

08-713-CD

Beneficial vs Bobbi Scovorn al

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

BENEFICIAL )  
Plaintiff ) NO. 08-713-CD  
v. )  
BOBBI JO SCOVERN and DAVID A SCOVERN )  
Defendant(s) )

## COMPLAINT IN CIVIL ACTION

Filed on behalf of:  
**BENEFICIAL**

**Counsel of Record for This Party:**

Gregg L. Morris, Esquire  
Pa I.D. #69006

Patenaude & Felix, A.P.C.  
213 E. Main Street  
Carnegie, PA 15106  
(412) 429-7675

FILED 2cc  
mjh:olabd Sheriff  
APR 18 2000  
Atty pd. \$95.00  
William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

## BENEFICIAL

Plaintiff ) NO.  
DAVID A. SCOVERN )  
Defendant(s) )

## **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 GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

**CLEARFIELD COUNTY COURTHOUSE**  
**DAVID S. MEHOLICK, COURT**  
**ADMINISTRATOR**  
**230 EAST MARKET STREET**  
**CLEARFIELD, PA 16830**  
**814-765-2641**

Usted ha sido demandado en corte. Si usted desea defenderse de las demandas que se presentan mas adelante en las siguientes paginas, debe tomar accion dentro de los proximos veinte (20) dias despues de la notificacion de esta Demanda y Aviso radicando personalmente o por medio de un abogado una comparecencia escrita y radicando en la Corte por escrito sus defensas de, y objeciones a, las demandas presentadas aqui en contra suya. Se le advierte de que si usted fall de tomar accion como se describe anteriormente, el caso pude proceder sin usted y un fallo por cualquier suma de dinero reclamada en la demanda o cualquier reclamacion o remedio solicitado por el demandante pude ser dictado en contra suya por la Corte sin mas aviso adicional. Usted pude perder dinero o propiedad au otros derechos importantes para usted.

USTED DEBE LLEVAR ESTE DOCUMENTO A SU  
ABOGADO INMEDIATAMENTE. SI USTED NO TIENE  
UN ABOGADO, LLAME O VAYA A LA SIGUIENTE  
OFICINA. ESTA OFICINA PUEDE PROVEERLE  
INFORMACION A CERCA DE COMO CONSEGUIR UN  
ABOGADO

SI USTED NO PUEDE PAGAR POR LOS SERVICIOS DE UN ABOGADO, ES POSIBLE QUE ESTA OFICINA LE PUEDA PROVEER INFORMACION SOBRE AGENCIAS QUE OFREZCAN SERVICIOS LEGALES SIN CARGO O BAJO COSTO A PERSONAS QUE CALIFICAN.

CLEARFIELD COUNTY COURTHOUSE  
DAVID S. MEHOLICK, COURT  
ADMINISTRATOR  
230 EAST MARKET STREET  
CLEARFIELD, PA 16830  
814-765-2641

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

BENEFICIAL )  
Plaintiff ) NO.  
v. )  
BOBBI JO SCOVERN and DAVID A SCOVERN )  
Defendant(s) )

**COMPLAINT IN CIVIL ACTION**

AND NOW, comes Plaintiff, BENEFICIAL , by and through its attorney, GREGG MORRIS, ESQUIRE and the law offices of PATENAUME & FELIX, A.P.C. and files the following **Complaint in Civil Action**, and in support thereof aver as follows:

Count I  
Account Stated

1. Plaintiff, BENEFICIAL , is a corporation with offices with an address for the purposes of this litigation C/O the law offices of Patenaude and Felix, APC, 213 E. Main Street, Carnegie, PA.
2. Defendant(s) is BOBBI JO SCOVERN, an adult individual, believed to currently reside at 1546 DRANE HIGHWAY OSCEOLA MILLS, PENNSYLVANIA 16666.
3. Defendant(s) is DAVID A SCOVERN, an adult individual, believed to currently reside at 1546 DRANE HIGHWAY OSCEOLA MILLS, PA 16666.
4. Heretofore, the Defendant(s) opened an account with Plaintiff being Account No. 71170716547703. A copy of the Account Agreement is attached hereto as Plaintiff's Exhibit "A" and is incorporated herein by reference..

5. The Defendant(s) made payments, but has refused to pay, and now refuses to pay the balance due and owing on the aforesaid account and now the full amount of the account is due and payable in the sum of \$12,236.34 as of , plus interest at 22.98 % and cost.

6. Plaintiff maintains accurate books of account recording all credits and debits for this account.

7. Defendant(s) have/has received monthly billing statements from Plaintiff setting forth the nature and amount of all debits and credits and the transactions between Plaintiff and Defendant(s) give rise to an account stated, upon which Plaintiff has relied.

8. By failing to object or dispute the statements, Defendant(s) have/has assented to and agreed to the correctness of the balance due on the credit card account so as to constitute and account stated.

**WHEREFORE**, Plaintiff demands Judgment in its favor, and against Defendant(s), in the amount of \$12,236.34 plus interest as attached hereto, with continuing interest thereon at the legal rate from the date of Judgment plus costs.

**Counts II**  
**Breach of Contract**

9. The averments of paragraphs 1 through 7 are incorporated herein by reference as if the same were set forth herein at length.

10. Defendant(s) completed an Application for Credit and the Agreement is attached hereto as Plaintiff's Exhibit "A" and is incorporated herein by reference.

11. Defendant(s) is in default for failing to make payments as due.

12. The terms of the Contract provided that Defendant(s) will pay Plaintiff's reasonable attorney's fees.

13. Plaintiff avers that counsel for Plaintiff is not a salaries employee of Plaintiff and

that such attorney's fees will amount to \$2,000.00.

**WHEREFORE**, Plaintiff demands Judgment in its favor, and against Defendant(s), in the amount of \$12,236.34 plus interest as attached hereto, with continuing interest thereon at the legal rate from the date of Judgment, reasonable attorney's fees in the amount of \$2,000.00 plus costs.

Respectfully submitted:  
Patenaude & Felix, A.P.C.

Date: \_\_\_\_\_

\_\_\_\_\_  
Gregg L. Morris, Esquire  
213 E Main Street  
Carnegie, PA 15106  
(412) 429-7675

PERSONAL CREDIT LINE ACCOUNT AGREEMENT (Page 1 of 4)

LENDER (called "We", "Us", "Our")  
BENEFICIAL CONSUMER DISCOUNT COMPANY  
1995 S. ATHERTON ST  
STATE COLLEGE PA 16801

BORROWERS (called "You", "Your")

SCOVERN, DAVID A

SCOVERN, BOBBIE JO

1546 DRANE HIWAY  
OSCEOLA MILLS PA 16666

LOAN NO: 711707-16-547703

ON PORTION OF AVERAGE DAILY BALANCE	MONTHLY PERIODIC RATE	ANNUAL PERCENTAGE RATE	CREDIT LIMIT	DATE OF LOAN	INITIAL ANNUAL FEE	SUBSEQUENT ANNUAL FEE
.01 AND OVER	1.915 %	= 22.980 %	12500	01/23/06	50.00	50.00
	=					
	=					
		%				

In this Agreement, "you", "your" and "Borrower" mean the customer(s) who signs this Agreement. "We", "us", and "our" refer to Lender. This Agreement covers the terms and conditions of your Personal Credit Line Account. We want you to understand how your Personal Credit Line Account works. Read this carefully, ask us any questions, and if you agree to be bound by this Agreement, sign below. If more than one person signs, each will be responsible for repaying all sums advanced under this Agreement.

Your Credit Line Account is a revolving line of credit extended to you and secured as described below. You can obtain funds from your Personal Credit Line Account (up to your credit limit) directly from us or by using the special checks we supply to you. You may pay your total unpaid balance at any time or in installments.

REQUIRED INSURANCE. You must obtain insurance for term of loan covering security for this loan agreement as indicated by the word "YES" below, naming us as Loss Payee:

Physical damage insurance on vehicle listed under "Security" above, if "Y" appears under "Insured."  
You may obtain any required insurance from anyone you choose.

NOTICE: SEE THE FOLLOWING PAGES FOR ADDITIONAL PROVISIONS AND IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS.

03-01-00  
F NRE

  
\*556F93B00094RLA8000PA0563510\*\*SCOVERN

PA056361

ORIGINAL

Exhibit  
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## PERSONAL CREDIT LINE ACCOUNT AGREEMENT (Page 2 of 4)

**Available Credit:** You may obtain funds directly from us or through your special checks up to your available credit. Each check must be written for at least \$100.00. Your available credit is your credit limit (shown on page one) less the total unpaid balance, including Finance Charges, of your Account. If you make loan payments by check, we will adjust your available credit seven days after we receive your check to allow for check clearing. If you request funds in an amount that would cause you to exceed your available credit, we are not obligated to honor your request. If we do lend you an amount over your available credit, you agree to pay us that excess amount, plus Finance Charges, immediately.

**Promise to Pay:** You promise to pay Lender: (a) amounts borrowed under this Agreement; (b) Finance Charges, Administrative Charges (the late charge and bad check charge) and other charges provided in this Agreement; (c) credit insurance charges, if any; (d) collection costs permitted by applicable law, including reasonable attorneys' fees; and (e) amounts in excess of your credit limit that we may lend you, plus Finance Charges.

**Payments:** You may repay your entire outstanding balance at any time without penalty. You may not use your special checks to pay any amounts due under this Agreement. Because the Finance Charge is computed each day, you will contact us regarding the exact payoff amount for the day you intend to make full payment. If you do not pay the entire unpaid balance on your Account at once, you agree to pay at least the minimum payment shown on your monthly statement. Payments will be applied as follows: First, to any accrued but unpaid Finance Charges; Second, to any unpaid Administrative Charges (the late charge and bad check charge); Third, to any unpaid credit insurance charges; and Fourth, to the outstanding balance of your Account. Any part of your monthly payment to be applied to amounts borrowed on your Account will be applied to the amounts borrowed under your Personal Credit Line Account in the order in which the amounts were borrowed. Any part of your monthly payment to be applied to Finance Charges will be applied in the same manner.

**Minimum Monthly Payment:** The Minimum Monthly Payment for any billing cycle will be the greater of (1) the greater of \$25 or the Payment Amount (as described below) plus any Administrative Charges and credit insurance charges, rounded to the nearest \$1; or (2) the Finance Charges due for the billing cycle plus any Administrative Charges and credit insurance charges; or (3) the amount of the Annual Fee assessed to your Account. In each instance the Minimum Monthly Payment will be adjusted to include any unpaid amounts due from previous billing cycles.

