

**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. We may also ask to see your driver's license or other identifying documents.

**NORDSTROM VISA SIGNATURE® AND NORDSTROM CREDIT CARD ACCOUNT OPENING DISCLOSURE TABLE  
APR, FEE AND OTHER IMPORTANT INFORMATION**

<b>INTEREST RATES AND INTEREST CHARGES</b>				
<b>Annual Percentage Rate (APR) for Nordstrom Purchases</b>	<b>Tier I</b> <b>10.90%</b>	<b>Tier II</b> <b>14.90%</b>	<b>Tier III</b> <b>18.90%</b>	<b>Tier IV</b> <b>22.90%</b>
	Your APR will be assigned when you open your account, based on your creditworthiness. After that, your APR will vary with the market based on the Prime Rate. The APR assigned to your account for Nordstrom Purchases will be printed on the temporary card you receive when you open your account.			
<b>APR for Non-Nordstrom Purchases and Cash Advances</b>	<b>Tier I</b> <b>14.90%</b>	<b>Tier II</b> <b>18.90%</b>	<b>Tier III</b> <b>22.90%</b>	<b>Tier IV</b> <b>22.90%</b>
	Your APR will be assigned when you open your account, based on your creditworthiness. After that, your APR will vary with the market based on the Prime Rate. The APR assigned to your account for Non-Nordstrom Purchases and Cash Advances will be printed on the reverse of the card carrier letter you will receive with your credit card.			
<b>Penalty APR and When It Applies</b>	<b>27.90%</b>			
	This APR will vary with the market based on the Prime Rate.			
	This APR may be applied to your account if your minimum payment is not received within 60 days of your due date.			
	<b>How Long Will the Penalty APR Apply?:</b> If your APRs are increased for this reason, the Penalty APR will apply until you make six consecutive minimum payments when due.			
<b>Paying Interest</b>	Your due date is at least 25 days after the close of each billing cycle. We will not charge you interest on purchases if you pay your entire balance by the due date each month. We will begin charging interest on cash advances on the transaction date.			
<b>Minimum Interest Charge</b>	If you are charged interest, the charge will be no less than \$0.50.			
<b>For Credit Card Tips from the Federal Reserve Board</b>	To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at <a href="http://www.federalreserve.gov/creditcard">http://www.federalreserve.gov/creditcard</a> .			

<b>FEES</b>	
<b>Annual Fee</b>	<b>None</b>

<b>Transaction Fees</b> <ul style="list-style-type: none"> <li>• Cash Advance</li> <li>• Foreign Transaction</li> </ul>	Either <b>\$5</b> or <b>3%</b> of the amount of each cash advance, whichever is greater  <b>1%</b> of each transaction in U.S. dollars.
<b>Penalty Fees</b> <ul style="list-style-type: none"> <li>• Late Payment</li> <li>• Returned Payment</li> </ul>	Up to <b>\$35</b> .  <b>\$25</b>

**How We Will Calculate Your Balance:** We use a method called “daily balance.” See your Cardholder Agreement for more details.

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in your Cardholder Agreement.

WISCONSIN RESIDENTS: No provision of a marital property agreement, a unilateral statement under section 766.59, Wis. Stats., or a court decree under section 766.70, Wis. Stats., adversely affects the interest of the creditor unless the creditor, prior to the time credit is granted, is furnished a copy of the agreement, statement or decree or has actual knowledge of the adverse provision when the obligation to the creditor is incurred.

**Notice:** We may report information to credit bureaus about this account with respect to all approved applicants and all authorized users. Late payments, missed payments, or other defaults on this account may be reflected in your credit report and that of your authorized user’s credit report. If you do not want the status of this account to be reported to your authorized user’s credit bureau file, do not list an authorized user.

Nordstrom Bank is a trade name of Nordstrom fsb, a wholly owned subsidiary of Nordstrom, Inc.

01/12

**NORDSTROM BANK  
CARDHOLDER AGREEMENT  
CONSUMER DISCLOSURES  
NORDSTROM FASHION REWARDS TERMS AND CONDITIONS**

In this Nordstrom Bank Cardholder Agreement; Consumer Disclosures; Nordstrom Fashion Rewards Terms and Conditions the term “**Nordstrom Bank**” includes its successors and assignees. Nordstrom Bank is a trade name of Nordstrom fsb, a wholly owned subsidiary of Nordstrom, Inc. Throughout, the Nordstrom Bank Cardholder Agreement; Consumer Disclosures; Nordstrom Fashion Rewards Terms and Conditions, which includes the terms and conditions governing Credit Card Accounts and Nordstrom debit cards, together with the “Nordstrom Debit Card Error Resolution Notice,” the “Credit Card Billing Rights Notice,” and the “Nordstrom Fashion Rewards Terms and Conditions,” collectively will be referred to as the “Agreement.” As used in Parts I, II, and III of the Agreement, the terms “**I**”, “**my**”, and “**me**” mean each person who has signed or otherwise submitted an application or other forms when opening or requesting either a Nordstrom Bank credit card account (each individually a “Nordstrom account”, or “Visa Signature”, or collectively, the “Credit Card Account”) or the Nordstrom Bank debit card (the “Nordstrom debit card”), as applicable, and each person who is liable to pay Nordstrom Bank for amounts owed under the Credit Card Account or due to use of the Nordstrom debit card (as applicable). As used in Parts IV and V of the Agreement, the terms “**you**”, and “**your**” mean each person who has signed or otherwise submitted an application or other forms when opening or requesting either a Credit Card Account or a Nordstrom debit card, as applicable, and each person who is liable to pay Nordstrom Bank for amounts owed under the Credit Card Account or due to use of the Nordstrom debit card (as applicable) and the terms “**we**”, “**our**”, and “**us**” mean Nordstrom Bank.

Part I of this Agreement sets forth the general terms and conditions applicable to all Credit Card Accounts and Nordstrom debit cards. Part II of this Agreement sets forth the specific terms and conditions applicable to Nordstrom Bank Credit Card Accounts. Part III of this Agreement includes specific terms and conditions applicable to all Nordstrom debit cards.

Part IV of this Agreement provides consumer disclosure statements addressing Credit Card Accounts Billing Rights Summary and Nordstrom Debit Card Error Resolution Notice. Part V sets forth the terms and conditions of the Nordstrom Fashion Rewards program.

## **PART I — GENERAL TERMS AND CONDITIONS**

**1. ACCEPTANCE OF AGREEMENT.** This Agreement governs the use of my Credit Card Account and/or my Nordstrom debit card. I have read and kept this Agreement for my records. The application I signed or otherwise submitted (including the accompanying federal and state notices) and the card carrier Nordstrom Bank sends with my Credit Card Account or Nordstrom debit card (as applicable) are part of and are incorporated into this Agreement. My signature on the application I submitted to Nordstrom Bank requesting a credit card or Nordstrom debit card (as applicable) represents my signature on this Agreement and each use of the Credit Card Account and/or Nordstrom debit card confirms my agreement to the terms and conditions stated in this Agreement, as they may be amended from time to time. This Agreement begins on the earlier of the date that Nordstrom Bank approves my application, or the date that Nordstrom Bank allows me to use my Credit Card Account or Nordstrom debit card (as applicable), as evidenced by a signed sales slip, memorandum, or otherwise. If Nordstrom Bank approves my application and issues a credit card or Nordstrom debit card to me, I agree to pay Nordstrom Bank all amounts owed under this Agreement.

**2. CHANGE IN TERMS.** Subject to the governing law (provision described below in Part I, paragraph 8 of this Agreement), (a) Nordstrom Bank has the right to change any term of this Agreement at any time, including without limitation any Annual Percentage Rate, any other rates and fees, and may add or delete fees and other provisions relating to my Credit Card Account or Nordstrom debit card, and to the nature, extent and enforcement of the rights and obligations I may have under this Agreement; and (b) the change may be applied to any amount I owe Nordstrom Bank in connection with my Credit Card Account or Nordstrom debit card at the time of the change. Subject to applicable law, Nordstrom Bank will give me written notice before the effective date of any such change.

**3. PROMISE TO PAY.** I agree to pay in US dollars for all purchases and cash advances, (including applicable Interest Charges for Credit Card Accounts) and Fees (as defined in paragraphs 5, and 6 of Part II below) incurred by me or anyone I authorize or permit to use my Credit Card Account or credit card, or Nordstrom debit card, even if I do not notify Nordstrom Bank that others are using my Credit Card Account, or credit card, or Nordstrom debit card. All checks must be drawn on funds on deposit in the United States. If my Credit Card Account or Nordstrom debit card is a joint account, all cardholders agree to be liable individually for the entire amount owed on the Credit Card Account or the Nordstrom debit card. Nordstrom Bank can accept late payments or partial payments or checks and money orders marked "payment in full" without losing its right to receive the full amount owing on my Credit Card Account or Nordstrom debit card or any of its other rights under this Agreement. I understand that I may pay the unpaid balance in whole, or in part, at anytime. I agree to address all communications concerning disputed debts, including instruments tendered as full satisfaction of debt, to the following address: Nordstrom Bank, P.O. Box 13589, Scottsdale, AZ 85267.

**4. AUTHORIZED USERS.** I understand and agree that if I authorize or permit other persons to use my Credit Card Account or Nordstrom debit card, Nordstrom Bank will be unable to determine whether any particular purchase charged to my Credit Card Account or made with my Nordstrom debit card by an authorized user was in fact authorized by me or made for my benefit, and I specifically agree that I will pay for all purchases charged to my Credit Card Account or made with my Nordstrom debit card by an authorized user, whether or not such purchases were specifically authorized by me or made for my benefit. If I want to cancel the authorized or permitted use of my Credit Card Account or my Nordstrom debit card by another person, I must telephone Nordstrom Bank at 1.800.964.1800 (Credit Card Accounts) or 1.866.445.0426 (Nordstrom debit card), or provide written notification to Nordstrom Bank, P.O. Box 13589, Scottsdale, AZ 85267, and recover and destroy any such credit card or Nordstrom debit card in such person's possession.

