



BOSE® RETAIL INSTALLMENT SALE AGREEMENT--SUBJECT TO STATE REGULATION

PLEASE READ – THE TERMS OF THIS CONTRACT ARE CONTAINED ON MORE THAN ONE PAGE

March 12, 2004

Barry Tone
22 Main Street
Melody IL, 02345

This document memorializes the agreement (the *Agreement*) between you and Bose Corporation concerning your payment for your merchandise. To simplify this Agreement, the following definitions will apply. *We, our, and us* mean Bose Corporation, your Creditor, and any successors or assignees. *You, your and yours* mean you, the purchaser, as listed at the top of this document. *Merchandise* means the product or products related to your Account, as described in *Description of Your Merchandise*. *Account* means your relationship with us as it relates to your agreement to pay for your merchandise on a periodic basis.

AGREEMENT TO REPAY

You agree to pay the remaining amount you owe (the *Amount Financed*) according to the Payment Schedule listed in the *Federal Truth-in-Lending Disclosures* below. If you fail to make a payment when required, we may assess a late charge, as indicated below.

FEDERAL TRUTH-IN-LENDING DISCLOSURES				
ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate. <u>0%</u>	FINANCE CHARGE The dollar amount the credit will cost you. <u>\$ 0.00</u>	AMOUNT FINANCED The amount of credit provided to you on your behalf. <u>\$457.42</u>	TOTAL OF PAYMENTS The amount you will have paid after you have made all of your payments. <u>\$457.42</u>	TOTAL PURCHASE PRICE The total cost of your purchase on credit, including down payment of <u>\$81.53</u> . <u>\$538.95</u>
YOUR PAYMENT SCHEDULE WILL BE:				
Number of Payments:		Amount of Each Payment:	When Each Payment is Due:	
<u>11</u> Regular Payments of		<u>\$41.58</u>	Monthly, on or about day <u>15</u> .	
Late Charge: If any payment is received more than 15 days after the due date, you may be charged up to the lesser of \$5 or 4% of the late amount.				
Other Terms: Please read this document for additional information about nonpayment and default.				

YOUR RIGHT TO CANCEL

Please review this Agreement before you choose to accept the Merchandise or cancel your Account. If you do not agree to these terms, you may cancel this Agreement and your Account any time before your first payment is due and either return your Merchandise for a full refund without obligation or arrange an alternate payment method. If you return your Merchandise and it is not in good condition, we have the right to keep your down payment as liquidated damages. You may also choose to repay what you owe at any time without penalty.

DESCRIPTION OF YOUR MERCHANDISE

The following Merchandise is included in the Product Price below:

Product Name	Qty	
1. Bose Wave radio Platinum White	1	\$499.00
Total Product Price		\$499.00

ITEMIZATION OF THE AMOUNT FINANCED

This section shows an itemization of your purchase from us. You only owe the Amount Financed.

1. Total Product Price	\$499.00
2. Shipping	\$15.00
3. Sales Tax	\$24.95
4. Total Purchase Price (This is the total of items 1 through 3.)	\$538.95
5. Down Payment (This is the amount you paid us previously.)	\$81.53
6. Amount Financed (This is the total purchase price less any down payment.)	\$457.52

PLEASE READ – THE TERMS OF THIS CONTRACT ARE CONTAINED ON MORE THAN ONE PAGE

TERMS AND CONDITIONS

Payment. For each payment you owe you authorize us to charge your credit card using the account number with which you paid your downpayment or such other credit card account number you provide to us. You also authorize us to charge your card at any time to collect any late charges or other costs you owe related to your Account. Furthermore, you agree that we are not obligated to send you a bill or any additional statement of what you owe, except as otherwise required by law. We may accept late or partial payments or any payments marked as being payment in full or bearing any other restrictive endorsement without losing any of our rights. Our acceptance of any such payments does not mean we agree to change this Agreement or your Account in any way. Any check, draft, charge, or electronic payment shall be drawn on a U.S. financial institution and in U.S. dollars.

Default. You default under this Agreement if you breach any of its material terms. This includes, but is not limited to, (1) failure to make any payment when required by the Payment Schedule above and (2) if any bankruptcy proceedings are initiated against you or you otherwise become insolvent. If you default, we may accelerate your payments and require you to pay all that you owe, as allowed by applicable law. If you default, we may forward your Account to a collection agency. We reserve the right to report to a credit bureau. You agree to pay us any reasonable costs we incur in collecting any amount you owe related to your Account. Where allowed or required by applicable law, this includes attorney's fees, if we employ an attorney who is not our employee to collect any amount you owe.

