UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 1, 2007

NORDSTROM, INC.

(Exact name of registrant as specified in its charter)

WASHINGTON	**001-15059**	**91-0515058**
(State or other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1617 SIXTH AVENUE, SEATTLE, WASHINGTON	**98101**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: **(206) 628-2111**

INAPPLICABLE
(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On May 1, 2007, Nordstrom Credit Card Master Note Trust II ("Trust" formerly known as Nordstrom Private Label Credit Card Master Note Trust) a statutory trust created by Nordstrom Credit Card Receivables II LLC ("NCCR II" formerly known as Nordstrom Private Label Receivables LLC and a wholly owned bankruptcy remote subsidiary of Nordstrom Credit Inc, which is a wholly owned subsidiary of Nordstrom Inc.)issued $350 million of notes in a senior subordinate structure pursuant to the terms of an Indenture. The notes were issued pursuant to the Series 2007-1 Indenture Supplement, dated as of May 1, 2007, to the Amended and Restated Master Indenture, dated as of May 1, 2007 (the "Master Indenture"), between the Trust, as issuer, and Wells Fargo Bank, National Association, as Indenture Trustee (collectively, the "Series 2007-1 Indenture") and consisted of $325.5 million Series 2007-1 Class A Notes and $24.5 million Series 2007-1 Class B Notes (collectively, the "Series 2007-1 Offered Notes") sold to third-party investors. The Series 2007-1 Class A Notes have a fixed coupon of 4.92% and the Class B Notes have a fixed coupon of 5.02%, per year. The expected principal payment date for the Series 2007-1 Offered Notes is April 15, 2010 and the final maturity date is May 15, 2013. The Trust also issued Class C Notes, which are subordinate to the Class A Notes and the Class B Notes, in the amount of $26.4 million which were not offered for sale and have an annual coupon of zero, which may only be increased if certain conditions are met including satisfaction of rating agency conditions

On May 1, 2007, the Trust also issued $500 million of notes in a senior subordinate structure. The notes were issued pursuant to the Series 2007-2 Indenture Supplement, dated as of May 1, 2007, to the Amended and Restated Master Indenture, dated as of May 1, 2007, between the Trust and the Indenture Trustee (collectively, the "Series 2007-2 Indenture") and consisted of $453.8 million Series 2007-2 Class A Notes and $46.2 million Series 2007-2 Class B Notes (collectively, the "Series 2007-2 Offered Notes") sold to third-party investors. The Series 2007-2 Class A Notes pay a coupon of one-month LIBOR plus 0.06% and the Class B Notes pay a coupon of one-month LIBOR plus 0.18%, per year. The reference rate for both classes is reset monthly. The expected principal payment date for the Series 2007-2 Offered Notes is April 16, 2012 and the final maturity date is May 15, 2015. The Trust also issued Class C Notes, which are subordinate to the Class A Notes and the Class B Notes, in the amount of $43.5 million which were not offered for sale and have an annual coupon of zero, which may only be increased if certain conditions are met including satisfaction of rating agency conditions

Both the Series 2007-1 Offered Notes and the Series 2007-2 Offered Notes are secured by the Nordstrom Private Label receivables and by an undivided beneficial participation interest in the Nordstrom VISA receivables (collectively, the "Receivables") pursuant to the terms of the Master Indenture, as supplemented by the Indenture Supplement relating to the particular series.

The Master Indenture contains standard provisions relating to the default and acceleration of the Trust's payment obligations upon the occurrence of an event of default, including: (i) the failure to pay principal or interest; (ii) failure to comply with specified agreements, covenants, or obligations; and (iii) commencement of bankruptcy or other insolvency proceedings by or against the Trust. Each series' related indenture supplement contains additional events of default pertaining to the series as well as pay out events which would result in early amortization of the related series of notes.

In addition to the Series 2007-1 Indenture Supplement and the Series 2007-2 Indenture Supplement, in connection with the issuance of the Series 2007-1 Offered Notes and the Series 2007-2 Offered Notes, Nordstrom Credit Inc (NCI), Nordstrom fsb (Bank), NCCR II and/or the Trust entered into the following agreements: (i) a Participation Agreement, dated as of May 1, 2007 between Bank, as seller, and NCI, as purchaser pursuant to which the Bank sells to NCI on a daily basis the undivided beneficial interest in the Nordstrom Visa receivables (the "Participation"); (ii) a Servicing Agreement, dated as of May 1, 2007, between Bank and NCI pursuant to which the Bank agrees to service the Participation (but not the Receivables transferred to the Trust); (iii) an Amended and Restated Receivables Purchase Agreement dated as of May 1, 2007, between NCI, as seller, and NCCR II, as purchaser pursuant to which NCCR II will acquire from NCI the Receivables; (iv) an Amended and Restated Transfer and Servicing Agreement dated as of May 1, 2007, among Bank, as servicer, Wells Fargo Bank, National Association, as an Indenture Trustee, NCCR II, as transferor, and the Trust, as issuer pursuant to which NCCR II will transfer the Receivables to the Trust, and the Bank will service the Receivables; (v) a Second Amended and Restated Trust Agreement dated as of May 1, 2007 between NCCR II, as transferor, and Wilmington Trust Company, as Owner Trustee; and (vi) an Amended and Restated Administration Agreement dated as of May 1, 2007, between the Trust, as issuer, and Bank, as administrator, pursuant to which the Issuer and the Owner Trustee are required to perform certain duties in connection with the Notes and the collateral thereof pledged pursuant to the Indenture and the beneficial ownership interest in the issuer.

The foregoing summary of the Agreements set forth in this Item 1.01 is qualified in its entirety by reference to the text of the Agreements, copies of which are incorporated by reference herein as Exhibits 4.1 through 4.3 and 99.1 through 99.6.

On May 2, 2007, the Trust and the Indenture Trustee entered into the Series 2007-A Indenture Supplement (the "Series 2007-A Indenture Supplement, and together with the Master Indenture, the "Series 2007-A Indenture") pursuant to which the Trust issued a Class A Variable Funding Note to an Asset Backed Commercial Paper conduit, as purchaser, with a facility amount of $300 million. It also issued a subordinate Class B Note to Nordstrom Credit Card Receivables II, LLC. The notes were issued with an initial balance of $0. Nordstrom Credit Card Receivables II, LLC can borrow up to the facility amount, provided that the conditions for borrowing are met, upon two days notice.

The commitment to provide funds under the Class A Note expires in 364 days and can be renewed subject to the agreement of the parties to the note purchase agreement.

ITEM 2.03 CREATION OF A DIRECT FINANCIAL OBLIGATION OR AN OBLIGATION UNDER AN OFF-BALANCE SHEET ARRANGEMENT OF A REGISTRANT.

The information set forth above under Item 1.01 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 2.03.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits

Exhibit Number	Description
4.1	Amended and Restated Master Indenture, dated as of May 1, 2007, by and between Nordstrom Credit Card Master Note Trust II and Wells Fargo Bank, National Association, as indenture trustee.
4.2	Series 2007-1 Indenture Supplement, dated as of May 1, 2007, by and between Nordstrom Credit Card Master Note Trust II and Wells Fargo Bank, National Association, as indenture trustee.
4.3	Series 2007-2 Indenture Supplement, dated as of May 1, 2007, by and between Nordstrom Credit Card Master Note Trust II and Wells Fargo Bank, National Association, as indenture trustee.
99.1	Participation Agreement, dated as of May 1, 2007, by and between Nordstrom fsb, as seller and Nordstrom Credit, Inc., as purchaser.
99.2	Servicing Agreement, dated as of May 1, 2007, by and between Nordstrom fsb, and Nordstrom Credit, Inc.
99.3	Amended and Restated Receivables Purchase Agreement, dated as of May 1, 2007, by and between Nordstrom Credit, Inc., as seller, and Nordstrom Credit Card Receivables II LLC, as purchaser.
99.4	Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007, by and between Nordstrom Credit Card Receivables II LLC, as transferor, Nordstrom fsb, as servicer, Wells Fargo Bank, National Association, as indenture trustee, and Nordstrom Credit Card Master Note Trust II, as issuer.
99.5	Second Amended and Restated Trust Agreement, dated as of May 1, 2007, by and between Nordstrom Credit Card Receivables II LLC, as transferor, and Wilmington Trust Company, as owner trustee.
99.6	Amended and Restated Administration Agreement, dated as of May 1, 2007, by and between Nordstrom Credit Card Master Note Trust II, as issuer, and Nordstrom fsb, as administrator.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NORDSTROM, INC.

By: /s/ Michael G. Koppel
Michael G. Koppel
Chief Financial Officer and Executive Vice President

Dated: May 7, 2007

[Exhibit 4.1]

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Issuer,

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Indenture Trustee

AMENDED AND RESTATED
MASTER INDENTURE

Dated as of May 1, 2007

RECONCILIATION AND TIE BETWEEN TRUST INDENTURE
ACT OF 1939 AND INDENTURE PROVISIONS*

Trust Indenture Act Section	Indenture Section
310(a)(1)	6.11
(a)(2)	6.11
(a)(3)	6.10
(a)(4)	Not Applicable
(a)(5)	6.11
(b)	6.08, 6.11
(c)	Not Applicable
311(a)	6.12
(b)	6.12
(c)	Not Applicable
312(a)	7.01, 7.02(a)
(b)	7.02(b)
(c)	7.02(c)
313(a)	7.04
(b)	7.04
(c)	7.03, 7.04
(d)	7.04
314(a)	3.09, 7.03(a)
(b)	3.06
(c)(1)	2.11, 8.09(c), 12.01(a)
(c)(2)	2.11, 8.09(c), 12.01(a)
(c)(3)	2.11, 8.09(c), 12.01(a)
(d)(1)	2.11, 8.09(c), 12.01(b)
(d)(2)	Not Applicable
(d)(3)	Not Applicable
(e)	12.01(a)
315(a)	6.01(b)
(b)	6.02
(c)	6.01(c)
(d)	6.01(d)
(d)(1)	6.01(d)
(d)(2)	6.01(d)
(d)(3)	6.01(d)
(e)	5.14
316(a)(1)(A)	5.12
316(a)(1)(B)	5.13
316(a)(2)	Not Applicable
316(b)	5.08
317(a)(1)	5.04
317(a)(2)	5.04(d)
317(b)	5.04(a)
318(a)	12.07

* This reconciliation and tie shall not, for any purpose, be deemed to be part of the within indenture.

ARTICLE ONE

DEFINITIONS

ARTICLE TWO

THE NOTES

ARTICLE THREE

COVENANTS OF ISSUER

ARTICLE SIX

THE INDENTURE TRUSTEE

ARTICLE SEVEN

NOTEHOLDERS' LIST AND REPORTS BY INDENTURE TRUSTEE AND ISSUER

ARTICLE EIGHT

ALLOCATION AND APPLICATION OF COLLECTIONS

ARTICLE NINE

DISTRIBUTIONS AND REPORTS TO NOTEHOLDERS

ARTICLE TEN

SUPPLEMENTAL INDENTURES

ARTICLE ELEVEN

TERMINATION

ARTICLE TWELVE

MISCELLANEOUS

AMENDED AND RESTATED MASTER INDENTURE

This Amended and Restated Master Indenture, dated as of May 1, 2007, is between Nordstrom Credit Card Master Note Trust II (formerly known as Nordstrom Private Label Credit Card Master Trust), a statutory trust organized under the laws of the State of Delaware (herein, together with its permitted successors and assigns, the "Issuer"), and Wells Fargo Bank, National Association, a national banking association, as indenture trustee (herein, together with its successors in the trusts hereunder, the "Indenture Trustee").

