

02-1325-CD
IRS vs Gary W. Prosser

02

02-1325-CD
INTERNAL REVENUE SERVICE -vs- GARY W. PROSSER

Notice of Federal Tax Lien

| | | |
|----------------------------------------------------------------------------------|----------------------------|--------------------------------------|
| Area: SMALL BUSINESS/SELF EMPLOYED AREA #6 Lien Unit Phone: (412) 395-5265 | Serial Number 230294015 | For Optional Use by Recording Office |
|----------------------------------------------------------------------------------|----------------------------|--------------------------------------|

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer GARY W PROSSER

02-1325-CD

Residence 5024 CRESTMONT DR
TROY, MI 48098-2440

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

| Kind of Tax (a) | Tax Period Ending (b) | Identifying Number (c) | Date of Assessment (d) | Last Day for Refiling (e) | Unpaid Balance of Assessment (f) |
|--------------------|-----------------------------|---------------------------|------------------------------|---------------------------------|----------------------------------------|
| 6672 | 06/30/2000 | 202-34-7755 | 02/26/2001 | 03/28/2011 | 112468.81 |
| 6672 | 12/31/2000 | 202-34-7755 | 08/20/2001 | 09/19/2011 | 28049.48 |
| 6672 | 03/31/2001 | 202-34-7755 | 09/10/2001 | 10/10/2011 | 4922.80 |

FILED
01/13/2002 Pff pd
AUG 26 2002 25.00

1cc
Pff
William A. Shaw
Prothonotary

| | |
|-----------------------------------------------------------------------------------------|-----------------------|
| Place of Filing Clearfield Prothonotary Clearfield County Clearfield, PA 16830 | Total \$ 145441.09 |
|-----------------------------------------------------------------------------------------|-----------------------|

This notice was prepared and signed at PITTSBURGH, PA, on this,the 15th day of August, 2002.

| | | |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------|
| Signature  for ROBERT T. MIELKE | Title REVENUE OFFICER (814) 533-4214 | 23-11-1910 |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------|

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax Lien
Rev. Rul. 71-466, 1971 - 2 C.B. 409)

02-1326-CD
Sterling Inc al vs Regina Russell

02

02-1326-CD
STERLING, INC. -vs- REGINA RUSSELL

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

STERLING, INC., DBA KAY JEWELERS

Plaintiff

No. 02-1326-CO

vs.

COMPLAINT IN CIVIL ACTION

REGINA RUSSELL

Defendant

FILED ON BEHALF OF
Plaintiff

COUNSEL OF RECORD OF
THIS PARTY:

William T. Molczan, Esquire
PA I.D. #47437
WELTMAN, WEINBERG & REIS CO., L.P.A.
2718 Koppers Building
436 Seventh Avenue
Pittsburgh, PA 15219
(412) 434-7955

WWR#02548587

FILED

AUG 26 2002
mjl:slatty molczan pd 80.0
William A. Shaw
Prothonotary
b6
kc
Sheriff

IN THE COURT OF COMMON PLEAS CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

STERLING, INC., DBA KAY JEWELERS

Plaintiff

vs.

Civil Action No.

REGINA RUSSELL

Defendant

COMPLAINT IN CIVIL ACTION AND NOTICE TO DEFEND

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by an attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP

LAWYER REFERRAL SERVICE
PA Bar Association
P.O. Box 186
Harrisburg, PA 17108
1-800-692-7375

COMPLAINT

1. Plaintiff is a corporation with offices in 375 Ghent Road, Akron, OH 44333.
2. Defendant is an adult individual residing at 200 Forest Avenue, Du Bois, CLEARFIELD County, Pennsylvania 15801.
3. Defendant applied for and received a credit card issued by Plaintiff 's assignor bearing the account number 3057934093. A true and correct copy of the Cardholder Agreement is attached hereto, marked as Exhibit "1" and made a part hereof.
4. Defendant made use of said credit card and has currently a balance due and owing to Plaintiff, as of February 25, 2002, in the amount of \$1,543.27, as shown by Plaintiff's Statement of Account attached hereto, marked as Exhibit "2" and made a part hereof.
5. Defendant is in default of the terms of the cardholder Agreement having not made monthly payments to Plaintiff thereby rendering the entire balance immediately due and payable.
6. Plaintiff avers that the Cardholder Agreement between the parties provides that Plaintiff is entitled to the addition of finance charges at the rate of 24% per annum on the unpaid balance.
7. Plaintiff avers that finance charges calculated at the aforesaid rate from February 25, 2002 to July 29, 2002 amount to \$156.27.

8. Plaintiff avers that the Agreement between the parties provides that Defendant will pay Plaintiff's attorneys' fees of 20% of the total amount due.

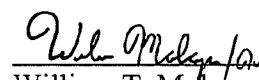
9. Plaintiff avers that such attorneys' fees will amount to \$308.65

10. Although repeatedly requested to do so by Plaintiff, Defendant has willfully failed and/or refused to pay the principal balance, finance charges, attorneys' fees or any part thereof to Plaintiff.

WHEREFORE, Plaintiff demands Judgment in its favor and against Defendant, Regina Russell individually, in the amount of \$2,008.19 with continuing finance charges thereon at the rate of 24% per annum plus costs.

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED SHALL BE USED FOR THAT PURPOSE.

WELTMAN, WEINBERG & REIS, CO., L.P.A.