**5. LOST OR STOLEN CARDS.** If any credit card or Nordstrom debit card is lost or stolen, or if I think that someone is using my Credit Card Account, credit card or Nordstrom debit card without my permission, I will immediately telephone Nordstrom Bank at 1.800.964.1800 (Credit Card Accounts) or 1.866.445.0426 (Nordstrom debit card), or notify Nordstrom Bank in writing at Nordstrom Bank, P.O. Box 13589, Scottsdale, AZ 85267.

**6. MISREPRESENTATION.** In the event that any information given to Nordstrom Bank in connection with my application or any future transaction involving my Credit Card Account or Nordstrom debit card is false or misleading, Nordstrom Bank reserves the right to terminate this Agreement and take any and all legal action available under applicable law.

**7. CANCELLATION.** For any reason not prohibited by applicable law and with only such notice as is required by law, Nordstrom Bank has the right at any time to terminate my Credit Card Account or Nordstrom debit card and this Agreement as each relates to future purchases or cash advances, or to limit or cancel my Credit Card Account and credit card or Nordstrom debit card privileges. I may terminate this Agreement, by notifying Nordstrom Bank in writing and

destroying my credit card(s) and/or my Nordstrom debit card(s). Termination of this Agreement, or any limitation or cancellation of my Credit Card Account or credit privileges or Nordstrom debit card privileges, will not affect my liability with respect to all outstanding balances, and I will still be responsible for paying any outstanding balance or other amounts I owe Nordstrom Bank according to the terms of this Agreement. Nordstrom Bank specifically reserves the right to close my current Nordstrom Bank Credit Card Account or to cancel my Nordstrom debit card based on the delinquency of any of my other Nordstrom Bank Credit Card Accounts or Nordstrom debit card.

**8. GOVERNING LAW; ENFORCEABILITY.** I understand that this Agreement, each term of this Agreement, and any amendment to this Agreement are governed by and construed in accordance with United States federal law and the laws of the state of Arizona (without regard to any Arizona conflict of law principles). For example, for Credit Card accounts, this Agreement is made in Arizona and credit is extended to me from Arizona, so the Credit Card terms of this Agreement are governed by Arizona law, including Arizona Revised Statutes Section 44-1205(C), regardless of where I reside or where I use my account.

I agree that if a dispute arises and I file suit against Nordstrom Bank, service of process on Nordstrom Bank may be made only at Nordstrom Bank's main office in Scottsdale, Arizona. If any part of this Agreement becomes unenforceable, it will not make any other part of this Agreement unenforceable.

For Maryland residents with a Credit Card account, to the extent federal law and the laws of the State of Arizona do not apply, this Agreement is governed by Title 12, Subtitle 9 of the Maryland Commercial Law Article.

**9. RESERVATION OF RIGHTS.** Nordstrom Bank reserves the right not to assess part or all of any fee or other amounts, or not to exercise any other of its rights under this Agreement, and, by doing so, Nordstrom Bank will not have waived its right to assess such fee or other amounts or exercise other rights under to this Agreement in the future. Nordstrom Bank reserves the right to reject, or refuse to accept, payments or credits, for any reason, including based on the frequency or amount of the transaction, or as set forth in Part II, paragraph 1 below.

**10. CREDIT REPORTING; INACCURATE INFORMATION.** I hereby authorize Nordstrom Bank at its discretion to furnish information concerning my Credit Card Account and Nordstrom debit card transactions to consumer reporting agencies and others who may properly receive such information. I may provide written notification to Nordstrom Bank at P.O. Box 13589, Scottsdale, AZ 85267, if I believe Nordstrom Bank has information about me that is inaccurate, or that Nordstrom Bank has reported or may report to a consumer reporting agency information about me that is inaccurate.

**11. AUTHORIZATIONS.** Some purchases made with my Credit Card Account or Nordstrom debit card will require Nordstrom Bank's prior authorization, and I may be asked to provide identification. If Nordstrom Bank's authorization system is not working, it may not be able to authorize a transaction, even if my Credit Card Account has sufficient available credit, and even if the Deposit Account accessed by my Nordstrom debit card has sufficient funds in it. Nordstrom Bank will not be liable to me if any of these events happen. Nordstrom Bank is not responsible for the refusal of anyone to accept or honor my credit card or Nordstrom debit card.

**12. ASSIGNMENT.** I may not sell, assign, or transfer my Credit Card Account, or Nordstrom debit card without first obtaining Nordstrom Bank's prior written consent. Nordstrom Bank may assign my Credit Card Account or Nordstrom debit card and Nordstrom Bank's rights under this Agreement without prior notice to me.

**13. USE OF CARD.** I understand and agree that I may use my Credit Card Account and/or Nordstrom debit card only for personal, family and household purposes, and I may not use my Credit Card Account or Nordstrom debit card for any illegal purpose. If my application is for a joint Credit Card Account or Nordstrom debit card (as applicable) after approval, each applicant shall have the right to use the Credit Card Account or Nordstrom debit card to the extent of any credit limits for Credit Card Accounts or daily spending limits for debit cards, and each applicant may be liable for all amounts owed under this Agreement to any joint applicant.

**14. CHANGE OF RESIDENCE.** If I move, I agree to promptly notify Nordstrom Bank of my new address.

**15. TELEPHONE COMMUNICATIONS.** Nordstrom Bank treats all customer calls as confidential per Nordstrom Bank's Privacy Notice. I agree that my telephone conversations with representatives of Nordstrom Bank may be monitored and/or recorded for quality assurance and other appropriate purposes, unless, at the commencement of each telephone conversation, I advise the Nordstrom Bank representative that I do not wish the call to be monitored and/or recorded. I authorize Nordstrom Bank to make telephone calls to me or to send me text messages at any telephone number I have given to Nordstrom Bank or from which I have telephoned Nordstrom Bank, including, without limitation, cellular or mobile phones. I authorize Nordstrom Bank to make such telephone calls and/or leave prerecorded messages, using automatic

telephone dialing devices at any telephone number I have given to Nordstrom Bank for any purpose related to my Credit Card Account or Nordstrom debit card.

**STATE SPECIFIC INFORMATION:**

**Florida Residents:** I agree that, should Nordstrom Bank obtain a judgment against me, a portion of my disposable earnings may be attached or garnished (paid to Nordstrom Bank by my employer), as provided by Florida and Federal law.

**New Jersey Residents:** Because certain provisions of this Agreement are subject to governing law, they may be void, unenforceable or inapplicable in some jurisdictions. None of these provisions are void, unenforceable or inapplicable within New Jersey.

**PART II — CREDIT CARD ACCOUNTS**

**1. MONTHLY PAYMENTS.** Each month, I agree to pay at least the Minimum Payment Due shown on my monthly billing statement no later than the payment Due Date shown on the monthly billing statement. The Minimum Payment Due is the sum of (i) the Current Due, calculated as shown under Part II, paragraph 2 below (“MINIMUM MONTHLY PAYMENTS”), which includes any “Fees”, and (ii) any Past Due amount. I may at any time pay more than the Minimum Payment Due, or pay off my entire Credit Card Account balance in full without incurring any additional charge. All payments must be mailed or delivered to Nordstrom Bank at the address shown on my monthly billing statement. Any payment received by Nordstrom Bank at this address after 5:00 p.m. Mountain Standard Time (Arizona) on any business day will be credited to my Credit Card Account on the next business day. I must include my payment stub, and not send cash. If any payment does not conform to these requirements, the payment may not be credited to my Credit Card Account for up to five (5) days, or may be rejected. I understand that a credit may not be treated as a payment and will not satisfy the Minimum Payment Due, and that there may be a delay in the posting of a credit on my Credit Card Account. I also understand that, at Nordstrom Bank’s discretion, funds processed through a money transfer program may be rejected or accepted and posted to my Credit Card Account as a payment or a credit.

**2. MINIMUM MONTHLY PAYMENTS.**

**A. Visa Signature.** (i) If my New Balance is less than my Revolving Credit Line, the Current Due each month will be the greatest of (a) \$35, (b) 10% of my New Balance rounded to the next higher whole dollar amount, or (c) the sum of all Interest Charges and Fees imposed during the current billing cycle plus 1% of my New Balance, rounded to the next higher whole dollar amount; provided, that if the New Balance shown on my monthly billing statement is less than \$35, the Current Due will be my New Balance. (ii) If my New Balance exceeds my Revolving Credit Line and I have paid the Minimum Payment Due shown on my previous month’s billing statement as specified in the “MONTHLY PAYMENTS” paragraph above, the Current Due each month will be the greater of (a) 10% of my total Revolving Credit Line rounded to the next higher whole dollar amount plus the full amount by which my New Balance exceeds my Revolving Credit Line, or (b) the sum of all Interest Charges and Fees imposed during the current billing cycle plus 1% of my Revolving Credit Line, rounded to the next higher whole dollar amount. (iii) If my New Balance exceeds my Revolving Credit Line and I have not paid the Minimum Payment Due shown on my previous month’s billing statement as specified in the “MONTHLY PAYMENTS” paragraph above, the Current Due each month will be the greater of (a) 10% of my total Revolving Credit Line rounded to the next higher whole dollar amount plus the full amount of all current billing cycle purchases and Fees which exceed my Revolving Credit Line, or (b) the sum of all Interest Charges and Fees imposed during the current billing cycle plus 1% of my Revolving Credit Line, rounded to the next higher whole dollar amount.