RECITALS

WHEREAS, the Issuer and Wells Fargo Bank, National Association, a national banking association, as indenture trustee, entered into a Master Indenture, dated as of October 1, 2001 (the "Original Master Indenture"), pursuant to which one or more series of notes were issued secured by an interest in certain private label credit card receivables (the "Private Label Receivables");

WHEREAS, from and after the date hereof, the Issuer will take conveyances of a 90% pari passu participation interest in certain existing and future amounts owing by Obligors in relation to certain VISA® revolving credit card accounts (the "Participation" and, together with the Private Label Receivables, the "Receivables"), and will issue one or more series of notes to investors secured by an interest in all of the Receivables;

WHEREAS, simultaneously with the delivery of this Master Indenture, the Issuer is entering into the Amended and Restated Transfer and Servicing Agreement with Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC), a Delaware limited liability company, as Transferor (the "Transferor"), Nordstrom fsb, a federal banking association, as Servicer (the "Servicer"), and the Indenture Trustee pursuant to which (a) the Transferor will convey to the Issuer all of its right, title and interest in, to and under the Receivables and certain related assets and (b) the Servicer will agree to service the Receivables and make collections thereon on behalf of the Noteholders;

WHEREAS, under the Transfer and Servicing Agreement, Receivables arising in Accounts (as herein defined) from time to time will be conveyed thereunder to the Issuer; and

WHEREAS, the parties hereto desire to amend and restate the Original Master Indenture as more particularly set forth herein;

NOW, THEREFORE, in consideration of the mutual agreements herein contained, and of other good and valuable consideration, the receipt and adequacy of which are hereby acknowledge, the parties hereto agree as follows:

GRANTING CLAUSES

The Issuer hereby Grants to the Indenture Trustee, for the benefit of the Holders of the Notes and any Series Enhancers under the Series Enhancements as provided in the Indenture Supplements, all of the Issuer's right, title and interest, whether now owned or hereafter acquired, in, to and under (i) the Receivables existing at the close of business on the Initial Cut-Off Date, in the case of Receivables arising in the Initial Accounts, and on each Addition Cut-Off Date, in the case of Receivables arising in the Additional Accounts, and in each case thereafter created from time to time until the termination of the Issuer (including the Receivables conveyed under the Participation Agreement but not the Retained Interest), (ii) Collections and all Interchange and Recoveries allocable to the Issuer as provided in the Transfer and Servicing Agreement and all monies due or to become due and all amounts received or receivable with respect thereto (including proceeds of the reassignment of the Receivables to the Transferor pursuant to Sections 2.05(a) or 2.06 of the Transfer and Servicing Agreement), (iii) all Eligible Investments and all monies, investment properties, instruments and other property credited to the Collection Account, the Series Accounts and the Special Funding Account (including any subaccount of any such account), and all interest, dividends, earnings, income and other distributions from time to time received, receivable or otherwise distributed or distributable thereto or in respect thereof (including any accrued discount realized on liquidation of any investment purchased at a discount), (iv) all rights, remedies, powers, privileges and claims of the Issuer under or with respect to any Series Enhancement, the Trust Agreement or the Transfer and Servicing Agreement (whether arising pursuant to the terms of such Enhancement Agreement, the Trust Agreement or the Transfer and Servicing Agreement or otherwise available to the Issuer at law or in equity), including the rights of the Issuer to enforce such Enhancement Agreement, the Trust Agreement or the Transfer and Servicing Agreement, and to give or withhold any and all consents, requests, notices, directions, approvals, extensions or waivers under or with respect to such Series Enhancement, the Trust Agreement or the Transfer and Servicing Agreement to the same extent as the Issuer could but for the assignment and security interest granted to the Indenture Trustee for the benefit of the Noteholders, (v) the rights of the Seller and the Transferor under the Participation Agreement, the Operating Agreement and each Receivables Purchase Agreements, if any, (vi) all money, accounts, general intangibles, chattel paper, instruments, documents, goods, investment property, deposit accounts, certificates of deposit, letters of credit and advices of credit consisting of, arising from, or related to the foregoing, (vii) all proceeds of any derivative contracts between the Issuer and a counterparty, as described in an Indenture Supplement, (viii) all Insurance Proceeds relating to the Receivables, (ix) all other property of the Issuer, (x) all present and future claims, demands, causes and choses in action in respect of any or all of the foregoing and (xi) any and all proceeds of the foregoing; in each case, including any rights of the Owner Trustee and the Issuer pursuant to the Transaction Documents, but excluding the Transferor Interest and all amounts distributable to the holders of any Certificates pursuant to the terms of any Transaction Document (collectively, the "Collateral"); provided, however, that the Collateral shall not include, and the lien of this Master Indenture shall not extend to, the Residual Interest and the interest in the assets of the Issuer represented by the Ownership Interest Certificate and the Transferor Certificates and the amounts distributable with respect thereto.

Such Grants are made in trust to secure the Notes equally and ratably without prejudice, priority or distinction, except as expressly provided in this Master Indenture and the Indenture Supplements, between any Note and any other Notes, and to secure the other obligations hereunder; provided, that unless and to the extent provided for in an Indenture Supplement for any Series, the security interest granted above in the Series Accounts and Series Enhancement for a particular Series shall be to secure the Notes for such Series only and, to the extent provided in the Indenture Supplement for such Series, the Series Enhancers.

LIMITED RECOURSE

The obligation of the Issuer to make payments of principal of, interest on and other amounts with respect to, the Notes and to the Series Enhancers under the Series Enhancements is limited by recourse only to the Collateral and only to the extent proceeds and distributions on the Trust Estate are allocated for their benefit under the terms of this Master Indenture, the Indenture Supplements and the Series Enhancements.

ARTICLE ONE

DEFINITIONS

Section 1.01. Definitions. Whenever used in this Master Indenture, the following words and phrases shall have the following meanings:

"Accumulation Period" means, with respect to any Series, or any Class within a Series, a period following the Revolving Period during which Collections of Principal Receivables are accumulated in an account for the benefit of the Noteholders of such Series or Class, which shall be the controlled accumulation period, the principal accumulation period, the early accumulation period, the optional accumulation period, the limited accumulation period or other accumulation period, in each case as defined with respect to such Series or Class in the related Indenture Supplement.

"Act" has the meaning set forth in Section 12.03(a).

"Adjusted Invested Amount" has the meaning set forth in the related Indenture Supplement.

"Administration Agreement" means the Amended and Restated Administration Agreement, dated as of May 1, 2007, between the Issuer and the Administrator, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Administrator" means Nordstrom fsb in its capacity as Administrator under the Administration Agreement, and any successor in such capacity.

"Aggregate Investor Percentage" means, with respect to Principal Receivables, Finance Charge Receivables and Defaulted Receivables, as the case may be, as of any date of determination, the sum of such series percentages of all Series of Notes issued and Outstanding on such date of determination; provided, however, that the Aggregate Investor Percentage shall not exceed 100%.

"Amortization Period" means, with respect to any Series, or any Class within a Series, a period following the Revolving Period during which Collections of Principal Receivables are distributed to the related Noteholders of such Series or Class, which shall be the controlled amortization period, the principal amortization period, the optional amortization period, the limited amortization period, the early amortization period or other amortization period, in each case as defined with respect to such Series in the related Indenture Supplement.

"Applicants" has the meaning set forth in Section 2.09(a).

"Authorized Officer" means, with respect to:

(i) the Issuer, any officer of the Owner Trustee who is authorized to act for the Owner Trustee in matters relating to the Issuer and any Vice President or more senior officer of the Administrator who is authorized to act for the Administrator in matters relating to the Issuer and to be acted upon by the Administrator pursuant to the Administration Agreement and who is identified on an Incumbency Certificate;

(ii) the Transferor, any officer of the Transferor who is authorized to act for the Transferor in matters relating to the Transferor and who is identified on an Incumbency Certificate;

(iii) the Servicer, any officer of the Servicer who is authorized to act for the Servicer in matters relating to the Servicer and who is identified on an Incumbency Certificate; and

(iv) the Seller, any officer of the Seller who is authorized to act for the Seller in matters relating to the Seller and who is identified on an Incumbency Certificate.

"Bank" means Nordstrom fsb, and its successors and permitted assigns.

"Bearer Notes" means any Series or Class of Notes, together with the Indenture Trustee's certificate of authentication related thereto, issued in bearer form.

"Beneficial Owner" means, with respect to a Book-Entry Note, the Person who is the owner of such Book-Entry Note, as reflected on the books of the Clearing Agency or Foreign Clearing Agency, or on the books of a Person maintaining an account with such Clearing Agency or Foreign Clearing Agency (directly as a Clearing Agency Participant or as an Indirect Participant, in accordance with the rules of such Clearing Agency or Foreign Clearing Agency).

"Book-Entry Notes" means beneficial interests in the Notes, ownership and transfers of which shall be made through book entries by a Clearing Agency or Foreign Clearing Agency as described in Section 2.13.

"Class" means, with respect to any Series, any one of the classes of Notes of that Series.

"Clearing Agency" means an organization registered as a "clearing agency" pursuant to Section 17A of the Exchange Act, and serving as clearing agency for a Series or Class of Book-Entry Notes.

"Clearing Agency Participant" means a broker, dealer, bank, other financial institution or other Person for whom from time to time a Clearing Agency effects book-entry transfers and pledges of securities deposited with the Clearing Agency.

"Clearstream" means Clearstream Banking, société anonyme, a professional depository incorporated under the laws of Luxembourg, and its successors.

"Closing Date" means, with respect to any Series, the closing date specified in the related Indenture Supplement.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral" has the meaning set forth in the Granting Clauses.

"Collection Account" has the meaning set forth in Section 8.03.

"Commission" means the Securities and Exchange Commission, and its successors.

"Corporate Trust Office" means the principal office of the Indenture Trustee at which at any particular time its corporate trust business shall be administered, which office at date of the execution of this Master Indenture is located at MAC N9311-161, 6th Street and Marquette Avenue, Minneapolis, Minnesota 55479, Attention: Corporate Trust Services-Asset Backed Administration, or at such other address as the Indenture Trustee may designate from time to time by notice to the Noteholders and the Transferor, or the principal corporate trust office of any successor Indenture Trustee (the address of which the successor Indenture Trustee will notify the Noteholders and the Transferor).

"Coupon" means, collectively, the interest coupons attached to Bearer Notes.

"Default" means any occurrence that is, or with notice or the lapse of time or both would become, an Event of Default.

"Defeasance" has the meaning set forth in Section 11.04(a).

"Defeased Series" has the meaning set forth in Section 11.04(a).

"Definitive Notes" means Notes issued in definitive, fully registered form.

"Deposit Date" means each day on which the Servicer deposits Collections in the Collection Account.

"Determination Date" means, unless otherwise specified in an Indenture Supplement for a particular Series, the fifth Business Day preceding each Distribution Date.

"Distribution Date" with respect to any Series, has the meaning set forth in the applicable Indenture Supplement.

"Dollars", "$" or "U.S. $" means United States dollars.

"DTC" means The Depository Trust Company, and its successors.

"Eligible Institution" means a depository institution organized under the laws of the United States or any State (or any domestic branch of a foreign bank) which at all times (i) has either (a) a long-term unsecured debt rating of Aa3 or better by Moody's or (b) a certificate of deposit rating of Prime-1 by Moody's, (ii) has either a long-term unsecured debt rating of AA- or better or a certificate of deposit rating of A-1+ by Standard & Poor's and (iii) is a member of the FDIC. Notwithstanding the previous sentence, any institution the appointment of which satisfies the Rating Agency Condition shall be considered an Eligible Institution.