William T. Molczan, Esquire
PA I.D. #47437
WELTMAN, WEINBERG & REIS CO., L.P.A.
2718 Koppers Building
436 Seventh Avenue
Pittsburgh, PA 15219
(412) 434-7955

WWR#:02548587

Y JEWELERS

TAIL INSTALLMENT CREDIT AGREEMENT

This Kay Jewelers Retail Installment Credit Agreement ("Agreement"), the "us" and "your" refer to any person, firm, corporation, or organization for this contract, or its agent, or employee, and is issued as a Kay Jewelers credit card, or is authorized to use this Kay Jewelers Credit Card Account ("Account"). "we", "us", and "our" refer to Sterling Jewelers Inc., d/b/a Kay Jewelers, P.O. Box 3680, Akron, OH 44309-3680, its subsidiaries and affiliates, and any person to whom the Agreement and/or the balance due on this Account may be assigned.

Promise to Pay: In return for extending credit to you on this Account from us, you agree to pay for all purchases you charge to this Account, plus all other charges mentioned below, according to the terms of this Agreement. When you sign the Application for this Account, you will be agreeing to everything written here. Therefore, before you sign the Application, you should read this entire Agreement, which includes the cost-of-credit disclosures required by federal law. The information you provide on the Application identifies you as incorporated in this Agreement by reference. This Agreement will not be modified except by the parties to this Agreement, or that you or we, or someone authorized by you (signs) a sales slip or other charge slip, a purchase to the Account. Also, until you or someone authorized by you (use) this Account, you will not be responsible for any use of the credit card after its loss or theft.

Grace Period/Cost of Credit:

Regular Terms: If you live in LA, ME, MD, MA, MN, MS, MT, NE, NM, OH, RI, UT, VA, and VT, we will impose a Finance Charge if you (a) in which there is no minimum balance at the beginning of the billing period, or (b) in which payments received and credits issued within 25 days after the billing date on your monthly statement may exceed the balance at the beginning of the billing period, if we did not receive the full amount due (the "new Balance" shown on your monthly statement) within 25 days after the due date shown on your statement, we will impose a Finance Charge, calculated as explained in paragraph 3 below, at the rate(s) shown below.

*This is a variable rate and is accurate as of (9/01). The rate is determined by adding 5% to the Federal Reserve Discount Rate as published in *The Wall Street Journal*. An increase in the Federal Reserve Discount Rate will take effect the day after the Discount Rate is increased. An increase in the Federal Reserve Discount Rate will increase your monthly payment, and a decrease in the Federal Reserve Discount Rate will decrease your monthly payment.

3. Method of Computing Finance Charge: We figure the Finance Charge on your Account by applying the monthly periodic rate set forth in paragraph 2 above to the "Average Daily Balance" of your Account including current transactions (except in the states listed below, where we exclude current transactions). To get the "Average Daily Balance" we take the beginning balance of your Account each day, add any new purchases (except we do not add any new purchases in MN and NM) and any credits issued during the day and subtract any credits issued during the day, any returned check fees, and any unpaid Finance Charge. This gives us the daily balance. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "Average Daily Balance."

4. Minimum Monthly Payment: You agree to pay at least the minimum monthly payment shown on your monthly statement or before the due date shown on that statement. Your minimum monthly payment will be figured as follows:

| Highest New Balance | Minimum Monthly Payment Rounded Up to the Nearest \$0.00 Increment |
|-----------------------|--------------------------------------------------------------------|
| \$0 to \$265 | \$25 |
| \$265.01 to \$500 | 10.0% of Highest New Balance |
| \$500.01 to \$750 | 9.0% of Highest New Balance |
| \$750.01 to \$1,500 | 7.0% of Highest New Balance |
| \$1,500.01 to \$2,500 | 6.0% of Highest New Balance |
| \$2,500.01 & Up | 5.0% of Highest New Balance |

We base your minimum monthly payment on the Highest New Balance on your Account. The minimum monthly payment does not affect the New Balance resulting from a Finance Charge or a Purchase. We will refigure the minimum monthly payment if a subsequent return is made, and the New Balance is below the highest New Balance, or if a subsequent purchase increases the New Balance above the previous highest New Balance, and that minimum monthly payment will be figured as shown by the chart above. If your monthly statement shows a "No Finance Charge Option" balance, a "Reduced Finance Charge Rate Option" balance, and/or a "Eighteen (18) Month Option" balance, and if you have a separate minimum monthly payment shown for each balance, along with a combined total required minimum monthly payment. If purchases subject to different Finance Charge rates or no Finance Charge are made on the same day, for the purpose of determining the amount owing on your Account: 1.) if you pay less than the total required minimum monthly payment, we will credit your payment to the Regular Terms balance which is subject to the regular Finance Charge rate set forth above, 2.) if you pay more than the total required minimum monthly payment but less than the total New Balance, we will credit excess payment to the New Balance, which is subject to the regular Finance Charge rate set forth above.

5. Post Delinquency Finance Charge Rate: In all jurisdictions except AL, AR, CO, GA, HI, IN, MA, MN, MS, NE, NC, OK, TN, TX, WV, and WY, where this provision will not apply, if we fail to receive at least your required minimum monthly payment under our Regular Terms as provided in paragraph A of this section from the date of the purchase,

minimum monthly payment by the due date shown on your statement in two consecutive billing cycles, without further advance notice to you, beginning in the next billing cycle, we will compute the Finance Charge by applying a monthly periodic rate of 2.0% (ANNUAL PERCENTAGE RATE 24%) to the balance attributable to purchases made before the higher rate is applied. We will continue to apply the regular Finance Charge rate set forth in paragraph 2 above to the balance attributable to purchases made after the higher periodic Finance Charge rate begins to be applied. We will apply the post-delinquency Finance Charge rate to the balance attributable to purchases made before the post-delinquency Finance Charge rate begins to be applied until either (a) your outstanding balance is reduced to zero, or (b) the full minimum monthly payment shown on your statement is received by us or before the payment due date in 10 consecutive billing cycles. Thereafter, the regular Finance Charge rate set forth in paragraph 2 above will be resumed and applied to the entire balance on your Account, beginning in the next billing cycle.

