

INTEREST RATES AND INTEREST CHARGES

Annual Percentage Rate (APR) for Purchases	21.9% ^a This APR will vary with the market based on the Prime Rate.
Penalty APR and When It Applies	24.9% ^b This APR will vary with the market based on the Prime Rate. This APR will be applicable to your Account if you: <ul style="list-style-type: none"> • fail to make any Minimum Payment by the date and time due (late payment); or • make a payment to us that is returned unpaid; How Long Will the Penalty APR Apply: If your Purchase APR is increased for any of these reasons, the Penalty APR will apply indefinitely to future transactions. If we do not receive any Minimum Payment within 60 days of the date and time due, the Penalty APR will apply to all outstanding balances and future transactions on your Account; but if we receive six consecutive Minimum Payments when due, beginning immediately after the increase, the Penalty APR will stop being applied to transactions that occurred prior to or within 14 days after we provided you notice about the APR increase.
Paying Interest	Your due date will be a minimum of 25 days following the close of each billing cycle. We will not charge you periodic interest on any portion of new purchases billed to a statement that we allocate such payment to, so long as your current statement shows that we received payment of the entire balance for your previous statement by the time the Minimum Payment was due.
Minimum Interest Charge	If you are charged periodic interest, the charge will be no less than \$.50.
For Credit Card Tips from the Federal Reserve Board	To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at http://www.federalreserve.gov/creditcard .

FEES

Annual Membership Fee	None
Penalty Fees	
Late Payment	\$15.00 if the balance is greater than \$15, but less than \$50.01; and \$29.00 if the balance is greater than \$50.00.
Return Payment	\$25

How We Will Calculate Your Balance: We use the average daily balance method (including new transactions). See "Periodic Interest Charge Calculation" section of this Agreement for more details.

Billing Rights: Information on your rights to dispute transactions and how to exercise those rights are included in this Agreement. See "Your Billing Rights" section for full details.

Prime Rate: Estimated variable APRs are based on the 3.25% Prime Rate as of December 31, 2009.

a. We add 18.65% to the Prime Rate to determine the Purchase APR (monthly periodic rate currently 1.825%).

b. We add 21.65% to the Prime Rate to determine the Penalty APR (monthly periodic rate currently 2.075%).

KOHL'S CARDMEMBER AGREEMENT

This agreement ("Agreement") governs your Kohl's credit card Account ("Account") with us. Please keep this Agreement for your records. You agree with us that the following terms apply to your Account.

1. Definitions and Card Usage: In this Agreement, the words "you", "your", and "cardmember" refer to each person who applies for the Account and each person who agrees to be liable on the Account. The words "we," "us," and "our" refer to Chase Bank USA, National Association with offices in Wilmington, DE 19801, the creditor and issuer of the Account and any other person to whom this Agreement and/or the Account may be assigned. "Kohl's" means Kohl's Department Stores, Inc., N56 W17000 Ridgewood Dr., Menomonee Falls, Wisconsin 53051. Kohl's is servicing your account on our behalf and is also referred to alone or together with others as an agent. The word "card" means the card issued to you under this Agreement that may be used to make purchases at Kohl's. You agree that all purchases made using the Account shall be only for personal, family, or household purposes.

2. Amendments: We have the right to change the terms of this Agreement for any reason, and in any respect, by adding, deleting or modifying any provision, including APRs, fees, the Minimum Payment and other terms. We can add a new provision without regard to whether the provision deals with a matter already addressed by this Agreement.

In certain circumstances, we are required by law to notify you of changes to the terms of this Agreement, and in other circumstances we may not be required to do so. When required by law to advise you that you have a legal right to reject any changes we make, we will provide an explanation about how to do that.

In some circumstances, APRs or other aspects of your Account may change even though the terms of the Account do not change, for example when the Prime Rate changes or the Penalty APR becomes applicable. See the Penalty APR section about our right to increase APRs on outstanding balances and/or future transactions for events of default including late payment.

3. Promise to Pay and Authorized Users: In return for extending credit to you on this Account from time to time, you agree to pay us for all goods and services you charge to this Account, plus any interest, fees and other charges set forth below, according to the terms of this Agreement. If more than one person has applied for or is liable on this Account, each of you will be responsible for paying all charges incurred by either of you or anyone either of you permit to use this Account. If you allow someone to use this Account, that person will be an authorized user. You should think carefully before letting anyone become an authorized user because you are allowing that person to use the Account as you can. You will remain responsible for your Account and each card issued on your Account. This includes your responsibility for paying all

charges on your Account made by an authorized user.