**B. Nordstrom Accounts.** The Current Due each month will be the greatest of (i) \$35, or (ii) 5% of my New Balance rounded to the next higher whole dollar amount, or (iii) the sum of all Interest Charges and Fees imposed during the current billing cycle plus 1% of my New Balance, rounded to the next higher whole dollar amount; provided, that if the New Balance shown on my monthly billing statement is less than \$35, the Current Due will be my New Balance.

**3. SPECIAL PAYMENT OPTIONS.** From time to time Nordstrom Bank may permit me the flexibility to skip one or more payments, reduce my Annual Percentage Rate or interest charge, or take advantage of other options Nordstrom Bank may make available. Nordstrom Bank will provide me details of these special programs at the time they are offered.

**4. INTEREST CHARGES**

**A. Balance Categories.** Interest charges are calculated separately for Purchases and Cash Advances. “Purchases” are purchases of goods or services from a Nordstrom or other merchant location. “Cash Advances” are advances from an automated teller machine (ATM); through a convenience check, home banking, a financial institution, casino, hotel, or similar location; by making a wire transfer, balance transfer, or bill payment; by acquiring a money order, traveler’s check, lottery ticket, casino chip, or similar item; or other similar transactions.

Interest Charges also will be calculated separately for Purchases at Nordstrom retail locations, such as Nordstrom stores, Nordstrom Rack stores and Nordstrom.com (“Nordstrom Purchases”), and Purchases at merchant locations other than Nordstrom retail locations (“Non-Nordstrom Purchases”).

In this Agreement, a separate balance for Nordstrom Purchases, Non-Nordstrom Purchases or Cash Advances is sometimes called a “Balance Category.” My billing statement may show a single calculation of interest charges for multiple Balance Categories if the same Annual Percentage Rate applies to the Balance Categories.

**B. When Interest Charges Begin to Accrue on Purchases.** My due date is at least 25 days after the close of each billing cycle. In order to be eligible for a grace period on Purchases for the current billing cycle, I must pay my New Balance in full by the payment Due Date shown on that billing statement. If I do not pay the entire amount of the New Balance by that date, there will be an interest charge on each Purchase from the date the Purchase is made. For purposes of this paragraph 4 (B), Nordstrom Bank will consider credits to my Credit Card Account resulting from an exchange or return of a Purchase included in my Previous Month’s New Balance only when determining whether I have paid the entire New Balance shown on my monthly billing statement by the payment Due Date.

**C. When Interest Charges Begin to Accrue on Cash Advances.** There is no “grace period” for Cash Advances. The interest charge on any Cash Advance begins on the date of the transaction. This paragraph 4 (C) applies only to Credit Card Accounts that have a Cash Advance feature.

**D. Daily Balance Method for Computation of the Balances Subject to Interest Charges.** Nordstrom Bank figures the interest charge by applying the periodic rate (as described below in Part II, paragraph 4.E) to the “daily balance” of my account for each day in the billing cycle. To get the “daily balance” of a Balance Category, Nordstrom Bank takes the beginning balance of that Balance Category each day, adds any new transactions or charges and subtracts any credits or payments (or portions thereof) that are applicable to that Balance Category. This gives us the daily balance for each Balance Category.

Each day’s interest charge on a Balance Category is added to the daily balance of that Balance Category to get the beginning balance for the next day and will be part of the Balance Category on which future interest charges are assessed until paid. The total interest for a billing cycle is equal to the sum of the daily interest for each day in the billing cycle.

Late Payment Fees and/or Return Payment Fees are prorated and allocated to the Balance Categories based on the balances of my Balance Categories on the day I incurred the Late Payment Fee or Return Payment Fees. Miscellaneous fees will be added to my Nordstrom Purchase Balance Category on the day I incurred the fee.

Nordstrom Bank will round daily interest charge calculations for a Balance Category to the nearest whole cent. If I paid in full the New Balance shown on my previous month’s billing statement by the specified payment Due Date, Nordstrom Bank will consider my daily balance of Nordstrom Purchases and Non-Nordstrom Purchases to be zero for each day of the current month’s billing cycle. A credit balance on a Balance Category is considered to be zero for purposes of calculating the balance subject to interest charges.

**E. Interest Charge Rates.** The Daily Periodic Rate for a Balance Category is determined by dividing the ANNUAL PERCENTAGE RATE for the Balance Category by 365. The ANNUAL PERCENTAGE RATE for a Balance Category is determined by adding a percentage rate (called a “Margin”) to the Prime Rate for a billing cycle.

The ANNUAL PERCENTAGE RATE (and Daily Periodic Rate) for a Balance Category may vary from billing cycle to billing cycle if the Prime Rate for a billing cycle changes. The “Prime Rate” is the highest prime rate published in the “Money Rates” section of *The Wall Street Journal* print edition on the 15th day of a month, or the next business day if the 15th is not a business day. The Prime Rate for a billing cycle is the Prime Rate most recently available as of the beginning of the billing cycle.

Any change in the ANNUAL PERCENTAGE RATE (and Daily Periodic Rate) will take effect on the first day of the next billing cycle following a change in the Prime Rate and will apply to any outstanding balance on my Credit Card Account. If the ANNUAL PERCENTAGE RATE (and Daily Periodic Rate) increases, the amount of the interest charges and the Current Due may increase.

The ANNUAL PERCENTAGE RATES that may apply to a Balance Category are the “Standard ANNUAL PERCENTAGE RATES” for the Balance Category (described in Part II, paragraph 4.F) and the “Penalty ANNUAL PERCENTAGE RATE” (described in Part II, paragraph 4.G). Nordstrom Bank will tell me the current Standard ANNUAL PERCENTAGE RATE for Nordstrom Purchases on the temporary shopping card I receive if I open my Credit Card Account in a Nordstrom store

location. All of the Standard ANNUAL PERCENTAGE RATES (and Daily Periodic Rates) applicable to my Credit Card Account will be disclosed in the supplement to this Agreement I will receive with my Nordstrom credit card or Visa credit card.

**F. Standard ANNUAL PERCENTAGE RATES.** The Standard ANNUALPERCENTAGE RATE that applies to a Balance Category will depend on the Tier placement of my Credit Card Account. Nordstrom Bank will tell me the Tier in which my Credit Card Account has been placed before I may use my Nordstrom credit card or Visa credit card. The Standard ANNUAL PERCENTAGE RATES that apply to Balance Categories for Credit Card Accounts in Tiers I through IV are described below.

**Tier I Accounts:** The Standard ANNUAL PERCENTAGE RATE for Nordstrom Purchases is the Prime Rate plus a Margin of 7.65 percentage points. As of November 15, 2011, this **ANNUAL PERCENTAGE RATE** was **10.90%**. (Daily Periodic Rate of **0.02986%**).

The Standard ANNUAL PERCENTAGE RATE for Non-Nordstrom Purchases and Cash Advances is the Prime Rate plus a Margin of 11.65 percentage points. As of November 15, 2011, this **ANNUAL PERCENTAGE RATE** was **14.90%**. (Daily Periodic Rate of **0.04082%**).

**Tier II Accounts:** The Standard ANNUAL PERCENTAGE RATE for Nordstrom Purchases is the Prime Rate plus a Margin of 11.65 percentage points. As of November 15, 2011, this **ANNUAL PERCENTAGE RATE** was **14.90%**. (Daily Periodic Rate of **0.04082%**).

The Standard ANNUAL PERCENTAGE RATE for Non-Nordstrom Purchases and Cash Advances is the Prime Rate plus a Margin of 15.65 percentage points. As of November 15, 2011, this **ANNUAL PERCENTAGE RATE** was **18.90%**. (Daily Periodic Rate of **0.05178%**).

**Tier III Accounts:** The Standard ANNUAL PERCENTAGE RATE for Nordstrom Purchases is the Prime Rate plus a Margin of 15.65 percentage points. As of November 15, 2011, this **ANNUAL PERCENTAGE RATE** was **18.90%**. (Daily Periodic Rate of **0.05178%**).

The Standard ANNUAL PERCENTAGE RATE for Non-Nordstrom Purchases and Cash Advances is the Prime Rate plus a Margin of 19.65 percentage points. As of November 15, 2011, this **ANNUAL PERCENTAGE RATE** was **22.90%**. (Daily Periodic Rate of **0.06274%**).

**Tier IV Accounts:** The Standard ANNUAL PERCENTAGE RATE for Nordstrom Purchases, Non-Nordstrom Purchases, and Cash Advances is the Prime Rate plus a Margin of 19.65 percentage points. As of November 15, 2011, this **ANNUAL PERCENTAGE RATE** was **22.90%**. (Daily Periodic Rate of **0.06274%**).

**G. Penalty ANNUAL PERCENTAGE RATE.** If I do not pay at least the Minimum Payment Due by the payment Due Date shown on my monthly billing statement for two consecutive billing cycles, my Credit Card Account will be subject to a Penalty ANNUAL PERCENTAGE RATE (rather than a Standard ANNUAL PERCENTAGE RATE).

A notice on my billing statement will reflect the date when this change will be effective. The Penalty ANNUAL PERCENTAGE RATE will apply to any outstanding balance and all future transactions on my Credit Card Account. The Penalty ANNUALPERCENTAGE RATE is the Prime Rate plus a Margin of 24.65 percentage points. The Penalty ANNUAL PERCENTAGE RATE is subject to a maximum ANNUAL PERCENTAGE RATE of 29.99%. As of November 15, 2011, this **ANNUAL PERCENTAGE RATE** was **27.90%**. (Daily Periodic Rate of **0.07644%**).