"Eligible Investments" means, as of any date of determination, the following instruments, investment property, or other property:

(i) direct obligations of, or obligations fully guaranteed as to timely payment by, the United States;

(ii) demand deposits, time deposits or certificates of deposit (having original maturities of no more than 365 days) of depository institutions or trust companies incorporated under the laws of the United States or any State (or domestic branches of foreign banks) and subject to supervision and examination by federal or State banking or depository institution authorities; provided that at the time of the Trust's investment or contractual commitment to invest therein, the debt rating of such depository institution or trust company shall be the highest short-term debt rating of each Rating Agency, or with respect to ratings issued by Moody's, have a long-term debt rating of at least A2 and/or a short-term debt rating of Prime-1;

(iii) commercial paper or other short-term obligations (having original or remaining maturities of no more than 30 days) (including short-term obligations of Nordstrom, Inc. and the Bank) having, at the time of investment or contractual commitment to invest therein, the highest credit rating for such obligation issued by Standard & Poor's or a long-term debt rating of at least A2 and/or a short-term debt rating of Prime-1 issued by Moody's;

(iv) demand deposits, time deposits and certificates of deposit which (a) are scheduled to mature on a date occurring no later than the Transfer Date in the Monthly Period immediately succeeding the Monthly Period in which such investment is made, (b) are fully insured by the FDIC and (c) have, at the time of the Trust's investment therein, a rating in the highest rating category of each Rating Agency;

(v) bankers' acceptances (having original maturities of no more than 365 days) issued by any depository institution or trust company referred to in clause (ii) above;

(vi) money market funds having, at the time of the Trust's investment therein, a rating in the highest rating category of each Rating Agency (including funds for which the Indenture Trustee or any of its Affiliates is investment manager or advisor);

(vii) time deposits (other than those referred to in clause (iv) above), with a Person the commercial paper of which has a credit rating satisfactory to each Rating Agency and which are scheduled to mature on a date occurring no later than the Transfer Date in the Monthly Period immediately succeeding the Monthly Period in which such investment is made;

(viii) any other relatively risk-free investments (including guaranteed investment contracts) having a specified maturity and bearing interest or sold at a discount that satisfies the Rating Agency Condition.

"Enhancement Agreement" means any agreement, instrument or document governing the terms of any Series Enhancement or pursuant to which any Series Enhancement is issued or outstanding.

"Euroclear Operator" means Euroclear Bank S.A./N.V., as operator of the Euroclear System.

"Event of Default" has the meaning set forth in Section 5.02.

"Excess Allocation Series" means a Series that, pursuant to the related Indenture Supplement, is entitled to receive certain excess Collections of Finance Charge Receivables, as more specifically set forth in such Indenture Supplement. If so specified in the Indenture Supplement for a Group of Series, each such Series may be an Excess Allocation Series only for the other Series in such Group.

"Excess Finance Charge Collections" means, with respect to a Distribution Date, the aggregate amount for all Outstanding Series of Collections of Finance Charge Receivables which the related Indenture Supplements specify are to be treated as "Excess Finance Charge Collections" for such Distribution Date.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Finance Charge Receivables" has the meaning set forth in the Transfer and Servicing Agreement.

"Finance Charge Shortfalls" means, with respect to a Distribution Date, the aggregate amount for all Outstanding Series which the related Indenture Supplements specify are "Finance Charge Shortfalls" for such Series and such Distribution Date.

"Foreign Clearing Agency" means Clearstream and the Euroclear Operator.

"GAAP" means generally accepted accounting principles in the United States in effect from time to time.

"Global Note" has the meaning set forth in Section 2.16.

"Grant" means to mortgage, pledge, bargain, warrant, alienate, remise, release, convey, assign, transfer, create, and grant a lien upon and a security interest in and right of set-off against, deposit, set over and confirm pursuant to the Master Indenture or an Indenture Supplement. A Grant of the Collateral or of any other agreement or instrument shall include all rights, powers and options (but none of the obligations) of the Granting party thereunder, including the immediate and continuing right to claim for, collect, receive and give receipt for principal and interest payments in respect of the Collateral and all other monies payable thereunder, to give and receive notices and other communications, to make waivers or other agreements, to exercise all rights and options, to bring Proceedings in the name of the Granting party or otherwise and generally to do and receive anything that the Granting party is or may be entitled to do or receive thereunder or with respect thereto.

"Group" means, with respect to any Series, the group of Series, if any, in which the related Indenture Supplement specifies such Series is to be included.

"Incumbency Certificate" means a list, delivered to the Indenture Trustee on the Closing Date, of Authorized Officers of the Issuer, the Transferor, the Servicer or the Seller, as the context may require, setting forth the specimen signatures of such Authorized Officers, as such list may be modified and supplemented from time to time.

"Indenture Supplement" means, with respect to any Series, a supplement to the Master Indenture, executed by the parties hereto and delivered in connection with the original issuance of the Notes of such Series pursuant to Section 10.01, and an amendment to the Master Indenture executed pursuant to Sections 10.01 or 10.02, and, in either case, including all amendments thereof and supplements thereto.

"Indenture Trustee" means Wells Fargo Bank, National Association, in its capacity as trustee under this Master Indenture, and its successors in such capacity.

"Independent" means, when used with respect to any specified Person, that the Person (i) is in fact independent of the Issuer, any other obligor upon the Notes, the Transferor, the Seller and any of their respective Affiliates, (ii) does not have any direct financial interest or any material indirect financial interest in the Issuer, any such other obligor, the Transferor, the Seller or any of their respective Affiliates and (iii) is not connected with the Issuer, any such other obligor, the Transferor, the Seller or any of their respective Affiliates as an officer, employee, promoter, underwriter, trustee, partner, director or person performing similar functions.

"Independent Certificate" means a certificate or opinion to be delivered to the Indenture Trustee under the circumstances described in, and otherwise complying with, the applicable requirements of Section 12.01, made by an Independent appraiser or other expert appointed by an Issuer Order, and such opinion or certificate shall state that the signer has read the definition of "Independent" in this Master Indenture and that the signer is Independent within the meaning thereof.

"Indirect Participant" means other Persons such as securities brokers and dealers, banks and trust companies that clear or maintain a custodial relationship with a participant of DTC, either directly or indirectly.

"Invested Amount" means, with respect to any Series and for any date, an amount equal to the "Invested Amount" or "Adjusted Invested Amount," as applicable, specified in the related Indenture Supplement.

"Investment Company Act" means the Investment Company Act of 1940, as amended.

"Issuer" means the Trust.

"Issuer Order" and "Issuer Request" means a written order or request signed in the name of the Issuer by any one of its Authorized Officers and delivered to the Indenture Trustee.

"Master Indenture" means this Amended and Restated Master Indenture, dated as of May 1, 2007, between the Issuer and the Indenture Trustee, as the same may be amended, supplemented, restated or otherwise modified from time to time including, with respect to any Series or Class, the related Indenture Supplement.

"Monthly Period" means, with respect to each Distribution Date, unless otherwise provided in the related Indenture Supplement, the period from and including the first day of the preceding calendar month to and including the last day of such calendar month; provided, however, that the initial Monthly Period with respect to any Series will commence on the Closing Date with respect to such Series and end on last day of the calendar month preceding the first Distribution Date.

"New Issuance" has the meaning set forth in Section 2.12(a).

"Note Interest Rate" means, as of any particular date of determination and with respect to any Series or Class, the interest rate as of such date specified therefor in the related Indenture Supplement.

"Note Owner" means, with respect to a Book-Entry Note, the Person who is the owner of such Book-Entry Note, as reflected on the books of the Clearing Agency, or on the books of a Person maintaining an account with such Clearing Agency (directly as a Clearing Agency Participant or as an Indirect Participant, in accordance with the rules of such Clearing Agency).

"Note Register" has the meaning set forth in Section 2.05(a).

"Noteholder" or "Holder" means the Person in whose name a Note is registered on the Note Register and, if applicable, the holder of any Bearer Note, Global Note or Coupon, as the case may be, or such other Person deemed to be a "Noteholder" or "Holder" in any related Indenture Supplement.

"Notes" means all Series of Notes issued by the Trust pursuant to the Master Indenture and the related Indenture Supplement.

"Notice of Default" has the meaning set forth in Section 5.02(c).

"Officer's Certificate" means, unless otherwise specified in this Master Indenture, a certificate delivered to the Indenture Trustee signed by any Authorized Officer of the Issuer, Seller, Transferor or the Servicer, as applicable, under the circumstances described in, and otherwise complying with, the applicable requirements of Section 12.01.

"Opinion of Counsel" means a written opinion of counsel, who may be counsel for, or an employee of, the Person providing the opinion and who shall be reasonably acceptable to the Indenture Trustee; provided that a Tax Opinion shall be an opinion of nationally recognized tax counsel.

"Outstanding" means, as of any date of determination, all Notes, or with respect to a particular Class or Series, all Notes with respect to such Class or Series, theretofore authenticated and delivered under this Master Indenture and any related Indenture Supplements except:

(i) Notes theretofore canceled by the Transfer Agent and Registrar or delivered to the Transfer Agent and Registrar for cancellation;

(ii) Notes or portions thereof the payment or redemption for which money in the necessary amount has been theretofore deposited with the Indenture Trustee or any Paying Agent in trust for the Holders of such Notes (provided, however, that if such Notes are to be redeemed, notice of such redemption has been duly given pursuant to this Master Indenture and the related Indenture Supplement or provision therefor, satisfactory to the Indenture Trustee, has been made); and

(iii) Notes in exchange for or in lieu of other Notes which have been authenticated and delivered pursuant to this Master Indenture and the related Indenture Supplement unless proof satisfactory to the Indenture Trustee is presented that any such Notes are held by a Protected Purchaser;

provided that, in determining whether the Holders of the requisite principal amount of the Outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver hereunder or under the related Indenture Supplement, Notes owned by the Issuer, any other obligor upon the Notes, the Transferor, the Servicer or any of their respective Affiliates shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Indenture Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Notes that a Responsible Officer of the Indenture Trustee actually knows to be so owned shall be so disregarded. Notes so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Indenture Trustee the pledgee's right so to act with respect to such Notes and that the pledgee is not the Issuer, any other obligor upon the Notes, the Transferor, the Servicer or any of their respective Affiliates. In making any such determination, the Indenture Trustee may rely on the representations of the pledgee and shall not be required to undertake any independent investigation.

"Owner Trustee" means Wilmington Trust Company, not in its individual capacity, but solely as owner trustee under the Trust Agreement, its successors in interest and any successor owner trustee under the Trust Agreement.

"Paired Series" means (i) each Series which has been paired with another Series (which Series may be prefunded or partially prefunded), such that the reduction of the Invested Amount or Adjusted Invested Amount of such Series results in the increase of the Invested Amount of such other Series, as described in the related Indenture Supplements, and (ii) such other Series.

"Pay Out Event" means, with respect to any Series, a Trust Pay Out Event or the related Series Pay Out Event.

"Paying Agent" means any paying agent appointed pursuant to Section 2.08 and shall initially be the Indenture Trustee; provided that if the Indenture Supplement for a Series so provides, a separate or additional Paying Agent may be appointed with respect to such Series.

"Permitted Assignee" means any Person who, if it were to purchase Receivables (or interests therein) in connection with a sale thereof pursuant to Sections 5.05(a)(iii) and 5.16, would not cause the Trust to be taxable as a publicly traded partnership for federal income tax purposes, but shall not include the Transferor and its Affiliates.

"Principal Sharing Series" means a Series that, pursuant to the Indenture Supplement therefor, is entitled to receive Shared Principal Collections. If so specified in the Indenture Supplement for a Group of Series, each such Series may be Principal Sharing Series only for the other Series in such Group.

"Principal Shortfalls" means, with respect to a Distribution Date, the aggregate amount for all Outstanding Series which the related Indenture Supplements specify are "Principal Shortfalls" for such Series and for such Distribution Date.