The Payment Amount depends on the monthly periodic rate applicable to your Account, and is calculated as follows:

Monthly Periodic Rate	Payment Amount
through 1.33%	1.43% of Account Balance
over 1.33% through 1.45%	1.55% of Account Balance
over 1.45% through 1.57%	1.67% of Account Balance
over 1.57% through 1.70%	1.80% of Account Balance
over 1.70% through 1.83%	1.93% of Account Balance
over 1.83% through 1.95%	2.00% of Account Balance
over 1.95%	2.15% of Account Balance

**Finance Charges:** This is the interest charged on the balance of your Account during each billing cycle. The Finance Charge is calculated from the date that each advance, check or charge is posted to your Account. The Finance Charge is computed by multiplying the average daily balance in your Account in each billing cycle times the monthly periodic rate stated on page one. The average daily balance is determined by totaling all daily unpaid balances in each billing cycle and dividing the total by the number of days in that cycle (but not less than thirty). A daily unpaid balance is the amount owed each day, excluding any unpaid Finance Charge, Administrative Charges, and credit insurance charges for prior billing cycles.

**Annual Fee:** You agree to pay an Annual Fee as stated on page one for participation in this revolving credit plan. The Initial Annual Fee is stated on page one and is due and payable on the date that your Account is established, and the subsequent Annual Fee stated on page one is due and payable on the same day of each subsequent year. You agree that this fee may be charged to your Account balance.

**Bad Check Charge:** If you pay by a check which is returned for any reason, you agree to pay a bad check charge of \$20.

**Late Charge:** If you do not pay any required Minimum Monthly Payment within 15 days after it is due, you agree to pay a late charge of 10% of the Minimum Monthly Payment due or \$20, whichever is greater (excluding any unpaid late charges and amounts due from prior billing cycles).

NOTICE: SEE THE FOLLOWING PAGES FOR ADDITIONAL PROVISIONS AND IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS.

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## PERSONAL CREDIT LINE ACCOUNT AGREEMENT (Page 3 of 4)

**Other Charges:** You agree to pay any amounts actually incurred by Lender for services rendered in connection with the Personal Credit Line Account for fees paid to public officials in connection with perfecting, recording, releasing or satisfying a security interest in the security. You agree that these fees may be charged to your Account balance.

**Exchange of Information:** You understand that from time to time we may receive credit information concerning you from others, such as stores, other lenders, and credit reporting agencies. You authorize us to share any information, on a regular basis, we obtain related to your Account, including but not limited to credit reports and insurance information, with any of our affiliated corporations, subsidiaries or other third parties. The uses of this information may include an inquiry to determine if you qualify for additional offers of credit. You also authorize us to share any information regarding your Account with any of our affiliated corporations, subsidiaries or other third parties. You may prohibit the sharing of such information (except for the sharing of information about transactions or experiences between us and you) by sending a written request which contains your full name, Social Security Number and Address to us at P.O. Box 1547, Chesapeake, VA 23320.

If you fail to fulfill the terms of your credit obligation, a negative report reflecting on your credit record may be submitted to a Credit Reporting Agency. You agree that the Department of Motor Vehicles (or your state's equivalent of such department) may release your residence address to us, should it become necessary to locate you. You agree that our supervisory personnel may listen to telephone calls between you and our representatives in order to evaluate the quality of our service to you.

**Termination and Changes in the Agreement:** We can terminate your right to obtain additional advances or change the terms of this Agreement, including increasing the rate of Finance Charge at any time. Prior written notice will be given to you when required by applicable law unless you consent to the change before that time. Changes may apply to both new and outstanding balances unless prohibited by applicable law.

**Default and Cancellation of Agreement:** We have the right to require you to pay your entire balance plus all other accrued but unpaid charges immediately and/or to cancel your credit privileges under this Agreement because of:

- (a) failure to make any payments in full when due under this Agreement;
- (b) frequent overdrawing of your line of credit;
- (c) failure to supply us with any information requested;
- (d) supplying us with misleading, false, incomplete or incorrect information;
- (e) breaking any of the promises, terms or conditions that are contained in this Agreement;
- (f) the filing of a bankruptcy petition by or against you;
- (g) the death of any borrower who signs this Agreement; or
- (h) the sale or transfer of any interest in the property securing this agreement (this includes the creation of a subordinate lien).

After default, you will pay our court costs, reasonable attorney fees (if attorney is not our salaried employee), and other collection costs related to the default, if not prohibited by applicable law.

Any balance outstanding under this Agreement when the credit limit is terminated will continue to accrue interest at the contract rate until paid in full.

### YOUR BILLING RIGHTS

#### KEEP THIS NOTICE FOR FUTURE USE

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

#### Notify Lender 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 Lender on a separate sheet at the address listed on your bill after the words: "Send your billing error notice to: (Lender's name and address)." Write to Lender as soon as possible. Lender must hear from you no later than 60 days after Lender sent you the first bill on which the error or problem appeared. You can telephone Lender, but doing so will not preserve your rights.

NOTICE: SEE THE FOLLOWING PAGE FOR ADDITIONAL PROVISIONS AND IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS.

03-01-00  
F NRE



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## PERSONAL CREDIT LINE ACCOUNT AGREEMENT (Page 4 of 4)

In your letter, give Lender 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 Lender's Responsibilities After Lender Receives Your Written Notice

Lender must acknowledge your letter within 30 days, unless Lender has corrected the error by then. Within 90 days, Lender must either correct the error or explain why Lender believes the bill was correct.

After Lender receives your letter, Lender cannot try to collect any amount you question, or report you as delinquent. Lender can continue to bill you for the amount you question, including finance charges, and Lender can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while Lender is investigating, but you are still obligated to pay the parts of your bill that are not in question.

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

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

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

Alternative Dispute Resolution and Other Riders: The terms of the Arbitration Agreement and any other Riders signed as part of this loan transaction are incorporated into this Agreement by reference.

Applicable Law: The terms and conditions of this Agreement will be governed by the provisions of the Pennsylvania Consumer Discount Company Act, Chapter 7, Sections 6201 through 6221, Purdon's Pennsylvania Statutes Annotated, particularly Section 6217.1.

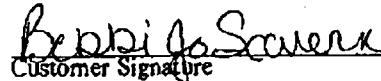
Before signing this Agreement, you have read and received this Agreement and the Federal Truth-In-Lending disclosures contained in it.

You, the customer(s) signing below, agree to observe the terms and conditions of this Agreement.

This Agreement is entered under the applicable provisions of Federal law and the Pennsylvania Consumer Discount Company Act.

  
(SEAL)  
Customer Signature

Date: 1-23-06

  
(SEAL)  
Customer Signature

Date: 1-23-06

Witness:   
(SEAL)

  
(SEAL)

03-01-00  
RL F NRE

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LOAN CLOSING STATEMENT (Page 1 of 1)  
REVOLVING LOAN VOUCHER

CREDITOR

BENEFICIAL CONSUMER DISCOUNT COMPANY  
1995 S. ATHERTON ST  
STATE COLLEGE PA 16801

BORROWERS

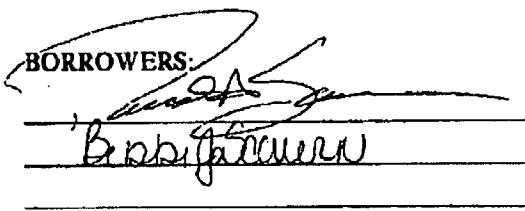
SCOVERN, DAVID A  
SCOVERN, BOBBIE JO  
1546 DRANE HIWAY  
OSCEOLA MILLS PA 16666

LOAN NO: 711707-16-547703

Borrowers agree to and direct the disbursements and Advance indicated below. If any estimated amount shown below varies from the actual amount paid, Borrowers agree to the disbursement of the actual amount and a corresponding change to the Advance shown below. Borrowers agree that this Advance is made under Borrowers' Revolving Loan Agreement (account number shown above.)

TO: BENEFICIAL ACCOUNT #	71170713546781	\$	7272.19
Initial Annual Fee		\$	50.00
CASH OR CHECK TO BORROWER		\$	2500.81
TOTAL ADVANCE(S)		\$	9823.00

BORROWERS:

  
Bobbie Jo Sovern



## ARBITRATION RIDER

United States

This Arbitration Rider is signed as part of Your Agreement with Lender and is made a part of that Agreement. By signing this Arbitration Rider, you agree that either Lender or you may request that any claim, dispute, or controversy (whether based upon contract; tort, intentional or otherwise; constitution; statute; common law; or equity and whether pre-existing, present, or future), including initial claims, counter-claims, cross-claims, and third-party claims, arising from or relating to this Agreement or the relationships which result from this Agreement, including the validity or enforceability of this arbitration clause, any part thereof or the entire Agreement ("Claim"), shall be resolved, upon the election of you or us by binding arbitration pursuant to this arbitration provision and the applicable rules or procedures of the arbitration administrator selected at the time the Claim is filed. The party initiating the arbitration proceeding shall have the right to select one of the following three arbitration administrators: the American Arbitration Association ("AAA"), National Arbitration Forum ("NAF") or JAMS/Endispute ("JAMS"). The arbitrator shall be a lawyer with more than ten years experience or a retired or former judge. The arbitrator shall be independent of and unrelated to you or Lender. Notwithstanding any language in this Arbitration Rider to the contrary, no arbitration may be administered, without the consent of all parties to the arbitration, by any organization that has in place a formal or informal policy that is inconsistent with and purports to override the terms of this Arbitration Rider, including the Class Action Waiver Provision defined below. The rules and forms of the AAA, NAF and JAMS may be obtained by writing to these organizations at the addresses and/or websites listed below. Our address for the service of process under this provision is: P.O. Box 279, Mt. Prospect, IL 60056.

Any participatory arbitration hearing that you attend will take place in the city nearest to your residence where a federal district court is located or at such other location as agreed by the parties.

If Lender files a Claim, Lender shall pay all the filing costs. If you file a Claim, filing costs and administrative fees, (other than hearing fees) shall be paid as follows: (a) you agree to pay for the initial cost of filing the Claim up to the maximum amount of \$100.00; and (b) if required by the arbitration administrator's rules, we will pay for filing costs over \$100.00 and for any administrative fees charged by the arbitration administrator on any Claim submitted by you up to a maximum of the amount of the filing costs and administrative fees that would be charged by the arbitration administrator for a Claim equal to your loan amount. Any filing costs and/or administrative fees assessed for a Claim in excess of your loan amount shall be paid by you. The lender shall pay the cost of one full day of arbitration hearings. Fees for hearings that exceed one day will be paid by the requesting party. We shall each bear the expense of our respective attorney's fees, except as otherwise provided by law. If a statute gives you the right to recover any of these fees, or the fees paid to the arbitration administrator, these statutory rights shall apply in the arbitration notwithstanding anything to the contrary herein. If the arbitrator issues an award in our favor, you will not be required to reimburse us for any fees we have previously paid to the arbitration administrator or for which we are responsible.