**H. Minimum Interest Charge.** A minimum **interest charge** of **\$0.50** will be assessed on my Credit Card Account for any billing cycle in which an interest charge of less than \$0.50 is due.

## 5. TRANSACTION FEES

**A. Foreign Transaction Fee.** If I incur a charge or cash advance outside the US, Nordstrom Bank may charge me and I agree to pay a Foreign Transaction Fee equal to 1% of the US dollar amount of the foreign transaction. If a charge or cash advance made outside of the US is converted into US dollars, the charge or cash advance will be converted by Visa International into a US dollar amount. Visa will select either (1) a rate from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or (2) a government-mandated rate in effect for the applicable central processing date.

**B. Cash Advance Fee.** For each Cash Advance on my Credit Card Account (including advances to me directly or to someone else at my direction), Nordstrom Bank will assess a Cash Advance Fee in an amount equal to 3% of the amount of the Cash Advance or \$5, whichever is greater. This paragraph 5 (B) applies only to Credit Card Accounts that have a Cash Advance feature.

## 6. PENALTY FEES

**A. Late Payment Fee.** My Credit Card Account will be subject to a Late Payment Fee of up to \$35 for any late or missed Minimum Payment Due.

**B. Returned Payment Fee.** If any payment on my Credit Card Account (such as a check, draft, or similar instrument, or any electronic fund transfer) is uncollectible or is dishonored for any reason, Nordstrom Bank may charge me and I agree to pay a Returned Payment Fee of \$25. Nordstrom Bank may assess this fee the first time any one of my payment(s) is not honored or paid, even if such payment is later paid following resubmission. Nordstrom Bank does not have to attempt to collect any payment more than once.

## 7. CREDIT LIMIT

**A. Visa Signature.** I understand there is no pre-set spending limit for my Visa Signature Credit Card Account; however, Nordstrom Bank reserves the right to evaluate each charge based on my spending and payment patterns for this account, my other account relationships with Nordstrom Bank, my experience with other creditors, and my personal financial resources. In addition to Nordstrom Bank's rights granted under Part I, paragraph 11 of this Agreement ("AUTHORIZATIONS"), Nordstrom Bank reserves the right to decline any authorization request at any time for any reason. Nordstrom Bank may also ask me for additional information at any time to evaluate a transaction request or my use of this Visa Signature Credit Card Account generally. I agree that Nordstrom Bank will establish a Revolving Credit Line for this account and that this Revolving Credit Line shall be the maximum amount upon which I may defer payment, subject to the Minimum Monthly Payment calculation described in Part II, paragraph 2 above ("MINIMUM MONTHLY PAYMENTS"). I agree that any purchases and Fees which cause my New Balance to exceed my Revolving Credit Line shall be due and payable by the payment Due Date specified on the billing statement identifying such charges and that Nordstrom Bank shall include such amount in the Current Due and Minimum Payment Due for that billing period as described in Part II, paragraph 2 above. I will be advised of my initial Revolving Credit Line at the time I receive my Visa Signature credit card. I agree that Nordstrom Bank may change my Revolving Credit Line from time to time and that Nordstrom Bank has the right to suspend or cancel my Nordstrom Visa Signature Credit Card Account under the terms of this Agreement. Nordstrom Bank will identify any subsequent changes to my Revolving Credit Line on my periodic billing statements.

**B. Nordstrom Accounts.** I agree that Nordstrom Bank may establish credit limits and that my credit purchases and cash advances at any one time will not exceed my credit limits. I will be advised of my initial credit line at the time I receive my credit card. I agree that Nordstrom Bank may change my credit line from time to time based upon Nordstrom Bank's evaluation of changes in my credit capacity. If I exceed my credit line, Nordstrom Bank has the right to refuse further purchases or advances, and to suspend or cancel my account under the terms of this Agreement. Nordstrom Bank will identify any subsequent changes to my credit line on my periodic billing statements.

**C. Available Credit.** After a payment or credit is posted to my Credit Card Account, or after Nordstrom Bank learns my payment has been dishonored and attempts to resubmit my payment, it may take up to 21 days before my total available credit is restored in an amount equivalent to the payment or credit amount. For example, if I pay my account balance in full, it may take up to 21 days after my payment is made before that payment is considered in determining the amount I can borrow on my account.

**8. APPLICATION OF PAYMENTS.** Unless otherwise required by applicable law, Nordstrom Bank will apply payments up to the Minimum Payment Due, to amounts owing on my Credit Card Account in the following order: interest charges, fees, old cash advances, old purchases (when applicable, to Purchase Balance Categories with higher Standard ANNUAL PERCENTAGE RATES first), new cash advances, and new purchases (when applicable, to Purchase Balance Categories with higher Standard ANNUAL PERCENTAGE RATES first). Nordstrom Bank will apply payments in excess of the Minimum Payment Due to amounts owing on my Credit Card Account in a manner specified by federal law.

**9. DEFAULT.** Subject to applicable law, Nordstrom Bank may, at its option, declare me to be in default if I fail to comply with any provision of this Agreement, including failing to make a required payment when due or exceeding my Credit Card Account credit limit, or if I file for bankruptcy or am otherwise insolvent, or if Nordstrom Bank determines, in its sole discretion, that the prospect of payment on my Credit Card Account has become significantly impaired. If I am in default, (a) unless otherwise prohibited by applicable law, Nordstrom Bank may require that I pay the entire balance on my

account immediately, at any time, even though Nordstrom Bank did not require me to pay the entire balance on any previous occasion when I was in default, and (b) I will pay all collection costs, including reasonable attorneys' fees and legal costs, if Nordstrom Bank refers my Credit Card Account for collection to an attorney other than a salaried employee of Nordstrom Bank or the holder of the account, to the extent not prohibited by applicable law. Balances in default on my Credit Card Account may be set-off against any credit balances on any of my other Nordstrom Bank Credit Card Account(s).

#### **STATE SPECIFIC INFORMATION:**

**California Residents:** If you are married, you may apply for credit in your own name.

**Maine Residents:** We may obtain a consumer report in connection with your application for credit. You may ask whether a consumer report was obtained by us, and we will tell you the name and address of the consumer reporting agency, if a report was obtained.

**New Hampshire Residents:** I understand that reasonable attorneys' fees will be awarded to me if I prevail in any action or suit brought by Nordstrom Bank. Also, if I successfully assert a partial defense or counterclaim to an action brought by Nordstrom Bank, the court may withhold from Nordstrom Bank the entire amount or such portion of the attorneys' fees as the court considers equitable.

**New York Residents:** You may contact the New York state banking department to obtain a comparative listing of credit card rates, fees and grace periods.

**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.

**Wisconsin Residents:** No provision of a marital property agreement, a unilateral statement under section 766.59 Wis. Stats, or a court decree under section 766.70 Wis. Stats. adversely affects the interest of the creditor unless the creditor, prior to the time credit is granted, is furnished a copy of the agreement, statement or decree or has actual knowledge of the adverse provision when the obligation to the creditor is incurred.

### **PART III — NORDSTROM DEBIT CARD**

#### **1. ELECTRONIC FUNDS TRANSFER TYPES AND LIMITATIONS**

**A. Electronic Funds Transfers Generally.** Whenever I use (or allow someone else to use) my Nordstrom debit card, I authorize Nordstrom Bank to initiate an electronic funds transfer for the full amount of the transaction, and any related fees (see Part III, paragraph 3, below) I may owe to Nordstrom Bank in connection with my use of the Nordstrom debit card (hereinafter, a "Nordstrom debit card EFT"), from my designated deposit account at another financial institution ("my Deposit Account"). I represent and warrant to Nordstrom Bank that I am an owner of my Deposit Account and I am authorized to make withdrawals from my Deposit Account. I understand and agree that Nordstrom Bank may aggregate multiple transactions into a single Nordstrom debit card EFT from my Deposit Account and such Nordstrom debit card EFT may occur several business days after my transaction(s) has occurred, and after the date shown on my transaction receipt(s) (if applicable). I acknowledge and agree that I shall not use my Nordstrom debit card to make purchases pursuant to this Agreement for amounts in excess of available funds I have in my Deposit Account, including, as applicable, any available overdraft line of credit I may have in connection with my Deposit Account as of the date the financial institution holding my Deposit Account receives and processes the Nordstrom debit card EFT request from Nordstrom Bank.

Nordstrom Bank may resubmit a Nordstrom debit card EFT request one or more times, at Nordstrom Bank's option and in Nordstrom Bank's sole discretion, if the financial institution holding my Deposit Account has not sent funds equal to the total previously requested Nordstrom debit card EFT amount.

**B. Point of Sale (POS) Purchases.** I may only use my Nordstrom debit card to pay for goods and services at participating Nordstrom and Nordstrom-affiliated retail stores in the United States, in person, by telephone, or at Nordstrom websites. If I make an exchange of an item previously purchased through my Nordstrom debit card for another item, and the purchase price of the new item is less than that of the item exchanged, my Deposit Account will be credited only for the difference in the purchases prices. If the purchase price of the item is more than that of the item exchanged, Nordstrom Bank will initiate a Nordstrom debit card EFT for the difference in the purchase prices. I may be required to present my Nordstrom debit card if I wish to use it to pay for goods or services in person. At Nordstrom's discretion, I may be allowed to make POS purchases without presenting my debit card by providing other information acceptable to Nordstrom. If I wish to use my Nordstrom debit card in connection with a telephone or Nordstrom website purchase, I may be required to provide a security code or personal identification number, in addition to the number printed on the back of my Nordstrom debit card, and/or other personal identifying information.