6. Disputed Amounts: All written communications concerning disputed amounts, including any check or other payment instrument in an amount less than the full amount due that you send to us marked "paid in full", or you otherwise tender as full satisfaction of a disputed amount, must be sent to us at the address for billing inquiries shown on your billing statement. For important information regarding arbitration, go to www.adr.org under "Arbitration Rules." This Arbitration Rule Notice that accompanies your copy of this Agreement.

7. Arbitration for Disputes – No Jury Trials or Class Actions: This paragraph describes how all Claims (as defined in A, below) will be arbitrated instead of litigated in court.

A. "Claim" means all claims, disputes, and controversies between you and us arising from or relating to (1) this Agreement (including our intention to enter into it), (2) the terms of this Agreement (including paragraph 7), your Account, or any balance in your Account and (3) any prior agreement you may have had with us relating to your Account or any balance on your Account. Claim will be given the broadest possible meaning. For example, and without limitation, Claim includes all claims, based on contract, tort, fraud, and other intentional, statutory, common law, and equity, arising from or relating to (i) advertisements and promotions about your Account or Account-related products or services, (ii) damage to your Account, (iii) the terms of or the disclosures in this Agreement, and (iv) the monthly statements for your Account. This paragraph 7 will not apply to Claims made in lawsuits filed before we delivered this Agreement to you. However, this paragraph 7 will apply to all other Claims, even if the facts and circumstances giving rise to the Claim existed before we delivered this Agreement to you.

B. We or you have the right to require that each Claim be resolved by arbitration. A Claim will be arbitrated if (a) both we and you or (b) only one or the other has the right to require that the Claim be arbitrated. If, for example, we exercise our right to require that a Claim be resolved by arbitration but you do not also exercise your right to require that the Claim be arbitrated, the Claim will be resolved by arbitration and instead will be litigated in court. All arbitrations will be conducted in the state of AL, AR, CO, D.C., FL, GA, I, MD, NE, NM, NJ, NY, OK, SC, WV, and WY; 15 days in FL; 21 days in TX; 30 days in NC; 40 days in RI) after a late fee in the amount of \$25 subject to the following exceptions:

State Returned Check F
AL \$25
AZ, AR, CO, FL, IL, KY, MI, NV, NC, ND, OK, OR, RI, SC, VA \$25
GA, LA Greater of \$25 or check
CT, HI, ID, IN, IA, NJ, NY, UT
TN, UT
CA, MD, MO, TX, WV \$15
DE, MA, NE, NM, PA, VT, WY None

will be final and binding, except (1) for any appeal if the arbitrator's award is more than \$10,000, you or we will decide the appeal, (2) if the appealing party will pay the appeal costs, and (3) if the award is returned to us unpaid by the bank, we may charge a collection fee to cover our collection costs in the amount of \$25.

State Late Fee
IN \$15.50. The amount is subject to Indiana Code § 2.
CA, CO, D.C., IA, TX \$15
GA \$13
RI \$12
FL, MT, NJ \$10
AZ, KS, MO \$10 (except \$5 if \$25 or less)
NC \$10 (except \$5 if balance is under
WA 10% of average of 30 day period
LA, WV Lesser of 5% or \$15
MA Lesser of 10% or \$10
ID, IL, KY, WY Greater of 5% or \$10
NE Greater of 5% or \$5
UT Greater of 5% or \$30
AL 5% of amount p. than \$100 and r. than \$100
OK 5% of amount p. than \$18 and r. than \$18
SC 5% of amount p. than \$13.40 and r. The amount of r. subject to change
Code § 37-1-10
VA 5% of amount p. None

We will add any late fee to the balance due on:

ACCOUNT #:
3057934093

#BWNCKTF
* 1300537923410936 *
REGINA RUSSELL
200 FOREST AVE
DU BOIS PA 15801-1404

BILLING DATE:
02/25/2002
DUE DATE:

03/20/2002

| PLAN | DATE | DESCRIPTION | AMOUNT |
|------|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| | | <p>*** ATTENTION *** The optional Payment Protection Plan on your account balance has been canceled since payments on your account are 90 days past due. Please refer to your Certificate of Insurance for details.</p> <p>**** YOUR ACCOUNT IS SERIOUSLY PAST DUE **** The delinquency status on your account is being reported to the National Credit Reporting Agencies. We may be able to assist you in meeting your financial obligations. Please contact us about our Payment Assistance Programs at 1-800-366-6885.</p> | |

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION.

| PLAN | AVERAGE DAILY BALANCE | MONTHLY PERIODIC RATE | ANNUAL PERCENTAGE RATE | FINANCE CHARGE | SCHEDULED PAYMENT |
|------|-----------------------|-----------------------|------------------------|----------------|-------------------|
| REG | 1,408.76 | 2.00 | 24.00 | 28.17 | 100.00 |

| PREVIOUS BALANCE | PURCHASES & OTHER CHARGES | CREDIT INSURANCE | | PAYMENTS & CREDITS | NEW BALANCE |
|------------------|---------------------------|------------------|--|--------------------|-------------|
| 1,515.10 | 28.17 | .00 | | .00 | 1,543.27 |

Please detach and return this portion with your payment.