4. When Effective: Your signature, including any electronic signature, on the application for this Account or on any sales receipt, or your use of this Account, is your consent to the terms of this Agreement with us and your acknowledgement of delivery of a copy of this Agreement to you. The information you provide or have previously provided on the application that identifies you constitutes a part of this Agreement and is incorporated in it by reference. For new Account applicants, this Agreement will not be effective until we approve your application, and then, after that only if you or someone authorized by you charges a purchase to this Account.

5. Billing Period, Paying Interest, Variable Rates, Annual Percentage Rates ("APR"), Minimum Interest Charge:

Billing Period/Statements. In order to manage your Account, we divide time into periods called billing periods. Each billing period is approximately one month in length. For each calendar month your Account will have a billing period ending in that month. We will provide a billing statement ("Statement") each month one is required by applicable law. Your account will have a billing period ending in each calendar month whether or not there is a Statement for that billing period.

Paying Interest. We begin assessing periodic interest charges on a transaction, fee, or interest charge from the date it is added to your daily balance as described in this

Agreement until your Account is paid in full. Your due date will be a minimum of 25 days following the close of each billing cycle. You can avoid periodic interest charges on new purchases when they are first billed to a Statement, as follows. If you receive a current monthly Statement that includes new purchases, and then make a payment that we receive by the date and time the Minimum Payment is due for that Statement, we will not charge periodic interest on any portion of the new purchases on that Statement that we allocate such payment to, so long as your current Statement also shows that we received payment of the ending balance for your previous month's Statement by the date and time its Minimum Payment was due or that the ending balance for your previous month's Statement was zero.

Variable Rate. The APR for Purchases and the Penalty APR may vary with changes to the Prime Rate. We calculate the APR by adding a margin to the Prime Rate published in *The Wall Street Journal* on the last business day of the calendar quarter (January-March, April-June, July-September, and October-December) and will be effective for all billing cycles beginning in the following calendar quarter. The "Prime Rate" is the highest (U.S.) Prime Rate published in the Money Rates section of *The Wall Street Journal*. The Prime Rate is merely a pricing index. It is not the lowest or the best interest rate available to a borrower at any particular bank at any given time. If *The Wall Street Journal* stops publishing the Prime Rate, we will select a similar reference rate and inform you on your billing statement or through a separate notice. A "margin" is the percentage we add to the Prime Rate to calculate the APR. A "business day" is any day that is not a weekend or federal holiday. If the monthly periodic rate increases, you will have to pay a higher periodic interest charge and may have to pay a higher minimum payment.

APR for Purchases. The Prime Rate plus 18.65%, currently 21.9% (monthly periodic rate 1.825%). The APR and monthly periodic rate stated are estimates based on the 3.25% Prime Rate as of December 31, 2009.

Penalty APR. The Prime Rate plus 21.65%, currently 24.9% (monthly periodic rate 2.075%). The APR and monthly periodic rate stated are estimates based on the 3.25% Prime Rate as of December 31, 2009.

The Penalty APR will be applicable to your account if you:

- A. fail to make any Minimum Payment by the date and time due (late payment) or
- B. make a payment to us that is returned unpaid.

Before we apply the Penalty APR on any type of transaction or balance, we will provide you any notice required by law in advance that tells you which future transactions and/or outstanding balances are subject to the Penalty APR and when the APRs will increase. If we do not increase your APRs to the Penalty APR when any of these events occur, we reserve our right to increase your APRs to the Penalty APR if any of these events occur in the future.

If your APRs are increased on any type of transaction for any of the reasons above, the Penalty APR will be applicable indefinitely to future transactions of that type that occur more than 14 days after we provide you notice about the APR increase.

If we do not receive any Minimum Payment within 60 days of the date and time due, the Penalty APR will be applicable to all outstanding balances and future transactions on your Account. However, if we receive six consecutive Minimum Payments by the date and time due beginning with the first payment due after the effective date of the increase, we will stop applying the Penalty APR to transactions that occurred prior to or within 14 days after we provided you notice about the APR increase. For balances that we stop applying the Penalty APR to, we will apply APRs that would have applied at that date if the Penalty APR had never been applicable.

See the Amendments section about our rights to increase APRs and make other changes to your Account for any reason.

Minimum Interest Charge. We may charge no less than the minimum interest charge of \$.50 if any periodic interest is due for a billing period.