This Arbitration Rider is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1-16 (the "FAA"). The arbitrator shall apply applicable substantive law consistent with the FAA, including laws concerning reception, rejection, and consideration of evidence and shall provide written reasoned findings of fact and conclusions of law. The arbitrator's award shall not be subject to appeal except as permitted by the FAA. For Claims where there is an appeal right under the FAA, any party may appeal the award to a three-arbitrator panel appointed by the Administrator, which will reconsider de novo (i.e. in its entirety) any aspect or all aspects of the initial award that is appealed. The panel's decision will be final and binding, except for any appeal right under the FAA. Judgment upon the award may be entered in any court having jurisdiction. All statutes of limitations that would otherwise be applicable shall apply to any arbitration proceeding.



## ARBITRATION RIDER

United States

We agree not to invoke our right to arbitrate an individual Claim you may bring in Small Claims Court or an equivalent court, if any, so long as the Claim is pending only in that court. No class actions or private attorney general actions in court or in arbitration or joinder or consolidation of claims in court or with other persons are permitted in arbitration without the written consent of the parties. The validity and effect of the preceding sentence (herein referred to as the "Class Action Waiver Provision") shall be determined exclusively by a court and not by the administrator or any arbitrator. Neither the administrator nor any arbitrator shall have the power or authority to waive, modify or fail to enforce the Class Action Waiver Provision, and any attempt to do so, whether by rule, policy, arbitration decision or otherwise, shall be invalid and unenforceable.

The arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent as could be imposed by a judge pursuant to the Federal Rules of Civil Procedure.

This Arbitration Rider shall survive repayment of your loan and/or termination of the Agreement. If any portion of this Arbitration Rider is deemed invalid or unenforceable under any law or statute consistent with the FAA, it shall not invalidate the remaining portions of this Arbitration Rider of the Agreement. However, if a determination is made that the Class Action Waiver Provision is unenforceable, this Arbitration Rider (other than this sentence) and any prior Arbitration Rider shall be null and void. In the event of a conflict or inconsistency between the rules and procedures of the arbitration administrator and this Arbitration Rider, this Arbitration Rider shall govern.

No provision of, nor the exercise of any rights under this Arbitration Rider shall limit the right of any party during the pendency of any Claim, to seek and use ancillary or preliminary remedies, judicial or otherwise, for the purpose of realizing upon, preserving, protecting, or foreclosing upon any property involved in any Claim or subject to the loan documents. The use of the courts shall not constitute a waiver of the right of any party, including the plaintiff, to submit any Claim to arbitration nor render inapplicable the compulsory arbitration provisions contained in this Arbitration Rider.

**THE PARTIES ACKNOWLEDGE THAT THEY HAD A RIGHT TO LITIGATE CLAIMS THROUGH A COURT BEFORE A JUDGE OR JURY, BUT WILL NOT HAVE THAT RIGHT IF EITHER PARTY ELECTS ARBITRATION. THE PARTIES HEREBY KNOWINGLY AND VOLUNTARILY WAIVE THEIR RIGHTS TO LITIGATE SUCH CLAIMS IN A COURT BEFORE A JUDGE OR JURY UPON ELECTION OF ARBITRATION BY EITHER PARTY.**

You may contact, obtain the arbitration rules of, or file a Claim with AAA, NAF or JAMS as follows:

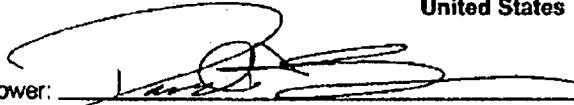
American Arbitration Association  
335 Madison Avenue  
New York, NY 10017  
[www.adr.org](http://www.adr.org)  
Arbitration Rules for Consumer  
Related Disputes (claims under  
\$10,000).  
Arbitration Rules (all other claims).

National Arbitration Forum (NAF)  
P.O. Box 50191  
Minneapolis, MN 55405  
[www.arb-forum.org](http://www.arb-forum.org)  
Code of Procedure

JAMS/Endispute  
555 13th Street NW  
Suite 400 West  
Washington, DC 20004  
[www.jamsadr.com](http://www.jamsadr.com)  
Financial Services  
Arbitration Rules and Procedures



**ARBITRATION RIDER**  
United States

Borrower:  Date: 1-23-06

DAVID A. SCOVERN

David A Scovern

Print Name

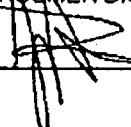
Borrower: Bobbi Jo Scovern Date: 1/23/06

BOBBI JO SCOVERN

Bobbi Jo Scovern

Print Name

BENEFICIAL CONSUMER DISCOUNT COMPANY

By:  Date: 1/23/06



**VERIFICATION**

The undersigned, Gregg L. Morris, hereby states that he is the attorney for Plaintiff in this action and verifies that the statements made in the foregoing pleading are true and correct to the best of his knowledge, information and belief. Counsel has signed the verification at the request of Plaintiff as a matter of time and convenience. Plaintiff has represented to counsel that there is a debt due and owing from Defendant to Plaintiff in the amount as set forth within the foregoing pleading. Plaintiff has provided counsel with all relevant information in order to allow counsel to sign this verification. Plaintiff agrees to provide a verification signed by Plaintiff upon request by Defendant. The statements are made subject to the penalties of 18 Pa.C.S. Section 4904, relating to unsworn falsification to authorities.

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Gregg L. Morris, Esquire  
Paterno & Felix, A.P.C.  
213 E. Main Street  
Carnegie, PA 15106  
(412) 429-7675

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

BENEFICIAL )  
Plaintiff ) NO. 08-713-CD  
v. )  
BOBBI JO SCOVERN and DAVID A SCOVERN )  
Defendant(s) )

**PRAECEPI TO  
DISCONTINUE WITH  
PREJUDICE**

Filed on behalf of:  
**BENEFICIAL**

**Counsel of Record for This Party:**

Gregg L. Morris, Esquire  
Pa I.D. #69006

Patenaude & Felix, A.P.C.  
213 E. Main Street  
Carnegie, PA 15106  
(412) 429-7675

FILED No CC  
m 12:00 pm 1Cert of disc  
JUN 02 2008 issued to  
LM Atty Morris  
William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

BENEFICIAL

Plaintiff

) NO. 08-713-CD

v.

BOBBI JO SCOVERN and DAVID A SCOVERN

Defendant(s)

)

)

**PRAECIPE TO DISCONTINUE WITH PREJUDICE**

TO: Prothonotary

Please discontinue the matter captioned above with prejudice. Thank you.

Respectfully submitted:

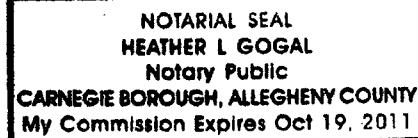
Patenaude & Felix, A.P.C.

Date: May 29, 2008

\_\_\_\_\_  
Gregg L. Morris, Esquire  
213 E. Main Street  
Carnegie, PA 15106  
(412) 429-7675

Sworn to and subscribed before me this  
29th day of May, 2008.

  
Notary Public

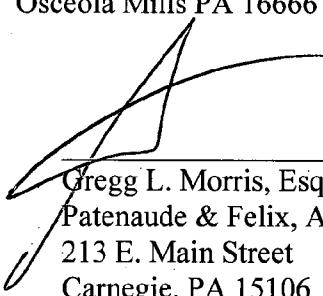


I, GREGG MORRIS, attorney for Plaintiff, BENEFICIAL , hereby certify that a true and correct copy of foregoing document was served this date by ordinary mail upon the following:

Bobbi Jo Scovern  
1546 Drane Highway  
Osceola Mills PA 16666

David A Scovern  
1546 Drane Highway  
Osceola Mills PA 16666

Date: May 29, 2008

  
\_\_\_\_\_  
Gregg L. Morris, Esquire  
Patenaude & Felix, A.P.C.  
213 E. Main Street  
Carnegie, PA 15106  
(412) 429-7675

IN THE COURT OF COMMON PLEAS OF  
CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

*COPY*

**Beneficial**

Vs. **No. 2008-00713-CD**  
**Bobbi Jo Scovern**  
**David A. Scovern**

**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 June 2, 2008, marked:

Discontinued with Prejudice

Record costs in the sum of \$95.00 have been paid in full by Gregg L. Morris Esq.

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal of this Court at Clearfield, Clearfield County, Pennsylvania this 2nd day of June A.D. 2008.

*William A. Shaw* *cm*  
William A. Shaw, Prothonotary

In The Court of Common Pleas of Clearfield County, Pennsylvania

Service # 1 of 2 Services

Sheriff Docket #

**104064**

BENEFICIAL

Case # 08-713-CD

vs.

BOBBI JO SCOVERN and DAVID A. SCOVERN

TYPE OF SERVICE COMPLAINT

**SHERIFF RETURNS**

NOW July 28, 2008 RETURNED THE WITHIN COMPLAINT "NOT SERVED, TIME EXPIRED" AS TO BOBBI JO SCOVERN, DEFENDANT. DEFENDANT WORKS IN STATE COLLEGE ONLY HOME EVENINGS

SERVED BY: /

**FILED**  
03:30pm  
JUL 28 2008

William A. Shaw  
Prothonotary/Clerk of Courts

**In The Court of Common Pleas of Clearfield County, Pennsylvania**

Service # 2 of 2 Services

Sheriff Docket #

**104064**

BENEFICIAL

Case # 08-713-CD

vs.

BOBBI JO SCOVERN and DAVID A. SCOVERN

TYPE OF SERVICE COMPLAINT

**SHERIFF RETURNS**

NOW July 28, 2008 RETURNED THE WITHIN COMPLAINT "NOT SERVED, TIME EXPIRED" AS TO DAVID A. SCOVERN, DEFENDANT. DEFENDANT WORKS IN STATE COLLEGE ONLY HOME EVENINGS

SERVED BY: /

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 104064  
NO: 08-713-CD  
SERVICES 2  
COMPLAINT

PLAINTIFF: BENEFICIAL  
VS.  
DEFENDANT: BOBBI JO SCOVERN and DAVID A. SCOVERN

SHERIFF RETURN

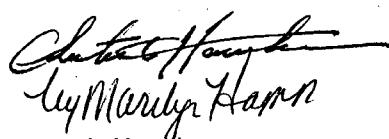
RETURN COSTS

Description	Paid By	CHECK #	AMOUNT
SURCHARGE	PATENAUME	19331	20.00
SHERIFF HAWKINS	PATENAUME	19331	39.20

Sworn to Before Me This

So Answers,

\_\_\_\_ Day of 2008

  
Chester A. Hawkins  
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

BENEFICIAL

Plaintiff

) NO. 08-713-CD

v.