**C. Purchase Limitations.** When I use my Nordstrom debit card, I will be limited by the amount of funds in my Deposit Account and any available overdraft line of credit that I may have in connection with my Deposit Account (if applicable), as of the date the financial institution holding my Deposit Account receives and processes a Nordstrom debit card EFT request. (See also subparagraph (D) below for additional transaction limitations.)

**D. Other Transaction Limitations.** For security reasons, and to reduce the risk of fraud, Nordstrom Bank may limit the number of times I may use my Nordstrom debit card, and the total dollar amount of purchases that I may make with my Nordstrom debit card, during any business day and/or during any 24-hour time period. For example, Nordstrom Bank may limit the total dollar amount of purchases I may make with my Nordstrom debit card to \$300 a day (or any higher or lower dollar amount determined by Nordstrom Bank). For security and anti-fraud reasons, I understand and agree that the exact dollar limit on (and the limit on the number of) Nordstrom debit card EFTs in any 24-hour time period or during any business day may change from time to time without any notice to me. I understand and agree that the daily dollar limit on my Nordstrom debit card may be less than the dollar amount of available funds in my Deposit Account. I cannot use my Nordstrom debit card at an automated teller machine (ATM) or at non-participating retail stores or anywhere outside the United States.

I cannot use my Nordstrom debit card to obtain cash back in connection with a Nordstrom debit card purchase transaction. I cannot use my Nordstrom debit card to authorize recurring preauthorized payments from my Deposit Account.

**2. UNPAID NORDSTROM DEBIT CARD EFTS.** The financial institution holding my Deposit Account may return as unpaid a Nordstrom debit card EFT if, for example, my Deposit Account does not have sufficient available funds in it to cover the full amount of the Nordstrom debit card EFT, or my Deposit Account is closed, or for other reasons. Additionally, if I receive a credit to my Deposit Account from Nordstrom Bank due to a suspected Nordstrom debit card EFT error, and Nordstrom Bank later determines there was no error, Nordstrom Bank may deem such Nordstrom debit card EFT as unpaid. In the event a Nordstrom debit card EFT is returned and/or deemed unpaid, such funds owed to Nordstrom Bank will become immediately due and payable to Nordstrom Bank. I agree to pay in US dollars the full amount of the unpaid Nordstrom debit card EFT, and any applicable Returned Payment Fees, described in Part III, paragraph 3 below, (collectively, the "Total Now Due"). I further acknowledge and agree that Nordstrom Bank may suspend my use of my Nordstrom debit card until Nordstrom Bank receives payment in full of the Total Now Due.

### **3. NORDSTROM DEBIT CARD FEES**

**A. Returned Payment Fee.** Nordstrom Bank may charge me and I agree to pay a \$25 Returned Payment Fee, or the amount allowed by applicable law, if a Nordstrom debit card EFT is returned unpaid for any reason by the financial institution holding my Deposit Account. I authorize Nordstrom Bank to initiate an electronic fund transfer for such Returned Payment Fee from my Deposit Account automatically, after Nordstrom Bank receives notice of an unpaid Nordstrom debit card EFT. Nordstrom Bank may charge me and I agree to pay a \$25 Returned Payment Fee, or the amount allowed by applicable law, if any payment to Nordstrom Bank for amounts I owe in connection with my Nordstrom debit card (such as a check, draft or similar instrument) is uncollectible or is dishonored for any reason. Nordstrom Bank may assess this fee the first time any one of my payment(s) is not honored or paid, even if such payment is later paid following resubmission. Nordstrom Bank does not have to attempt to collect any payment more than once.

**B. Other Fees.** When I complete a Nordstrom debit card POS purchase, I may be charged a fee by the financial institution holding my Deposit Account. The financial institution holding my Deposit Account will retain this fee.

### **4. NORDSTROM DEBIT CARD RECEIPTS AND STATEMENTS**

**A. Receipts.** I will receive a receipt at the time I make any POS purchase in-person with my Nordstrom debit card. I may not receive receipts in connection with telephone or Nordstrom website purchases made with my Nordstrom debit card.

**B. Nordstrom Debit Card Statements.** Nordstrom Bank will send me a monthly Nordstrom debit card statement showing Nordstrom debit card EFTs and any fees or other amounts I may owe Nordstrom Bank in connection with my Nordstrom debit card (unless there are no Nordstrom debit card EFTs in a particular month). In any case, I will receive a Nordstrom debit card statement at least quarterly. I may also receive Deposit Account statements showing Nordstrom debit card EFTs from the financial institution holding my Deposit Account. Nordstrom Bank is responsible for Nordstrom debit card EFTs and for resolving any errors in connection with Nordstrom debit card EFTs. I will direct all questions about my Nordstrom debit card and/or Nordstrom debit card EFTs to Nordstrom Bank, and not to the financial institution holding my Deposit Account. If I have any questions about a Nordstrom debit card EFT, I will call or write Nordstrom Bank as described more fully in Part III, paragraph 5, below and Part IV, Nordstrom Debit Card Error Resolution Notice.

## 5. UNAUTHORIZED NORDSTROM DEBIT CARD EFTS AND LOST OR STOLEN NORDSTROM DEBIT CARDS

**A. Consumer Liability.** I will tell Nordstrom Bank AT ONCE if I believe my Nordstrom debit card or Nordstrom debit card number or security code or personal identification number (if applicable) has been lost or stolen. Telephoning Nordstrom Bank is the best way of keeping my possible losses down. I could lose all the money in my Deposit Account (plus, if applicable, my maximum overdraft line of credit) that can be accessed by the Nordstrom debit card. If I tell Nordstrom Bank within 2 (two) business days, I can lose no more than \$50 if someone used my Nordstrom debit card or Nordstrom debit card number or security code or personal identification number (if applicable) without my permission.

If I do NOT tell Nordstrom Bank within 2 business days after I learn of the loss or theft of my Nordstrom debit card, or Nordstrom debit card number or security code or personal identification number (if applicable), and Nordstrom Bank can prove that Nordstrom Bank could have stopped someone from using my Nordstrom debit card or Nordstrom debit card number without my permission if I had told Nordstrom Bank, I could lose as much as \$500.

Also, if I receive a statement from either Nordstrom Bank or the financial institution holding my Deposit Account that shows Nordstrom debit card EFTs that I did not make, I must tell Nordstrom Bank at once. If I do not tell Nordstrom Bank within 60 days after Nordstrom Bank mailed me the Nordstrom debit card statement, I may not get back any money I lost after the 60 days if Nordstrom Bank can prove that Nordstrom Bank could have stopped someone from taking the money if I had told Nordstrom Bank in time. If a good reason (such as a long trip or a hospital stay) kept me from telling Nordstrom Bank, Nordstrom Bank will extend the time periods.

**B. Contact In Event Of Unauthorized Transfer.** If I believe my Nordstrom debit card and/or security code or personal identification number (if applicable) has been lost or stolen or that someone has used or may use my Nordstrom debit card without my permission, call Nordstrom Bank toll free at 1.866.445.0426, or write: Nordstrom Bank, P.O. Box 13589, Scottsdale, AZ 85267.

**6. DEFAULT.** Nordstrom Bank may, at its option, declare me to be in default if I fail to comply with any provision of this Agreement, including without limitation if Nordstrom Bank receives notice of an unpaid Nordstrom debit card EFT, or if I file for bankruptcy or am otherwise insolvent, or if Nordstrom Bank determines, in its sole discretion, that the prospect of payment of what I owe in connection with my Nordstrom debit card has become significantly impaired.

If I am in default, (a) Nordstrom Bank may terminate my Nordstrom debit card and my ability to use my Nordstrom debit card, and require that I pay the entire amount I owe in connection with my Nordstrom debit card in full, immediately, at any time and without notice (subject to any restrictions under applicable law), even though Nordstrom Bank did not require me to pay the entire amount I owe on any previous occasion when I was in default, and (b) I will pay all collection costs, including reasonable attorneys' fees and court costs, if Nordstrom Bank refers what I owe in connection with my Nordstrom debit card for collection to an attorney other than a salaried employee of Nordstrom Bank or the holder of the Nordstrom debit card, to the extent not prohibited by applicable law. Any past due amounts I owe in connection with my Nordstrom debit card may be set-off against any credit balances on any of my other Nordstrom Bank Credit Card Account(s).

**7. APPLICATION OF PAYMENTS.** Unless otherwise required by applicable law, Nordstrom Bank will apply my Nordstrom debit card EFT or other forms of payment in the following order: Returned Payment Fees, old Nordstrom debit card purchases; and new Nordstrom debit card purchases.

**8. BUSINESS DAYS.** For purposes of this Part III and Part IV Nordstrom debit card Error Resolution Notice, Nordstrom Bank's "Business Days" are Monday through Friday, excluding Saturdays, Sundays, and federal holidays.

**9. NORDSTROM BANK'S LIABILITY.** If Nordstrom Bank does not process a Nordstrom debit card EFT from my Deposit Account in a timely manner or in the correct amount according to this Agreement, Nordstrom Bank will be liable for my losses or damages. However, there are some exceptions. Nordstrom Bank will not be liable, for instance:

- If, through no fault of Nordstrom Bank, I do not have enough money in my Deposit Account to cover the Nordstrom debit card EFT on the date the financial institution holding my Deposit Account receives and processes the Nordstrom debit card EFT; or,
- If I have an overdraft line of credit associated with my Deposit Account, and the Nordstrom debit card EFT would go over the credit limit; or,
- If the POS terminal or system used to process Nordstrom debit card EFTs was not working properly and I knew about the breakdown when I started the Nordstrom debit card purchase transaction; or,
- If circumstances beyond Nordstrom Bank's control (such as fire, flood, or power failure) prevent the processing of the Nordstrom debit card EFT, despite reasonable precautions that Nordstrom Bank has taken; or,
- There may be other exceptions stated in this Agreement.

