

**THE KEY CREDIT TERMS OF THE Mohawk Industries, Inc. CREDIT CARD AGREEMENT ARE AS FOLLOWS:**

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**Annual Percentage Rate for Purchases and Cash Advances**

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**23.99%** (variable)

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**Delinquency Rate\*** 26.99% (fixed)

\* If you do not make your required Minimum Payment by the Payment Due Date two times in any six consecutive billing periods, the Delinquency Rate (rather than the Standard Rate) will apply to all existing balances on your Account and all new transactions beginning with the first day of the billing period in which you missed your second Payment Due Date. Once the Delinquency Rate applies, if you make any required Minimum Payment by the Payment Due Date in twelve consecutive billing periods, the next Statement you receive will reflect the Standard Rate (rather than the Delinquency Rate) which will apply to all existing balances on your Account and all new transactions beginning with the first day of the billing period reflected on that Statement.

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**Variable Rate Information**

The Annual Percentage Rate for all Accounts (excluding the Delinquency Rate) may vary and will equal the prime rate plus 15.48%, but in no event less than 23.99%. The "prime rate" is the highest bank prime loan rate as published in The Wall Street Journal in its Money Rates section on the 5th business day preceding the first day of the billing period.

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**Grace Period for Repayment of the Balance for Purchases**

25 days if no previous balance and full payment is made; otherwise none.

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**Method of Computing the Balance for Purchases**

Two Cycle Average Daily Balance (Including New Purchases).

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**Minimum Finance Charge**

\$1

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**Late Payment Fee:** \$15 if the Balance is \$0 - \$99.99; \$29 if the Balance is \$100.00 - \$999.99; and \$35 if the Balance is \$1000 or more. (Balance means Previous Balance on Statement that shows the Late Fee.)

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**Overlimit Fee:** \$29

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**Return Check Fee:** \$29

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**Transaction Fee for Cash Advances:** 4% of the amount of each cash advance, but not less than \$5 or more than \$50.

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The information about the costs of the Card described above is accurate as of July 7, 2006. This information may have changed after that date. To find out what may have changed, write us at RSF FCRA, P.O. Box 981439, El Paso, TX 79998-1439. The terms of the agreement may be changed by us as provided in the agreement.

## **Consent to Electronic Communications**

### **1. Categories of Communications.**

You understand and agree that GE Money Bank, the issuer of the Mohawk Industries, Inc. Credit Card, our assignees, or other holders of your Mohawk Industries, Inc. Credit Card account ("we" or "us") may provide to you by electronic means the following categories of information with respect to applying for and obtaining a Mohawk Industries, Inc. Credit Card account ("Account"), which may include disclosures required by applicable federal or state law (collectively, "Communications"):

- The Mohawk Industries, Inc. Credit Card Agreement ("Agreement"), including, without limitation, any Truth in Lending Act disclosures;
- Other federal and state law disclosures, notices and communications in connection with the application for an Account or opening an Account; and
- Our Privacy Policy for the Mohawk Industries, Inc. Credit Card Program.

### **2. Manner of Consent.**

You acknowledge that by agreeing to the Consent to Electronic Communications through this website, you demonstrate that you can access information that we would provide to you by posting electronic Communications on our website.

### **3. How to Withdraw Consent.**

You may withdraw your consent to receive electronic Communications by not submitting your online application. However, you may not apply online unless you consent to receive electronic Communications.

### **4. Hardware and Software Requirements.**

In order to access and retain Communications, you must have:

- An Internet Browser which supports HTML 4.0 and SSL-encryption, such as Netscape 4.0 or later and Microsoft Internet Explorer 4.0 or later.
- A means to print or store notices and information through your browser software.
- A personal computer or equivalent device capable of connecting to the Internet via dial-up, DSL, Cable Modem, Wireless Access Protocol, or equivalent, and that supports the foregoing requirements.

### **5. Paper Copies of Communications.**

Upon your request, we will send you a paper copy of the Agreement, our Privacy Policy for the Mohawk Industries, Inc. Credit Card Program and/or other material provided pursuant to the Consent to Electronic Communication. If you would like a paper copy of any of this material please write to us at GE Card Services, Application Processing, OH3 - 4250, P.O. Box 8817, Dayton, OH 45482 - 9940 or call us at 1-877-794-8400. There will be no charge for a paper copy of this material.

### **6. Communications in Writing.**

All Communications in either electronic or paper format from us to you will be considered "in writing." You should print or download a copy of this Consent to Electronic Communication, the Agreement, our Privacy Policy for the Mohawk Industries, Inc. Credit Card Program, your application and any other Communication that is important to you for your records.

