution of the Application and the person signing the Application to execute and deliver the Application and the Agreement on its behalf.

**4. PROMISE TO PAY.** You may buy from the Seller goods and/or services described in the sales receipt(s) for the cash price(s) shown on such receipt(s). By signing the Application accompanying this Agreement, you have requested that we establish this JCPenney Account for your business use and that we permit you to charge Purchases under the terms of this Agreement. If you elect to make Purchases under the Account from time to time, you agree to pay for all Purchases charged to your Account and all other charges mentioned below, according to the terms of this Agreement. You understand that we will be unable to determine whether any given Purchase you charge to your Account was in fact authorized by and for the benefit of the business in whose name the Account is established. You agree that your promise to pay, as contained in this section, will apply to all Purchases made by you or by anyone on your behalf whether or not the Purchase was in fact authorized by and for the benefit of that business. The amount of the Purchases made by you under this Agreement are reflected in the sales receipt(s) provided to you in connection with your Purchases made under this Agreement from time to time. Such sales receipt(s) are deemed a part of this Agreement and are hereby incorporated by reference. All Purchases charged to this Account made during a monthly billing period will be shown on the Statement for that period and payment of the entire balance (the “New Balance”) is due in full promptly.

**5. TERMS AND CONDITIONS OF SALE.** You agree that any Purchase of goods and/or services charged to your Account under this Agreement will be solely governed and controlled by the terms and conditions found in the Seller’s receipt(s), order forms and this Agreement, and any other terms set out in your purchase order or any other or different form shall not apply, even though such purchase order or other or different form may be submitted to or accepted by us in connection with a Purchase.

**6. PAYMENTS.** When there is a New Balance shown on your Statement, you agree to pay the entire New Balance in time for receipt by us by the Payment Due Date shown on the Statement. All payments, except Disputed Payments (as defined below), must be mailed or delivered to us at the address shown on your Statement (the “Payment Address”). Any payments received after 5 p.m. on any business day will be credited on the next business day. Credit to your Account may be delayed up to five days if payment is (a) not received at the Payment Address, (b) not made in U.S. dollars drawn on a U.S. financial institution located in the U.S., or (c) not accompanied by your payment stub. If you send a payment in foreign currency and we accept it, the payment amount credited to your Account will be at the conversion rate selected by us or our agent on the date we select, which may not be the date that the payment is credited. You agree that any payments on your Account delivered to a JCPenney store are handled by JCPenney as a convenience for you and are not deemed received or accepted by us until actually received by us. Under ordinary circumstances, any payment made at a JCPenney store will be credited as of the day you make such payment in the store. Although we post your payments in the manner described above, in certain limited circumstances, your available Credit Limit may not be restored for up to seven days (or longer, in rare circumstances) after we receive your payment. All credits for payments to your Account are subject to final payment by the institution on which the item of payment was drawn. Subject to any requirements of applicable law, we reserve the right to select the method by which payments are allocated to your Account in our sole discretion.

**All written communications concerning disputed amounts, including any check or other payment instrument that (i) indicates that the payment constitutes “payment in full” or is tendered as full satisfaction of a disputed amount, or (ii) is tendered with other conditions or limitations (“Disputed Payments”), must be mailed or delivered to us at the address for billing inquiries shown on your Statement, not the Payment Address.**

**7. CREDIT AUTHORIZATION.** Some Purchases will require our prior authorization and you may be asked to provide identification. If our authorization system is not working, we may not be able to authorize a transaction, even if you have sufficient available credit. We will not be liable to you if any of these events happen.

**8. TERMINATION/CHANGE IN TERMS.** You may at any time terminate this Agreement. We may, at any time and subject to applicable law: (a) terminate this Agreement; (b) terminate your right to make future Purchases; (c) change your Credit Limit; or (d) change or delete any term or condition of, or add new terms to, this Agreement relating to your Account. Unless prohibited by applicable law, we may apply any changed or new terms to any outstanding balance of your Account on the effective date of the change and to any future balances created after that date. Without implying any liability for us for any other matter, you acknowledge that you have been advised that credit may be denied by us, and you release Seller, Synchrony Bank, and any assignee from any liability for failure to approve extending of credit. When required by applicable law, we will mail a notice of any change(s) or addition(s) to you. Upon any termination of this Agreement by you or us, you will continue to be obligated to pay all amounts owing under, and to otherwise perform the terms and conditions of, this Agreement.