ACCOUNT #: 3057934093
REGINA RUSSELL
BALANCE PAYABLE
TO AVOID FURTHER
FINANCE CHARGE:
1,543.27

DUE DATE: 03/20/2002
MINIMUM DUE: 400.00
ENCLOSED: \$ _____

Tear or fold here

KAY JEWELERS
DUBOIS MALL
690 SHAFFER RD. BOX 003
DUBOIS PA 15801-0003

Address or employment change - check here & complete reverse side.

UNIVERSAL
MAILING
SOLUTIONS

VERIFICATION

The undersigned does hereby verify subject to the penalties of 18 P.A.C.S. §4904 relating to unsworn falsifications to authorities, that he/she is Lisa Scott
Bankruptcy Analyst of Sterling Inc., plaintiff herein, that
(Title) (Name)
(Company)

he/she is duly authorized to make this Verification, and that the facts set forth in the foregoing Complaint are true and correct to the best of his/her knowledge, information and belief.

Lisa Scott
(Signature)

02548587

In The Court of Common Pleas of Clearfield County, Pennsylvania

Sheriff Docket # 12967

STERLING, INC. d/b/a KAY JEWELERS

02-1326-CD

VS.

RUSSELL, REGINA

COMPLAINT

SHERIFF RETURNS

NOW OCTOBER 5, 2002 RETURN THE WITHIN COMPLAINT "NOT SERVED,
TIME EXPIRED" PER ATTACHED LETTER.

Return Costs

| Cost | Description |
|-------|------------------------------|
| 9.00 | SHFF. HAWKINS PAID BY: ATTY. |
| 10.00 | SURCHARGE PAID BY: ATTY. |

Sworn to Before Me This

4th Day Of Oct 2002
K. E. D. -
Deputy Prothonotary

My Commission Expires
1st Monday in Jan. 2006
Clearfield Co., Clearfield, PA

So Answers,

Chester A. Hawkins
by Marilyn Harris
Chester A. Hawkins
Sheriff

FILED

OCT 04 2002

William A. Shaw
Prothonotary

PETER F. SMITH
ATTORNEY
30 SOUTH SECOND STREET
P.O. BOX 130
CLEARFIELD, PENNSYLVANIA 16830

(814) 765-5595
FAX (814) 765-6662

E-mail
pfsatty@uplink.net

July 5, 2002

COPY

Kim Hong, Esquire
WELTMAN, WEINBERG & REIS, CO., L.P.A.
2718 Koppers Building
436 Seventh Avenue
Pittsburgh, PA 15219

Dear Kim:

You may recall that I am Solicitor for the Clearfield County Sheriff. He contacted me on Tuesday. Apparently the outstanding bill owed by your firm in the National City vs. Salada case is still owed. I last wrote to you in this regard on April 23, 2002. The case is identified by Clearfield County Docket No. 00-590-CD.

The balance due is \$1,448.09.

The Sheriff is a very determined man. He has instructed me to advise that he will not perform any additional services for your office in any other cases until this bill is paid.

Sincerely,



Peter F. Smith

PFS/jac

cc: Sheriff Hawkins, Clearfield County

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

STERLING, INC., DBA KAY JEWELERS

Plaintiff

No. 02-1326-CO

vs.

COMPLAINT IN CIVIL ACTION

REGINA RUSSELL

Defendant

FILED ON BEHALF OF
Plaintiff

COUNSEL OF RECORD OF
THIS PARTY:

William T. Molczan, Esquire
PA I.D. #47437
WELTMAN, WEINBERG & REIS CO., L.P.A.
2718 Koppers Building
436 Seventh Avenue
Pittsburgh, PA 15219
(412) 434-7955

WWR#02548587

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

AUG 26 2002

Attest:

John A. Prothonotary/Sheriff of Clearfield Co.

IN THE COURT OF COMMON PLEAS CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

STERLING, INC., DBA KAY JEWELERS

Plaintiff

vs.

Civil Action No.

REGINA RUSSELL

Defendant

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You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by an attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

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LAWYER REFERRAL SERVICE
PA Bar Association
P.O. Box 186
Harrisburg, PA 17108
1-800-692-7375

IN THE COURT OF COMMON PLEAS CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

STERLING, INC., DBA KAY JEWELERS

Plaintiff

vs.

Civil Action No.

REGINA RUSSELL

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LAWYER REFERRAL SERVICE
PA Bar Association
P.O. Box 186
Harrisburg, PA 17108
1-800-692-7375

COMPLAINT

1. Plaintiff is a corporation with offices in 375 Ghent Road, Akron, OH 44333.

2. Defendant is an adult individual residing at 200 Forest Avenue, Du Bois, CLEARFIELD County, Pennsylvania 15801.

3. Defendant applied for and received a credit card issued by Plaintiff 's assignor bearing the account number 3057934093. A true and correct copy of the Cardholder Agreement is attached hereto, marked as Exhibit "1" and made a part hereof.

4. Defendant made use of said credit card and has currently a balance due and owing to Plaintiff, as of February 25, 2002, in the amount of \$1,543.27, as shown by Plaintiff's Statement of Account attached hereto, marked as Exhibit "2" and made a part hereof.

5. Defendant is in default of the terms of the cardholder Agreement having not made monthly payments to Plaintiff thereby rendering the entire balance immediately due and payable.

6. Plaintiff avers that the Cardholder Agreement between the parties provides that Plaintiff is entitled to the addition of finance charges at the rate of 24% per annum on the unpaid balance.

7. Plaintiff avers that finance charges calculated at the aforesaid rate from February 25, 2002 to July 29, 2002 amount to \$156.27.