### **7. Electronic Signatures.**

You acknowledge that by clicking on the "I Agree" or similar button at the Mohawk Industries, Inc. Credit Card application, you are indicating your intent to sign the relevant document or record and that this shall constitute your signature.

### **8. Federal Law.**

You acknowledge and agree that your consent to electronic Communications is being provided in connection with a transaction affecting interstate commerce that is subject to the federal Electronic Signatures in Global and National Commerce Act, and that you and we both intend that the Act apply to the fullest extent possible to validate our ability to conduct business with you by electronic means.

## INITIAL DISCLOSURE STATEMENT

The following is an initial disclosure statement. If you are approved for a Mohawk Industries, Inc. credit card, a complete credit card agreement ("Agreement") governing your Mohawk Industries, Inc. credit card account ("Account") will be sent to you along with your credit card. The Mohawk Industries, Inc. credit card is issued by GE Money Bank ("Bank"). In this disclosure statement, "we", "us", and "our" means the Bank; "you" and "your" means all persons who we approve to use the Account; and "Card" means your Mohawk Industries, Inc. credit card. You may use your Account to purchase goods or services ("Purchases") or to obtain cash advances ("Cash Advances") by writing checks ("Checks") we may provide to you from time to time or by other means we may make available.

### PERIODIC FINANCE CHARGES.

**A.** The total periodic Finance Charge imposed in a billing period ("Current Billing Period") is total of (i) the daily periodic Finance Charges on Purchases and Cash Advances in the Current Billing Period, plus (ii) the total of the periodic Finance Charges on new Purchases in the previous billing period ("Previous Billing Period"). However, there will be no periodic Finance Charges imposed in the Current Billing Period on any Purchases (including new Purchases in the Previous Billing Period) if for each billing period you pay your New Balance, including any Cash Advance balance and any balance of Purchases made under any Special Payment Plan, in full on or before the Payment Due Date for such billing period. In addition, there will be no periodic Finance Charges imposed in the Current Billing Period on any new Purchases in the Previous Billing Period if daily Finance Charges were imposed on those new Purchases in the Previous Billing Period.

**B.** The periodic Finance Charge imposed in the Current Billing Period on Purchases or Cash Advances for the Current Billing Period is determined by multiplying the Periodic Rate for the Current Billing Period times the Daily Balances of Purchases or Cash Advances in the Current Billing Period to determine the daily periodic Finance Charges, and adding together those daily periodic Finance Charges for each day in the Current Billing Period. The periodic Finance Charge imposed in the Current Billing Period on new Purchases for the Previous Billing Period is determined by multiplying the Periodic Rate for the Current Billing Period times the Daily Balances of new Purchases in the Previous Billing Period to determine the daily periodic Finance Charges, and adding together those daily periodic Finance Charges for each day in the Previous Billing Period. However, there is a minimum periodic **FINANCE CHARGE** of \$1 for a billing period in which a periodic Finance Charge is assessed.

**C.** The periodic Finance Charges will be determined separately for charges incurred under any Special Payment Plan in accordance with the terms established for such Special Payment Plan. *You understand and acknowledge that this Account provides for the daily compounding of periodic Finance Charges.*

### PERIODIC RATES

**A.** The Periodic Rate for your Account is the Standard Rate, unless the Delinquency Rate applies as described below. The Standard Rate for a billing period is the greater of (i) the Prime Rate plus **15.48%**, times 1/365, or (ii) **.06572% (ANNUAL PERCENTAGE RATE 23.99%)**. The Standard Rate shall not exceed **.06780% (ANNUAL PERCENTAGE RATE 24.75%)**. The "Prime Rate" for a billing period is the highest bank prime loan rate as published in The Wall Street Journal in its Money Rates section on the fifth business day preceding the first day of the billing period. As of July 7, 2006 the Standard Rate, was **.06572% (ANNUAL PERCENTAGE RATE 23.99%)**.

**B.** When the Standard Rate applies, the Periodic Rate and corresponding Annual Percentage Rate may vary. If the Prime Rate increases, the Periodic Rate and corresponding Annual Percentage Rate may increase, and as a result the periodic Finance Charge, Minimum Payment and number of payments also may increase. Any change in the Standard Rate will apply to your entire Account balance. We may select a new interest rate index if the Prime Rate is not available.