**9. DEFAULT.** Subject to the limitations of applicable law, we may declare that you are in default under this Agreement if you (a) fail to pay your New Balance when due as described in paragraph 4 above; (b) violate any other term of this Agreement; (c) become the subject of bankruptcy or insolvency proceedings; or (d) exceed the Credit Limit on your account. After your default or your death, subject to the limitations of applicable law, we have the right to: (i) reduce your Credit Limit; (ii) terminate your Account, in which case the terms of this Agreement will apply until full payment is received of the amount owing on your Account; (iii) require immediate payment of your entire Account balance; (iv) bring an action to collect all amounts owed; and (v) take any other action allowed by law. If, after your default, we refer your Account for collection to an attorney who is not our salaried employee, we may, to the extent permitted by applicable law, charge you or collect from you our collection costs, including court costs and reasonable attorneys' fees.

**10. LIABILITY FOR UNAUTHORIZED USE.** The Card is issued to you by us at your request and you agree to destroy it upon demand. You may be liable for the unauthorized use of your Card or Account. You agree to promptly notify us if your Card is lost or stolen or of possible unauthorized use of your Card or Account by writing to P.O. Box 29111, Shawnee Mission, KS 66201 or by calling us at (866) 412-8969. You will not be liable for unauthorized use that occurs after you notify us of the loss, theft, or possible unauthorized use and, in any case, your liability for unauthorized use will not exceed \$50 (in NY, you will have no liability for unauthorized use of the Card prior to the Effective Date). If you orally give us notice concerning loss or theft, you agree to confirm it in writing. You agree that unauthorized use does not include use by any persons whom you have given authority to use the Card or Account and that you will be liable for all use by such persons. To terminate that authority, you must notify us at (866) 412-8969.

**11. CREDIT REPORTS AND ACCOUNT INFORMATION.** The credit of your business will be used in making credit decisions. You authorize us to investigate the creditworthiness of your business by obtaining credit reports and making other inquiries as we deem appropriate. In the event that this Account is not paid as agreed, we may report the liability of your business and the status of this Account, to credit bureaus and others who may lawfully receive such information.

**12. INFORMATION WE USE.** Because your account is a business account, you understand and agree that all information relating to you and/or your Account, including without limitation, the purchases you make on your Account, your application information, and your balance and payment information, may be shared with the J. C. Penney Corporation, Inc. (and its affiliates and licensees) for use in connection with the JCPenney program, including to create and update their customer records, to assist them in better serving you and to provide you with special promotions, and that you should have no expectation that this information will remain private from J. C. Penney Corporation, Inc. (and its affiliates and licensees). We may also share information about you and your Account with our affiliates (companies related to us by common ownership or control) or with service providers who assist us in delivering services in connection with your Account. Finally, we may share information as otherwise permitted by law.

**13. CONSENT TO COMMUNICATIONS.** You consent to us contacting you using all channels of communication and for all purposes. We will use the contact information you provide to us. You also consent to us and any other owner or servicer of your account contacting you using any communication channel. This may include text messages, automatic telephone dialing systems and/or an artificial or prerecorded voice. This consent applies even if you are charged for the call under your phone plan. You are responsible for any charges that may be billed to you by your communications carriers when we contact you.

**14. 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 by other employees and you agree to any such monitoring.

**15. NO WAIVER BY US.** We reserve the right, at any time and in our sole discretion not to exercise any of our other rights under this Agreement and, should we do so, we will not waive our right to 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 marked "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 the obligation to pay all amounts owing under this Agreement in full, or to otherwise perform the terms and conditions of this Agreement.

**16. CHANGE OF ADDRESS.** You agree to notify us promptly if your business changes its address. Until we are notified that your business' address has changed, we will continue to send Statements and other notices to the last address for the business we maintained on your Account. You agree that when we are notified that your business has a new address, the terms of this Agreement specifically applicable to the state of the billing address on the Account will apply to the entire balance of your Account.