BOBBI JO SCOVERN and DAVID A SCOVERN

Defendant(s)

**COMPLAINT IN CIVIL  
ACTION**

Filed on behalf of:  
BENEFICIAL

Counsel of Record for This Party:

Gregg L. Morris, Esquire  
Pa I.D. #69006

Patenaude & Felix, A.P.C.  
213 E. Main Street  
Carnegie, PA 15106  
(412) 429-7675

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

APR 18 2008

Attest.

*William L. Morris*  
Prothonotary/  
Clerk of Courts

I HEREBY CERTIFY THAT  
THIS IS A TRUE AND  
CORRECT COPY OF  
THE ORIGINAL AS FILED.

*GREGG L. MORRIS, ESQUIRE*

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

BENEFICIAL

BOBBI JO SCOVERN and DAVID A SCOVERN

Plaintiff ) NO.  
v. )  
Defendant(s) )

**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.

Usted ha sido demandado en corte. Si usted desea defenderse de las demandas que se presentan mas adelante en las siguientes paginas, debe tomar accion dentro de los proximos veinte (20) dias despues de la notificacion de esta Demanda y Aviso radicando personalmente o por medio de un abogado una comparecencia escrita y radicando en la Corte por escrito sus defensas de, y objeciones a, las demandas presentadas aqui en contra suya. Se le advierte de que si usted fall de tomar accion como se describe anteriormente, el caso pude proceder sin usted y un fallo por cualquier suma de dinero reclamada en la demanda o cualquier reclamacion o remedio solicitado por el demandante puede ser dictado en contra suya por la Corte sin mas aviso adicional. Usted puede perder dinero o propiedad au otros derechos importantes para usted.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER

USTED DEBE LLEVAR ESTE DOCUMENTO A SU ABOGADO INMEDIATAMENTE. SI USTED NO TIENE UN ABOGADO, LLAME O VAYA A LA SIGUIENTE OFICINA. ESTA OFICINA PUEDE PROVEERLE INFORMACION A CERCA DE COMO CONSEGUIR UN ABOGADO

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

SI USTED NO PUEDE PAGAR POR LOS SERVICIOS DE UN ABOGADO, ES POSSIBLE QUE ESTA OFICINA LE PUEDA PROVEER INFORMACION SOBRE AGENCIAS QUE OFREZCAN SERVICIOS LEGALES SIN CARGO O BAJO COSO A PERSONAS QUE CALIFICAN.

CLEARFIELD COUNTY COURTHOUSE  
DAVID S. MEHOLICK, COURT  
ADMINISTRATOR  
230 EAST MARKET STREET  
CLEARFIELD, PA 16830  
814-765-2641

CLEARFIELD COUNTY COURTHOUSE  
DAVID S. MEHOLICK, COURT  
ADMINISTRATOR  
230 EAST MARKET STREET  
CLEARFIELD, PA 16830  
814-765-2641

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

BENEFICIAL )  
Plaintiff ) NO.  
v. )  
BOBBI JO SCOVERN and DAVID A SCOVERN )  
Defendant(s) )

**COMPLAINT IN CIVIL ACTION**

AND NOW, comes Plaintiff, BENEFICIAL , by and through its attorney, GREGG MORRIS, ESQUIRE and the law offices of PATERNAUDE & FELIX, A.P.C. and files the following **Complaint in Civil Action**, and in support thereof aver as follows:

Count I  
Account Stated

1. Plaintiff, BENEFICIAL , is a corporation with offices with an address for the purposes of this litigation C/O the law offices of Patenaude and Felix, APC, 213 E. Main Street, Carnegie, PA.
2. Defendant(s) is BOBBI JO SCOVERN, an adult individual, believed to currently reside at 1546 DRANE HIGHWAY OSCEOLA MILLS, PENNSYLVANIA 16666.
3. Defendant(s) is DAVID A SCOVERN, an adult individual, believed to currently reside at 1546 DRANE HIGHWAY OSCEOLA MILLS, PA 16666.
4. Heretofore, the Defendant(s) opened an account with Plaintiff being Account No. 71170716547703. A copy of the Account Agreement is attached hereto as Plaintiff's Exhibit "A" and is incorporated herein by reference..

5. The Defendant(s) made payments, but has refused to pay, and now refuses to pay the balance due and owing on the aforesaid account and now the full amount of the account is due and payable in the sum of \$12,236.34 as of , plus interest at 22.98 % and cost.

6. Plaintiff maintains accurate books of account recording all credits and debits for this account.

7. Defendant(s) have/has received monthly billing statements from Plaintiff setting forth the nature and amount of all debits and credits and the transactions between Plaintiff and Defendant(s) give rise to an account stated, upon which Plaintiff has relied.

8. By failing to object or dispute the statements, Defendant(s) have/has assented to and agreed to the correctness of the balance due on the credit card account so as to constitute and account stated.

**WHEREFORE**, Plaintiff demands Judgment in its favor, and against Defendant(s), in the amount of \$12,236.34 plus interest as attached hereto, with continuing interest thereon at the legal rate from the date of Judgment plus costs.

**Counts II**  
**Breach of Contract**

9. The averments of paragraphs 1 through 7 are incorporated herein by reference as if the same were set forth herein at length.

10. Defendant(s) completed an Application for Credit and the Agreement is attached hereto as Plaintiff's Exhibit "A" and is incorporated herein by reference.

11. Defendant(s) is in default for failing to make payments as due.

12. The terms of the Contract provided that Defendant(s) will pay Plaintiff's reasonable attorney's fees.

13. Plaintiff avers that counsel for Plaintiff is not a salaries employee of Plaintiff and

that such attorney's fees will amount to \$2,000.00.

**WHEREFORE**, Plaintiff demands Judgment in its favor, and against Defendant(s), in the amount of \$12,236.34 plus interest as attached hereto, with continuing interest thereon at the legal rate from the date of Judgment, reasonable attorney's fees in the amount of \$2,000.00 plus costs.

Respectfully submitted:  
Patenaude & Felix, A.P.C.

Date: \_\_\_\_\_

---

Gregg L. Morris, Esquire  
213 E. Main Street  
Carnegie, PA 15106  
(412) 429-7675

PERSONAL CREDIT LINE ACCOUNT AGREEMENT (Page 1 of 4)

LENDER (called "We", "Us", "Our")  
BENEFICIAL CONSUMER DISCOUNT COMPANY  
1985 S. ATHERTON ST  
STATE COLLEGE PA 16801

BORROWERS (called "You", "Your")

SCOVERN, DAVID A

SCOVERN, BOBBI JO

1546 DRANE HIWAY  
OSCEOLA MILLS PA 16666

LOAN NO: 711707-16-547703

ON PORTION OF AVERAGE DAILY BALANCE	MONTHLY PERIODIC RATE	ANNUAL PERCENTAGE RATE	CREDIT LIMIT	DATE OF LOAN
.01 AND OVER	1.915 %	= 22.980 %	12500	01/23/06
	=	=	INITIAL ANNUAL FEE	SUBSEQUENT ANNUAL FEE
			50.00	50.00

In this Agreement, "you", "your" and "Borrower" mean the customer(s) who signs this Agreement. "We", "us", and "our" refer to Lender. This Agreement covers the terms and conditions of your Personal Credit Line Account. We want you to understand how your Personal Credit Line Account works. Read this carefully, ask us any questions, and if you agree to be bound by this Agreement, sign below. If more than one person signs, each will be responsible for repaying all sums advanced under this Agreement.

Your Credit Line Account is a revolving line of credit extended to you and secured as described below. You can obtain funds from your Personal Credit Line Account (up to your credit limit) directly from us or by using the special checks we supply to you. You may pay your total unpaid balance at any time or in installments.

REQUIRED INSURANCE. You must obtain insurance for term of loan covering security for this loan agreement as indicated by the word "YES" below, naming us as Loss Payee:

Physical damage insurance on vehicle listed under "Security" above, if "Y" appears under "Insured."  
You may obtain any required insurance from anyone you choose.

NOTICE: SEE THE FOLLOWING PAGES FOR ADDITIONAL PROVISIONS AND IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS.

03-01-00  
F NRE



PA056361

ORIGINAL

Exhibit  
"A"

## PERSONAL CREDIT LINE ACCOUNT AGREEMENT (Page 2 of 4)

**Available Credit:** You may obtain funds directly from us or through your special checks up to your available credit. Each check must be written for at least \$100.00. Your available credit is your credit limit (shown on page one) less the total unpaid balance, including Finance Charges, of your Account. If you make loan payments by check, we will adjust your available credit seven days after we receive your check to allow for check clearing. If you request funds in an amount that would cause you to exceed your available credit, we are not obligated to honor your request. If we do lend you an amount over your available credit, you agree to pay us that excess amount, plus Finance Charges, immediately.

**Promise to Pay:** You promise to pay Lender: (a) amounts borrowed under this Agreement; (b) Finance Charges, Administrative Charges (the late charge and bad check charge) and other charges provided in this Agreement; (c) credit insurance charges, if any; (d) collection costs permitted by applicable law, including reasonable attorneys' fees; and (e) amounts in excess of your credit limit that we may lend you, plus Finance Charges.

**Payments:** You may repay your entire outstanding balance at any time without penalty. You may not use your special checks to pay any amounts due under this Agreement. Because the Finance Charge is computed each day, you will contact us regarding the exact payoff amount for the day you intend to make full payment. If you do not pay the entire unpaid balance on your Account at once, you agree to pay at least the minimum payment shown on your monthly statement. Payments will be applied as follows: First, to any accrued but unpaid Finance Charges; Second, to any unpaid Administrative Charges (the late charge and bad check charge); Third, to any unpaid credit insurance charges; and Fourth, to the outstanding balance of your Account. Any part of your monthly payment to be applied to amounts borrowed on your Account will be applied to the amounts borrowed under your Personal Credit Line Account in the order in which the amounts were borrowed. Any part of your monthly payment to be applied to Finance Charges will be applied in the same manner.

**Minimum Monthly Payment:** The Minimum Monthly Payment for any billing cycle will be the greater of (1) the greater of \$25 or the Payment Amount (as described below) plus any Administrative Charges and credit insurance charges, rounded to the nearest \$1; or (2) the Finance Charges due for the billing cycle plus any Administrative Charges and credit insurance charges; or (3) the amount of the Annual Fee assessed to your Account. In each instance the Minimum Monthly Payment will be adjusted to include any unpaid amounts due from previous billing cycles.