8. Plaintiff avers that the Agreement between the parties provides that Defendant will pay Plaintiff's attorneys' fees of 20% of the total amount due.

9. Plaintiff avers that such attorneys' fees will amount to \$308.65

10. Although repeatedly requested to do so by Plaintiff, Defendant has willfully failed and/or refused to pay the principal balance, finance charges, attorneys' fees or any part thereof to Plaintiff.

WHEREFORE, Plaintiff demands Judgment in its favor and against Defendant, Regina Russell individually, in the amount of \$2,008.19 with continuing finance charges thereon at the rate of 24% per annum plus costs.

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED SHALL BE USED FOR THAT PURPOSE.

WELTMAN, WEINBERG & REIS, CO., L.P.A.

William Molczan

William T. Molczan, Esquire
PA I.D. #47437
WELTMAN, WEINBERG & REIS CO., L.P.A.
2718 Koppers Building
436 Seventh Avenue
Pittsburgh, PA 15219
(412) 434-7955

WWR#:02548587

JEWELERS TAIL INSTALLMENT CREDIT AGREEMENT

This Key Jewelers Retail Installment Credit Agreement ("Agreement"), the "you" and "your" refer to any person who signs the Application for this Account. This Agreement is a legal and binding document and creates a Key Jewelers credit card, or is otherwise authorized to use this Key Jewelers Credit Card Account ("you", "us", and "our" refer to Sterling Jewelers Inc., d/b/a Key Jewelers, P.O. Box 3680, Akron, OH 44309-3680, its subsidiaries and affiliates, and any person to whom this Agreement and/or the balance due this Account may be assigned.

Promise to Pay: In return for extending credit to you on this Account from us, you agree to pay for all purchases you charge to this Account, all other charges mentioned below, according to the terms of this Agreement. When you sign the Application for this Account, you will be agreeing to everything written here. Therefore, before you sign the Application, you should read the entire Agreement, which includes the cost-of-credit disclosure required by federal law. The information you provide on the Application identifies you as incorporated in this Agreement by reference. This Agreement will be binding on you and your heirs, executors, administrators, and assigns, and on you or someone authorized by you (sign) a sales slip or otherwise (sign) a purchase to this Account. Also, until you or someone authorized by you (sign) this Account, you will not be responsible for any use of the credit card after its loss or theft.

Grace Period/Cost of Credit:

Regular Terms: If you live in LA, ME, MD, MA, MN, MS, MT, NE, NH, OR, HI, ID, or VT, or if you finance a purchase by a finance company (which means it is a balance at the beginning of the billing period (A) which is your balance on your monthly statement) or (B) in which payments received and credits issued within 25 days after the billing date shown on your monthly statement equal or exceed the balance at the beginning of the billing period. If we did not receive the full amount due (the "new Balance") shown on your monthly statement within 25 days after the billing date shown on your statement, we will apply the regular billing cycle rate to the balance remaining at the rate(s) shown below, starting in the paragraph E in all states except LA, ME, MD, MA, MN, MS, MT, NE, NY, OR, HI, TX, VA, and VT. We will impose a Finance Charge, calculated as explained in paragraph 3 below, at the rate(s) shown below in section E of this paragraph. To avoid further Finance Charge shown on that statement, with 25 days after the billing date, your payment of e-Balance Payable To Avoid Further Finance Charge shown on that statement.

No Finance Charge Option: If any single purchase is designated as a "Finance Charge Option" or similar term on the sales invoice, and each required minimum monthly payment is received by us by the due date shown on the monthly statement, no Finance Charge will be imposed on that purchase. The required minimum monthly payment will be determined by the amount indicated by the number of days remaining when the "No Finance Charge Option" starts. However, the minimum monthly payment will not be less than \$25, which may shorten your repayment period. If any required minimum monthly payment is not received by the due date shown on the monthly statement, Finance Charges will be imposed under our Regular Terms as provided in paragraph A of this section.

Reduced Finance Charge Rate Option: If any single purchase is designated as a "Reduced Finance Charge Option" or similar term on the sales invoice, and each required minimum monthly payment is received by us by the due date shown on the monthly statement, a reduced Finance Charge will be imposed on the balance for that purchase for the duration of the "Reduced Finance Charge Option" period. Your minimum monthly payment will not be less than the amounts specified in paragraph 4 of this Agreement, which may shorten your repayment period. If any required minimum monthly payment is not received by the due date shown on the monthly statement, the "Reduced Finance Charge Option" will not be imposed by us. The Finance Charge will be imposed under our Regular Terms as provided in paragraph A of this section. At the end of the "Reduced Finance Charge Option" period, Finance Charges will be assessed on any remaining balance under the Regular Terms as provided in paragraph A of this section.

Eighteen (18) Month Option: If any single purchase is designated as an "Eighteen (18) Month Option" or similar term on the sales invoice, and each required minimum monthly payment is received by us by the due date shown on the monthly statement, no Finance Charge will be imposed for the first twelve (12) months, and a reduced or standard Finance Charge rate will be imposed on the remaining balance for that purchase for the (6) additional months. The applicable Finance Charge rate will not exceed the rates set forth under our Regular Terms as provided in paragraph A of this section. Your minimum monthly payment will not be less than \$150, which may shorten your repayment period. If any required minimum monthly payment is not received by us by the due date shown on the monthly statement, Finance Charges will be imposed under our Regular Terms as provided in paragraph A of this section from the date of the purchase.