"Principal Terms" means, with respect to any Series, (i) the name or designation; (ii) the initial principal amount (or method for calculating such amount), the Invested Amount and the Required Transferor Interest; (iii) the Note Interest Rate for each Class of Notes of such Series (or method for the determination thereof); (iv) the payment date or dates and the date or dates from which interest shall accrue; (v) the method for allocating Collections to Noteholders; (vi) the designation of any Series Accounts and the terms governing the operation of any such Series Accounts; (vii) the Servicing Fee; (viii) the issuer and terms of any form of Series Enhancements with respect thereto; (ix) the terms on which the Notes of such Series may be exchanged for Notes of another Series, repurchased by the Transferor or remarketed to other investors; (x) the Series Final Maturity Date; (xi) the number of Classes of Notes of such Series and, if more than one Class, the rights and priorities of each such Class; (xii) the extent to which the Notes of such Series will be issuable in temporary or permanent global form (and, in such case, the depositary for such global note or notes, the terms and conditions, if any, upon which such global note may be exchanged, in whole or in part, for Definitive Notes, and the manner in which any interest payable on a temporary or global note will be paid); (xiii) whether the Notes of such Series may be issued in bearer form and any limitations imposed thereon; (xiv) the priority of such Series with respect to any other Series; (xv) whether such Series will be part of a Group; (xvi) whether such Series will be a Principal Sharing Series; (xvii) whether such Series will be an Excess Allocation Series; (xviii) the Distribution Dates; (xix) whether such Series will or may be a Paired Series and the Series with which it will be paired, if applicable; and (xx) any other terms of such Series.

"Proceeding" means any suit in equity, action at law or other judicial or administrative proceeding.

"Protected Purchaser" has the meaning set forth in the New York UCC.

"Qualified Account" means either (i) a segregated account with an Eligible Institution or (ii) a segregated trust account with the corporate trust department of a depository institution organized under the laws of the United States or any State (or any domestic branch of a foreign bank), and acting as a trustee for funds deposited in such account, so long as any of the unsecured, unguaranteed senior debt securities of such depository institution shall have a credit rating from each Rating Agency in one of its generic credit rating categories that signifies investment grade.

"Rating Agency" means, with respect to any Outstanding Series or Class of Notes, each rating agency, as specified in the applicable Indenture Supplement, selected by the Transferor to rate the Notes of such Outstanding Series or Class.

"Rating Agency Condition" means, with respect to any action, that each Rating Agency shall have notified the Transferor and the Indenture Trustee in writing that such action will not result in a reduction or withdrawal of its then-current rating of any Outstanding Series or Class with respect to which it is a Rating Agency or, with respect to any Outstanding Series or Class not rated by any Rating Agency, the Rating Agency Condition with respect to any such action shall be either defined in the related Indenture Supplement or shall not apply.

"Reallocated Principal Collections" has, with respect to any series, the meaning set forth in the related Indenture Supplement.

"Receivables Purchase Agreement" means (i) the Amended and Restated Receivables Purchase Agreement, dated as of May 1, 2007, between Nordstrom Credit, Inc., as seller, and Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC), as purchaser, as the same may be amended, supplemented or otherwise modified from time to time or (ii) any receivables purchase agreement entered into between the Transferor and an Account Owner, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Record Date" means, with respect to any Distribution Date, (i) for Definitive Notes, the last day of the calendar month immediately preceding such Distribution Date or (ii) for Book-Entry Notes, the Business Day immediately preceding such Distribution Date unless otherwise specified for a Series in the related Indenture Supplement.

"Redemption Date" means, with respect to any Series, the date or dates, if any, specified as such in the related Indenture Supplement.

"Registered Notes" means any Series or Class of Notes, together with the Indenture Trustee's certificate of authentication related thereto, issued in fully registered form without interest coupons.

"Required Transferor Interest" means, with respect to any date, an amount equal to the product of (i) the Required Transferor Percentage and (ii) the aggregate amount of Principal Receivables.

"Required Transferor Percentage" means 11.0%; provided, however, that the Transferor may reduce the Required Transferor Percentage upon (i) 30 days' prior notice to the Indenture Trustee and each Rating Agency, (ii) satisfaction of the Rating Agency Condition with respect thereto and (iii) delivery to the Indenture Trustee of a certificate of a Vice President or more senior officer of the Transferor stating that the Transferor reasonably believes that such reduction will not, based on the facts known to such officer at the time of such certification, then or thereafter have an Adverse Effect.

"Responsible Officer" means, when used with respect to the Indenture Trustee, any officer (i) within the Corporate Trust Office, including any vice president, assistant vice president, assistant treasurer, assistant secretary, trust officer or any other officer of the Indenture Trustee customarily performing functions similar to those performed by the individuals who at the time shall be such officers or to whom any corporate trust matter is referred at the Corporate Trust Office because of such officer's knowledge of and familiarity with the particular subject and (ii) who shall have direct responsibility for the administration of this Master Indenture and the other Transaction Documents.

"Revolving Period" means, with respect to each Series, the period specified in the related Indenture Supplement.

"Securities Act" means the Securities Act of 1933, as amended.

"Seller" means Nordstrom Credit, Inc., in its capacity as seller under the Receivables Purchase Agreement, or any other seller under a Receivables Purchase Agreement, and their respective successors in such capacity.

"Series" means any series of Notes issued pursuant to this Master Indenture and the related Indenture Supplement.

"Series Account" means any deposit, trust, securities escrow or similar account maintained for the benefit of the Noteholders of any Series or Class, as specified in the related Indenture Supplement.

"Series Enhancement" means the rights and benefits provided to the Trust or the Noteholders of any Series or Class pursuant to any letter of credit, surety bond, cash collateral account, collateral invested amount, spread account, reserve account, guaranteed rate agreement, maturity liquidity facility, tax protection agreement, interest rate swap agreement, interest rate cap agreement or other similar arrangement. The subordination of any Series or Class to another Series or Class shall be deemed to be a Series Enhancement.

"Series Enhancer" means the Person or Persons providing any Series Enhancement, other than (except to the extent otherwise provided with respect to any Series in the related Indenture Supplement) the Noteholders of any Series or Class which is subordinated to another Series or Class.

"Series Final Maturity Date" means, with respect to any Series, the final maturity date for such Series specified in the related Indenture Supplement.

"Series Issuance Date" means, with respect to any Series, the date on which the Notes of such Series are to be originally issued in accordance with Section 2.12 and the related Indenture Supplement.

"Series Pay Out Event" has, with respect to any Series, the meaning specified pursuant to the related Indenture Supplement.

"Shared Excess Finance Charge Collections" means, with respect to any Distribution Date, the aggregate amount for all Outstanding Series that the related Indenture Supplements specify are to be treated as "Shared Excess Finance Charge Collections" for such Distribution Date.

"Shared Principal Collections" means, with respect to a Distribution Date, the aggregate amount for all Outstanding Series of Collections of Principal Receivables which the related Indenture Supplements specify are to be treated as "Shared Principal Collections" for such Distribution Date.

"Special Funding Account" has the meaning set forth in Section 8.03.

"Special Funding Amount" means the amount on deposit in the Special Funding Account.

"State" means any state of the United States and the District of Columbia.

"Successor Servicer" has the meaning set forth in the Transfer and Servicing Agreement.

"Tax Opinion" means, with respect to any action, an Opinion of Counsel to the effect that, for federal income tax purposes, such action will not, in and of itself, (i) adversely affect the tax characterization as debt of the Notes of any Outstanding Series or Class that were characterized as debt at the time of their issuance, (ii) cause the Trust to be deemed to be an association (or publicly traded partnership) taxable as a corporation and (iii) cause or constitute an event in which gain or loss would be recognized by any Noteholder.

"Transaction Documents" means, with respect to any Series of Notes, the Certificate of Trust, the Trust Agreement, the Operating Agreement, the Participation Agreement, each related Receivables Purchase Agreement, the Transfer and Servicing Agreement, this Master Indenture, the related Indenture Supplement, any Enhancement Agreement, the Administration Agreement, and such other documents and certificates delivered in connection therewith.

"Transfer Agent and Registrar" has the meaning set forth in Section 2.05(a).

"Transfer and Servicing Agreement" means the Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007, among the Transferor, the Servicer, the Indenture Trustee and the Issuer, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Transfer Date" means the Business Day immediately preceding each Distribution Date.

"Transferor Interest" means on any date of determination an amount equal to (i) the sum of (a) an amount equal to the aggregate balance of Principal Receivables plus (b) the Special Funding Amount, in each case at the end of the day immediately prior to such date of determination, minus (ii) the aggregated Invested Amounts with respect to all Series of Notes issued and Outstanding on such date of determination.

"Transferor Percentage" means, on any date of determination, when used with respect to Principal Receivables, Finance Charge Receivables and Defaulted Receivables, a percentage equal to 100% minus the Aggregate Investor Percentage with respect to such category of Receivables.

"Trust" means the Nordstrom Credit Card Master Note Trust II, and its successors.

"Trust Agreement" means the Second Amended and Restated Trust Agreement relating to the Trust, dated as of May 1, 2007, between Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC), as transferor, and the Owner Trustee, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Trust Indenture Act" or "TIA" means the Trust Indenture Act of 1939, as amended.

"Trust Pay Out Event" has the meaning set forth in Section 5.01.

"Trustees" means the Indenture Trustee and the Owner Trustee.

"United States" means the United States of America.

Section 1.02. Other Definitional Provisions.

(a) With respect to any Series, capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Trust Agreement, the Transfer and Servicing Agreement or the related Indenture Supplement, as the case may be.

(b) All terms defined in this Master Indenture shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(c) As used in this Master Indenture and in any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in this Master Indenture or in any such certificate or other document, and accounting terms partly defined in this Master Indenture or in any such certificate or other document to the extent not defined, shall have the respective meanings given to them under GAAP. To the extent that the definitions of accounting terms in this Master Indenture or in any such certificate or other document are inconsistent with the meanings of such terms under GAAP, the definitions contained in this Master Indenture or in any such certificate or other document shall control.

(d) Any reference to each Rating Agency shall only apply to any specific rating agency if such rating agency is then rating any Outstanding Series.

(e) Unless otherwise specified, references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day.

(f) Whenever this Master Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture. The following TIA terms used in this Master Indenture have the following meanings:

"indenture securities" means the Notes.

"indenture security holder" means a Noteholder.

"indenture to be qualified" means this Master Indenture.

"indenture trustee" or "institutional trustee" means the Indenture Trustee.

"obligor" on the indenture securities means the Issuer and any other obligor on the indenture securities.

All other TIA terms used in this Master Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by Commission rule have the meaning assigned to them by such definitions.

(g) For all purposes of this Master Indenture, except as otherwise expressly provided or unless the context otherwise requires, (i) terms used herein include, as appropriate, all genders and the plural as well as the singular, (ii) references to this Master Indenture include all Exhibits hereto, (iii) references to words such as "herein", "hereof" and the like shall refer to this Master Indenture as a whole and not to any particular part, Article or Section within this Master Indenture, (iv) references to an Article or Section such as "Article One" or "Section 1.01" and the like shall refer to the applicable Article or Section of this Master Indenture, (v) the term "include" and all variations thereof shall mean "include without limitation", (vi) the term "or" shall include "and/or" and (vii) the term "proceeds" shall have the meaning ascribed to such term in the UCC.

ARTICLE TWO

THE NOTES

Section 2.01. Form Generally. The Notes of any Series or Class shall be issued as Registered Notes unless the applicable Indenture Supplement provides, in accordance with the then-applicable laws, that such Notes shall be issued as Bearer Notes with attached interest coupons and a special coupon. Such Registered Notes or Bearer Notes, as the case may be, shall be in substantially the form of the exhibits with respect thereto attached to the applicable Indenture Supplement with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Master Indenture or such Indenture Supplement, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon, as may, consistently herewith, be determined by the officers executing such Notes, as evidenced by their execution of such Notes. Any portion of the text of any Note may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Note. The terms of any Notes set forth in an exhibit to the related Indenture Supplement are part of the terms of this Master Indenture, as applicable.