**10. CONFIDENTIALITY.** Nordstrom Bank will disclose information to third parties about my Deposit Account or the Nordstrom debit card EFTs I make:

- Where it is necessary for completing Nordstrom debit card EFTs; or,
- In order to verify the existence and condition of my Deposit Account or Nordstrom debit card for a third party, such as a credit bureau or merchant; or,
- In order to comply with government agency or court orders; or,
- If I give Nordstrom Bank written permission; or,
- As otherwise provided in Nordstrom Bank's Privacy Notice.

I agree to Nordstrom Bank's collection, use, and sharing of information about my Nordstrom debit card EFTs as provided in Nordstrom Bank's Privacy Notice, which I will receive with my Nordstrom debit card.



David Loretta, President  
Nordstrom Bank  
PO Box 13589  
Scottsdale, AZ 85267

## **PART IV — CONSUMER DISCLOSURE STATEMENTS**

### **CREDIT CARD ACCOUNTS**

**BILLING RIGHTS NOTICE — KEEP THIS NOTICE FOR FUTURE USE.** This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

#### **WHAT TO DO IF YOU FIND A MISTAKE ON YOUR STATEMENT**

If you think there was an error on your statement, write to us at:

Nordstrom Bank  
P.O. Box 13589  
Scottsdale, AZ 85267.

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 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 the 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 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.

For Visa Credit Card Accounts, 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 is 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 purchases.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us *in writing* at:

Nordstrom Bank  
P.O. Box 13589  
Scottsdale, AZ 85267

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.

## **NORDSTROM DEBIT CARD ERROR RESOLUTION NOTICE**

In Case of Errors or Questions about Nordstrom debit card EFTs:

Telephone Nordstrom Bank toll free at 1.866.445.0426 or write Nordstrom Bank at:

Nordstrom Bank  
P.O. Box 13589  
Scottsdale, AZ 85267

as soon as you can, if you think your Nordstrom debit card statement or Nordstrom debit card receipt is wrong, or if you need more information about a Nordstrom debit card EFT listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST Nordstrom debit card statement on which the problem or error appeared.

(1) Tell us your name and Nordstrom debit card number.

(2) Describe the error or the Nordstrom debit card EFT you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.

(3) Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you, and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your Deposit Account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your Deposit Account.

For errors involving POS transactions, we may take up to 90 days to investigate your complaint or question. We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

## **PART V NORDSTROM FASHION REWARDS TERMS AND CONDITIONS**

For purposes of these Terms and Conditions, the phrase “net purchases” means purchases less returns. By participating in the Nordstrom Fashion Rewards program, you agree to be bound by these Terms and Conditions. These Terms and Conditions are in addition to your Nordstrom Bank Cardholder Agreement; Consumer Disclosures.

### **General Terms & Conditions**

We reserve the right to amend or modify these Terms and Conditions or the Nordstrom Fashion Rewards program at any time and in any way (including, our right to discontinue benefits or expire points, as explained more fully below, to change the benefits, or to adjust the number of points earned for each dollar in net purchases). We will give you notice if we discontinue this program or any material aspect of this program. You may redeem one Nordstrom Note per online order; Nordstrom Notes may not be redeemed for international online orders. Nordstrom Notes may not be used as payment on your Nordstrom account. Value of Nordstrom Notes will be applied against total purchase price, including applicable taxes and fees.

Nordstrom Bank reserves the right to cancel your participation in Nordstrom Fashion Rewards, in the event of fraud, abuse of rewards privileges, or violation of these Terms and Conditions.

You are responsible for any tax liability related to your participation in and/or your purchase of any of the benefits associated with the Nordstrom Fashion Rewards program.

These Terms and Conditions shall be construed and interpreted under the laws of the state of Arizona, without regard to any Arizona conflicts of law provisions.

Many of the benefits associated with the Nordstrom Fashion Rewards program are offered exclusively through Nordstrom Bank or its parent company, Nordstrom, Inc. In many cases, Nordstrom, Inc. and/or Nordstrom Bank have contracted with independent contractors to administer these benefits, including, but not limited to the issuance of travel documentation, administrative services, and travel reservations. Nordstrom, Inc. and Nordstrom Bank do not own or control the independent contractors used to administer these benefits and Nordstrom, Inc., Nordstrom Bank or the independent contractors and their respective affiliates and subsidiaries do not maintain control over the independent suppliers used to provide accommodations and/or services as part of fulfilling these benefits. Nordstrom, Inc., Nordstrom Bank and its independent contractors do not assume responsibility in connection with any travel or other services provided by any independent supplier. You hereby release Nordstrom, Inc., Nordstrom Bank, its independent contractors, and/or any of their affiliates and subsidiaries from any responsibility and/or liability for any loss, injury, damage, accident, delay, inconvenience, or irregularity that any person may suffer due to any cause whatsoever relating to, arising out of or in connection with the Nordstrom Fashion Rewards program or the use of any facilities, services or goods in connection with any travel or other service provided by any independent supplier.

In order to access certain benefits associated with Nordstrom Fashion Rewards, you understand and agree that you may be asked to provide personal information about yourself, such as your shipping address, credit card information, and billing address, and that the information you provide will be disclosed to merchants and other third parties as necessary to complete your transaction. Nordstrom, Inc., Nordstrom Bank and its independent contractors have no control over, and no

responsibility or liability for, the use by any merchants or other third parties of personal information or any other information that such parties independently acquire from you or that is given to such parties to process your transactions or fulfill your benefits.

### **Who is eligible?**

When we approve your Nordstrom Credit Card or Nordstrom debit card, you are automatically enrolled in Level 1 of the Nordstrom Fashion Rewards program and will receive rewards points for net purchases made with your Nordstrom Credit Card or Nordstrom debit card. Your eligibility for Levels 2, 3, and 4 of Nordstrom Fashion Rewards will be reviewed quarterly and will be based on your net purchases made with your Nordstrom Credit Card or Nordstrom debit card in Nordstrom stores, Nordstrom Rack, nordstrom.com, and through Nordstrom catalogs (“net purchases at Nordstrom”). Level 2 requires an annual minimum of \$2,000 in net purchases at Nordstrom; Level 3 requires an annual minimum of \$5,000 in net purchases at Nordstrom; and Level 4 requires an annual minimum of \$10,000 in net purchases at Nordstrom. Once you reach the qualifying net purchases at Nordstrom for Levels 2, 3, or 4, your benefits at each level include the category of benefits associated with the preceding level(s) of the Nordstrom Fashion Rewards program. You remain eligible to receive rewards points and the benefits associated with Level 1, 2, 3, or 4 (subject to the qualifying net purchases at Nordstrom stated above) as long as your Nordstrom account remains open and Nordstrom Bank has not revoked your charging or purchasing privileges.

Nordstrom employees and Nordstrom purchases receiving an employee discount will earn rewards points for net purchases with a Nordstrom Credit Card or Nordstrom debit card, but will not be eligible for any other benefits associated with Levels 1, 2, 3, and 4.

### **How do Rewards points accrue?**

You will receive two rewards points for every dollar in net purchases at Nordstrom made with your Nordstrom Credit Card or Nordstrom debit card. Visa credit cardholders will also receive one rewards point for every dollar in net purchases made with your Nordstrom Visa card every where Visa credit cards are accepted. Nordstrom Visa Signature customers participating in the alternative travel points option will earn one rewards point and one travel point for every dollar in net purchases at Nordstrom and one travel point for every dollar in net purchases made with your Nordstrom Visa card every where Visa credit cards are accepted (please refer to your Nordstrom Visa Signature Guide to Enhancements for complete information regarding the travel points option). For international orders placed on Nordstrom.com, Visa credit cardholders will receive one rewards point for every dollar in net purchases. International orders are not eligible for any bonus rewards points opportunities.

### **How are Rewards points and/or benefits redeemed?**

You will receive a \$20 Nordstrom Note for every 2,000 rewards points. Rewards points are updated monthly at the time of your Nordstrom monthly billing statement and Nordstrom Notes are generated a short-time thereafter.

You will receive notice that you have reached Nordstrom Fashion Rewards Levels 2, 3, or 4 after you have achieved the qualifying dollars in net purchases at Nordstrom. At that time, you will also receive information about the then current list of benefits associated with your Level and how to redeem those benefits. You may also receive additional information about more benefits from time to time.

Some benefits may have restrictions associated with them, may require you to purchase the benefit, may have limited available quantities, may only be available while supplies last, and/or may be subject to other restrictions. We will explain applicable restrictions to you when you receive information about the benefit.

The complimentary standard in-store shipping and alterations benefits require that you use your Nordstrom Credit Card or Nordstrom debit card to purchase the item associated with the shipping charge or the alteration, and further require you to charge the shipping and/or alteration fee to your Nordstrom Credit Card or Nordstrom debit card. The standard shipping and/or alteration fee will be refunded on your next monthly billing statement following the purchase. The alterations benefit is not cumulative as you progress through the Fashion Rewards levels. This means, for example, if you are at a level where the total alterations benefit is \$100 and you have used \$100, when you progress to a level that provides for \$300, you will have \$200 left to use. The complimentary alterations benefit is not available for international online orders. The complimentary standard in-store shipping benefit is not available for international shipments.