The Payment Amount depends on the monthly periodic rate applicable to your Account, and is calculated as follows:

<u>Monthly Periodic Rate</u>	<u>Payment Amount</u>
through 1.33%	1.43% of Account Balance
over 1.33% through 1.45%	1.55% of Account Balance
over 1.45% through 1.57%	1.67% of Account Balance
over 1.57% through 1.70%	1.80% of Account Balance
over 1.70% through 1.83%	1.93% of Account Balance
over 1.83% through 1.95%	2.00% of Account Balance
over 1.95%	2.15% of Account Balance

**Finance Charges:** This is the interest charged on the balance of your Account during each billing cycle. The Finance Charge is calculated from the date that each advance, check or charge is posted to your Account. The Finance Charge is computed by multiplying the average daily balance in your Account in each billing cycle times the monthly periodic rate stated on page one. The average daily balance is determined by totaling all daily unpaid balances in each billing cycle and dividing the total by the number of days in that cycle (but not less than thirty). A daily unpaid balance is the amount owed each day, excluding any unpaid Finance Charge, Administrative Charges, and credit insurance charges for prior billing cycles.

**Annual Fee:** You agree to pay an Annual Fee as stated on page one for participation in this revolving credit plan. The Initial Annual Fee is stated on page one and is due and payable on the date that your Account is established, and the subsequent Annual Fee stated on page one is due and payable on the same day of each subsequent year. You agree that this fee may be charged to your Account balance.

**Bad Check Charge:** If you pay by a check which is returned for any reason, you agree to pay a bad check charge of \$20.

**Late Charge:** If you do not pay any required Minimum Monthly Payment within 15 days after it is due, you agree to pay a late charge of 10% of the Minimum Monthly Payment due or \$20, whichever is greater (excluding any unpaid late charges and amounts due from prior billing cycles).

NOTICE: SEE THE FOLLOWING PAGES FOR ADDITIONAL PROVISIONS AND IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS.

03-01-00  
F NRE



\*556F93B00094RLAB000PA0563620\*\*SCOVERN

PA056382

ORIGINAL

## PERSONAL CREDIT LINE ACCOUNT AGREEMENT (Page 3 of 4)

**Other Charges:** You agree to pay any amounts actually incurred by Lender for services rendered in connection with the Personal Credit Line Account for fees paid to public officials in connection with perfecting, recording, releasing or satisfying a security interest in the security. You agree that these fees may be charged to your Account balance.

**Exchange of Information:** You understand that from time to time we may receive credit information concerning you from others, such as stores, other lenders, and credit reporting agencies. You authorize us to share any information, on a regular basis, we obtain related to your Account, including but not limited to credit reports and insurance information, with any of our affiliated corporations, subsidiaries or other third parties. The uses of this information may include an inquiry to determine if you qualify for additional offers of credit. You also authorize us to share any information regarding your Account with any of our affiliated corporations, subsidiaries or other third parties. You may prohibit the sharing of such information (except for the sharing of information about transactions or experiences between us and you) by sending a written request which contains your full name, Social Security Number and Address to us at P.O. Box 1547, Chesapeake, VA 23320.

If you fail to fulfill the terms of your credit obligation, a negative report reflecting on your credit record may be submitted to a Credit Reporting Agency. You agree that the Department of Motor Vehicles (or your state's equivalent of such department) may release your residence address to us, should it become necessary to locate you. You agree that our supervisory personnel may listen to telephone calls between you and our representatives in order to evaluate the quality of our service to you.

**Termination and Changes in the Agreement:** We can terminate your right to obtain additional advances or change the terms of this Agreement, including increasing the rate of Finance Charge at any time. Prior written notice will be given to you when required by applicable law unless you consent to the change before that time. Changes may apply to both new and outstanding balances unless prohibited by applicable law.

**Default and Cancellation of Agreement:** We have the right to require you to pay your entire balance plus all other accrued but unpaid charges immediately and/or to cancel your credit privileges under this Agreement because of:

- (a) failure to make any payments in full when due under this Agreement;
- (b) frequent overdrawing of your line of credit;
- (c) failure to supply us with any information requested;
- (d) supplying us with misleading, false, incomplete or incorrect information;
- (e) breaking any of the promises, terms or conditions that are contained in this Agreement;
- (f) the filing of a bankruptcy petition by or against you;
- (g) the death of any borrower who signs this Agreement; or
- (h) the sale or transfer of any interest in the property securing this agreement (this includes the creation of a subordinate lien).

After default, you will pay our court costs, reasonable attorney fees (if attorney is not our salaried employee), and other collection costs related to the default, if not prohibited by applicable law.

Any balance outstanding under this Agreement when the credit limit is terminated will continue to accrue interest at the contract rate until paid in full.

### YOUR BILLING RIGHTS KEEP THIS NOTICE FOR FUTURE USE

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

#### Notify Lender 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 Lender on a separate sheet at the address listed on your bill after the words: "Send your billing error notice to: (Lender's name and address)." Write to Lender as soon as possible. Lender must hear from you no later than 60 days after Lender sent you the first bill on which the error or problem appeared. You can telephone Lender, but doing so will not preserve your rights.

NOTICE: SEE THE FOLLOWING PAGE FOR ADDITIONAL PROVISIONS AND IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS.

03-01-00  
F NRE

PA056363



\*SS6F9380D094RLA8000PA0563630\*\*SCOVERN

\*

ORIGINAL

## PERSONAL CREDIT LINE ACCOUNT AGREEMENT (Page 4 of 4)

In your letter, give Lender 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 Lender's Responsibilities After Lender Receives Your Written Notice

Lender must acknowledge your letter within 30 days, unless Lender has corrected the error by then. Within 90 days, Lender must either correct the error or explain why Lender believes the bill was correct.

After Lender receives your letter, Lender cannot try to collect any amount you question, or report you as delinquent. Lender can continue to bill you for the amount you question, including finance charges, and Lender can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while Lender is investigating, but you are still obligated to pay the parts of your bill that are not in question.

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

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

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

**Alternative Dispute Resolution and Other Riders:** The terms of the Arbitration Agreement and any other Riders signed as part of this loan transaction are incorporated into this Agreement by reference.

**Applicable Law:** The terms and conditions of this Agreement will be governed by the provisions of the Pennsylvania Consumer Discount Company Act, Chapter 7, Sections 6201 through 6221, Purdon's Pennsylvania Statutes Annotated, particularly Section 6217.1.

Before signing this Agreement, you have read and received this Agreement and the Federal Truth-In-Lending disclosures contained in it.

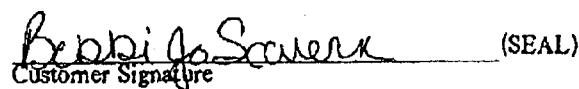
You, the customer(s) signing below, agree to observe the terms and conditions of this Agreement.

This Agreement is entered under the applicable provisions of Federal law and the Pennsylvania Consumer Discount Company Act.

  
Customer Signature

(SEAL)

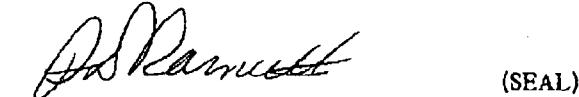
Date: 1-23-06

  
Customer Signature

(SEAL)

Date: 1/23/06

Witness: D. Rammert (SEAL)

  
(SEAL)

03-01-00  
RL F NRE

PA058364



\*S56F93B0D094RLA8000PA0563640\*\*SCOVERN

ORIGINAL

LOAN CLOSING STATEMENT (Page 1 of 1)  
REVOLVING LOAN VOUCHER

CREDITOR

BENEFICIAL CONSUMER DISCOUNT COMPANY  
1995 S. ATHERTON ST  
STATE COLLEGE PA 16801

**BORROWERS**

SCOVERN, DAVID A  
SCOVERN, BOBBIE JO  
1546 DRANE HIWAY  
OSCEOLA MILLS PA 16668

LOAN NO: 711707-16-547703

Borrowers agree to and direct the disbursements and Advance indicated below. If any estimated amount shown below varies from the actual amount paid, Borrowers agree to the disbursement of the actual amount and a corresponding change to the Advance shown below. Borrowers agree that this Advance is made under Borrowers' Revolving Loan Agreement (account number shown above.)

TO: BENEFICIAL ACCOUNT #	71170713546781.....	\$	7272.19
Initial Annual Fee.....		\$	50.00
CASH OR CHECK TO BORROWER.....		\$	2500.81
<b>TOTAL ADVANCE(S).....</b>		\$	<b>9823.00</b>

BORROWERS:

*David S. Sovern*  
*Bobbi Sovern*

08-26-04  
RL Voucher



\*556F93B00094RLV8000PA1379210\*\*SCOVERN

ORIGINAL

PA137921

## ARBITRATION RIDER

United States

This Arbitration Rider is signed as part of Your Agreement with Lender and is made a part of that Agreement. By signing this Arbitration Rider, you agree that either Lender or you may request that any claim, dispute, or controversy (whether based upon contract; tort, intentional or otherwise; constitution; statute; common law; or equity and whether pre-existing, present, or future), including initial claims, counter-claims, cross-claims, and third-party claims, arising from or relating to this Agreement or the relationships which result from this Agreement, including the validity or enforceability of this arbitration clause, any part thereof or the entire Agreement ("Claim"), shall be resolved, upon the election of you or us by binding arbitration pursuant to this arbitration provision and the applicable rules or procedures of the arbitration administrator selected at the time the Claim is filed. The party initiating the arbitration proceeding shall have the right to select one of the following three arbitration administrators: the American Arbitration Association ("AAA"), National Arbitration Forum ("NAF") or JAMS/Endispute ("JAMS"). The arbitrator shall be a lawyer with more than ten years experience or a retired or former judge. The arbitrator shall be independent of and unrelated to you or Lender. Notwithstanding any language in this Arbitration Rider to the contrary, no arbitration may be administered, without the consent of all parties to the arbitration, by any organization that has in place a formal or informal policy that is inconsistent with and purports to override the terms of this Arbitration Rider, including the Class Action Waiver Provision defined below. The rules and forms of the AAA, NAF and JAMS may be obtained by writing to these organizations at the addresses and/or websites listed below. Our address for the service of process under this provision is: P.O. Box 279, Mt. Prospect, IL 60056.

Any participatory arbitration hearing that you attend will take place in the city nearest to your residence where a federal district court is located or at such other location as agreed by the parties.

If Lender files a Claim, Lender shall pay all the filing costs. If you file a Claim, filing costs and administrative fees, (other than hearing fees) shall be paid as follows: (a) you agree to pay for the initial cost of filing the Claim up to the maximum amount of \$100.00; and (b) if required by the arbitration administrator's rules, we will pay for filing costs over \$100.00 and for any administrative fees charged by the arbitration administrator on any Claim submitted by you up to a maximum of the amount of the filing costs and administrative fees that would be charged by the arbitration administrator for a Claim equal to your loan amount. Any filing costs and/or administrative fees assessed for a Claim in excess of your loan amount shall be paid by you. The lender shall pay the cost of one full day of arbitration hearings. Fees for hearings that exceed one day will be paid by the requesting party. We shall each bear the expense of our respective attorney's fees, except as otherwise provided by law. If a statute gives you the right to recover any of these fees, or the fees paid to the arbitration administrator, these statutory rights shall apply in the arbitration notwithstanding anything to the contrary herein. If the arbitrator issues an award in our favor, you will not be required to reimburse us for any fees we have previously paid to the arbitration administrator or for which we are responsible.