6. Periodic Interest Charge Calculation – Average Daily Balance (Including New Purchases): We figure the periodic interest charges on your account by applying the monthly periodic rate to the "average daily balance" of your account (including current transactions). To get the "average daily balance" we take the beginning balance of your account each day, add any new purchases, unpaid interest charges, fees, other charges and debit adjustments, then subtract any

payments, credits or credit adjustments. 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 "average daily balance."

On the first day of each billing period we add to the daily balance the unpaid periodic interest charges from the prior billing period (in this way we compound interest on a monthly basis). Purchases and fees are added to your daily balance as of the transaction date or a later date of our choice.

7. Payments:

Minimum Payment. You must make your Minimum Payment in a way that we receive it by the time and date it is due. You may make payments greater than your required Minimum Payment. This will reduce the interest charges that are added to your Account. We will apply payments equal to or less than the required Minimum Payment amount or any credits to balances on your Account in a way that is most favorable to or convenient to us.

Your Minimum Payment will ordinarily be the largest of:

- \$5 (or total amount you owe if less than \$5);
- 3% of the New Balance; or
- the sum of 1% of the New Balance, the periodic interest charges and late fees we have billed you on the statement for which your Minimum Payment is calculated.

As part of the Minimum Payment, we will also add any amount past due.

Payment Instructions. You agree to pay us amounts you owe in U.S. dollars. You must use a check, money order or electronic debit drawn on a U.S. bank or a foreign bank branch in the U.S. We will not accept cash payments through the mail. When we receive or apply a payment, we might not restore your credit line by that amount for up to 15 days.

For mailed payments, your billing statement and the envelope it comes in give you instructions about how, when and where to make your payments. You must follow these instructions. Your payment will not be credited to your Account before we receive it at the address we specify for receipt of payments and in accordance with the payment instructions.

If you make a payment marked as paid in full or indicate that it is to pay all amounts you owe us, you must send that payment to the special address on the back of your statement. That address is called the "Conditional Payments" address. We may accept a conditional payment and not agree that it pays all amounts you owe on your Account. Also, we may return a conditional payment to you and you will still owe us the amount of the payment or any other amounts owed on your Account.

You authorize us to collect any payment check either electronically or by draft. We can collect your payment checks electronically by sending the check number, check amount, account and routing numbers to your bank. Or we can collect these checks by sending a draft drawn on your bank account. Funds may be taken from your bank account on the same day we receive your payment. We will not keep your original check, just a copy of it.

You may use our optional services to make payments electronically through our website, our automated telephone service or our customer service advisors. We will provide the terms for these payment services before you use them.

8. Legal Notices: For important information regarding your right to dispute billing errors under federal law, see the section marked "Your Billing Rights" that accompanies your copy of this Agreement. All notices relating to legal actions, including bankruptcy notices, must be sent to us, through our agent, at Kohl's, ATTN: Credit Administrator, P.O. Box 3043, Milwaukee, WI, 53201-3043. Legal notices sent to any other addresses will not satisfy the legal requirement that you provide us with notice.

9. No Waiver By Us: We reserve the right to delay or refrain from enforcing any of our rights under this Agreement without losing them. For example, we can extend the time for making certain payments without extending others or we can accept late or partial payments without waiving our right to have future payments made when they are due.

10. Returned Check Fee: If any check, instrument, or electronic authorization used to pay the amount you owe under this Agreement is returned unpaid upon first presentment, even if the check, instrument or electronic authorization is later honored, we may charge you a returned

check fee of \$25. You agree that this fee will be added to the outstanding balance on your Account.

11. Late Fee: We may charge a late fee if we do not receive at least the required Minimum Payment for any billing period by the date and time it is due. If the amount of the late fee is based on a balance, we will use the total Account balance at the end of the day that the late fee is charged to calculate the fee. This date may be as early as the due date for the late payment. Your late fee will be \$15 if your balance is greater than \$15 but less than \$50.01, and \$29 if your balance is greater than \$50, however, if your balance is \$15 or less you will not be charged a late payment fee. We will add any late fee to the balance due on your Account.