The Notes shall be typewritten, printed, lithographed or engraved or produced by any combination of these methods, all as determined by the officers executing such Notes, as evidenced by its execution of such Notes. If specified in any Indenture Supplement, the Notes of any Series or Class shall be issued upon initial issuance as one or more Notes evidencing the aggregate original principal amount of such Series or Class as described in Section 2.10.

Bearer Notes shall be dated the Series Issuance Date. Each Global Note will be dated the Closing Date. All Registered Notes shall be dated as of the date of their authentication.

Section 2.02. Denominations. Except as otherwise specified in the related Indenture Supplement and the Notes, each class of Notes of each Series shall be issued in fully registered form in minimum amounts of $100,000 and in integral multiples of $1,000 in excess thereof (except that one Note of each Class may be issued in a different amount, so long as such amount exceeds the applicable minimum denomination for such Class), and shall be issued upon initial issuance as one or more Notes in an aggregate original principal amount equal to the applicable Invested Amount for such Class or Series.

Section 2.03. Execution, Authentication and Delivery. Each Note shall be executed by manual or facsimile signature on behalf of the Issuer by an Authorized Officer. Notes bearing the manual or facsimile signature of an individual who was, at the time when such signature was affixed, authorized to sign on behalf of the Issuer shall not be rendered invalid, notwithstanding the fact that such individual ceased to be so authorized prior to the authentication and delivery of such Notes or does not hold such office at the date of issuance of such Notes.

At any time and from time to time after the execution and delivery of this Master Indenture, the Issuer may deliver Notes executed by the Issuer to the Indenture Trustee for authentication and delivery, and the Indenture Trustee shall authenticate at the written direction of the Issuer and deliver such Notes as provided in this Master Indenture or the related Indenture Supplement and not otherwise.

No Note shall be entitled to any benefit under this Master Indenture or the applicable Indenture Supplement or be valid or obligatory for any purpose, unless there appears on such Note a certificate of authentication substantially in the form provided for herein or in the related Indenture Supplement executed by or on behalf of the Indenture Trustee by the manual signature of a duly authorized signatory, and such certificate upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly authenticated and delivered hereunder.

Section 2.04. Authenticating Agent.

(a) The Indenture Trustee may appoint one or more authenticating agents with respect to the Notes which shall be authorized to act on behalf of the Indenture Trustee in authenticating the Notes in connection with the issuance, delivery, registration of transfer, exchange or repayment of the Notes. Whenever reference is made in this Master Indenture to the authentication of Notes by the Indenture Trustee or the Indenture Trustee's certificate of authentication, such reference shall be deemed to include authentication on behalf of the Indenture Trustee by an authenticating agent and a certificate of authentication executed on behalf of the Indenture Trustee by an authenticating agent. Each authenticating agent must be acceptable to the Issuer and the Servicer.

(b) Any institution succeeding to the corporate trust business of an authenticating agent shall continue to be an authenticating agent without the execution or filing of any power or any further act on the part of the Indenture Trustee or such authenticating agent.

(c) An authenticating agent may at any time resign by giving written notice of resignation to the Indenture Trustee, the Issuer and the Servicer. The Indenture Trustee may at any time terminate the agency of an authenticating agent by giving notice of termination to such authenticating agent and to the Issuer and the Servicer. Upon receiving such a notice of resignation or upon such a termination, or in case at any time an authenticating agent shall cease to be acceptable to the Indenture Trustee or the Issuer and the Servicer, the Indenture Trustee may promptly appoint a successor authenticating agent. Any successor authenticating agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an authenticating agent. No successor authenticating agent shall be appointed unless acceptable to the Issuer and the Servicer.

(d) The Issuer agrees to pay to each authenticating agent from time to time reasonable compensation for its services under this Section.

(e) The provisions of Sections 6.01 and 6.04 shall be applicable to any authenticating agent.

(f) Pursuant to an appointment made under this Section, the Notes may have endorsed thereon, in lieu of or in addition to the Indenture Trustee's certificate of authentication, an alternative certificate of authentication in substantially the following form:

This is one of the Notes described in the within-mentioned Indenture.

_____

_____

as Authenticating Agent
for the Indenture Trustee

By: _____
Authorized Signatory

Section 2.05. Registration of and Limitations on Transfer and Exchange of Notes.

(a) The Issuer shall cause to be kept at the Corporate Trust Office, a register (the "Note Register") in which the entity acting as transfer agent and registrar (the "Transfer Agent and Registrar") shall provide for the registration of Notes and the registration of transfers of Notes. The Indenture Trustee initially shall be the Transfer Agent and Registrar for the purpose of registering Notes and transfers of Notes as herein provided. Upon any resignation of any Transfer Agent and Registrar, the Issuer shall promptly appoint a successor or, if it elects not to make such an appointment, assume the duties of Transfer Agent and Registrar.

If a Person other than the Indenture Trustee is appointed by the Issuer as Transfer Agent and Registrar, the Issuer will give the Indenture Trustee prompt written notice of the appointment of a Transfer Agent and Registrar and of the location, and any change in the location, of the Transfer Agent and Registrar and Note Register. The Indenture Trustee shall have the right to inspect the Note Register at all reasonable times and to obtain copies thereof, and the Indenture Trustee shall have the right to rely upon a certificate executed on behalf of the Transfer Agent and Registrar by an officer thereof as to the names and addresses of the Noteholders and the principal amounts and numbers of such Notes.

Upon surrender for registration of transfer of any Note at the office or agency of the Transfer Agent and Registrar, to be maintained as provided in Section 3.02, if the requirements of Section 8-401 of the UCC are met, the Issuer shall execute, and upon receipt of such surrendered Note the Indenture Trustee shall authenticate and deliver to the Noteholder, in the name of the designated transferee or transferees, one or more new Notes (of the same Series and Class) in any authorized denominations of like aggregate principal amount.

At the option of a Noteholder, Notes may be exchanged for other Notes (of the same Series and Class) in any authorized denominations and of like aggregate principal amount, upon surrender of such Notes to be exchanged at the office or agency of the Transfer Agent and Registrar. Whenever any Notes are so surrendered for exchange, if the requirements of Section 8-401 of the UCC are met, the Issuer shall execute, and upon receipt of such surrendered Note the Indenture Trustee shall authenticate and deliver to the Noteholder, the Notes which the Noteholder making the exchange is entitled to receive.

All Notes issued upon any registration of transfer or exchange of Notes shall evidence the same obligations, evidence the same debt and be entitled to the same rights and privileges under this Master Indenture as the Notes surrendered upon such registration of transfer or exchange.

Every Note presented or surrendered for registration of transfer or exchange shall be duly endorsed by, or be accompanied by a written instrument of transfer in a form satisfactory to the Indenture Trustee duly executed by, the Noteholder thereof or its attorney-in-fact duly authorized in writing, and by such other documents as the Indenture Trustee may reasonably require.

The registration of transfer of any Note shall be subject to the additional requirements, if any, set forth in the related Indenture Supplement.

No service charge shall be made for any registration of transfer or exchange of Notes, but the Issuer and the Transfer Agent and Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of such Notes.

All Notes surrendered for registration of transfer and exchange shall be canceled by the Issuer and delivered to the Indenture Trustee for subsequent destruction without liability on the part of either. The Indenture Trustee shall destroy the Global Note upon its exchange in full for Definitive Notes and shall deliver a certificate of destruction to the Transferor. Such certificate shall also state that a certificate or certificates of each Foreign Clearing Agency referred to in the applicable Indenture Supplement was received with respect to each portion of the Global Note exchanged for Definitive Notes.

Unless otherwise set forth in an Indenture Supplement, the preceding provisions of this Section notwithstanding, the Issuer shall not be required to make, and the Transfer Agent and Registrar need not register, transfers or exchanges of Notes for a period of 20 days preceding the due date for any payment with respect to the Note.

If and so long as any Series of Notes are listed on the Luxembourg Stock Exchange and such exchange shall so require, the Indenture Trustee shall appoint a co-transfer agent and co-registrar in Luxembourg or another European city. Any reference in this Master Indenture to the Transfer Agent and Registrar shall include any co-transfer agent and co-registrar unless the context otherwise requires. The Indenture Trustee will enter into any appropriate agency agreement with any co-transfer agent and co-registrar not a party to this Master Indenture, which will implement the provisions of this Master Indenture that relate to such agent.

(b) The Transfer Agent and Registrar will maintain at its expense in Minneapolis, Minnesota, or New York, New York, an office or agency where Notes may be surrendered for registration of transfer or exchange (except that Bearer Notes may not be surrendered for exchange at any such office or agency in the United States or its territories and possessions.)

Section 2.06. Mutilated, Destroyed, Lost or Stolen Notes. If (i) any mutilated Note is surrendered to the Transfer Agent and Registrar, or the Transfer Agent and Registrar receives evidence to its reasonable satisfaction of the destruction, loss or theft of any Note, and (ii) in case of destruction, loss or theft there is delivered to the Transfer Agent and Registrar such security or indemnity as may be required by it to hold the Issuer, the Transferor, the Transfer Agent and Registrar and the Indenture Trustee harmless, then, in the absence of notice to the Issuer, the Transferor, the Transfer Agent and Registrar or the Indenture Trustee that such Note has been acquired by a Protected Purchaser, the Issuer shall execute, and the Indenture Trustee shall authenticate and the Transfer Agent and Registrar shall deliver (in the case of Bearer Notes, outside the United States), in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Note, a replacement Note of the same Series and Class and of like tenor (including the same date of issuance) and principal amount, bearing a number not contemporaneously outstanding; provided, however, that if any such mutilated, destroyed, lost or stolen Note shall have become or within seven days shall be due and payable, or shall have been selected or called for redemption, instead of issuing a replacement Note, the Issuer may pay such Note without surrender thereof, except that any mutilated Note shall be surrendered. If, after the delivery of such replacement Note or payment of a destroyed, lost or stolen Note pursuant to the proviso to the preceding sentence, a Protected Purchaser of the original Note in lieu of which such replacement Note was issued presents for payment such original Note, the Issuer and the Indenture Trustee shall be entitled to recover such replacement Note (or such payment) from the Person to whom it was delivered or any Person taking such replacement Note from such Person to whom such replacement Note was delivered or any assignee of such Person, except a Protected Purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Issuer, the Transferor or the Indenture Trustee in connection therewith.

Upon the issuance of any replacement Note under this Section, the Issuer or the Transfer Agent and Registrar may require the payment by the Holder of such Note of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other reasonable expenses (including the fees and expenses of the Indenture Trustee or the Transfer Agent and Registrar) connected therewith.

Every replacement Note issued pursuant to this Section in replacement of any mutilated, destroyed, lost or stolen Note shall constitute complete and indefeasible evidence of debt of the Trust, as if originally issued, whether or not the mutilated, destroyed, lost or stolen Note shall be found at any time, and shall be entitled to all the benefits of this Master Indenture equally and proportionately with any and all other Notes duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes.

Section 2.07. Persons Deemed Owners. The Issuer, the Indenture Trustee, the Paying Agent, the Transfer Agent and Registrar, the Transferor, the Issuer and any agent of any of them may (a) prior to due presentment of a Registered Note for registration of transfer, treat the Person in whose name any Note is registered as the owner of such Registered Note for the purpose of receiving distributions pursuant to the terms of the applicable Indenture Supplement and for all other purposes whatsoever, and (b) treat the bearer of a Bearer Note or coupon for the purpose of receiving distributions pursuant to the terms of the applicable Indenture Supplement and for all other purposes whatsoever; and, in any such case, neither the Issuer, the Transferor, the Indenture Trustee, the Paying Agent, the Transferor nor any agent of any of them shall be affected by any notice to the contrary.

Section 2.08. Appointment of Paying Agent.

(a) The Issuer reserves the right at any time to vary or terminate the appointment of a Paying Agent for the Notes, and to appoint additional or other Paying Agents, provided that it will at all times maintain the Indenture Trustee as a Paying Agent.

