

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

William A. Shaw
M.L. Shultz, M.D.
Aug 26 2002
Pretermetary Kc. 88-1451-A
Shultz

FILED

WWR#02548587

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

COUNSEL OF RECORD OF
THIS PARTY:

Plaintiff
FILED ON BEHALF OF

Defendant

REGINA RUSSELL

COMPLAINT IN CIVIL ACTION

vs.

No. DA-1344-CO

Plaintiff

STERLING, INC., DBA KAY JEWELERS

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

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

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

You have been sued in court. If you wish to defend against the claims set forth in the following paragraphs, 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.

COMPLAINT IN CIVIL ACTION AND NOTICE TO DEFEND

Defendant

REGINA RUSSELL

Civil Action No.

Plaintiff

STERLING, INC., DBA KAY JEWELERS

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

1. Plaintiff is a corporation with offices in 375 Ghemt 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 "I" 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.

COMPLAINT

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.

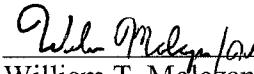
9. Plaintiff avers that such attorneys' fees will amount to \$308.65

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

JEWELERS

TAIL INSTALLMENT CREDIT AGREEMENT

his Key Jewelers Retail Installment Credit Agreement ("Agreement"), the "you" and "you" refer to any person, or legal entity, Application for this account, or authorized holder of this account and is issued a Key Jewelers credit card, or is authorized to use this Key Jewelers Credit Card Account ("account"); "we", "us" and "our" refer to Starling 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 on this account may be assigned.

Promise to Pay: You return for extending credit to you on this Account from time to time, you agree to pay for all purchases you charge on 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 this entire Agreement, which includes the cost-of-credit disclosures required by federal law. The information you provide on the Application is used to determine your creditworthiness. If you sign the Application, this agreement will not be effective until we approve your Application, and then, that only if you or someone authorized by you sign(s) a sales slip or otherwise (charge(s) a purchase to) this Account. Also, until you or someone authorized by you use(s) this Account, you will not be responsible for any use of the credit card after its loss or damage.

Grace Period/Cost of Credit: In states LA, ME, MD, MA, MN, MS, MT, NE, NM, OR, RI, TX, VA, or VT, no Finance Charge will be imposed in any month-billing period (a) in which there is no balance at the beginning of the billing period (the "Previous Balance" shown on your monthly statement) or (b) in which payments received and credits issued within 25 days after the billing day 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 impose a Finance Charge, calculated as provided in paragraph 3 below, at the rate(s) shown below in section E of this paragraph. In all states except LA, ME, MD, MA, MN, MS, MT, NE, NM, OR, RI, 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. The Finance Charge will be imposed on each monthly statement, including the first statement you receive for new purchases or other charges. However, if the Previous Balance on that statement is zero or a credit balance, you will avoid paying the Finance Charge shown on that statement if we receive, within 25 days after the billing date, a payment of at least 100% of the amount of the Finance Charge shown on that statement.

No Finance Charge Option: If any single purchase is designated as a "No 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 the financed amount divided by the number of months in the "No Finance Charge Option" period. 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 from the date of the purchase.

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 Rate Option" period. Your minimum monthly payment will be not less than the amounts specified in paragraph 4 of this Agreement, which may shorten your repayment period, and the minimum monthly payment will not be less than the due date shown on the monthly statement, the "Reduced Finance Charge Rate Option" will immediately terminate and Finance Charges will be imposed under our Regular Terms as provided in paragraph A of this section. At the end of the "Reduced Finance Charge Rate Option" period, Finance Charges will be assessed on any remaining balance under the regular terms as provided in paragraph A of this section.

18. Extended (18 Month) Option: If any single purchase is designated as in "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 on that purchase 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 last six (6) months of the "Extended (18 Month) Option" period. Your minimum monthly payment will be not less than \$150, 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 from the date of the purchase.

E. Finance Charge Rates: If a Finance Charge is imposed, we apply the monthly periodic rate of 1.9083% (ANNUAL PERCENTAGE RATE 22.5%) to the "Average Daily Balance" (explained in paragraph 3 below), subject to the following exceptions:

If you live in the State of:	We apply the monthly periodic rate of:	ANNUAL PERCENTAGE RATE
AL	1.75% to \$750 1.5% over \$750	21% 18%
AR	.6665%	8%
CO, GA, IN, MS, OK, TN, 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 (9/01). 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 affect the day after the Discount Rate is increased in the Federal Reserve Discount Rate. We will add 5% to your monthly periodic rate and Annual Percentage Rate and may increase your Finance Charges and 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 \$50, we will impose a minimum FINANCE CHARGE of \$50, except there is no minimum FINANCE CHARGE in AR, D.C., HI, IL, IA, MD, NE, NM, NC, and RI.