12. Security Interest, Default/Collection Costs:

Security Interest. To the extent permitted by applicable law, you grant us, and we shall retain a purchase money security interest under the Uniform Commercial Code in each item of merchandise purchased at Kohl's stores or otherwise from Kohl's on your Account to secure the repayment in full of all amounts owed to us in connection with the purchase of that item. In the event that you default under this Agreement, we shall have all of the rights of a secured party under applicable law, including to the extent permitted by applicable law, the rights to repossess items of merchandise that remain subject to our security interest. For the sole purpose of determining at any time what items remain subject to the security interest, payments on your Account will be deemed to be applied as follows: first to Interest Charges, late and returned check fees, then to insurance or debt cancellation charges, if applicable, and then to purchases. It is expressly agreed that no security interest or lien will be acquired or retained by us in your principal dwelling, except to the extent that a lien may be created, obtained or granted as a result of a court order or judgment.

Default/Collection Costs. You will be in default if you fail to pay any Minimum Payment by the time and date it is due, if you breach any other promise or obligation under this Agreement, if you become incapacitated or die, or if you file for bankruptcy. Subject to applicable law, we may also consider you to be in default under this Agreement at any time if any statement made by you to us in connection with this Account or any other credit program with us was false or misleading; if we receive information indicating that you are bankrupt, intend to file bankruptcy, or are unable to pay your debts as they become due; or we receive information leading us to conclude that you are no longer creditworthy. In evaluating your creditworthiness, you agree that we may rely on information contained in consumer reports, and in our discretion we may consider the amount of debt you are carrying compared to your resources or any other of your credit characteristics, regardless of your performance on this Account. In the event of default, subject to any right you may have under applicable law, we may demand that you pay the entire unpaid balance due. If the Account is referred to an attorney, you agree to pay our reasonable attorney's fees, but only to the extent and in the amount permitted by applicable law, and court costs will also be recovered where permitted by applicable law.

13. Your Credit Limit and Canceling or Limiting Your Credit: We will assign a credit limit to your Account. Your credit limit appears on your Statement. You are responsible for keeping track of your Account balance including any fees and interest charges and making sure it remains below your credit limit. We may but are not required to authorize charges that go over your credit limit. You must pay any amount over your credit limit and you must pay us immediately if we ask you to do so. This Agreement applies to any balance over your credit limit. We may change or cancel your credit limit without telling you ahead of time. If we do, it will not excuse you from your obligations to pay us.

You may close your Account at any time. We may require you to provide a closure request in writing. Except as required by applicable law, we may close your Account or suspend your credit privileges or any feature on your Account at any time for any reason, including Account inactivity, without notice. If we close your Account or suspend your credit privileges or any feature, we will not be liable to you for any consequences that result. If you or we close your Account, you and any authorized users must stop using your Account immediately and destroy all cards or return them to us upon request. You will continue to be responsible for charges to your Account according to the terms of this Agreement.

14. Credit Cards, Lost/Stolen Credit Cards and Liability

For Unauthorized Use: All cards we issue remain our property and, if requested, you agree to return to us any card issued to you. If you lose or someone steals your card or any other means to access your Account, or if you think someone has used your Account without your permission, you must tell us immediately. Call us at 1-800-564-5740 or write to us at: Kohl's, ATTN: Credit Administrator, P.O. Box 3120, Milwaukee, WI 53201-3120. Do not use your Account after you notify us. We may end your credit privileges and close your Account if we consider it appropriate. You agree to provide us information to help us find out what happened. You will not be liable for any unauthorized use that occurs after you notify us. You may, however, be liable for unauthorized use that occurs before your notice to us. In any case, your liability will not exceed \$50.

15. Additional Cards and Revoking an Authorized User's Card:

You may request additional cards on your Account for yourself or authorized users. However, if you do you will be liable for all charges incurred by these persons in accordance with this Agreement. You agree to notify us immediately if you revoke permission to use the Account for any person you previously authorized to use your Account. In that case, we may close the Account and issue a new card or cards with a different Account number. An authorized user is not liable for charges incurred by you or by other authorized users. You authorize us to provide Account information to authorized users and to discuss the Account with them. You agree to notify each authorized user, at the time he or she becomes an authorized user, that we may receive, record, exchange and use information about him or her in the same manner we do with information about you as described in this Agreement.

16. Credit Information: We may review your credit history by obtaining information from credit reporting agencies and others. We may report information about you and your Account to credit reporting agencies. If you request additional cards on your Account for others, we may report Account information in your name as well as in the names of those other people. If you think we have reported information to a credit reporting agency that is not correct, you may write to us at: Kohl's, ATTN: Credit Administrator, P.O. Box 3115, Milwaukee, WI 53201-3115. Please include your name, address, Account number, telephone number and a brief description of the problem and a copy of the credit reporting agency report if you have it. We will investigate the matter. If our investigation shows that you are right, we will contact each credit reporting agency to which we reported the information and will request they correct the report. If we disagree with you after our investigation, we will tell you in writing or by telephone.