This Arbitration Rider is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1-16 (the "FAA"). The arbitrator shall apply applicable substantive law consistent with the FAA, including laws concerning reception, rejection, and consideration of evidence and shall provide written reasoned findings of fact and conclusions of law. The arbitrator's award shall not be subject to appeal except as permitted by the FAA. For Claims where there is an appeal right under the FAA, any party may appeal the award to a three-arbitrator panel appointed by the Administrator, which will reconsider de novo (i.e. in its entirety) any aspect or all aspects of the initial award that is appealed. The panel's decision will be final and binding, except for any appeal right under the FAA. Judgment upon the award may be entered in any court having jurisdiction. All statutes of limitations that would otherwise be applicable shall apply to any arbitration proceeding.



## ARBITRATION RIDER

United States

We agree not to invoke our right to arbitrate an individual Claim you may bring in Small Claims Court or an equivalent court, if any, so long as the Claim is pending only in that court. No class actions or private attorney general actions in court or in arbitration or joinder or consolidation of claims in court or with other persons are permitted in arbitration without the written consent of the parties. The validity and effect of the preceding sentence (herein referred to as the "Class Action Waiver Provision") shall be determined exclusively by a court and not by the administrator or any arbitrator. Neither the administrator nor any arbitrator shall have the power or authority to waive, modify or fail to enforce the Class Action Waiver Provision, and any attempt to do so, whether by rule, policy, arbitration decision or otherwise, shall be invalid and unenforceable.

The arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent as could be imposed by a judge pursuant to the Federal Rules of Civil Procedure.

This Arbitration Rider shall survive repayment of your loan and/or termination of the Agreement. If any portion of this Arbitration Rider is deemed invalid or unenforceable under any law or statute consistent with the FAA, it shall not invalidate the remaining portions of this Arbitration Rider of the Agreement. However, if a determination is made that the Class Action Waiver Provision is unenforceable, this Arbitration Rider (other than this sentence) and any prior Arbitration Rider shall be null and void. In the event of a conflict or inconsistency between the rules and procedures of the arbitration administrator and this Arbitration Rider, this Arbitration Rider shall govern.

No provision of, nor the exercise of any rights under this Arbitration Rider shall limit the right of any party during the pendency of any Claim, to seek and use ancillary or preliminary remedies, judicial or otherwise, for the purpose of realizing upon, preserving, protecting, or foreclosing upon any property involved in any Claim or subject to the loan documents. The use of the courts shall not constitute a waiver of the right of any party, including the plaintiff, to submit any Claim to arbitration nor render inapplicable the compulsory arbitration provisions contained in this Arbitration Rider.

**THE PARTIES ACKNOWLEDGE THAT THEY HAD A RIGHT TO LITIGATE CLAIMS THROUGH A COURT BEFORE A JUDGE OR JURY, BUT WILL NOT HAVE THAT RIGHT IF EITHER PARTY ELECTS ARBITRATION. THE PARTIES HEREBY KNOWINGLY AND VOLUNTARILY WAIVE THEIR RIGHTS TO LITIGATE SUCH CLAIMS IN A COURT BEFORE A JUDGE OR JURY UPON ELECTION OF ARBITRATION BY EITHER PARTY.**

You may contact, obtain the arbitration rules of, or file a Claim with AAA, NAF or JAMS as follows:

American Arbitration Association 335 Madison Avenue New York, NY 10017 <a href="http://www.adr.org">www.adr.org</a> Arbitration Rules for Consumer Related Disputes (claims under \$10,000). Arbitration Rules (all other claims).	National Arbitration Forum (NAF) P.O. Box 50191 Minneapolis, MN 55405 <a href="http://www.arb-forum.org">www.arb-forum.org</a> Code of Procedure	JAMS/Endispute 555 13th Street NW Suite 400 West Washington, DC 20004 <a href="http://www.jamsadr.com">www.jamsadr.com</a> Financial Services Arbitration Rules and Procedures
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ARBITRATION RIDER  
United States

Borrower: DAVID A. SCOVERN Date: 1-23-06

Print Name: David A. Scovern

Borrower: BOBBI JO SCOVERN Date: 1/23/06

Print Name: Bobbi Jo Scovern

BENEFICIAL CONSUMER DISCOUNT COMPANY

By: HR Date: 1/23/06



**VERIFICATION**

The undersigned, Gregg L. Morris, hereby states that he is the attorney for Plaintiff in this action and verifies that the statements made in the foregoing pleading are true and correct to the best of his knowledge, information and belief. Counsel has signed the verification at the request of Plaintiff as a matter of time and convenience. Plaintiff has represented to counsel that there is a debt due and owing from Defendant to Plaintiff in the amount as set forth within the foregoing pleading. Plaintiff has provided counsel with all relevant information in order to allow counsel to sign this verification. Plaintiff agrees to provide a verification signed by Plaintiff upon request by Defendant. The statements are made subject to the penalties of 18 Pa.C.S. Section 4904, relating to unsworn falsification to authorities.

Date: \_\_\_\_\_

Gregg L. Morris, Esquire  
Patenaude & Felix, A.P.C.  
213 E. Main Street  
Carnegie, PA 15106  
(412) 429-7675

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

BENEFICIAL

Plaintiff

) NO. 08-713-CD

v.

BOBBI JO SCOVERN and DAVID A SCOVERN

Defendant(s)

**COMPLAINT IN CIVIL  
ACTION**

Filed on behalf of:  
BENEFICIAL

Counsel of Record for This Party:

Gregg L. Morris, Esquire  
Pa I.D. #69006

Patenaude & Felix, A.P.C.  
213 E. Main Street  
Carnegie, PA 15106  
(412) 429-7675

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

APR 18 2008

Attest.

*William L. Morris*  
Prothonotary/  
Clerk of Courts

*I HEREBY CERTIFY THAT  
THIS IS A TRUE AND  
CORRECT COPY OF  
THE ORIGINAL AS FILED.*

*GREGG L. MORRIS, ESQUIRE*

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

BENEFICIAL

BOBBI JO SCOVERN and DAVID A SCOVERN

Plaintiff ) NO.  
v. )  
Defendant(s) )

**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.

Usted ha sido demandado en corte. Si usted desea defenderse de las demandas que se presentan mas adelante en las siguientes paginas, debe tomar accion dentro de los proximos veinte (20) dias despues de la notificacion de esta Demanda y Aviso radicando personalmente o por medio de un abogado una comparecencia escrita y radicando en la Corte por escrito sus defensas de, y objeciones a, las demandas presentadas aqui en contra suya. Se le advierte de que si usted fall de tomar accion como se describe anteriormente, el caso pude proceder sin usted y un fallo por cualquier suma de dinero reclamada en la demanda o cualquier reclamacion o remedio solicitado por el demandante puede ser dictado en contra suya por la Corte sin mas aviso adicional. Usted puede perder dinero o propiedad au otros derechos importantes para usted.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER

USTED DEBE LLEVAR ESTE DOCUMENTO A SU ABOGADO INMEDIATAMENTE. SI USTED NO TIENE UN ABOGADO, LLAME O VAYA A LA SIGUIENTE OFICINA. ESTA OFICINA PUEDE PROVEERLE INFORMACION A CERCA DE COMO CONSEGUIR UN ABOGADO

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

SI USTED NO PUEDE PAGAR POR LOS SERVICIOS DE UN ABOGADO, ES POSIBLE QUE ESTA OFICINA LE PUEDA PROVEER INFORMACION SOBRE AGENCIAS QUE OFREZCAN SERVICIOS LEGALES SIN CARGO O BAJO COSO A PERSONAS QUE CALIFICAN.

CLEARFIELD COUNTY COURTHOUSE  
DAVID S. MEHOLICK, COURT  
ADMINISTRATOR  
230 EAST MARKET STREET  
CLEARFIELD, PA 16830  
814-765-2641

CLEARFIELD COUNTY COURTHOUSE  
DAVID S. MEHOLICK, COURT  
ADMINISTRATOR  
230 EAST MARKET STREET  
CLEARFIELD, PA 16830  
814-765-2641

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,  
PENNSYLVANIA

## **COMPLAINT IN CIVIL ACTION**

AND NOW, comes Plaintiff, BENEFICIAL , by and through its attorney, GREGG MORRIS, ESQUIRE and the law offices of PATENAUDE & FELIX, A.P.C. and files the following **Complaint in Civil Action**, and in support thereof aver as follows:

Count I  
Account Stated

1. Plaintiff, BENEFICIAL , is a corporation with offices with an address for the purposes of this litigation C/O the law offices of Patenaude and Felix, APC, 213 E. Main Street, Carnegie, PA.
2. Defendant(s) is BOBBI JO SCOVERN, an adult individual, believed to currently reside at 1546 DRANE HIGHWAY OSCEOLA MILLS, PENNSYLVANIA 16666.
3. Defendant(s) is DAVID A SCOVERN, an adult individual, believed to currently reside at 1546 DRANE HIGHWAY OSCEOLA MILLS, PA 16666.
4. Heretofore, the Defendant(s) opened an account with Plaintiff being Account No. 71170716547703. A copy of the Account Agreement is attached hereto as Plaintiff's Exhibit "A" and is incorporated herein by reference..

5. The Defendant(s) made payments, but has refused to pay, and now refuses to pay the balance due and owing on the aforesaid account and now the full amount of the account is due and payable in the sum of \$12,236.34 as of , plus interest at 22.98 % and cost.

6. Plaintiff maintains accurate books of account recording all credits and debits for this account.

7. Defendant(s) have/has received monthly billing statements from Plaintiff setting forth the nature and amount of all debits and credits and the transactions between Plaintiff and Defendant(s) give rise to an account stated, upon which Plaintiff has relied.

8. By failing to object or dispute the statements, Defendant(s) have/has assented to and agreed to the correctness of the balance due on the credit card account so as to constitute and account stated.

**WHEREFORE**, Plaintiff demands Judgment in its favor, and against Defendant(s), in the amount of \$12,236.34 plus interest as attached hereto, with continuing interest thereon at the legal rate from the date of Judgment plus costs.

**Counts II**  
**Breach of Contract**

9. The averments of paragraphs 1 through 7 are incorporated herein by reference as if the same were set forth herein at length.

10. Defendant(s) completed an Application for Credit and the Agreement is attached hereto as Plaintiff's Exhibit "A" and is incorporated herein by reference.

11. Defendant(s) is in default for failing to make payments as due.

12. The terms of the Contract provided that Defendant(s) will pay Plaintiff's reasonable attorney's fees.

13. Plaintiff avers that counsel for Plaintiff is not a salaries employee of Plaintiff and

that such attorney's fees will amount to \$2,000.00.