**C.** If you do not make your required Minimum Payment by the Payment Due Date two times in any six consecutive billing periods, the Delinquency Rate (rather than the Standard Rate) will apply to all existing

balances on your Account and all new transactions beginning with the first day of the billing period in which you missed your second Payment Due Date. The Delinquency Rate is a fixed rate of **.07394% (ANNUAL PERCENTAGE RATE 26.99%)**. Once the Delinquency Rate applies, if you make any required Minimum Payment by the Payment Due Date in twelve consecutive billing periods, the next Statement you receive will reflect the Standard Rate (rather than the Delinquency Rate) which will apply to all existing balances on your Account and all new transactions beginning with the first day of the billing period reflected on that Statement.

#### **BALANCE SUBJECT TO PERIODIC FINANCE CHARGES.**

**A.** To calculate the Daily Balance of Purchases in the Current Billing Period, we take the beginning Daily Balance of Purchases in your Account each day in the Current Billing Period, add any new Purchases, fees (other than Transaction Fees for Cash Advances), debt cancellation fees, or credit insurance premiums assessed that day. We also add other debits assessed that day, and subtract any payments or credits issued on that day, allocated to the Purchase balance. We then multiply this Daily Balance of Purchases by the Periodic Rate for the Current Billing Period and add the daily periodic Finance Charge to the ending Daily Balance of Purchases to determine the beginning Daily Balance of Purchases for the next day.

**B.** To calculate the Daily Balance of Cash Advances in the Current Billing Period, we take the beginning Daily Balance of Cash Advances in your Account each day in the Current Billing Period, add any new Cash Advances or Transaction Fees for Cash Advances assessed that day. We also add other debits assessed that day, and subtract any payments or credits issued on that day, allocated to the Cash Advance balance. We then multiply this Daily Balance of Cash Advances by the Periodic Rate for the Current Billing Period and add the daily periodic Finance Charge to the ending Daily Balance of Cash Advances to determine the beginning Daily Balance of Cash Advances for the next day.

**C.** To calculate the Daily Balance of new Purchases in the Previous Billing Period, we take the beginning Daily Balance of new Purchases in your Account each day in the Previous Billing Period, and add any new Purchases that day. We also add other debits assessed that day, and subtract any payments or credits issued on that day, allocated to the balance of new Purchases. We then multiply this Daily Balance of new Purchases by the Periodic Rate for the Current Billing Period and add the daily periodic Finance Charge to the ending Daily Balance of new Purchases to determine the beginning Daily Balance of new Purchases for the next day.

**D.** Any Daily Balance of less than zero will be treated as zero. Purchases and Cash Advances are included in the Daily Balance of your Account as of the transaction date or, at our option, as of the date the transaction is posted to your Account.

**WHEN PERIODIC FINANCE CHARGES BEGIN TO ACCRUE.** Purchases and Cash Advances begin to accrue periodic Finance Charges from the day the charge is included in the Daily Balance of the Account and continue to accrue finance charges until the charge is paid in full. However, you can avoid periodic Finance Charges on new Purchases in the Current Billing Period if for each billing period you pay your New Balance, including any Cash Advance balance and any balance of Purchases made under any Special Payment Plan, in full on or before the Payment Due Date for such billing period. There is no period within which you can avoid periodic Finance Charges on Cash Advances or Transaction Fees for Cash Advances.

**PAYMENTS.** You must pay at least the Minimum Payment on your billing statement by the Payment Due Date shown on the billing statement. You may pay more than your Minimum Payment at any time. Your Minimum Payment will be (i) the greater of \$10.00 or 3% of the New Balance minus any new balance attributable to any Special Payment Plan that involves delayed or special payments, rounded to the next lowest dollar, plus (ii) any past due amounts. However, the Minimum Payment is the New Balance if the New Balance is less than \$10.00. You must pay any past due amounts as part of your Minimum Payment. We reserve the right to select the method by which payments and credits are allocated to your Account in our sole discretion. The payment allocation method that we use may result in higher Finance Charges on your Account, depending on the types of transaction you make (such as promotional or non-promotional purchases), and the timing and amount of your payments. On promotions requiring a minimum payment, payments over the minimum will usually be applied to those promo balances before non-promo and other balances. If you have a non-promo balance, this may reduce the benefit of the promo. If you want to

change this allocation, please call customer service at 1-866-396-8254.

**FEES.** You agree to pay the following fees.

**A.** A Late Payment Fee, if we have not received your Minimum Payment by the Payment Due Date shown on your Statement. The amount of the Late Payment Fee will be based on your New Balance at the end of the billing period ending after the Payment Due Date. The Late Payment Fee will be \$15 for a New Balance under \$99.99; \$29 for a New Balance \$100.00 to \$999.99; and \$35 for a Balance of \$1000.00 or more.