17. Credit Balances: You may request a refund of any credit balance at any time. Otherwise, we will apply it to any new charges on your Account or provide the refund to you as required by law.

18. Telephone Monitoring and Recording: In order to assure that you receive the best possible customer service, and that our employees and agents are complying with our policies and all applicable laws in their contacts with you, on occasion, we or our agents may record your call or we may have a second employee listening to customer calls. You consent to the recording and monitoring of calls and further authorize us or our agents to contact you by telephone for any lawful purpose including the offering of products or services that Kohl's or we believe may be of interest to you.

19. Communications/Change of Information: We can provide cards, billing statements and other communications to you at any mailing address or email address shown in our records. If you change your contact information such as any mailing address, telephone number or email address, you must notify us immediately in writing at the address shown on your billing statement. Telephone numbers you provide include those you give us and/or those we obtain from caller ID processes. We may obtain telephone number, mailing address and e-mail address information from you or third parties, and we may accept mailing address corrections from the United States Postal Service.

If more than one person is responsible for this Account, we can provide billing statements and communications to any of you. Notice to one of you will be considered notice to all of you. You all will remain obligated on the Account. You agree to pay any fee(s) or charge(s) for incoming communications from us, and/or outgoing communications to us, without

reimbursement from us.

You authorize us, or anyone acting on our behalf, to call or send a text message to any number you provide or to any number where we reasonably believe we can contact you. These include calls to mobile, cellular, or similar devices, and calls using automatic telephone dialing systems and/or prerecorded messages. We may also send an email to any address where we reasonably believe we can contact you. Some of the legal purposes for calls and messages include: suspected fraud or identity theft; obtaining information; transactions on or servicing of your Account; collecting on your Account; and providing you information about products and services.

20. The Privacy Policy that Applies to this Account: Kohl's and we collect nonpublic personal information about you as described in our privacy policy for this Account. We will only use it in accordance with the privacy policy, which has been provided to you for this Account or, for new applicants, will be provided to you promptly after approval. Kohl's may disclose your name and address to companies that perform mailing services for it in order to offer extra value when shopping at Kohl's (e.g. a mailing to you offering an extra 15% off your Kohl's Charge purchases during a sale event, etc.). Kohl's and we maintain physical, electronic, and procedural safeguards that comply with applicable law to guard your nonpublic personal information.

21. Established Business Relationship: You further agree that you have an established business relationship with us and with Kohl's and that we both may contact you from time to time regarding your account and products and services that we or Kohl's believes may be of interest to you. You agree that all such contacts are not unsolicited and may be monitored to assure quality service.

22. GOVERNING LAW: THE TERMS AND ENFORCEMENT OF THIS AGREEMENT AND YOUR ACCOUNT SHALL BE GOVERNED AND INTERPRETED IN ACCORDANCE WITH FEDERAL LAW AND, TO THE EXTENT STATE LAW APPLIES, THE LAW OF DELAWARE, WITHOUT REGARD TO CONFLICT-OF-LAW PRINCIPLES. THE LAW OF DELAWARE, WHERE YOUR ACCOUNT AND WE ARE LOCATED, WILL APPLY NO MATTER WHERE YOU LIVE OR USE THE ACCOUNT.

23. Assignment: We may assign your Account, any amounts you owe us, or any of our rights and obligations under this Agreement to a third party. The person to whom we make the assignment will be entitled to any of our rights that we assign to that person. You may not assign this Account.

24. Enforcing this Agreement: We can delay enforcing or not enforce any of our rights under this Agreement without losing our right to enforce them in the future. If any of the terms of this Agreement are found to be unenforceable, all other terms will remain in full force.

25. FOR INFORMATION: Please call the customer service telephone number on your card or Statement if you have any questions about your Account or this Agreement.

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 on a separate sheet at the "Send Inquiries To" address shown on your billing statement.

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 on a separate sheet at the "Send Inquiries To" address shown on your billing statement.

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.

For information about your Account, please contact Chase Bank USA, N. A. by writing our servicer: Kohl's, Attn: Credit Administrator, P.O. Box 3120, Milwaukee, WI 53201-3120.

Copyright ©2009 JPMorgan Chase & Co. All rights reserved.