### **When are Rewards points and/or benefits forfeited?**

You will forfeit all accumulated and unused rewards points if you fail to pay two or more consecutive minimum payments due on your Nordstrom account or if a Nordstrom debit card EFT is returned unpaid for any reason from your bank. You will forfeit all access to all of the benefits associated with Levels 1, 2, 3, and 4 of Nordstrom Fashion Rewards when your Nordstrom Credit Card or Nordstrom debit card is closed and/or you fail to pay two or more consecutive minimum

payments due on your Nordstrom account or if a Nordstrom debit card EFT is returned unpaid for any reason from your bank.

#### **When do Rewards points and/or benefits expire?**

Rewards points earned and not redeemed for Nordstrom Notes shall expire three (3) years from the last day of the year in which the points were earned, or when your account is closed. The benefits associated with Levels 1, 2, 3, and 4 of Nordstrom Fashion Rewards shall expire twelve (12) months after the calendar year in which you achieved the qualifying dollars in net purchases at Nordstrom or when your account is closed.

#### **How does the Level 3 and 4 Concierge Service work?**

Level 3 and 4 customers and your authorized users have access to the Concierge Services. You may request Concierge Services by calling the dedicated number provided to you upon achieving Level 3 status, 24 hours a day, 7 days a week. The Concierge Service is available for your personal use and the personal use of your authorized users only. You may be asked to verify your status as a Nordstrom cardholder whenever you use the Concierge Service.

You will continue to have access to the Concierge Service as long as your account remains open and Nordstrom Bank has not revoked your charging privileges. The Concierge Service is offered through Nordstrom Bank. Nordstrom Bank has contracted with Nordstrom, Inc. and one or more independent contractors to administer the Concierge Service. Nordstrom Bank, Nordstrom, Inc., any independent contractors administering Concierge Services, and their respective affiliates and subsidiaries (1) do not maintain control over the merchants and other third parties used to complete your transaction or service request; (2) do not assume responsibility for any actions in connection with any transaction or service provided by any merchant or other third party; and (3) do not provide, endorse, or guarantee the products or services you purchase through this service. You hereby release Nordstrom Bank, Nordstrom, Inc., any independent contractors administering Concierge Services, and any of their respective affiliates and subsidiaries from any responsibility and/or liability for any loss, injury, damage, accident, delay, inconvenience, or irregularity that any person may suffer due to any cause whatsoever relating to, arising out of or in connection with the Concierge Service or the use of any facilities, services or products in connection with any transaction or service provided through the Concierge Service to any person by any merchant or other third party.

#### **Personal Triple Points Days**

The Personal Triple Points Day benefit allows you to select a day to earn triple rewards points on all the net purchases made with a Nordstrom card at Nordstrom stores, Nordstrom.com, and Nordstrom Rack. International online orders are excluded. As you progress to different Fashion Rewards levels, you will receive the level total of Personal Triple Points Days and not the cumulative total of Personal Triple Point Days. This means, for example, if your Personal Triple Point benefit is one (1) day, and you progress to a level that provides for three (3) days, and you already used one (1) day, you will have two (2) days left. Triple Rewards Points applies to rewards point only, not travel points or other rewards. Rewards points capped at 10 points per net dollars. This benefit cannot be combined with existing bonus rewards points dates.

#### **Style Experiences [Level 3 and 4 members only]**

All package prices are exclusive of taxes and fees; additional surcharges and handling fees may apply to individual components of each package. Packages do not include airfare. Hotel rates and availability are subject to change based on each hotel's blackout periods; other restrictions may apply. All incidentals incurred while staying at the hotel are the responsibility of the guest. Car service includes transportation from the airport to the hotel within the designated metropolitan area and to all package related events exclusive of any waiting or additional stops; additional transportation charges apply if additional stops, non-package related trips, and/or waiting time are required. After original receipt of tickets by member, Nordstrom is not responsible for the theft, loss, delay, destruction or misplacement of any tickets mailed, express delivered, left at will-call or hotel front and concierge desks. Unless otherwise stated, packages must be cancelled no later than thirty (30) days prior to scheduled arrival date in order to receive a full refund, with the exception of theatre tickets which are non-refundable once booked. Style experiences and individual components of the style experiences are non-transferable. You must be a Nordstrom Fashion Rewards member to purchase a style experience and you must purchase and conclude your trip by the date specified or end of the current calendar year if no date restrictions are stated. A Nordstrom Fashion Rewards member must be at least 21 years of age to purchase any style experience and minors participating in a style experience must be accompanied by a parent or guardian who is a member of Nordstrom Fashion Rewards. You remain eligible to purchase the specified benefit as long as your Nordstrom account is open and Nordstrom Bank has not revoked your charging or purchasing privileges.

#### **Shopping Party [Level 4 members only]**

Nordstrom will host a shopping party at your preferred Nordstrom store. Shopping party options are designated in the Shopping Party menu available in the Program Guide and online at nordstromfashionrewards.com. The shopping party benefit has no cash value. Shopping party options are not subject to customization or substitution. Shopping parties are

non-transferable. We reserve the right to change the Shopping Party menu at any time. No shopping parties may be reserved between Thanksgiving Day and January 1st; other blackout dates may apply. Please allow a minimum of 6 weeks advance notice to schedule your party. A Nordstrom Fashion Rewards member must be in attendance at each shopping party and you are limited to one shopping party per Level 4 member account per calendar year. Your shopping party must be held prior to the end of the current calendar year. A Nordstrom Fashion Reward member must be at least 21 years of age to reserve a shopping party and minors participating in a shopping party must be accompanied by a parent or guardian who is a member of Nordstrom Fashion Rewards. You remain eligible for this benefit as long as your Nordstrom account is open and Nordstrom Bank has not revoked your charging or purchasing privileges. If your Nordstrom account is closed and/or your charging or purchasing privileges have been revoked as of the day of the shopping party, your party will be cancelled.

### **Arbitration**

**Please read this arbitration provision carefully. Unless you send us the rejection notice described in this document, this provision will apply to you and, as a result, either one of us can elect to subject any Fashion Rewards Dispute between us to individual arbitration. This means that: (1) a court or jury will not resolve the Fashion Rewards Dispute; (2) you will not be able to participate in a class action or similar proceeding to resolve the Fashion Rewards Dispute; and (3) your appeal rights during and after arbitration will be limited.**

As used in this arbitration provision, a "Fashion Rewards Dispute" means any claim or controversy between us that in any way arises from or relates to the Nordstrom Fashion Rewards program, including, but not limited to, the Nordstrom Fashion Rewards Terms and Conditions, the issuance or redemption of Nordstrom Notes, Nordstrom Fashion Rewards points, the alternative travel points option, other services and events access. Fashion Rewards Dispute has the broadest possible meaning, and includes, without limitation, disputes based upon contract, tort, consumer rights, fraud and other intentional torts, agency, statute or constitution, regulation, ordinance, common law and equity (including any claim for injunctive or declaratory relief). Fashion Rewards Dispute includes claims, counterclaims, cross-claims, and third-party claims, and it includes disputes in the past, present, or future. It also includes disputes about the validity, enforceability or scope of this arbitration provision. Fashion Rewards Dispute does not include any dispute arising out of the terms and conditions of your credit card, debit card, or check card agreement with Nordstrom Bank, such as the collection of any balance on your account.

If one of us elects to arbitrate a Fashion Rewards Dispute, it will be resolved by mandatory binding arbitration. The electing party must notify the other party in writing. To make an election to arbitrate, you must send a written notice to Nordstrom Bank, P.O. Box 13579, Scottsdale, AZ 85267; ATTN: ARBITRATION DEMAND or we must send a written notice to you at the most current address we have on file for you. This notice can be given at any time before or after the beginning of a lawsuit by either party and may be included in papers filed in the lawsuit. The party seeking arbitration must select as the arbitration administrator either the American Arbitration Association ("AAA"), 1633 Broadway, 10th Floor, New York, NY 10019, adr.org, 1.800.778.7879, or JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, jamsadr.com, 1.800.352.5267. You can contact the AAA or JAMS to find out more information on how to commence an arbitration proceeding.

The arbitrator(s) will be appointed in accordance with the procedures of the arbitration administrator, and must be a lawyer with at least ten years of legal experience. The arbitration will take place in the federal judicial district where you reside and either one of us may elect to appear by telephone. We will pay the arbitration filing fee and consider requests to advance additional costs and fees on your behalf. If you receive a favorable award from the arbitration proceeding, we will reimburse you for the reasonable costs and fees of arbitration (but this does not include fees of attorneys, experts or consultants, unless applicable law provides you a right to recover those fees).

**YOU AGREE NOT TO BRING A FASHION REWARDS DISPUTE AGAINST US IN A CLASS ACTION, REPRESENTATIVE ACTION OR SIMILAR PROCEEDING IN COURT OR ARBITRATION. YOU ALSO AGREE NOT TO BRING A FASHION REWARDS DISPUTE AGAINST US ON BEHALF OF ANY OTHER PERSON, AND YOU AGREE THAT NO OTHER PERSON MAY BRING A FASHION REWARDS DISPUTE AGAINST US ON YOUR BEHALF. YOU MAY NOT JOIN A FASHION REWARDS DISPUTE IN A SINGLE ARBITRATION WITH A FASHION REWARDS DISPUTE OF ANY OTHER PERSON. IF YOU TRY TO ASSERT ANY FASHION REWARDS DISPUTES IN A CLASS ACTION OR SIMILAR PROCEEDING, WE CAN REQUIRE THAT IT BE RESOLVED IN INDIVIDUAL (NON-CLASS) ARBITRATION. THIS PARAGRAPH IS REFERRED TO AS THE "CLASS ACTION PARAGRAPH." YOU AGREE NOT TO BRING A FASHION REWARDS DISPUTE AGAINST US IN A PRIVATE ATTORNEY GENERAL ACTION IN COURT OR ARBITRATION.**

If you do not want this arbitration provision to apply, you must reject it in writing by mailing us a written rejection notice containing your name legibly printed, the last four digits of your Nordstrom card number, a statement that you reject the arbitration provision, and your signature. The rejection notice must be sent by you to us at Nordstrom Bank, P.O. Box

13579, Scottsdale, AZ 85267. Your rejection notice is effective only if it meets the above requirements, is signed by you and we receive it within sixty (60) calendar days after the date we first provide you with the Nordstrom Fashion Rewards Terms and Conditions containing the arbitration provision. Subsequent republications or delivery of the Nordstrom Fashion Rewards Terms and Conditions will not trigger another right to reject the arbitration provision. Your rejection of this arbitration provision will not affect any other provision of the Nordstrom Fashion Rewards Terms and Conditions.