Notice of all changes in the identity or specified office of a Paying Agent will be delivered promptly to the Noteholders by the Indenture Trustee.

(b) The Indenture Trustee shall cause the Paying Agent (other than itself) to execute and deliver to the Indenture Trustee an instrument in which such Paying Agent shall agree with the Indenture Trustee that it will hold all sums, if any, held by it for payment to the Noteholders in trust for the benefit of the Noteholders entitled thereto until such sums shall be paid to such Noteholders and shall agree, and if the Indenture Trustee is the Paying Agent it hereby agrees, that it shall comply with all requirements of the Code regarding the withholding by the Indenture Trustee of payments in respect of federal income taxes due from the Beneficial Owners.

Section 2.09. Access to List of Noteholders' Names and Addresses.

(a) The Indenture Trustee will furnish or cause to be furnished to the Issuer, the Servicer, any Noteholder or the Paying Agent, within five Business Days after receipt by the Indenture Trustee of a written request therefor from the Issuer, the Servicer, such Noteholder or the Paying Agent, respectively, a list of the names and addresses of the Noteholders. Unless otherwise provided in the related Indenture Supplement, holders of 10% of the principal amount of Outstanding Notes of any Series (the "Applicants") may apply in writing to the Indenture Trustee, and if such application states that the Applicants desire to communicate with other Noteholders of any Series with respect to their rights under this Master Indenture or under the Notes and is accompanied by a copy of the communication which such Applicants propose to transmit, then the Indenture Trustee, after having been adequately indemnified by such Applicants for its costs and expenses, shall afford or shall cause the Transfer Agent and Registrar to afford such Applicants access during normal business hours to the most recent list of Noteholders held by the Indenture Trustee and shall give the Servicer notice that such request has been made, within five Business Days after the receipt of such application. Such list shall be as of a date no more than 45 days prior to the date of receipt of such Applicants' request.

(b) Every Noteholder, by receiving and holding a Note, agrees that none of the Issuer, the Owner Trustee, the Indenture Trustee, the Transfer Agent and Registrar and the Servicer or any of their respective agents and employees shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Noteholders hereunder, regardless of the sources from which such information was derived.

Section 2.10. Cancellation. All Notes surrendered for payment, registration of transfer, exchange or redemption shall, if surrendered to any Person other than the Indenture Trustee, be delivered to the Indenture Trustee and shall be promptly canceled by it. Pursuant to an Issuer Request, the Issuer may at any time deliver to the Indenture Trustee for cancellation any Notes previously authenticated and delivered hereunder which the Issuer may have acquired in any lawful manner whatsoever, and all Notes so delivered shall be promptly canceled by the Indenture Trustee. No Notes shall be authenticated in lieu of or in exchange for any Notes canceled as provided in this Section, except as expressly permitted by this Master Indenture. All canceled Notes held by the Indenture Trustee shall be destroyed unless the Issuer shall direct by a timely order that they be returned to it.

Section 2.11. Release of Collateral. Subject to Section 12.01, the Indenture Trustee shall release property from the lien of this Master Indenture only upon receipt of an Issuer Request accompanied by an Officer's Certificate, an Opinion of Counsel and, if applicable, Independent Certificates in accordance with TIA Section 314(c) and 314(d) or an Opinion of Counsel in lieu of such Independent Certificates to the effect that the TIA does not require any such Independent Certificates.

Section 2.12. New Issuances.

(a) Pursuant to one or more Indenture Supplements, the Transferor may from time to time direct the Owner Trustee in writing, on behalf of the Issuer, to issue one or more new Series of Notes (each, a "New Issuance"). The Notes of all Outstanding Series shall be equally and ratably entitled as provided herein to the benefits of this Master Indenture without preference, priority or distinction, all in accordance with the terms and provisions of this Master Indenture and the applicable Indenture Supplement except, with respect to any Series or Class, as provided in the related Indenture Supplement. Interest on and principal of the Notes of each Outstanding Series shall be paid on each Distribution Date as specified in the Indenture Supplement relating to such Outstanding Series.

(b) On or before the Series Issuance Date relating to any new Series of Notes, the parties hereto will execute and deliver an Indenture Supplement which will specify the Principal Terms of such Series. The terms of such Indenture Supplement may modify or amend the terms of this Master Indenture solely as applied to such new Series. The obligation of the Owner Trustee to execute, on behalf of the Issuer, the Notes of any Series and of the Indenture Trustee to authenticate such Notes and to execute and deliver the related Indenture Supplement (other than any Series issued pursuant to an Indenture Supplement dated as of May 1, 2007) is subject to the satisfaction of the following conditions:

(i) on or before the fifth day immediately preceding the Series Issuance Date, the Transferor shall have given the Trustees, the Servicer and each Rating Agency notice (unless such notice requirement is otherwise waived) of such issuance and the Series Issuance Date;

(ii) the Transferor shall have delivered to the Trustees the related Indenture Supplement, in form satisfactory to the Owner Trustee (as such and in its individual capacity) and the Indenture Trustee, executed by the parties thereto;

(iii) the Transferor shall have delivered to the Trustees any related Enhancement Agreement executed by the parties thereto;

(iv) the Transferor shall have delivered to the Trustees (with a copy to each Rating Agency) a Tax Opinion, dated the Series Issuance Date;

(v) the Rating Agency Condition shall have been satisfied with respect to such issuance;

(vi) such issuance will not result in any Adverse Effect and the Transferor shall have delivered to the Trustees an Officer's Certificate, dated the Series Issuance Date, to the effect that (A) the Transferor reasonably believes that such issuance will not, based on the facts known to such officer at the time of such certification, result in an Adverse Effect, and (B) all conditions precedent to such execution, authentication, and delivery have been satisfied; and

(vii) the aggregate amount of Principal Receivables shall be greater than the Required Minimum Principal Balance and the Transferor Interest shall be greater than the Required Transferor Interest, each as of the Series Issuance Date and after giving effect to such issuance.

Any Note held by the Transferor at any time after the date of its initial issuance may be transferred or exchanged only upon the delivery to the Trust and the Indenture Trustee of a Tax Opinion dated as of the date of such transfer or exchange, as the case may be, with respect to such transfer or exchange.

(c) Upon satisfaction of the above conditions, pursuant to Section 2.03, the Owner Trustee, on behalf of the Issuer, shall execute and the Indenture Trustee shall authenticate and deliver the Notes of such Series as provided in this Master Indenture and the applicable Indenture Supplement. Notwithstanding the provisions of this Section, prior to the execution of any Indenture Supplement (other than the Indenture Supplements dated as of May 1, 2007 with respect to the Series 2007-1 Notes and the Series 2007-2 Notes and the Indenture Supplement dated as of May 2, 2007 with respect to the Series 2007-A Notes), the Indenture Trustee and Owner Trustee shall be entitled to receive and rely upon an Opinion of Counsel stating that the execution of such Indenture Supplement is authorized or permitted by this Master Indenture and any Indenture Supplement related to any outstanding Series. The Indenture Trustee and Owner Trustee may, but shall not be obligated to, enter into any such Indenture Supplement which adversely affects the Indenture Trustee's or Owner Trustee's (as such or in its individual capacity) own rights, duties, benefits, protections, privileges or immunities under this Master Indenture.

(d) The Issuer may direct the Indenture Trustee to deposit the net proceeds from any New Issuance in the Special Funding Account. The Issuer may also specify that on any Transfer Date the proceeds from the sale of any new Series may be withdrawn from the Special Funding Account and treated as Shared Principal Collections.

Section 2.13. Book-Entry Notes. Unless otherwise provided in any related Indenture Supplement, the Notes, upon original issuance, shall be issued in the form of one or more Notes representing the Book-Entry Notes.

The Notes of each Series representing the Book-Entry Notes shall, unless otherwise provided in the related Indenture Supplement, initially be registered in the Note Register in the name of the nominee of the Clearing Agency or Foreign Clearing Agency for such Book-Entry Notes and shall be delivered to the Indenture Trustee or, pursuant to such Clearing Agency's or Foreign Clearing Agency's instructions, held by the Indenture Trustee's agent as custodian for the Clearing Agency or Foreign Clearing Agency.

Unless and until Definitive Notes are issued under the limited circumstances described in Section 2.15, no Beneficial Owner shall be entitled to receive a Definitive Note representing such Beneficial Owner's interest in such Note. Unless and until Definitive Notes have been issued to the Beneficial Owners pursuant to Section 2.15:

(a) the provisions of this Section shall be in full force and effect with respect to each such Series;

(b) the Indenture Trustee shall be entitled to deal with the Clearing Agency or Foreign Clearing Agency and the Clearing Agency Participants for all purposes of this Master Indenture (including the payment of principal of and interest on the Notes of each such Series) as the authorized representatives of the Beneficial Owners;

(c) to the extent that the provisions of this Section conflict with any other provisions of this Master Indenture, the provisions of this Section shall control with respect to each such Series;

(d) the rights of Beneficial Owners of each such Series shall be exercised only through the Clearing Agency or Foreign Clearing Agency and the applicable Clearing Agency Participants and shall be limited to those established by law and agreements between such Beneficial Owners and the Clearing Agency or Foreign Clearing Agency and/or the Clearing Agency Participants; pursuant to the depository agreement applicable to a Series, unless and until Definitive Notes of such Series are issued pursuant to Section 2.15, the initial Clearing Agency shall make book-entry transfers among the Clearing Agency Participants and receive and transmit distributions of principal and interest on the Notes to such Clearing Agency Participants; and

(e) whenever this Master Indenture requires or permits actions to be taken based upon instructions or directions of the Holders of Notes evidencing a specified percentage of the principal amount of the Outstanding Notes, the Clearing Agency or Foreign Clearing Agency shall be deemed to represent such percentage only to the extent that they have received instructions to such effect from the Beneficial Owners and/or Clearing Agency Participants owning or representing, respectively, such required percentage of the beneficial interest in the Notes and has delivered such instructions to a Responsible Officer of the Indenture Trustee.

Section 2.14. Notices to Clearing Agency or Foreign Clearing Agency. Whenever a notice or other communication to the Noteholders is required under this Master Indenture, unless and until Definitive Notes shall have been issued to Beneficial Owners pursuant to Section 2.15, the Indenture Trustee shall give all such notices and communications specified herein to be given to Noteholders to the Clearing Agency or Foreign Clearing Agency, as applicable, and shall have no obligation to the Beneficial Owners.

Section 2.15. Definitive Notes. If Book-Entry Notes have been issued with respect to any Series or Class and (i) (a) the Issuer advises the Indenture Trustee in writing that the Clearing Agency or Foreign Clearing Agency is no longer willing or able to discharge properly its responsibilities as Clearing Agency or Foreign Clearing Agency with respect to the Book-Entry Notes of a given Class and (b) the Indenture Trustee or Issuer is unable to locate and reach an agreement on satisfactory terms with a qualified successor, (ii) the Issuer, at its option, advises the Indenture Trustee in writing that it elects to terminate the book-entry system through the Clearing Agency or Foreign Clearing Agency with respect to such Class or (iii) after the occurrence of a Servicer Default or an Event of Default, Beneficial Owners having an aggregate of a majority of the principal amount of the Outstanding Notes (or such other percentage as specified in the related Indenture Supplement) of such Series or Class advise the Indenture Trustee and the applicable Clearing Agency or Foreign Clearing Agency through the applicable Clearing Agency Participants in writing that the continuation of a book-entry system is no longer in the best interests of the Beneficial Owners of such Class, the Clearing Agency or Foreign Clearing Agency, as the case may be, shall notify all Beneficial Owners of such Class of the occurrence of such event and of the availability of Definitive Notes to Beneficial Owners of such Class requesting the same. Upon surrender to the Indenture Trustee of the Notes of such Class, accompanied by registration instructions from the applicable Clearing Agency, the Issuer shall execute and the Indenture Trustee shall authenticate Definitive Notes of such Class and shall recognize the registered holders of such Definitive Notes as Noteholders under this Master Indenture. Neither the Issuer nor the Indenture Trustee shall be liable for any delay in delivery of such instructions, and the Issuer and the Indenture Trustee may conclusively rely on, and shall be protected in relying on, such instructions. Upon the issuance of Definitive Notes of such Series, all references herein to obligations imposed upon or to be performed by the applicable Clearing Agency or Foreign Clearing Agency shall be deemed to be imposed upon and performed by the Indenture Trustee, to the extent applicable with respect to such Definitive Notes to the extent that the Indenture Trustee is able to so perform, and the Indenture Trustee shall recognize the registered holders of the Definitive Notes of such Series as Noteholders of such Series hereunder. Definitive Notes will be transferable and exchangeable at the offices of the Transfer Agent and Registrar.