**WHEREFORE**, Plaintiff demands Judgment in its favor, and against Defendant(s), in the amount of \$12,236.34 plus interest as attached hereto, with continuing interest thereon at the legal rate from the date of Judgment, reasonable attorney's fees in the amount of \$2,000.00 plus costs.

Respectfully submitted:  
Patenaude & Felix, A.P.C.

Date: \_\_\_\_\_

\_\_\_\_\_  
Gregg L. Morris, Esquire  
213 E. Main Street  
Carnegie, PA 15106  
(412) 429-7675

PERSONAL CREDIT LINE ACCOUNT AGREEMENT (Page 1 of 4)

LENDER (called "We", "Us", "Our")  
BENEFICIAL CONSUMER DISCOUNT COMPANY  
1995 S. ATHERTON ST  
STATE COLLEGE PA 16801

BORROWERS (called "You", "Your")

SCOVERN, DAVID A

SCOVERN, BOBBI JO

1646 DRANE HIWAY  
OSCEOLA MILLS PA 16666

LOAN NO: 711707-16-547703

ON PORTION OF AVERAGE DAILY BALANCE	MONTHLY PERIODIC RATE	ANNUAL PERCENTAGE RATE	CREDIT LIMIT	DATE OF LOAN	
.01 AND OVER	1.915 %	= 22.980 %	12500	01/23/06	
	=		INITIAL ANNUAL FEE	SUBSEQUENT ANNUAL FEE	
	=		50.00	50.00	
		%			

In this Agreement, "you", "your" and "Borrower" mean the customer(s) who signs this Agreement. "We", "us", and "our" refer to Lender. This Agreement covers the terms and conditions of your Personal Credit Line Account. We want you to understand how your Personal Credit Line Account works. Read this carefully, ask us any questions, and if you agree to be bound by this Agreement, sign below. If more than one person signs, each will be responsible for repaying all sums advanced under this Agreement.

Your Credit Line Account is a revolving line of credit extended to you and secured as described below. You can obtain funds from your Personal Credit Line Account (up to your credit limit) directly from us or by using the special checks we supply to you. You may pay your total unpaid balance at any time or in installments.

REQUIRED INSURANCE. You must obtain insurance for term of loan covering security for this loan agreement as indicated by the word "YES" below, naming us as Loss Payee:

Physical damage insurance on vehicle listed under "Security" above, if "Y" appears under "Insured."  
You may obtain any required insurance from anyone you choose.

NOTICE: SEE THE FOLLOWING PAGES FOR ADDITIONAL PROVISIONS AND IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS.

03-01-00  
F NRE



\*\*556F93B0D094RLA8000PA0563610\*\*SCOVERN

PA056361

ORIGINAL

Exhibit  
"A"

## PERSONAL CREDIT LINE ACCOUNT AGREEMENT (Page 2 of 4)

**Available Credit:** You may obtain funds directly from us or through your special checks up to your available credit. Each check must be written for at least \$100.00. Your available credit is your credit limit (shown on page one) less the total unpaid balance, including Finance Charges, of your Account. If you make loan payments by check, we will adjust your available credit seven days after we receive your check to allow for check clearing. If you request funds in an amount that would cause you to exceed your available credit, we are not obligated to honor your request. If we do lend you an amount over your available credit, you agree to pay us that excess amount, plus Finance Charges, immediately.

**Promise to Pay:** You promise to pay Lender: (a) amounts borrowed under this Agreement; (b) Finance Charges, Administrative Charges (the late charge and bad check charge) and other charges provided in this Agreement; (c) credit insurance charges, if any; (d) collection costs permitted by applicable law, including reasonable attorneys' fees; and (e) amounts in excess of your credit limit that we may lend you, plus Finance Charges.

**Payments:** You may repay your entire outstanding balance at any time without penalty. You may not use your special checks to pay any amounts due under this Agreement. Because the Finance Charge is computed each day, you will contact us regarding the exact payoff amount for the day you intend to make full payment. If you do not pay the entire unpaid balance on your Account at once, you agree to pay at least the minimum payment shown on your monthly statement. Payments will be applied as follows: First, to any accrued but unpaid Finance Charges; Second, to any unpaid Administrative Charges (the late charge and bad check charge); Third, to any unpaid credit insurance charges; and Fourth, to the outstanding balance of your Account. Any part of your monthly payment to be applied to amounts borrowed on your Account will be applied to the amounts borrowed under your Personal Credit Line Account in the order in which the amounts were borrowed. Any part of your monthly payment to be applied to Finance Charges will be applied in the same manner.

**Minimum Monthly Payment:** The Minimum Monthly Payment for any billing cycle will be the greater of (1) the greater of \$25 or the Payment Amount (as described below) plus any Administrative Charges and credit insurance charges, rounded to the nearest \$1; or (2) the Finance Charges due for the billing cycle plus any Administrative Charges and credit insurance charges; or (3) the amount of the Annual Fee assessed to your Account. In each instance the Minimum Monthly Payment will be adjusted to include any unpaid amounts due from previous billing cycles.

The Payment Amount depends on the monthly periodic rate applicable to your Account, and is calculated as follows:

Monthly Periodic Rate	Payment Amount
through 1.33%	1.41% of Account Balance
over 1.33% through 1.45%	1.55% of Account Balance
over 1.45% through 1.57%	1.67% of Account Balance
over 1.57% through 1.70%	1.80% of Account Balance
over 1.70% through 1.83%	1.93% of Account Balance
over 1.83% through 1.95%	2.00% of Account Balance
over 1.95%	2.15% of Account Balance

**Finance Charges:** This is the interest charged on the balance of your Account during each billing cycle. The Finance Charge is calculated from the date that each advance, check or charge is posted to your Account. The Finance Charge is computed by multiplying the average daily balance in your Account in each billing cycle times the monthly periodic rate stated on page one. The average daily balance is determined by totaling all daily unpaid balances in each billing cycle and dividing the total by the number of days in that cycle (but not less than thirty). A daily unpaid balance is the amount owed each day, excluding any unpaid Finance Charge, Administrative Charges, and credit insurance charges for prior billing cycles.

**Annual Fee:** You agree to pay an Annual Fee as stated on page one for participation in this revolving credit plan. The Initial Annual Fee is stated on page one and is due and payable on the date that your Account is established, and the subsequent Annual Fee stated on page one is due and payable on the same day of each subsequent year. You agree that this fee may be charged to your Account balance.

**Bad Check Charge:** If you pay by a check which is returned for any reason, you agree to pay a bad check charge of \$20.

**Late Charge:** If you do not pay any required Minimum Monthly Payment within 15 days after it is due, you agree to pay a late charge of 10% of the Minimum Monthly Payment due or \$20, whichever is greater (excluding any unpaid late charges and amounts due from prior billing cycles).

NOTICE: SEE THE FOLLOWING PAGES FOR ADDITIONAL PROVISIONS AND IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS.

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## PERSONAL CREDIT LINE ACCOUNT AGREEMENT (Page 3 of 4)

**Other Charges:** You agree to pay any amounts actually incurred by Lender for services rendered in connection with the Personal Credit Line Account for fees paid to public officials in connection with perfecting, recording, releasing or satisfying a security interest in the security. You agree that these fees may be charged to your Account balance.

**Exchange of Information:** You understand that from time to time we may receive credit information concerning you from others, such as stores, other lenders, and credit reporting agencies. You authorize us to share any information, on a regular basis, we obtain related to your Account, including but not limited to credit reports and insurance information, with any of our affiliated corporations, subsidiaries or other third parties. The uses of this information may include an inquiry to determine if you qualify for additional offers of credit. You also authorize us to share any information regarding your Account with any of our affiliated corporations, subsidiaries or other third parties. You may prohibit the sharing of such information (except for the sharing of information about transactions or experiences between us and you) by sending a written request which contains your full name, Social Security Number and Address to us at P.O. Box 1547, Chesapeake, VA 23320.

If you fail to fulfill the terms of your credit obligation, a negative report reflecting on your credit record may be submitted to a Credit Reporting Agency. You agree that the Department of Motor Vehicles (or your state's equivalent of such department) may release your residence address to us, should it become necessary to locate you. You agree that our supervisory personnel may listen to telephone calls between you and our representatives in order to evaluate the quality of our service to you.

**Termination and Changes in the Agreement:** We can terminate your right to obtain additional advances or change the terms of this Agreement, including increasing the rate of Finance Charge at any time. Prior written notice will be given to you when required by applicable law unless you consent to the change before that time. Changes may apply to both new and outstanding balances unless prohibited by applicable law.

**Default and Cancellation of Agreement:** We have the right to require you to pay your entire balance plus all other accrued but unpaid charges immediately and/or to cancel your credit privileges under this Agreement because of:

- (a) failure to make any payments in full when due under this Agreement;
- (b) frequent overdrawing of your line of credit;
- (c) failure to supply us with any information requested;
- (d) supplying us with misleading, false, incomplete or incorrect information;
- (e) breaking any of the promises, terms or conditions that are contained in this Agreement;
- (f) the filing of a bankruptcy petition by or against you;
- (g) the death of any borrower who signs this Agreement; or
- (h) the sale or transfer of any interest in the property securing this agreement (this includes the creation of a subordinate lien).

After default, you will pay our court costs, reasonable attorney fees (if attorney is not our salaried employee), and other collection costs related to the default, if not prohibited by applicable law.

Any balance outstanding under this Agreement when the credit limit is terminated will continue to accrue interest at the contract rate until paid in full.

### YOUR BILLING RIGHTS KEEP THIS NOTICE FOR FUTURE USE

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

#### Notify Lender 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 Lender on a separate sheet at the address listed on your bill after the words: "Send your billing error notice to: (Lender's, name and address)." Write to Lender as soon as possible. Lender must hear from you no later than 60 days after Lender sent you the first bill on which the error or problem appeared. You can telephone Lender, but doing so will not preserve your rights.

NOTICE: SEE THE FOLLOWING PAGE FOR ADDITIONAL PROVISIONS AND IMPORTANT INFORMATION REGARDING YOUR RIGHTS TO DISPUTE BILLING ERRORS.

03-01-00  
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ORIGINAL

## PERSONAL CREDIT LINE ACCOUNT AGREEMENT (Page 4 of 4)

In your letter, give Lender 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 Lender's Responsibilities After Lender Receives Your Written Notice

Lender must acknowledge your letter within 30 days, unless Lender has corrected the error by then. Within 90 days, Lender must either correct the error or explain why Lender believes the bill was correct.

After Lender receives your letter, Lender cannot try to collect any amount you question, or report you as delinquent. Lender can continue to bill you for the amount you question, including finance charges, and Lender can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while Lender is investigating, but you are still obligated to pay the parts of your bill that are not in question.