E. Finance Charge Rates: If a Finance Charge is imposed, we apply the monthly periodic rate of 1.9035% (ANNUAL PERCENTAGE RATE 22.95%) to the "Average Daily Balance" (explained in paragraph 3 below), subject to the following exceptions:

| If you live in | We apply the monthly periodic rate of | ANNUAL PERCENTAGE RATE |
|------------------------------------|-------------------------------------------|------------------------|
| AL | 1.75% to \$750 1.5% over \$750 | 21% 18% |
| AR | 6666% | 65* |
| CO, GA, IN, MS, OK, TX, VT, WV, WY | 1.75% | 21% |
| HI, MA, MN, NC | 1.5% | 18% |
| NE | 1.75% to \$499 1.5% for \$500 and more | 21% 18% |

This is a variable rate and is accurate as of (9/1). The rate is determined by adding 5% to the Federal Reserve Discount Rate as published in *The Wall Street Journal*. An increase in the Federal Reserve Discount Rate will take effect the day after the Discount Rate is increased. An increase in the Federal Reserve Discount Rate will increase your monthly periodic rate by an additional 5%. Please note that we will increase your monthly periodic rate by an additional 5% if a Finance Charge or minimum monthly payment due on your Account, the applicable rate is the rate in existence at the time of purchase. The rate will continue to apply to the balance of that purchase until paid in full.

If the Finance Charge that results from application of the above stated monthly periodic rate is less than \$5.00, we will impose a minimum FINANCIAL CHARGE OF \$5.00, except there is no minimum FINANCIAL CHARGE in AR, D.C., HI, IL, IA, MN, NE, MA, NC, RI, SD, VA, VT, and WY.

F. Method of Computing Finance Charge: We figure the Finance Charge on your Account by applying the monthly periodic rate set forth in paragraph 2 above to the "Average Daily Balance" of your Account including current transactions (except in the states listed below, where we exclude current transactions). To get the "Average Daily Balance" we take the beginning balance on your Account each day, add any new purchases (except we do not add any new purchases in MA and NC), subtract any credits or returns, and subtract any unpaid balance, any late fees, any returned check fees, and any unpaid Finance Charge. This gives us the daily balance. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "Average Daily Balance."

G. Minimum Monthly Payment: You agree to pay at least the minimum monthly payment shown on your monthly statement or before the due date shown on that statement. Your minimum monthly payment will be figured as follows:

| Highest New Balance | Minimum Monthly Payment Rounded To the Nearest \$5.00 Increment |
|-----------------------|-----------------------------------------------------------------|
| \$0 to \$265 | \$25 |
| \$265.01 to \$500 | 10.0% of Highest New Balance |
| \$500.01 to \$750 | 9.0% of Highest New Balance |
| \$750.01 to \$1,500 | 7.0% of Highest New Balance |
| \$1,500.01 to \$2,500 | 6.0% of Highest New Balance |
| \$2,500.01 & Up | 5.0% of Highest New Balance |

We base your minimum monthly payment on the highest New Balance on your Account. The minimum monthly payment does not reduce the New Balance, unless the "No Finance Charge Option" is used. We will reduce the minimum monthly payment if a subsequent return is made, and the New Balance is below the highest New Balance, or if a subsequent purchase increases the New Balance above the previous highest New Balance, and that minimum monthly payment will be figured as shown by the chart shown above. If your monthly statement shows a "No Finance Charge Option" balance, a "Reduced Finance Charge Rate Option" balance, and/or a "Eighteen (18) Month Option" balance, and a "Regular Term" balance, the minimum monthly payment will be based on the total of all these balances, along with a combined total of all minimum monthly payment. If purchases subject to different Finance Charge rates or no Finance Charge are made on the same day, for the purpose of determining the amount owing on your Account: 1.) if you pay less than the total required minimum monthly payment, we will credit your payment to the Regular Term balance which is subject to the regular Finance Charge rate set forth above, or 2.) if you pay more than the total required minimum monthly payment (but less than the total New Balance), we will credit the excess amount to the total of the Total balance, which is subject to the regular Finance Charge rate set forth above.

H. Late Delinquency Finance Charge Rate: In all jurisdictions except AL, AR, CO, GA, HI, IN, MA, MN, MS, NE, OK, TX, TN, TX, VT, WV, and WY, where this provision will not apply, if we fail to receive at least your required

minimum monthly payment by the due date shown on your statement in two consecutive billing cycles, without further advance notice to you, beginning in the next billing cycle, we will compute the Finance Charge by applying a monthly periodic rate of 2.0% (ANNUAL PERCENTAGE RATE 24%) to the balance attributable to purchases made before the higher post-delinquency Finance Charge rate set forth in paragraph 2 above to that balance attributable to purchases made after the higher post-delinquency Finance Charge rate begins to be applied. We will apply the post-delinquency Finance Charge rate to the balance attributable to purchases made before the post-delinquency Finance Charge rate begins to be applied until either (a) your outstanding balance is reduced to zero, or (b) we receive full minimum monthly payment shown on your statement and receive it on or before the payment due date in the next billing cycle. Thereafter, the regular Finance Charge rate set forth in paragraph 2 above will be resumed, and applied to the entire balance on your Account, beginning in the next billing cycle.

I. Disputed Amounts: All written communications concerning disputed amounts, including any check or other payment instrument in an amount less than the full amount due that you send to us marked "paid in full" or "check cashed" or any other communication that you send to us at the address for sending inquiries or on the billing statement. For important information regarding our right to dispute billing errors under federal law, see the Billing Rights Notice that accompanies your copy of this Agreement.

J. Arbitration for Disputes – No Jury Trials or Class Actions: This paragraph describes how all Claims (as defined in A, below) will be arbitrated instead of litigated in court.