Limited Warranty. Your Bose merchandise is covered by a limited warranty set forth in your owner's guide or manual. ~~THE PROVISIONS OF THAT WARRANTY ARE IN LIEU OF ANY OTHER WRITTEN WARRANTY, WHETHER EXPRESSED OR IMPLIED, WRITTEN OR ORAL, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. BOSE CORPORATION'S MAXIMUM LIABILITY SHALL NOT EXCEED THE ACTUAL PURCHASE PRICE PAID BY YOU FOR THE PRODUCT. IN NO EVENT SHALL WE BE LIABLE FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR INDIRECT DAMAGES.~~ You may also have other rights that vary from state to state, so the above limitations or exclusions may not apply to you.

Assignment. We may sell, assign or transfer your Account at any time without notice to you. You may not sell, assign or transfer your Account or any related obligation.

Entire Agreement. This Agreement, combined with any limited warranty contained in your owner's guide or manual and any prior communications you have agreed to use in executing this Agreement, constitutes your entire agreement with us regarding your Account.

Waiver and Modification. Our failure to exercise any of our rights under this Agreement, our delay in enforcing any of our rights, or our waiver of any rights on any occasion shall not constitute a waiver of such rights on any other occasion. Any change to this Agreement must be in writing and authenticated by both parties.

Severability. Except as otherwise provided, if any term of this Agreement is held or determined invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect. Furthermore, the Arbitration Provision below shall survive: (1) the termination, or changes to, this Agreement or your Account, (2) the bankruptcy of any party, and (3) any transfer, sale or assignment of your Account, or any amounts owed on your Account. If any portion of the Arbitration Provision other than the provision that Arbitration proceed on an individual, non-class, and non-representative basis is deemed invalid or unenforceable, the remaining portions shall nevertheless remain in force. If the provision that Arbitration proceed on an individual, non-class, and non-representative basis is deemed invalid or unenforceable, then the entire Arbitration Provision (other than this severability clause) shall be deemed unenforceable.

Applicable Law. This Agreement and your Account is governed by federal law and, to the extent that state law necessarily controls, the law of Massachusetts, where we are located.

ARBITRATION

THIS CONTRACT PROVIDES THAT ANY DISPUTE BETWEEN YOU AND US MAY BE RESOLVED THROUGH BINDING ARBITRATION, INSTEAD OF THROUGH LITIGATION IN COURT. IF ARBITRATION IS CHOSEN BY YOU OR US, NEITHER YOU NOR WE WILL HAVE THE RIGHT TO LITIGATE IN COURT, THE RIGHT TO A JURY, OR THE RIGHT TO PARTICIPATE IN A CLASS ACTION, REPRESENTATIVE ACTION OR SIMILAR PROCEEDING. SOME OTHER RIGHTS AND PROCEDURES AVAILABLE IN COURT ARE NOT AVAILABLE IN ARBITRATION.

You agree that either you or we may elect to arbitrate any Claim between you and us.

Definitions. For purposes of this Arbitration Provision, the following definitions apply. *Claim* means any dispute arising from or relating to your Account and any prior Account, your relationship with us, and the interpretation, application, scope, or enforceability of this Agreement, any other document related to your Account, or this Arbitration Provision. *Claim* includes all such disputes, whether arising in the past, present or future, including any disputes that arise before the opening of your Account and any disputes that arise after your Account is cancelled or suspended. *You, your, us, we,* and *our* mean those persons included in the meaning of these terms as defined above, and also include any assigns, successors, predecessors, executors, trustees, licensees, corporate parent, wholly or majority owned subsidiaries, affiliates, any purchaser of your Account, and all agents, employees, representatives, and directors of any of the foregoing, as well as any other person who is made a named party to a dispute in which one of the foregoing persons is named, and was a participant in any transaction or event that is the subject of the dispute.