Section 2.16. Global Notes. Unless otherwise specified in the related Indenture Supplement for any Series, Notes may be initially issued in the form of temporary or permanent Global Notes (each, a “Global Note”) in bearer form, without interest coupons, in the denomination of the initial Invested Amount and substantially in the form attached to the related Indenture Supplement. Unless otherwise specified in the related Indenture Supplement, the provisions of this Section shall apply to such Global Notes. Each Global Note will be authenticated by the Indenture Trustee upon the same conditions, in substantially the same manner and with the same effect as the Definitive Notes. The Global Note may be exchanged in the manner described in the related Indenture Supplement for Registered Notes or Bearer Notes in definitive form. Except as otherwise specifically provided in the Indenture Supplement, any Notes that are issued in bearer form pursuant to this Master Indenture shall be issued in accordance with the requirements of Code Section 163(f)(2).

Section 2.17. Meetings of Noteholders. To the extent provided by the Indenture Supplement for any Series issued in whole or in part in Bearer Notes, the Servicer or the Indenture Trustee may at any time call a meeting of the Noteholders of such Series, to be held at such time and at such place as the Servicer or the Indenture Trustee, as the case may be, shall determine, for the purpose of approving a modification of or amendment to, or obtaining a waiver of, any covenant or condition set forth in this Master Indenture with respect to such Series or in the Notes of such Series, subject to Article Ten.

Section 2.18. Uncertificated Classes. Notwithstanding anything to the contrary contained in this Article or in Article Eleven, unless otherwise specified in any Indenture Supplement, any provisions contained in this Article and in Article Eleven relating to the registration, form, execution, authentication, delivery, presentation, cancellation and surrender of Notes shall not be applicable to any uncertificated Notes, provided, however, that, except as otherwise specifically provided in the related Indenture Supplement, any such uncertificated Notes shall be issued in "registered form" within the meaning of Code Section 163(f)(1).

ARTICLE THREE

COVENANTS OF ISSUER

Section 3.01. Payment of Principal and Interest.

(a) The Issuer will duly and punctually pay principal and interest in accordance with the terms of the Notes as specified in the relevant Indenture Supplement.

(b) The Noteholders of a Series as of the Record Date in respect of a Distribution Date shall be entitled to the interest accrued and payable and principal payable on such Distribution Date as specified in the related Indenture Supplement. All payment obligations under a Note are discharged to the extent such payments are made to the Noteholder of record.

Section 3.02. Maintenance of Office or Agency. The Issuer will maintain an office or agency within Minneapolis, Minnesota or New York, New York and such other locations as may be set forth in an Indenture Supplement where Notes may be presented or surrendered for payment, where Notes may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Issuer in respect of the Notes and this Master Indenture may be served. The Issuer hereby initially appoints the Indenture Trustee at its Corporate Trust Office to serve as its agent for the foregoing purposes. The Issuer will give prompt written notice to the Indenture Trustee and the Noteholders of the location, and of any change in the location, of any such office or agency. If at any time the Issuer shall fail to maintain any such office or agency or shall fail to furnish the Indenture Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office, and the Issuer hereby appoints the Indenture Trustee at its Corporate Trust Office as its agent to receive all such presentations, surrenders, notices and demands.

Section 3.03. Money for Note Payments to be Held in Trust. As specified in Section 8.03 and in the related Indenture Supplement, all payments of amounts due and payable with respect to the Notes which are to be made from amounts withdrawn from the Collection Account, any Series Account or the Special Funding Account shall be made on behalf of the Issuer by the Indenture Trustee or by the Paying Agent, and no amounts so withdrawn from the Collection Account, any Series Account or the Special Funding Account shall be paid over to or at the direction of the Issuer except as provided in this Section and in the related Indenture Supplement.

Whenever the Issuer shall have a Paying Agent in addition to the Indenture Trustee, it will, on or before the Business Day next preceding each Distribution Date, direct the Indenture Trustee to deposit with such Paying Agent on or before such Distribution Date an aggregate sum sufficient to pay the amounts then becoming due, such sum to be (i) held in trust for the benefit of Persons entitled thereto and (ii) invested, pursuant to an Issuer Order, by the Paying Agent in an Eligible Investment in accordance with the terms of the related Indenture Supplement. For all investments made by a Paying Agent under this Section, such Paying Agent shall be entitled to all of the rights and obligations of the Indenture Trustee under the related Indenture Supplement, such rights and obligations being incorporated in this paragraph by this reference.

The Issuer will cause each Paying Agent other than the Indenture Trustee to execute and deliver to the Indenture Trustee an instrument in which such Paying Agent shall agree with the Indenture Trustee (and if the Indenture Trustee acts as Paying Agent, it hereby so agrees), subject to the provisions of this Section, that such Paying Agent, in acting as Paying Agent, is an express agent of the Issuer and, further, that such Paying Agent will:

(i) hold all sums held by it for the payment of amounts due with respect to the Notes in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided and pay such sums to such Persons as herein provided;

(ii) give the Indenture Trustee notice of any default by the Issuer (or any other obligor upon the Notes) of which it has actual knowledge in the making of any payment required to be made with respect to the Notes;

(iii) at any time during the continuance of any such default, upon the written request of the Indenture Trustee, immediately pay to the Indenture Trustee all sums so held in trust by such Paying Agent;

(iv) immediately resign as a Paying Agent and forthwith pay to the Indenture Trustee all sums held by it by in trust for the payment of Notes if at any time it ceases to meet the standards required to be met by a Paying Agent at the time of its appointment; and

(v) comply with all requirements of the Code with respect to the withholding from any payments made by it on any Notes of any applicable withholding taxes imposed thereon and with respect to any applicable reporting requirements in connection therewith.

The Issuer may at any time, for the purpose of obtaining the satisfaction and discharge of this Master Indenture or for any other purpose, by Issuer Order direct any Paying Agent to pay to the Indenture Trustee all sums held in trust by such Paying Agent, such sums to be held by the Indenture Trustee upon the same trusts as those upon which such sums were held by such Paying Agent; and upon such payment by any Paying Agent to the Indenture Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Section 3.04. Existence. The Issuer will keep in full effect its existence, rights and franchises as a statutory trust under the laws of the State of Delaware (unless it becomes, or any successor Issuer hereunder is or becomes, organized under the laws of any other State or of the United States, in which case the Issuer will keep in full effect its existence, rights and franchises under the laws of such other jurisdiction) and will obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Master Indenture, the Notes, the Collateral and each other related instrument or agreement.

Section 3.05. Protection of Trust. The Issuer will from time to time prepare, or cause to be prepared, execute and deliver all such supplements and amendments hereto and all such financing statements, continuation statements, instruments of further assurance and other instruments, and will take such other action necessary or advisable to:

(a) grant more effectively all or any portion of the Collateral as security for the Notes;

(b) maintain or preserve the lien (and the priority thereof) of this Master Indenture or to carry out more effectively the purposes hereof;

(c) perfect, publish notice of, or protect the validity of any Grant made or to be made under this Master Indenture;

(d) enforce any Grant of the Collateral; or

(e) preserve and defend title to the Collateral securing the Notes and the rights therein of the Indenture Trustee and the Noteholders secured thereby against the claims of all Persons and parties.

The Issuer hereby designates the Indenture Trustee its agent and attorney-in-fact to execute any financing statement, continuation statement or other instrument required pursuant to this Section.

The Issuer shall pay or cause to be paid any taxes levied on all or any part of the Collateral securing the Notes.

Section 3.06. Opinions as to Collateral.

(a) On the Series Issuance Date relating to any Series of Notes, the Issuer shall furnish to the Indenture Trustee an Opinion of Counsel (with a copy to each Rating Agency) either stating that, in the opinion of such counsel, such action has been taken to perfect the lien and the security interest of this Master Indenture, including with respect to the recording and filing of this Master Indenture, any indentures supplemental hereto, and any other requisite documents, and with respect to the execution and filing of any financing statements and continuation statements, as are so necessary and reciting the details of such action, or stating that, in the opinion of such counsel, no such action is necessary to maintain the lien and the perfection of such security interest, and that such perfected security interest is of first priority.

(b) On or before April 30 in each calendar year, beginning in 2008, the Issuer shall furnish to the Indenture Trustee an Opinion of Counsel (with a copy to each Rating Agency) either stating that, in the opinion of such counsel, such action has been taken to perfect the lien and security interest of this Master Indenture, including with respect to the recording, filing, re-recording and refiling of this Master Indenture, any indentures supplemental hereto and any other requisite documents and with respect to the execution and filing of any financing statements and continuation statements as is so necessary and reciting the details of such action or stating that in the opinion of such counsel no such action is necessary to maintain the lien and the perfection of such security interest, and that such perfected security interest is of first priority. Such Opinion of Counsel shall also describe the recording, filing, re-recording and refiling of this Master Indenture, any indentures supplemental hereto and any other requisite documents and the execution and filing of any financing statements and continuation statements that will, in the opinion of such counsel, be required to maintain the perfection of the lien and security interest of this Master Indenture until April 30 in the following calendar year.

Section 3.07. Performance of Obligations; Servicing of Receivables.

(a) The Issuer will not take any action and will use its best efforts not to permit any action to be taken by others that would release any Person from any of such Person's material covenants or obligations under any instrument or agreement included in the Collateral or that would result in the amendment, hypothecation, subordination, termination or discharge of, or impair the validity or effectiveness of, any such instrument or agreement, except as expressly provided in this Master Indenture, the Transfer and Servicing Agreement or other Transaction Documents.

(b) The Issuer may contract with other Persons to assist it in performing its duties under this Master Indenture, and any performance of such duties by a Person identified to the Indenture Trustee in an Officer's Certificate of the Issuer shall be deemed to be action taken by the Issuer. Initially, the Issuer has contracted with the Administrator to assist the Issuer in performing its duties under this Master Indenture.

(c) The Issuer will punctually perform and observe all of its obligations and agreements contained in this Master Indenture, the other Transaction Documents and in the instruments and agreements relating to the Collateral, including filing or causing to be filed all UCC financing statements and continuation statements required to be filed by the terms of this Master Indenture and the Transfer and Servicing Agreement in accordance with and within the time periods provided for herein and therein.

(d) If the Issuer shall have knowledge of the occurrence of a Servicer Default under the Transfer and Servicing Agreement, the Issuer shall cause the Indenture Trustee to promptly notify the Rating Agencies thereof, and shall cause the Indenture Trustee to specify in such notice the action, if any, being taken with respect to such default. If a Servicer Default shall arise from the failure of the Servicer to perform any of its duties or obligations under the Transfer and Servicing Agreement with respect to the Receivables, the Issuer shall take all reasonable steps available to it to remedy such failure.