A. "Claim" means all claims, disputes, and controversies between you and us arising from or relating to your Account, including, but not limited to:

(i) the applicability of this paragraph 7 to your Account, or any balance on your Account and (2) any prior agreement you may have had with us relating to your Account or any balance on your Account. Claim will be given the broadest possible meaning. For example, and without limitation, Claim includes all claims, based on contract, tort, fraud, and other intentional or negligent acts, common law, and equity, arising out of or relating to agreements and promotions about your Account or any other generally goods or services offered by us, and the terms of financing. (iii) the Application for your Account, (iii) the terms of or the disclosures in this Agreement, and (IV) the monthly statements for your Account. This paragraph 7 will not apply to Claims made in lawsuits filed before we delivered this Agreement to you. However, this paragraph 7 will apply to all other Claims, even if the facts and circumstances giving rise to the Claim existed before we delivered this Agreement to you.

B. We OR you have the right to require that (i) both we and you or (ii) only one or the other of you or we, exercise the right to require that the Claim be arbitrated, or (iii) if we or you exercise the right to require that the Claim be arbitrated, but you do not also exercise your right to require that the Claim be arbitrated, the Claim will be resolved by arbitration. If neither we nor you request arbitration, the Claim will not be resolved by arbitration and we will request that the Claim be decided by a court in the manner set forth in paragraph 7 and the American Arbitration Association ("AAA") Commercial Arbitration Rules ("Rules") will be applied at the time the Claim is made. We will substitute another nationally recognized arbitration organization using procedures similar to the Rules if AAA does not serve. For the Rules currently in effect, call AAA (800-925-0155) or visit its website (<http://www.adr.org>).

C. If we or you request arbitration of a Claim, we and you will not have the right to litigate the Claim in court. This means (1) neither we nor you may file a suit in court to litigate the Claim, (2) there will be no trial by jury in the Claim, (3) neither we nor you may be arbitrated on a class-action basis, and neither we nor you will have the right to participate as a representative or member of any class of claimants pertaining to any Claim subject to arbitration.

Generally, the arbitrator's decision will be final and binding. There are other rights that you would have if you want to court that also may not be available in arbitration.

D. Claims by or against you may not be joined or consolidated in the arbitration with Claims by or against another person. Arbitration hearings for Claims by or against you will take place in the federal judicial district in which you live. If you make a request to us in writing, we will temporarily advance the hearing, the filing, administrative, and hearing fees for the arbitration of your Claim against us (but not if the Claim is against you) in excess of any filing fees you would otherwise have to pay to the court in which you reside. At the end of the arbitration, the arbitrator will decide if you have to repay the advance (and if you do have to repay, you agree to do so). Unless otherwise agreed, we will pay our, and you will pay your, lawyers', experts', and witness fees in the arbitration.

E. This paragraph 7 will be governed by the Federal Arbitration Act ("FAA").

The arbitrator will apply substantive law consistent with FAA and statutes of limitations and will honor all valid privilege claims. If the Rules and this paragraph conflict, this paragraph 7 will govern. Judgment upon the arbitrator's award may be entered in any court with jurisdiction. The arbitrator's decision

will be final and binding, except (1) for any appeal rig arbitrator's award is more than \$100,000, or we or we arbitrator AAA panel, which will decide the appeal and will pay the appeal costs.

F. Returned Check Fee: If any check sent to us is returned to us unpaid by the bank, we may charge a fee to cover our collection costs in the amount following exceptions:

| State | Returned Check Fee |
|------------------------------------------------------------|--------------------------------|
| AL | \$29 |
| AZ, AR, CO, FL, IL, KY, MI, NV, NC, ND, OK, OR, RI, SC, VA | \$25 |
| GA, LA | Greater of \$25 or 5% of check |
| CT, HI, ID, IN, IA, NJ, NY, TN, UT | \$20 |
| CA, MD, MO, TX, WV | \$15 |
| DE, MA, NE, NM, PA, VT, WV | None |

You agree that we may add the returned check fee to your account.

G. Late Fee: If your minimum monthly payment is 5 days (10 days in AL, AZ, AR, CO, D.C., FL, GA, I, MO, MT, NE, NJ, NY, OK, SC, WV, and WY; 15 days in TX; 20 days in NC; 40 days in RI) after the due date in TX; 30 days in NC; 40 days in RI) after a late fee in the amount of \$20, subject to the following:

| State | Late Fee |
|----------------------|--------------------------------------------------------------------------------------------------------------|
| IN | \$15.50. The amount is subject to Indiana Code § 2-1-1-2. |
| CA, CO, D.C., IA, TX | \$15 |
| GA | \$13 |
| IL | \$12 |
| FL, MT, NJ | \$10 |
| AZ, KS, MO | \$10 (except \$5 if \$25 or less) |
| NC | \$10 (except \$5 if balance is under \$50) |
| WA | 10% of average daily balance less than \$500 for 30 day period |
| LA, WV | Lesser of 5% of balance or \$15 |
| MA | Lesser of 10% or \$10 |
| ID, IL, KY, WY | Greater of 5% or \$10 |
| NE | Greater of 5% or \$5 |
| UT | Greater of 5% or \$30 |
| AL | 5% of amount paid less than \$100 and \$100 and over |
| OK | 5% of amount paid less than \$18 and \$18 and over |
| SC | 5% of amount paid less than \$13.40 and \$13.40 and over. The amount of the subject to change Code § 37-1-10 |
| VA | 5% of amount paid |
| DE, NM, TN, VT | None |

We will add any late fee to the balance due on your account.