**B.** A Returned Check Fee of \$29 if any check or other instrument sent to us, or any electronic payment authorization you provide us in payment on your Account, is not honored upon first presentment, even if the check, instrument or electronic authorization is later honored.

**C.** An Over Limit Fee of \$29 for each billing period in which your New Balance as shown on your Statement exceeds your Credit Limit. We may assess an Over Limit Fee even if we authorize the transactions on your Account that caused you to exceed your Credit Limit or if you exceed your Credit Limit as a result of unpaid Finance Charges, the billing of deferred accrued Finance Charges or other fees.

**D.** A Transaction Fee for each Cash Advance that posts to your Account. This fee will be a **FINANCE CHARGE** equal to 4% of the amount of the Cash Advance, with a minimum of \$5 and a maximum of \$50.

**E.** A Returned Loan Check Fee of \$20, on your Account in the event any Check on your Account is not honored by us because (i) the portion of your Credit Limit available for Checks is insufficient to cover the amount of the Check, (ii) you have filed a petition in bankruptcy, (iii) the Check has expired, or (iv) your Account has been closed.

**F.** A Stop Payment Fee of \$20 if we stop payment on any Check at your request.

**SECURITY INTEREST.** You grant us a purchase money security interest in each item of merchandise purchased on your Account to secure its unpaid purchase price until such merchandise is paid in full. Solely for the purpose of determining the extent of our purchase money security interest in each such item of merchandise, your payments will be allocated first to Finance Charges on the Account, and then to pay off each Purchase on the Account in the order in which the Purchase was made (if more than one item was purchased on the same day, your payments will be allocated to pay off the lowest priced item first). If you made a Purchase pursuant to a credit promotion, the balance with respect to the promotional Purchase may be shown on Statements during the promotional period and may reflect a different payment allocation method. In no event will we assert a security interest in the promotional Purchase for an amount greater than the lowest balance shown on a Statement for that promotional Purchase. We agree that no security interest is or will be retained or acquired under this Agreement in any real property which is used or is expected to be used as your dwelling.

**CHANGE IN TERMS.** We may, at any time and subject to applicable law, change, add or delete provisions of the Agreement ("Terms Change") or terminate your Account. Unless prohibited by applicable law, we may apply any Terms Change to any outstanding or future balances of your Account.

**ARBITRATION.** The Agreement contains an arbitration provision that may substantially limit your rights in the event of a dispute, including your right to litigate in court or have a jury trial, discovery and appeal rights, and the right to participate as a representative or member of a class action. You have a right to reject the arbitration provision, by following the instructions in the arbitration provision. If you reject arbitration, it will have no effect on any other terms of the Agreement.

**Notice:** The following is important information regarding your right to dispute billing errors.

**YOUR BILLING RIGHTS - KEEP THIS NOTICE FOR FUTURE USE**

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

**Notify Us in Case of Errors or Questions About Your Bill.**

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address shown on your Statement under billing inquiries. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and Account number
- The dollar amount of the suspected error.
- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

**Your Rights and Our Responsibilities After We Receive Your Written Notice**

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct. After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is.

If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your bill was correct.

**Special Rule for Credit Card Purchases**

If you have a problem with the quality of property or services that you purchased with a 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 property or services. There are two limitations on this right:

- (a) You must have made the purchase in your home state or, if not within your home state, within 100 miles of your current mailing address; and
- (b) The purchase price must have been more than \$50.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

## PRIVACY POLICY

This Privacy Policy describes our information collection and sharing practices. Please read it carefully. The Policy applies only to current and former customers and applicants in their relationships with us relating to consumer Mohawk Industries, Inc. Credit Card Accounts of GE Money Bank (“we” or “us”).

**Information We Collect** -We collect personally identifiable information about you, (such as address, phone number, social security number, mother’s maiden name, and transaction information about items purchased, payments and payment method), for identification, account management, servicing and marketing purposes. We obtain information about you directly from you (such as on application forms), through your use of our products and services, and in some cases, from third parties (such as credit bureaus and demographic firms). Occasionally, we may also collect information about you online using “cookies” (small pieces of data stored by your Internet browser on your computer) or other technology that may be used to remember passwords for you, to track your website usage with us, and to provide you with customized content, among other things.