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 during the current billing period. The "Average Daily Balance" does not include current purchases. 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 in any new purchases in MN and NM) and any credit insurance premiums, and subtract any payments or credits, 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 in the billing cycle and divide by the number of days in the billing cycle. This gives the "Average Daily Balance".

4. Minimum Monthly Payment: You agree to pay at least the minimum monthly payment shown on your monthly statement on 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 \$5.00 Increment
\$0 to \$255	\$25
\$255.01 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 decreases as the New Balance reduces until the New Balance reaches zero. We will require 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" or "Reduced Finance Charge Rate Option" balance, and a "Regular Terms" balance, the minimum monthly payment will be the same as the "Regular Terms" balance. If you purchase 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 purchase subject to different Finance Charge rates or no Finance Charge, the regular Finance Charge rate will be applied to the "Reduced Finance Charge Rate Option" 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 the excess amount to the Regular Terms 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, NC, OK, 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 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 before the post-delinquency Finance Charge rate is 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 on 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 remitted 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 owe" or otherwise tender to us full satisfaction of a disputed amount, must be sent to us at the address for billing inquiries on the back of your statement. For important information regarding your right to dispute billing errors under federal law, see the Billing Rights 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 below) will be arbitrated instead of litigated in court.

A. "Claim" means any claims, disputes, and controversies between you and us arising from or relating to (1) this Agreement (including but not limited to the validity, scope, and enforceability of this paragraph), 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 breach of contract, fraud, and other intentional, negligent, or other illegal and/or equitable, arising from or relating to (i) advertisements and promotions about your Account or Accounts generally, goods or services financed under your Account, and the terms of financing, (ii) 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 the date of this Agreement. 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 CR 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 of the other of we or you, exercise the right to require that the Claim be resolved by arbitration. If, for example, we exercise our right to require a Claim be resolved by arbitration, you will have the right to require that the Claim be arbitrated, the Claim will be resolved by arbitration. If neither we nor you requests arbitration, the Claim will not be resolved by arbitration and instead will be litigated in court. All arbitrations will be pursuant to this paragraph 7 and the American Arbitration Association ("AAA") Commercial Arbitration Rules (the "Rules") in effect at the time the Claim is filed. We will substitute another national or regional arbitration organization using procedures similar to the Rules if AAA does not serve. For the Rules currently in effect, call AAA (800-325-0155) 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) there will be no jury trial on the Claim, (2) there will be no pre-arbitration discovery, except as provided in the Rules, and (3) neither party will have the right to participate on a class action basis, 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 went 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, or by or against another person. Arbitration hearings for Claims by or against you will take place in the federal judicial district in which you reside. If you make a request to us in writing, we will temporarily advance to you 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 fee you would have been required to pay). The Claim will be heard in the federal court (whichever is less) in the judicial district in which you reside. At the time 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 unlawful, we will pay our, and you will pay your, lawyers', experts', and witness fees in all situations.

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 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 by the arbitrator's award is more than \$100,000, you or we or the arbitrator AAA panel, which will decide the appeal, appealing party will pay the appeal costs.

8. Returned Check Fee: If any check sent to us is returned by your bank or by the check issuer, we may charge a processing 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	None

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

9. Late Fee: If your minimum monthly payment is 5 days (10 days in AL, AZ, AR, CO, D.C., FL, GA, HI, MD, NE, NJ, NY, OK, WV, and WY; 15 days in TN; 20 days in TX; 30 days in NC; 40 days in VT) after it is due, a late fee in the amount of \$20, plus the late fee in the amount of \$2, will be added to the balance of your Account.

10. State Specific Provisions: Indiana Code § 2-7-1-2.

State **late Fee**
IN \$15.50. The amount is subject to Indiana Code § 2-7-1-2.

CA, CO, D.C., IA, TX \$15

GA \$13

RI \$12

FL, MT, NJ \$10

AZ, KS, MO \$10 (except \$5 if it is \$25 or less)

NC \$10 (except \$5 if balance is under \$100)

WA 10% of average daily balance per day period

LA, WV Lesser of 5% of daily 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 over \$100 and \$100

OK 5% of amount paid over \$18 and \$18

SC 5% of amount paid over \$13.40 and \$13.40

The amount of 1 subject to change

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 *** 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: \$ _____

 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.

2

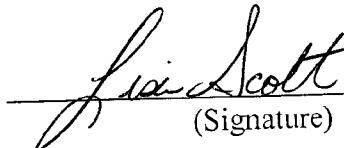
VERIFICATION

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) (Company) ^(Name)

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.



(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. P. DeShaw
Deputy Prothonotary

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

So Answers,


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:

W. A. C.
Prothonotary/
Clerk of Courts

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.

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**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.

Willie Molczan, Esq.