Administrator means one of the arbitration administrators that will administer the arbitration (collectively, *Administrators*). One of these Administrators will administer the arbitration of any Claims:

- National Arbitration Forum
P.O. Box 50191, Minneapolis, MN 55405
www.arb-forum.com
- American Arbitration Association
335 Madison Avenue, Floor 10, New York, NY 10017-4605
www.adr.org
- JAMS
1920 Main Street, Suite 300, Irvine, CA 92610
www.jamsadr.com

You may contact any of the Administrators for information about arbitration, possible arbitrators, fee schedules, arbitration rules and procedures, and claim forms. *Arbitrator* means the independent, neutral person that decides the Claim between you and us.

PLEASE READ – THE TERMS OF THIS CONTRACT ARE CONTAINED ON MORE THAN ONE PAGE

Claims Subject to Arbitration. All Claims are subject to arbitration to the fullest extent permitted by law, whether based on contract, fraud, agency, negligence or other tort (including intentional torts), statutory or regulatory provisions, or any other legal theory or source of law. All Claims are subject to arbitration whether the remedy they seek is damages, injunctive or declaratory relief, or some other legal or equitable remedy. Claims filed in small claims court are not subject to arbitration, provided such Claims remain in small claims court and proceed on an individual, non-class, and non-representative basis.

Initiation or Election of Arbitration. You or we may elect to have any Claim resolved through binding Arbitration, even if a Claim has been filed in court.

Selection of the Administrator and the Arbitrator. The party that initiates the Claim may select one of the three Administrators named above. You may contact any of the Administrators for information about arbitration, possible arbitrators, fee schedules, arbitration rules and procedures, and claim forms. The arbitrator will be selected mutually by you and us or, if you and we cannot agree on an arbitrator, in accordance with the rules of the chosen Administrator.

Arbitration Proceedings. Unless held by telephone or online, the arbitration hearing will be held in the city of the U.S. District Court closest to your address (as listed above) or any other place agreed upon in writing. The arbitration of all Claims will be conducted on an individual, non-class, and non-representative basis. A single, neutral arbitrator shall resolve any Claim. The arbitrator shall have authority only to resolve Claims between named parties to the arbitration proceeding. The arbitrator shall have no authority to make an award to or on behalf of any person other than a named party. Except as otherwise provided by this document, or as otherwise agreed by you and us in writing, the arbitration will be conducted pursuant to the rules of the chosen Administrator. Consistent with applicable statutes of limitation and the Federal Arbitration Act, the arbitrator shall apply applicable substantive law and may award any remedies or damages available under applicable law.

Costs. Whoever files an arbitration must pay the initial filing fee, and other fees and costs imposed by the Administrator must be paid in accordance with the Administrator's applicable rules. However, we will advance any such fees and costs, or reimburse you, if the Administrator determines that there is good cause to require us to do so, or if you ask us in writing and we determine that there is good cause for us to do so. If you have paid any fees or costs imposed by the Administrator and you prevail, we will reimburse you. Any party will be entitled to recover from another party fees and costs imposed by the Administrator, other costs, and attorney fees, to the extent that the law provides for a recovery of such fees and costs in cases decided by a court, but in no event will you be required to reimburse us more than you would have paid if the Claim was decided by a court.

Interpretation. Any question about the scope of this Arbitration Provision shall be resolved by interpreting this provision in the broadest way in which it may be enforced. This Arbitration Provision is made pursuant to a transaction involving interstate commerce and is governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq.

NOTICES REQUIRED BY LAW

ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

NOTICE TO THE BUYER: 1. Do not sign or accept this Agreement before you read it or if it contains any blank spaces. 2. You are entitled to an exact copy of this Agreement. Keep it to protect your legal rights. 3. You may prepay the full amount due at any time. 4. If you desire to prepay, we will furnish the remaining amount due upon request.

Massachusetts – NOTICE TO BUYER: (1) Do not sign this agreement if any of the spaces intended for the agreed terms are left blank. (2) You are entitled to a copy of this agreement at the time you sign it. (3) You may at any time pay off the full unpaid balance under this agreement.

QUESTIONS ABOUT THIS AGREEMENT

If you have questions about your merchandise, your Account, or would like to cancel this Agreement, please contact us by:

- Calling us at 1-800-278-8029
- Writing us at Bose Corporation, DMG/BISA, The Mountain, Framingham, MA 01701-9168 U.S.A

Our customer service representatives would be happy to assist you.

© 2004 Bose Corporation