This arbitration provision is governed by the Federal Arbitration Act (the "FAA"). The arbitrator(s) must follow: (1) the FAA; (2) all other applicable substantive law (except when contradicted by the FAA); (3) any applicable statute of limitations; and (4) rules as to valid claims of privilege. Further, the arbitrator(s) shall issue a written decision including the reasons for the award upon either party's request. The decision of the arbitrator(s) will be final and binding, except for any appeal right under the FAA.

This arbitration provision will survive the termination of the Nordstrom Fashion Rewards Terms and Conditions or your relationship with us. If any part of this arbitration provision is found to be void or unenforceable under applicable law, all other parts of this arbitration provision and of the Nordstrom Fashion Rewards Terms and Conditions will still apply; except that if the Class Action Paragraph is found to be void or unenforceable in any way, this entire arbitration provision shall be deemed void and shall not apply, but all other parts of the Nordstrom Fashion Rewards Terms and Conditions will still apply.

CUSTOMER SERVICE: 1.800.964.1800.  
 For customer service inquiries and assistance.  
 Available seven days a week, 24 hours a day.  
 TTY Service for the deaf and hard of hearing: 1.800.934.3898

We appreciate your business.

CO110 01/12

**PRICING ADDENDUM  
 FOR NORDSTROM VISA AND NORDSTROM CREDIT CARD ACCOUNTS  
 EFFECTIVE JANUARY 1, 2012**

<b>INTEREST RATES AND INTEREST CHARGES</b>				
<b>Annual Percentage Rate (APR) for Nordstrom Purchases</b>	<b>Tier I</b>	<b>Tier II</b>	<b>Tier III</b>	<b>Tier IV</b>
	<b>10.90%</b>	<b>14.90%</b>	<b>18.90%</b>	<b>22.90%</b>
	Your APR will be assigned when you open your account, based on your creditworthiness. After that, your APR will vary with the market based on the Prime Rate. The APR assigned to your account for Nordstrom Purchases will be printed on the temporary card you receive when you open your account.			
<b>APR for Non-Nordstrom Purchases and Cash Advances</b>	<b>Tier I</b>	<b>Tier II</b>	<b>Tier III</b>	<b>Tier IV</b>
	<b>14.90%</b>	<b>18.90%</b>	<b>22.90%</b>	<b>22.90%</b>
	Your APR will be assigned when you open your account, based on your creditworthiness. After that, your APR will vary with the market based on the Prime Rate. The APR assigned to your account for Non-Nordstrom Purchases and Cash Advances will be printed on the reverse of the card carrier letter you will receive with your credit card.			
<b>Penalty APR and When It Applies</b>	<b>27.90</b>			

	<p>This APR will vary with the market based on the Prime Rate.</p> <p>This APR may be applied to your account if your minimum payment is not received within 60 days of your due date.</p> <p><b>How Long Will the Penalty APR Apply?:</b> If your APRs are increased for this reason, the Penalty APR will apply until you make six consecutive minimum payments when due, starting with your first payment due after your APR is increased.</p>
<b>Variable Rate Information</b>	<p>The ANNUAL PERCENTAGE RATE (and Daily Periodic Rate) for a Balance Category may vary from billing cycle to billing cycle if the Prime Rate for a billing cycle changes. The "Prime Rate" is the highest prime rate published in the "Money Rates" section of <i>The Wall Street Journal</i> print edition on the 15th day of a month, or the next business day if the 15th is not a business day. The Prime Rate for a billing cycle is the Prime Rate most recently available as of the beginning of the billing cycle.</p> <p><b>Tier I Accounts:</b> The Standard ANNUAL PERCENTAGE RATE for Nordstrom Purchases is the Prime Rate plus a Margin of 7.65 percentage points. As of January 1, 2012, this <b>ANNUAL PERCENTAGE RATE</b> was <b>10.90%</b> (Daily Periodic Rate of <b>0.02986%</b>).</p> <p>The Standard ANNUAL PERCENTAGE RATE for Non-Nordstrom Purchases and Cash Advances is the Prime Rate plus a Margin of 11.65 percentage points. As of January 1, 2012, this <b>ANNUAL PERCENTAGE RATE</b> was <b>14.90%</b> (Daily Periodic Rate of <b>0.04082%</b>).</p> <p><b>Tier II Accounts:</b> The Standard ANNUAL PERCENTAGE RATE for Nordstrom Purchases is the Prime Rate plus a Margin of 11.65 percentage points. As of January 1, 2012, this <b>ANNUAL PERCENTAGE RATE</b> was <b>14.90%</b> (Daily Periodic Rate of <b>0.04082%</b>).</p> <p>The Standard ANNUAL PERCENTAGE RATE for Non-Nordstrom Purchases and Cash Advances is the Prime Rate plus a Margin of 15.65 percentage points. As of January 1, 2012, this <b>ANNUAL PERCENTAGE RATE</b> was <b>18.90%</b> (Daily Periodic Rate of <b>0.05178%</b>).</p> <p><b>Tier III Accounts:</b> The Standard ANNUAL PERCENTAGE RATE for Nordstrom Purchases is the Prime Rate plus a Margin of 15.65 percentage points. As of January 1, 2012, this <b>ANNUAL PERCENTAGE RATE</b> was <b>18.90%</b> (Daily Periodic Rate of <b>0.05178%</b>).</p> <p>The Standard ANNUAL PERCENTAGE RATE for Non-Nordstrom Purchases and Cash Advances is the Prime Rate plus a Margin of 19.65 percentage points. As of January 1, 2012, this <b>ANNUAL PERCENTAGE RATE</b> was <b>22.90%</b> (Daily Periodic Rate of <b>0.06274%</b>).</p> <p><b>Tier IV Accounts:</b> The Standard ANNUAL PERCENTAGE RATE for Nordstrom Purchases, Non-Nordstrom Purchases, and Cash Advances is the Prime Rate plus a Margin of 19.65 percentage points. As of January 1, 2012, this <b>ANNUAL PERCENTAGE RATE</b> was <b>22.90%</b> (Daily Periodic Rate of <b>0.06274%</b>).</p> <p>The Penalty ANNUAL PERCENTAGE RATE is the Prime Rate plus a Margin of 24.65 percentage points. The Penalty ANNUAL PERCENTAGE RATE is subject to a maximum ANNUAL PERCENTAGE RATE of 29.99%. As of January 1, 2012, this <b>ANNUAL PERCENTAGE RATE</b> was <b>27.90%</b> (Daily Periodic Rate of <b>0.07644%</b>).</p>
<b>Paying Interest Charges</b>	Your due date is at least 25 days after the close of each billing cycle. We will not charge you interest charges on purchases if you pay your entire balance by the due date each month. We will begin charging interest on cash advances on the transaction date.
<b>Minimum Interest Charges</b>	If you are charged interest charges, the charge will be no less than \$0.50.

<b>FEES</b>	
<b>Annual Fee</b>	<b>None</b>

<b>Transaction Fees</b> <ul style="list-style-type: none"> <li>• Cash Advance</li> <li>• Foreign Transaction</li> </ul>	<p>Either <b>\$5</b> or <b>3%</b> of the amount of each cash advance, whichever is greater</p> <p><b>1%</b> of each transaction in U.S. dollars.</p>
<b>Penalty Fees</b> <ul style="list-style-type: none"> <li>• Late Payment</li> <li>• Returned Payment</li> </ul>	<p>Up to <b>\$35</b>.</p> <p><b>\$25</b></p>

**How We Will Calculate Your Balance:** We use a method called “daily balance”.

Nordstrom Bank figures the interest charge by applying the periodic rate to the “daily balance” of my account for each day in the billing cycle. To get the “daily balance” of a Balance Category Nordstrom Bank takes the beginning balance of that Balance Category each day, adds any new transactions or charges and subtracts any credits or payments (or portions thereof) that are applicable to that Balance Category. This gives us the daily balance for each Balance Category. Each day’s interest charge on a Balance Category is added to the daily balance of that Balance Category to get the beginning balance for the next day and will be part of the Balance Category on which future interest charges are assessed until paid. Late Payment Fees and/or Return Payment Fees are pro rated and allocated to the Balance Categories based on the balances of my Balance Categories on the day I incurred the Late Payment Fee or Return Payment Fees. Miscellaneous fees will be added to my Nordstrom Purchase Balance Category on the day I incurred the fee. The total interest for a billing cycle is equal to the sum of the daily interest for each day in the billing cycle. Nordstrom Bank will round daily interest charge calculations for a Balance Category to the nearest whole cent. If I paid in full the New Balance shown on my previous month’s billing statement by the specified payment Due Date, Nordstrom Bank will consider my daily balance of Nordstrom Purchases and Non-Nordstrom Purchases to be zero for each day of the current month’s billing cycle. A credit balance on a Balance Category is considered to be zero for purposes of calculating the balance subject to interest charges.