**Information We Share with Others** -We may use and share all of the information we collect, subject to applicable law, with the following (these examples are not intended to be all-inclusive):

- **Mohawk Carpet Corporation and its affiliates**, for use in connection with the consumer Mohawk Industries, Inc. Credit Card program and as otherwise permitted by law. They may use this information to update their records, to provide you with notices of special promotions and other tailored offerings, to answer questions about your Account and to perform other Mohawk Industries, Inc. Credit Card program functions or for other purposes permitted by law. They may use their affiliates, licensees, or third-party service providers (such as modeling and database companies) to assist them in any of these activities.
- **Service Providers**, (including our affiliates) to assist us in servicing Accounts, like preparing billing statements and promotional materials, and responding to customer inquiries. We also may use marketing firms, such as modeling companies, to assist us in our own marketing efforts.
- **Financial Institutions with whom we jointly offer financial products**, such as loan products or credit insurance. If your billing address is in Vermont, this information will be limited to your name and contact information, and transaction and experience information on your Account.
- **Our Affiliates, who are other companies in the General Electric Company corporate family (“GE Family”)**, for servicing or marketing purposes, subject to your right to opt out of sharing of credit eligibility information, such as certain information from credit bureaus and your application, as provided in the *It’s Your Choice* section below. And, subject to your right to opt out, our affiliates also may use information from us concerning your credit eligibility, and your transactions and experience with us, to send you marketing solicitations about products and services.
- **Third Parties, who are interested in offering special products or services to you**, subject to your right to opt out as provided in the *It’s Your Choice* section. For example, we disclose information, either directly or through Mohawk Carpet Corporation, to financial services providers offering products such as insurance, mortgages or loans, and nonfinancial companies offering consumer products and services. We may disclose name, address and telephone numbers, as well as Account purchase and performance history.
- **Others**: We report Account information, such as credit limit, balances and payment information, to credit bureaus. In addition, we may buy and sell assets, lines of business and/or Accounts. When this occurs, customer information generally is disclosed to bidders and is one of the transferred business assets. We also disclose information about you to third parties in certain other circumstances, as permitted by law.

**It’s Your Choice** -You have the right to opt out of our sharing of information with certain third parties, as described below. **To opt out please call us toll-free at 1-877-905-2097, or write to us at P.O. Box 981439, El Paso, TX 79998-1439. If you have previously informed us of your preference, you do not need to do so again.**

**Please do not share information about me with companies outside the GE Family, other than with Mohawk Carpet Corporation and its affiliates for use in connection with the Mohawk Industries, Inc. Credit Card program and as otherwise permitted by law. And please do not share with companies within the GE Family information you use to determine my eligibility for credit**

**And please do not allow companies within the GE Family to solicit me for products and services based on transaction, experience or credit eligibility information they receive from you.**

***Important Notes About Your Choice***

- Please understand that, even if you opt out as described above, we will continue to share information with the merchant associated with your Account, joint marketing partners and service providers as described in this policy, and as otherwise permitted by law. And we will continue to share information that identifies you, and about your transactions and experiences with us, with companies within the GE Family.
- If you have a joint account, a request by one party will apply to all parties on the account.
- We will process your request promptly. However, it may take us several weeks to ensure that all records are updated with your preference. In the interim, you may continue to be included in programs as described above. Also, after your request is processed, you may still be contacted by our affiliates and/or other companies based on their own information.
- Even if you opt out, we will continue to provide you with billing inserts and mail notices of special offers and new benefits.
- Vermont Residents: If (and while) your billing address is in Vermont, we will treat your Account as if you had exercised the opt-out choice described above and you do not need to contact us in order to opt out. If you move from Vermont and you wish to restrict us from sharing information about you as provided in this Policy, you must then contact us to exercise the opt-out choice described above.

**Our Security Procedures** -We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard nonpublic personal information about you. We limit access to personal and Account information to those employees and agents who assist us in providing products and services to you. We also require third parties to whom we disclose nonpublic personal information to adhere to this Privacy Policy and to establish information security procedures.

**Your Access to Information** -We provide you access to information about your Account by sending you monthly billing statements outlining your transactions, finance charges, and other Account information, and by providing customer service representatives to answer your questions.

**How This Policy Applies to You** -The examples contained in this Privacy Policy are illustrations only, and are not intended to be all-inclusive. If you decide to close your Account or become an inactive customer, or if we close or suspend your Account, we will continue to adhere to the privacy policies and practices described in this notice to the extent we retain information about you. We may amend this Privacy Policy at any time, and we will inform you of changes as required by law. You may have other privacy protections under state laws and we will comply with applicable state laws when we disclose information about you. This Privacy Policy applies only to consumer Mohawk Industries, Inc. Credit Card Accounts of GE Money Bank and does not apply to any other accounts you may have with us, and replaces our previous disclosures to you about our information practices.