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

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

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

**Alternative Dispute Resolution and Other Riders:** The terms of the Arbitration Agreement and any other Riders signed as part of this loan transaction are incorporated into this Agreement by reference.

**Applicable Law:** The terms and conditions of this Agreement will be governed by the provisions of the Pennsylvania Consumer Discount Company Act, Chapter 7, Sections 6201 through 6221, Purdon's Pennsylvania Statutes Annotated, particularly Section 6217.1.

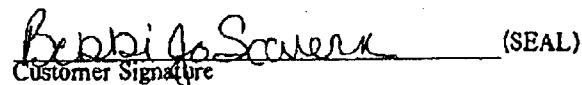
Before signing this Agreement, you have read and received this Agreement and the Federal Truth-In-Lending disclosures contained in it.

You, the customer(s) signing below, agree to observe the terms and conditions of this Agreement.

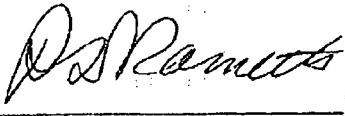
This Agreement is entered under the applicable provisions of Federal law and the Pennsylvania Consumer Discount Company Act.

  
(SEAL)  
Customer Signature

Date: 1-23-06

  
(SEAL)  
Customer Signature

Date: 1/23/06

Witness:   
(SEAL)

  
(SEAL)

03-01-00  
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\*SS6F93B0D094RLA8000PA0563640\*\*SCOVERN

ORIGINAL

LOAN CLOSING STATEMENT (Page 1 of 1)  
REVOLVING LOAN VOUCHER

CREDITOR

BENEFICIAL CONSUMER DISCOUNT COMPANY  
1995 S. ATHERTON ST  
STATE COLLEGE PA 16801

BORROWERS

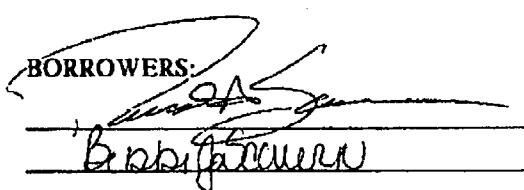
SCOVERN, DAVID A.  
SCOVERN, BOBBIE JO  
1546 DRANE HIWAY  
OSCEOLA MILLS PA 16666

LOAN NO: 711707-16-547703

Borrowers agree to and direct the disbursements and Advance indicated below. If any estimated amount shown below varies from the actual amount paid, Borrowers agree to the disbursement of the actual amount and a corresponding change to the Advance shown below. Borrowers agree that this Advance is made under Borrowers' Revolving Loan Agreement (account number shown above.)

TO: BENEFICIAL ACCOUNT #	71170713546781.....	\$	7272.19
Initial Annual Fee.....		\$	50.00
CASH OR CHECK TO BORROWER.....		\$	2500.81
TOTAL ADVANCE(S).....		\$	9823.00

BORROWERS:

  
David A. Covern



## ARBITRATION RIDER

United States

This Arbitration Rider is signed as part of Your Agreement with Lender and is made a part of that Agreement. By signing this Arbitration Rider, you agree that either Lender or you may request that any claim, dispute, or controversy (whether based upon contract; tort, intentional or otherwise; constitution; statute; common law; or equity and whether pre-existing, present, or future), including initial claims, counter-claims, cross-claims, and third-party claims, arising from or relating to this Agreement or the relationships which result from this Agreement, including the validity or enforceability of this arbitration clause, any part thereof or the entire Agreement ("Claim"), shall be resolved, upon the election of you or us by binding arbitration pursuant to this arbitration provision and the applicable rules or procedures of the arbitration administrator selected at the time the Claim is filed. The party initiating the arbitration proceeding shall have the right to select one of the following three arbitration administrators: the American Arbitration Association ("AAA"), National Arbitration Forum ("NAF") or JAMS/Endispute ("JAMS"). The arbitrator shall be a lawyer with more than ten years experience or a retired or former judge. The arbitrator shall be independent of and unrelated to you or Lender. Notwithstanding any language in this Arbitration Rider to the contrary, no arbitration may be administered, without the consent of all parties to the arbitration, by any organization that has in place a formal or informal policy that is inconsistent with and purports to override the terms of this Arbitration Rider, including the Class Action Waiver Provision defined below. The rules and forms of the AAA, NAF and JAMS may be obtained by writing to these organizations at the addresses and/or websites listed below. Our address for the service of process under this provision is: P.O. Box 279, Mt. Prospect, IL 60056.

Any participatory arbitration hearing that you attend will take place in the city nearest to your residence where a federal district court is located or at such other location as agreed by the parties.

If Lender files a Claim, Lender shall pay all the filing costs. If you file a Claim, filing costs and administrative fees, (other than hearing fees) shall be paid as follows: (a) you agree to pay for the initial cost of filing the Claim up to the maximum amount of \$100.00; and (b) if required by the arbitration administrator's rules, we will pay for filing costs over \$100.00 and for any administrative fees charged by the arbitration administrator on any Claim submitted by you up to a maximum of the amount of the filing costs and administrative fees that would be charged by the arbitration administrator for a Claim equal to your loan amount. Any filing costs and/or administrative fees assessed for a Claim in excess of your loan amount shall be paid by you. The lender shall pay the cost of one full day of arbitration hearings. Fees for hearings that exceed one day will be paid by the requesting party. We shall each bear the expense of our respective attorney's fees, except as otherwise provided by law. If a statute gives you the right to recover any of these fees, or the fees paid to the arbitration administrator, these statutory rights shall apply in the arbitration notwithstanding anything to the contrary herein. If the arbitrator issues an award in our favor, you will not be required to reimburse us for any fees we have previously paid to the arbitration administrator or for which we are responsible.

This Arbitration Rider is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1-16 (the "FAA"). The arbitrator shall apply applicable substantive law consistent with the FAA, including laws concerning reception, rejection, and consideration of evidence and shall provide written reasoned findings of fact and conclusions of law. The arbitrator's award shall not be subject to appeal except as permitted by the FAA. For Claims where there is an appeal right under the FAA, any party may appeal the award to a three-arbitrator panel appointed by the Administrator, which will reconsider de novo (i.e. in its entirety) any aspect or all aspects of the initial award that is appealed. The panel's decision will be final and binding, except for any appeal right under the FAA. Judgment upon the award may be entered in any court having jurisdiction. All statutes of limitations that would otherwise be applicable shall apply to any arbitration proceeding.



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We agree not to invoke our right to arbitrate an individual Claim you may bring in Small Claims Court or an equivalent court, if any, so long as the Claim is pending only in that court. No class actions or private attorney general actions in court or in arbitration or joinder or consolidation of claims in court or with other persons are permitted in arbitration without the written consent of the parties. The validity and effect of the preceding sentence (herein referred to as the "Class Action Waiver Provision") shall be determined exclusively by a court and not by the administrator or any arbitrator. Neither the administrator nor any arbitrator shall have the power or authority to waive, modify or fail to enforce the Class Action Waiver Provision, and any attempt to do so, whether by rule, policy, arbitration decision or otherwise, shall be invalid and unenforceable.

The arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent as could be imposed by a judge pursuant to the Federal Rules of Civil Procedure.

This Arbitration Rider shall survive repayment of your loan and/or termination of the Agreement. If any portion of this Arbitration Rider is deemed invalid or unenforceable under any law or statute consistent with the FAA, it shall not invalidate the remaining portions of this Arbitration Rider or the Agreement. However, if a determination is made that the Class Action Waiver Provision is unenforceable, this Arbitration Rider (other than this sentence) and any prior Arbitration Rider shall be null and void. In the event of a conflict or inconsistency between the rules and procedures of the arbitration administrator and this Arbitration Rider, this Arbitration Rider shall govern.

No provision of, nor the exercise of any rights under this Arbitration Rider shall limit the right of any party during the pendency of any Claim, to seek and use ancillary or preliminary remedies, judicial or otherwise, for the purpose of realizing upon, preserving, protecting, or foreclosing upon any property involved in any Claim or subject to the loan documents. The use of the courts shall not constitute a waiver of the right of any party, including the plaintiff, to submit any Claim to arbitration nor render inapplicable the compulsory arbitration provisions contained in this Arbitration Rider.

**THE PARTIES ACKNOWLEDGE THAT THEY HAD A RIGHT TO LITIGATE CLAIMS THROUGH A COURT BEFORE A JUDGE OR JURY, BUT WILL NOT HAVE THAT RIGHT IF EITHER PARTY ELECTS ARBITRATION. THE PARTIES HEREBY KNOWINGLY AND VOLUNTARILY WAIVE THEIR RIGHTS TO LITIGATE SUCH CLAIMS IN A COURT BEFORE A JUDGE OR JURY UPON ELECTION OF ARBITRATION BY EITHER PARTY.**

You may contact, obtain the arbitration rules of, or file a Claim with AAA, NAF or JAMS as follows:

American Arbitration Association 335 Madison Avenue New York, NY 10017 <a href="http://www.adr.org">www.adr.org</a>	National Arbitration Forum (NAF) P.O. Box 50191 Minneapolis, MN 55405 <a href="http://www.arb-forum.org">www.arb-forum.org</a> Code of Procedure	JAMS/Endispute 555 13 <sup>th</sup> Street NW Suite 400 West Washington, DC 20004 <a href="http://www.jamsadr.com">www.jamsadr.com</a> Financial Services Arbitration Rules and Procedures
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ARBITRATION RIDER  
United States

Borrower: David A. Scovern Date: 1-23-06

DAVID A. SCOVERN

David A. Scovern

Print Name

Borrower: Bobbi Jo Scovern Date: 1/23/06

BOBBI JO SCOVERN

Bobbi Jo Scovern

Print Name

BENEFICIAL CONSUMER DISCOUNT COMPANY

By:      Date: 1/23/06



## VERIFICATION

The undersigned, Gregg L. Morris, hereby states that he is the attorney for Plaintiff in this action and verifies that the statements made in the foregoing pleading are true and correct to the best of his knowledge, information and belief. Counsel has signed the verification at the request of Plaintiff as a matter of time and convenience. Plaintiff has represented to counsel that there is a debt due and owing from Defendant to Plaintiff in the amount as set forth within the foregoing pleading. Plaintiff has provided counsel with all relevant information in order to allow counsel to sign this verification. Plaintiff agrees to provide a verification signed by Plaintiff upon request by Defendant. The statements are made subject to the penalties of 18 Pa.C.S. Section 4904, relating to unsworn falsification to authorities.

Date: \_\_\_\_\_

Gregg L. Morris, Esquire  
Patenaude & Felix, A.P.C.  
213 E. Main Street  
Carnegie, PA 15106  
(412) 429-7675