ACCOUNT #:
3057934093

#BWNCKTF
1300537923410936 #
REGINA RUSSELL
200 FOREST AVE
DU BOIS PA 15801-1404

BILLING DATE:

02/25/2002

DUE DATE:

03/20/2002

| PLAN | DATE | DESCRIPTION | AMOUNT |
|------|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| | | <p>*** ATTENTION ***</p> <p>The optional Payment Protection Plan on your account balance has been canceled since payments on your account are 90 days past due. Please refer to your Certificate of Insurance for details.</p> <p>**** YOUR ACCOUNT IS SERIOUSLY PAST DUE ****</p> <p>The delinquency status on your account is being reported to the National Credit Reporting Agencies. We may be able to assist you in meeting your financial obligations. Please contact us about our Payment Assistance Programs at 1-800-366-6885.</p> | |

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION.

| PLAN | AVERAGE DAILY BALANCE | MONTHLY PERIODIC RATE | ANNUAL PERCENTAGE RATE | FINANCE CHARGE | SCHEDULED PAYMENT |
|------------------|---------------------------|-----------------------|------------------------|--------------------|-------------------|
| REG | 1,408.76 | 2.00 | 24.00 | 28.17 | 100.00 |
| PREVIOUS BALANCE | PURCHASES & OTHER CHARGES | CREDIT INSURANCE | | PAYMENTS & CREDITS | NEW BALANCE |

1,515.10 28.17 .00 .00 1,543.27

Please detach and return this portion with your payment.

ACCOUNT #:

DUE DATE:

3057934093

03/20/2002

REGINA RUSSELL

MINIMUM DUE:

BALANCE PAYABLE
TO AVOID FURTHER
FINANCE CHARGE:

400.00

1,543.27

ENCLOSED: \$ _____

KAY JEWELERS
DUBOIS MALL
690 SHAFFER RD. BOX 003
DUBOIS PA 15801-0003

Tear or fold here

Address or employment change - check here &
complete reverse side.

VERIFICATION

The undersigned does hereby verify subject to the penalties of 18 P.A.C.S. §4904 relating to unsworn falsifications to authorities, that he/she is Lisa Scott
Bankruptcy Analyst of Sterling Inc., plaintiff herein, that
(Title) (Name)
(Company)

he/she is duly authorized to make this Verification, and that the facts set forth in the foregoing

Complaint are true and correct to the best of his/her knowledge, information and belief.

Lisa Scott
(Signature)

02548587

FILED

OCT 04 2002

0/10:13 a.m.

William A. Shaw
Prothonotary

AS

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

STERLING JEWELERS INC.

Plaintiff

02-1326-CD
No. 021326CD

vs.

PRAECLP TO SETTLE, DISCONTINUE
AND END WITHOUT PREJUDICE TO REFILE

REGINA RUSSELL

Defendant

FILED ON BEHALF OF
Plaintiff

COUNSEL OF RECORD OF
THIS PARTY:

William T. Molczan, Esquire
PA I.D. #47437
WELTMAN, WEINBERG & REIS CO., L.P.A.
2718 Koppers Building
436 Seventh Avenue
Pittsburgh, PA 15219
(412) 434-7955

WWR#02548587

FILED

MAR 04 2003

William A. Shaw
Prothonotary

IN THE COURT OF COMMON PLEAS CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

STERLING JEWELERS INC.

Plaintiff

vs.

Civil Action No. 021326CD

REGINA RUSSELL

Defendant

PRAECIPE TO SETTLE, DISCONTINUE
AND END WITHOUT PREJUDICE TO REFILE

TO THE PROTHONOTARY OF CLEARFIELD COUNTY:

SIR:

Settle, Discontinue and End the above-captioned matter upon the records of the Court without
prejudice to refile and mark the costs paid.

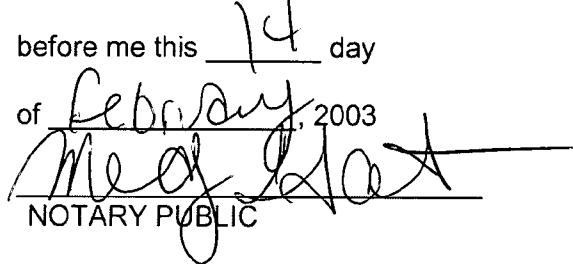
WELTMAN, WEINBERG & REIS CO., L.P.A.

By: 
Attorney for Plaintiff
2718 Koppers Building
436 Seventh Avenue
Pittsburgh, PA 15219
(412) 434-7955
WWR#02548587

SWORN TO AND SUBSCRIBED

before me this 14 day

of February, 2003


NOTARY PUBLIC

Notary Seal
Wendy L. Gault, Notary Public
City Of Pittsburgh, Allegheny County
My Commission Expires July 15, 2003

FILED No. 2
m/1948

MAR 04 2003
2 Cert. of Disc.

to Atty

William A. Shaw
Prothonotary

Copy to CIA

CR

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

COPY

CIVIL DIVISION

**Sterling, Inc.
Kay Jewelers**

Vs. **No. 2002-01326-CD**
Regina Russell

CERTIFICATE OF DISCONTINUATION

Commonwealth of PA
County of Clearfield

I, William A. Shaw, Prothonotary of the Court of Common Pleas in and for the County and Commonwealth aforesaid do hereby certify that the above case was on March 4, 2003, marked:

Settle, Discontinue, and End without Prejudice

Record costs in the sum of \$80.00 have been paid in full by William T. Molczan, Esq.

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal of this Court at Clearfield, Clearfield County, Pennsylvania this 4th day of March A.D. 2003.

William A. Shaw, Prothonotary