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\$200), where we do not retain any security interest in each item of merchandise. To secure its unpaid purchase price until paid for in full in NY, not to exceed 5 years from the date of your Account. Solely for the purpose of determining security interest in each such item, we will charge first to any unpaid insurance and Late Fees, and then to the unpaid Returned Check Fees charge, then to any pay off of such purchases in the order made (if more than one item was purchased) or in the order of determining the amount owing on your credit as explained in the "Minimum Monthly

Installment Payment". If the amount referred to an employee and we bring a suit against you to recover in addition to the full amount owed and the court reasonable attorney's fees of 20% of the total amount due over \$500 in NJ), or such lesser amount allowable law. No attorney's fees will be imposed in a case where the amount is under \$300, IA, KS, ME, NE, CH, SD, WV, any amount, where not permitted by law. In the PA, we will pay your reasonable attorney's fees against you or if you prevail in a suit you brought against us or your account is referred to an attorney or counterclaim, the court may withhold part of your judgment may be entitled.

our Credit/Charge Cards. We have the right at the use of your Account or issue or lower your notice in advance. Some purchases will require such case you may be asked to provide identification if not working, we may not be able to authorise sufficient available credit. We will not be responsible for the refusal of anyone to extend credit. All credit cards we issue remain our property to return any credit card issued to you. You any credit card we issue to you is lost or stolen, the use of your Account or a credit card by an responsible for any Account balances incurred remain unpaid. Your credit limit with us may be for purchases you make at other retail jewelers request the names of the other retail jewelers call our Marketing Department at 1 (800)

500-133-0000. Notice to District of Columbia Residents: A financial benefit inures to the seller by way of commission or rebate resulting from your purchase of the Credit Insurance coverage offered under this Account. Notice to Florida Residents: The Finance Charge rate shown above is authorized by CH-655 of the Florida Statutes. Notice to Maryland Residents: This Account is governed by Subtitle 9, Title 12 of the Maryland Commercial Law Article.

Notice to Michigan Residents: The seller retains a security interest in the subject matter of this Agreement.

Notice to Texas Residents: The Finance Charge rate shown above is authorized by the Motor Competitive Rate ceiling that is in effect under Tex. Fin. Code Ann. § 345.152. To contact Kay Jewelers about this account, call 1 (800) 877-3514. This account is subject in whole or in part to Texas law which is enforced by the Consumer Credit Commissioner, 2501 North Lamar Boulevard, Austin, Texas 78705-4207, Phone (512) 479-1285 or 1 (800) 538-1579. Contact the Commissioner relative to any inquiries or complaints.

NOTICE: 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 THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

NOTICE TO THE BUYER: 1. DO NOT SIGN THE APPLICATION AND/OR THIS CREDIT AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY

information you believe to be inaccurate. We will include a copy of that credit report.

2. No Waiver By Us. You agree we have the right without notice to you to delay or retain suit enforcing our rights under this Agreement without loss to us. For example, without limitation, you agree we may extend the accept late or partial payments without extending the time to make other payments made when they are due, and waive any charge or fee without loss of right to impose that charge or fee when it is due under this Agreement.

17. OUR PRIVACY POLICY: We collect nonpublic personal information about you from the following sources: (a) information we receive from you on applications or other forms; (b) information about your transactions with us; and (c) information we receive from consumer reporting agencies. We may disclose information collected solely for our own use. We do not disclose any nonpublic personal information about you (or about any current or former customer) to anyone, except as permitted by law. We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

18. Telephone Monitoring: We treat every customer call confidentially. In order to assure that you receive the best possible customer service, and that our employees are complying with our policies and all applicable laws in their contacts with you, on occasion a second employee may listen to customer calls.

19. Change of Address and Governing Law: You agree to notify us promptly in writing if you move. Until we receive written notice of your new address, we will continue to send monthly statements and other notices to the residence when this Account was opened to govern this Agreement, unless we receive written notice that you have moved to another state, in which case, except for the Finance Charge rate, the law applicable to your new state of residence will apply to the entire balance on your account after we receive written notice of your new address. The Finance Charge rate applicable to your previous state of residence will continue to be applied to the balance attributable to those purchases made before we are notified of your new address and that balance is paid off.

Notice to District of Columbia Residents: A financial benefit inures to the seller by way of commission or rebate resulting from your purchase of the Credit Insurance coverage offered under this Account. Notice to Florida Residents: The Finance Charge rate shown above is authorized by CH-655 of the Florida Statutes. Notice to Maryland Residents: This Account is governed by Subtitle 9, Title 12 of the Maryland Commercial Law Article.