**17. GOVERNING LAW. THIS AGREEMENT AND YOUR ACCOUNT ARE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF UTAH (WITHOUT REGARD TO INTERNAL PRINCIPLES OF CONFLICTS OF LAW), AND APPLICABLE FEDERAL LAW. THE LEGALITY, ENFORCEABILITY AND INTERPRETATION OF THIS AGREEMENT AND THE AMOUNTS CONTRACTED FOR, CHARGED AND RECEIVED UNDER THIS AGREEMENT WILL BE GOVERNED BY SUCH LAWS, UNLESS OTHERWISE PROVIDED FOR IN THIS AGREEMENT IN WHICH CASE THOSE TERMS WILL APPLY.**

**18. SEVERABILITY.** If any provision of this Agreement is determined to be void or unenforceable under applicable law, rule, or regulation, all other provisions of this Agreement shall still be valid and enforceable.

**19. ENTIRE AGREEMENT.** This Agreement and any Application you signed or otherwise submitted in connection with this Agreement constitute the entire agreement between you and us relating to your Account and supersedes any other prior or contemporaneous agreement between you and us relating to your Account. This Agreement may not be amended except in accordance with the provisions of this Agreement.

**20. CERTAIN WAIVERS.** You waive the right of "presentment" and "notice of dishonor" to the fullest extent permitted by applicable law. "Presentment" means the right to require us to demand payment of amounts due under this Agreement. "Notice of dishonor" means the right to require us to give notice to other persons that amounts due under this Agreement have not been paid. You also waive demand for payment, protest, notice of protest, and all other notices and demands, to the fullest extent permitted by applicable law.

**21. DATE OF AGREEMENT.** If your application for credit is approved, this Agreement is deemed dated as of the date of your signature on the Application.

**22. RESOLVING A DISPUTE WITH ARBITRATION.**

**PLEASE READ THIS SECTION CAREFULLY. IF YOU DO NOT REJECT IT, THIS SECTION WILL APPLY TO YOUR ACCOUNT, AND MOST DISPUTES BETWEEN YOU AND US WILL BE SUBJECT TO INDIVIDUAL ARBITRATION. THIS MEANS THAT: (1) NEITHER A COURT NOR A JURY WILL RESOLVE ANY SUCH DISPUTE; (2) YOU WILL NOT BE ABLE TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING; (3) LESS INFORMATION WILL BE AVAILABLE; AND (4) APPEAL RIGHTS WILL BE LIMITED.**

• **What claims are subject to arbitration**

1. If either you or we make a demand for arbitration, you and we must arbitrate any dispute or claim between you or any other user of your account, and us, our affiliates, agents and/or J. C. Penney Corporation, Inc. if it relates to your account, except as noted below.
2. We will not require you to arbitrate: (1) any individual case in small claims court or your state's equivalent court, so long as it remains an individual case in that court; or (2) a case we file to collect money you owe us. However, if you respond to the collection lawsuit by claiming any wrongdoing, we may require you to arbitrate.
3. Notwithstanding any other language in this section, only a court, not an arbitrator, will decide disputes about the validity, enforceability, coverage or scope of this section or any part thereof (including, without limitation, the next paragraph of this section and/or this sentence). However, any dispute or argument that concerns the validity or enforceability of the Agreement as a whole is for the arbitrator, not a court, to decide.

• **No Class Actions**

**YOU AGREE NOT TO PARTICIPATE IN A CLASS, REPRESENTATIVE OR PRIVATE ATTORNEY GENERAL ACTION AGAINST US IN COURT OR ARBITRATION. ALSO, YOU MAY NOT BRING CLAIMS AGAINST US ON BEHALF OF ANY ACCOUNTHOLDER WHO IS NOT AN ACCOUNTHOLDER ON YOUR ACCOUNT, AND YOU AGREE THAT ONLY ACCOUNTHOLDERS ON YOUR ACCOUNT MAY BE JOINED IN A SINGLE ARBITRATION WITH ANY CLAIM YOU HAVE.** If a court determines that this paragraph is not fully enforceable, only this sentence will remain in force and the remainder will be null and void, and the court's determination shall be subject to appeal. This paragraph does not apply to any lawsuit or administrative proceeding filed against us by a state or federal government agency even when such agency is seeking relief on behalf of a class of borrowers, including you. This means that we will not have the right to compel arbitration of any claim brought by such an agency.