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NOTICE TO THE BUYER: 1. DO NOT SIGN THE APPLICATION AND/OR THIS CREDIT AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY

BLANK SPACES. 2. YOU ARE ENTITLED TO A COMPLETELY FILLED IN COPY OF THIS CREDIT AGREEMENT. 3. YOU MAY AT ANY TIME PAY THE TOTAL BALANCE OUTSTANDING UNDER THIS AGREEMENT WITHOUT INCURRING ANY ADDITIONAL CHARGE. KEEP THIS AGREEMENT TO PROTECT YOUR LEGAL RIGHTS. 4. YOU MAY PURCHASE, UNDER CERTAIN CIRCUMSTANCES, REDEEM THE PROPERTY, IF REPOSSESSED BECAUSE OF YOUR DEFAULT, AND YOU MAY, UNDER CERTAIN CONDITIONS, REQUIRE A RESALE OF THE PROPERTY REPOSSESSED. 5. THE SELLER HAS NO RIGHT TO UNLAWFULLY ENTER YOUR PREMISES OR COMMIT ANY BREACH OF THE PEACE TO REPOSESS GOODS PURCHASED UNDER THIS AGREEMENT. ADDITIONAL NOTICE FOR MASSACHUSETTS AND WASHINGTON RESIDENTS: 6. YOU MAY CANCEL A PURCHASE UNDER THIS AGREEMENT IF IT HAS BEEN SIGNED BY A PARTY THERETO AT A PLACE OTHER THAN THE ADDRESS OF THE SELLER, WHICH MAY BE HIS MAIN OFFICE OR BRANCH THEREOF; PROVIDED, YOU NOTIFY THE SELLER IN WRITING AT HIS MAIN OFFICE OR BRANCH, BY ORDINARY MAIL POSTED, BY TELEGRAM SENT OR BY DELIVERY, NOT LATER THAN MIDNIGHT OF THE THIRD BUSINESS DAY FOLLOWING A PURCHASE UNDER THIS RETAIL INSTALLMENT CREDIT AGREEMENT.

YOU ACKNOWLEDGE RECEIPT OF A COPY OF THIS RETAIL INSTALLMENT CREDIT AGREEMENT.

Buyer

SIGNATURE

Co-Buyer

SIGNATURE

Seller-Creditor

*Mario P. Weiss, Senior Vice President Credit Operations,
Sterling Jewelers Inc., d/b/a Kay Jewelers
P.O. Box 3680, Akron, Ohio 44309-3680*

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 for billing inquiries listed on your bill. 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 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.

0300-133-0000 (R-12/01) 680891

If we find that we made a mistake on your bill, you will not have to pay finance charges related to any questioned amount. If we did not make a mistake, you may have to pay finance charges, and you will have to make up missed payments on the questioned amount. In either case, we will send 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 who reports to you that you have a question about your bill, and we must tell anyone who 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 do not follow these rules, we cannot 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.

Reward yourself with the finer things in life.

The benefits are all yours.

- Instant credit
- No annual fee
- Allows your bank cards to be used for emergencies or other uses
- Convenient shopping in our stores nationwide
- Establishes a credit history to assist in future buying events
- Preferred customer mailings
- 90 Days to return your purchase for a full refund
There is a 30 day return period for watches.
- Lifetime free replacement on loss of any diamond from its mounting
- Extended Service Plan is available to protect your jewelry from future repair costs
- Payment Protection Plan is available to let you buy with peace of mind.
This optional plan protects your credit and your purchases. See the Payment Protection brochure for details.

K A Y
JEWELERS
THE DIAMOND PEOPLE

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
DUE DATE: 03/20/2002
REGINA RUSSELL
MINIMUM DUE:
BALANCE PAYABLE
TO AVOID FURTHER
FINANCE CHARGE:
1,543.27
ENCLOSED: \$ _____

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

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

Tear off and mail here

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

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
CIVIL DIVISION

STERLING JEWELERS INC.

Plaintiff

02-1326-CD
No. 021326CD

vs.

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

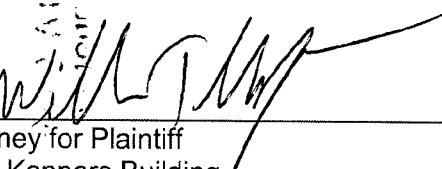
PRAECIPE TO SETTLE, DISCONTINUE
AND END WITHOUT PREJUDICE TO REFILE

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.

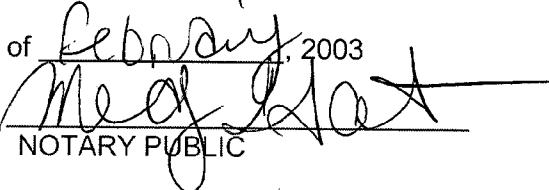
WELTMAN, WEINBERG & REIS CO., L.P.A.

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

FILED No cc

1948st Cert. of Disc.

MAR 04 2003

to Atty

William A. Shaw
Prothonotary

CKD

Copy to CIA

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

COPY

CIVIL DIVISION

**Sterling, Inc.
Kay Jewelers**

**Vs.
Regina Russell**

No. 2002-01326-CD

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