• **How to start an arbitration, and the arbitration process**

1. The party who wants to arbitrate must notify the other party in writing. This notice can be given after the beginning of a lawsuit or in papers filed in the lawsuit. Otherwise, your notice must be sent to Synchrony Bank, Legal Operation, P.O. Box 29110, Shawnee Mission, KS 66201, ATTN: ARBITRATION DEMAND. The party seeking arbitration must select an arbitration administrator, which can be either the American Arbitration Association (AAA), 120 Broadway, Floor 21, New York, NY 10271, www.adr.org, (800) 778-7879, or JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, www.jamsadr.com, (800) 352-5267. If neither administrator is able or willing to handle the dispute, then the court will appoint an arbitrator.
2. If a party files a lawsuit in court asserting claim(s) that are subject to arbitration and the other party files a motion with the court to compel arbitration, which is granted, it will be the responsibility of the party asserting the claim(s) to commence the arbitration proceeding.
3. The arbitration administrator will appoint the arbitrator and will tell the parties what to do next. The arbitrator must be a lawyer with at least ten years of legal experience. Once appointed, the arbitrator must apply the same law and legal principles, consistent with the FAA, that would apply in court, but may use different procedural rules. If the administrator's rules conflict with this Agreement, this Agreement will control.
4. The arbitration will take place by phone or at a reasonably convenient location. If you ask us to, we will pay all the fees the administrator or arbitrator charges, as long as we believe you are acting in good faith. We will always pay arbitration costs, as well as your legal fees and costs, to the extent you prevail on claims you assert against us in an arbitration proceeding which you have commenced.

• **Governing Law for Arbitration**

This Arbitration section of your Agreement is governed by the Federal Arbitration Act (FAA). Utah law shall apply to the extent state law is relevant under the FAA. The arbitrator's decision will be final and binding, except for any appeal right under the FAA. Any court with jurisdiction may enter judgment upon the arbitrator's award.

• **How to reject this section**

**You may reject this Arbitration section of your Agreement. If you do that, only a court may be used to resolve any dispute or claim. To reject this section, you must send us a notice within 60 days after you open your account or we first provided you with your right to reject this section. The notice must include your name, address and account number, and must be mailed to Synchrony Bank, P.O. Box 965012, Orlando, FL 32896-5012. This is the only way you can reject this section.**

**FEDERAL AND STATE NOTICES**

**NOTICE FOR NEW JERSEY RESIDENTS:** Where this Agreement refers to acts or practices that may or will be taken by us unless prohibited by, or unless required by, or subject to, or as permitted by the requirements or restrictions of "applicable law," New Jersey law permits or requires the act or practice.

**NOTICE FOR MARYLAND RESIDENTS:** Maryland Accounts are subject to Subtitle 9 of Title 12 of the Maryland Commercial Law Article.

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

**NOTICE TO BUYER: (A) DO NOT SIGN THIS APPLICATION/AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. (B) YOU ARE ENTITLED TO A COMPLETELY FILLED IN COPY OF THIS AGREEMENT. KEEP A COPY OF THIS AGREEMENT TO PROTECT YOUR LEGAL RIGHTS. (C) YOU MAY AT ANY TIME PAY THE TOTAL BALANCE OUTSTANDING UNDER THIS AGREEMENT BEFORE THE BALANCE IS DUE. (D) ANY PERSON SIGNING THIS APPLICATION/AGREEMENT ATTESTS THAT (1) THE BUYER IS A VALID BUSINESS ENTITY IN GOOD STANDING UNDER THE LAWS OF THE JURISDICTION OF ITS ORGANIZATION, OR A QUALIFIED RELIGIOUS, EDUCATIONAL, OR A GOVERNMENT AGENCY OR INSTRUMENTALITY; (2) PURCHASES MADE HEREUNDER WILL BE FOR OTHER THAN PERSONAL, FAMILY OR HOUSEHOLD USE; AND (3) THE BUYER HAS AUTHORIZED (i) THE EXECUTION OF THIS APPLICATION/AGREEMENT, AND (ii) THE PERSON SIGNING THIS APPLICATION/AGREEMENT TO EXECUTE THIS APPLICATION/AGREEMENT ON THE BUYER'S BEHALF.**

Your signature on the application represents your signature on this Agreement and is incorporated by reference.