(e) On and after the receipt by the Servicer of a Termination Notice pursuant to Section 7.01 of the Transfer and Servicing Agreement, the Servicer shall continue to perform all servicing functions under the Transfer and Servicing Agreement until the date specified in the Termination Notice or otherwise specified by the Indenture Trustee or until a date mutually agreed upon by the Servicer and the Indenture Trustee. As promptly as possible after the giving of a Termination Notice to the Servicer, the Indenture Trustee shall appoint a Successor Servicer, and such Successor Servicer shall accept its appointment by a written assumption in a form acceptable to the Indenture Trustee. In the event that a Successor Servicer has not been appointed and accepted its appointment at the time when the Servicer ceases to act as Servicer, the Indenture Trustee without further action shall automatically be appointed the Successor Servicer. The Indenture Trustee may delegate any of its servicing obligations to an Affiliate or agent in accordance with Sections 3.01(b) and 5.07 of the Transfer and Servicing Agreement.

Notwithstanding the foregoing, the Indenture Trustee shall, if it is legally unable so to act, petition at the expense of the Servicer a court of competent jurisdiction to appoint any established institution qualifying as an Eligible Servicer as the Successor Servicer. The Indenture Trustee shall give prompt notice to each Rating Agency and each Series Enhancer upon the appointment of a Successor Servicer. Upon its appointment, the Successor Servicer shall be the successor in all respects to the Servicer with respect to servicing functions under the Transfer and Servicing Agreement and shall be subject to all the responsibilities, duties and liabilities relating thereto placed on the Servicer by the terms and provisions thereof, and all references in this Master Indenture to the Servicer shall be deemed to refer to the Successor Servicer. In connection with any Termination Notice, the Indenture Trustee will review any bids which it obtains from Eligible Servicers and shall be permitted to appoint any Eligible Servicer submitting such a bid as a Successor Servicer for servicing compensation, subject to the limitations set forth in Section 7.02 of the Transfer and Servicing Agreement.

(f) Without derogating from the absolute nature of the assignment granted to the Indenture Trustee under this Master Indenture or the rights of the Indenture Trustee hereunder, the Issuer agrees (i) that it will not, without the prior written consent of the Indenture Trustee and holders of at least 66 2/3% of the principal amount of the Outstanding Notes of each Series, amend, modify, waive, supplement, terminate or surrender, or agree to any amendment, modification, supplement, termination, waiver or surrender of, the terms of any Collateral (except to the extent otherwise provided in the Transfer and Servicing Agreement) or the Transaction Documents (except to the extent otherwise provided in the Transaction Documents), or waive timely performance or observance by the Servicer or the Transferor under the Transfer and Servicing Agreement and (ii) that any such amendment shall not (A) increase or reduce in any manner the amount of, or accelerate or delay the timing of, collections of payments on the Receivables or distributions that are required to be made for the benefit of the Noteholders or (B) reduce the aforesaid percentage of the Notes that is required to consent to any such amendment, without the consent of the Holders of all the Outstanding Notes. If any such amendment, modification, supplement or waiver shall be so consented to by the Indenture Trustee and such Noteholders, the Issuer agrees, promptly following a request by the Indenture Trustee to do so, to execute and deliver, in its own name and at its own expense, such agreements, instruments, consents and other documents as the Indenture Trustee may deem necessary or appropriate in the circumstances and to provide each Rating Agency with notice of such amendment, modification, supplement or waiver.

(g) The Issuer shall deliver to the Indenture Trustee any computer files or microfiche lists of Accounts (including Account Schedules) that the Issuer has received from the Transferor pursuant to the Transfer and Servicing Agreement. Such computer files or microfiche lists of Accounts, as supplemented or amended from time to time, are hereby incorporated into and made part of this Master Indenture.

Section 3.08. Negative Covenants. So long as any Notes are Outstanding, the Issuer will not:

(a) sell, transfer, exchange, or otherwise dispose of any part of the Collateral except as expressly permitted by this Master Indenture, the related Indenture Supplement, the Trust Agreement or the Transfer and Servicing Agreement;

(b) claim any credit on, or make any deduction from, the principal and interest payable in respect of the Notes (other than amounts properly withheld from such payments under the Code or applicable State law) or assert any claim against any present or former Noteholder by reason of the payment of any taxes levied or assessed upon any part of the Collateral;

(c) (i) permit the validity or effectiveness of this Master Indenture to be impaired, or permit the lien of this Master Indenture to be amended, hypothecated, subordinated, terminated or discharged, or permit any Person to be released from any covenants or obligations with respect to the Notes under this Master Indenture except as may be expressly permitted hereby, (ii) permit any Lien, charge, excise, claim, security interest, mortgage or other encumbrance (other than the Lien of this Master Indenture) to be created on or extend to or otherwise arise upon or burden the Collateral or any part thereof or any interest therein or the proceeds thereof or (iii) permit the Lien of this Master Indenture not to constitute a valid first priority security interest in the Collateral; or

(d) voluntarily dissolve or liquidate in whole or in part.

Section 3.09. Statements as to Compliance. The Issuer will deliver to the Indenture Trustee, within 120 days after the end of each fiscal year of the Issuer (commencing within 120 days after the end of the fiscal year 2008), an Officer's Certificate stating, as to the Authorized Officer signing such Officer's Certificate, that

(i) a review of the activities of the Issuer during the 12-month period ending at the end of such fiscal year (or in the case of the fiscal year ending January 31, 2008, the period from the effective date of this Master Indenture to January 31, 2008) and of performance under this Master Indenture has been made and

(ii) based on such review, the Issuer has complied with all conditions and covenants under this Master Indenture throughout such year, or, if there has been a default in the compliance of any such condition or covenant, specifying each such default and the nature and status thereof.

Section 3.10. Issuer May Consolidate, Etc., Only on Certain Terms.

(a) The Issuer shall not consolidate or merge with or into any other Person, unless:

(i) the Person (if other than the Issuer) formed by or surviving such consolidation or merger (A) shall be a Person organized and existing under the laws of the United States or any State, (B) shall not be subject to registration under the Investment Company Act and (C) shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Indenture Trustee, in a form satisfactory to the Indenture Trustee, the obligation to make due and punctual payment of the principal of and interest on all Notes and the performance of every covenant of this Master Indenture on the part of the Issuer to be performed or observed;

(ii) immediately after giving effect to such transaction, no Event of Default or Pay Out Event shall have occurred and be continuing;

(iii) the Issuer shall have delivered to the Indenture Trustee an Officer's Certificate and an Opinion of Counsel each stating that (A) such consolidation or merger and such supplemental indenture comply with this Section, (B) all conditions precedent in this Section relating to such transaction have been complied with (including any filing required by the Exchange Act) and (C) such supplemental indenture is duly authorized, executed and delivered and is valid, binding and enforceable against such Person;

(iv) the Rating Agency Condition shall have been satisfied with respect to such transaction;

(v) the Issuer shall have received a Tax Opinion and an Opinion of Counsel dated the date of such consolidation or merger (and shall have delivered copies thereof to the Indenture Trustee and each Rating Agency) to the effect that such transaction will not have any material adverse tax consequence to any Noteholder; and

(vi) any action that is necessary to maintain the lien and security interest created by this Master Indenture shall have been taken.

(b) The Issuer shall not convey or transfer any of its properties or assets, including those included in the Collateral, substantially as an entirety to any Person, unless:

(i) the Person that acquires by conveyance or transfer the properties and assets of the Issuer the conveyance or transfer of which is hereby restricted, shall (A) be a United States citizen or a Person organized and existing under the laws of the United States or any State, (B) expressly assume, by a supplemental indenture hereto, executed and delivered to the Indenture Trustee, in form satisfactory to the Indenture Trustee, the obligation to make due and punctual payment of the principal of and interest on all Notes and the performance or observance of every agreement and covenant of this Master Indenture on the part of the Issuer to be performed or observed, all as provided herein, (C) expressly agree by means of such supplemental indenture that all right, title and interest so conveyed or transferred shall be subject and subordinate to the rights of Holders of the Notes, (D) unless otherwise provided in such supplemental indenture, expressly agree to indemnify, defend and hold harmless the Issuer against and from any loss, liability or expense arising under or related to this Master Indenture and the Notes, (E) expressly agree by means of such supplemental indenture that such Person (or if a group of Persons, then one specified Person) shall make all filings with the Commission (and any other appropriate Person) required by the Exchange Act in connection with the Notes and (F) not be an "investment company" as defined in the Investment Company Act;

(ii) immediately after giving effect to such transaction, no Event of Default or Pay Out Event shall have occurred and be continuing;

(iii) the Rating Agency Condition shall have been satisfied with respect to such transaction;

(iv) the Issuer shall have received a Tax Opinion and an Opinion of Counsel (and shall have delivered copies thereof to the Indenture Trustee) to the effect that such transaction will not have any material adverse tax consequence to any Noteholder;

(v) any action that is necessary to maintain the lien and security interest created by this Master Indenture shall have been taken; and

(vi) the Issuer shall have delivered to the Indenture Trustee an Officer's Certificate and an Opinion of Counsel each stating that such conveyance or transfer and such supplemental indenture comply with this Section and that all conditions precedent herein provided for relating to such transaction have been complied with (including any filing required by the Exchange Act).

Section 3.11. Successor Substituted. Upon any consolidation or merger, or any conveyance or transfer of the properties and assets of the Issuer substantially as an entirety in accordance with Section 3.10, the Person formed by or surviving such consolidation or merger (if other than the Issuer) or the Person to which such conveyance or transfer is made shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under this Master Indenture with the same effect as if such Person had been named as the Issuer herein. In the event of any such conveyance or transfer, the Person named as the Issuer in the first paragraph of this Master Indenture or any successor which shall theretofore have become such in the manner prescribed in this Section shall be released from its obligations under this Master Indenture as issued immediately upon the effectiveness of such conveyance or transfer, provided that the Issuer shall not be released from any obligations or liabilities to the Indenture Trustee or the Noteholders arising prior to such effectiveness.

Section 3.12. No Other Business. The Issuer shall not engage in any business other than the activities set forth in Section 2.03 of the Trust Agreement and all activities incidental thereto or other than as required or authorized by the terms of the Transaction Documents.

Section 3.13. No Borrowing. The Issuer shall not issue, incur, assume, guarantee or otherwise become liable, directly or indirectly, for any indebtedness except as expressly provided for pursuant to the terms of the Transaction Documents and the Notes.

Section 3.14. Servicer's Obligations. The Issuer shall cause the Servicer to comply with all of its obligations under the Transaction Documents.

Section 3.15. Guarantees, Loans, Advances and Other Liabilities. Except as contemplated by this Master Indenture or the Transfer and Servicing Agreement, the Issuer shall not make any loan or advance or credit to, or guarantee (directly or indirectly or by an instrument having the effect of assuring another's payment or performance on any obligation or capability of so doing or otherwise), endorse or otherwise become contingently liable, directly or indirectly, in connection with the obligations, stocks or dividends of, or own, purchase, repurchase or acquire (or agree contingently to do so) any stock, obligations, assets or securities of, or any other interest in, or make any capital contribution to, any other Person.

Section 3.16. Capital Expenditures. The Issuer shall not make any expenditure (by long-term or operating lease or otherwise) for capital assets (either realty or personalty).

Section 3.17. Removal of Administrator. So long as any Notes are Outstanding, the Issuer shall not remove the Administrator without cause unless the Rating Agency Condition shall have been satisfied in connection with such removal.

Section 3.18. Restricted Payments. The Issuer shall not, directly or indirectly, (i) pay any dividend or make any distribution (by reduction of capital or otherwise), whether in cash, property, securities or a combination thereof, to the Owner Trustee or any owner of a beneficial interest in the Issuer or otherwise with respect to any ownership or equity interest or security in or of the Issuer or to the Servicer, (ii) redeem, purchase, retire or otherwise acquire for value any such ownership or equity interest or security or (iii) set aside or otherwise segregate any amounts for any such purpose. Notwithstanding the foregoing, the Issuer may make, or cause to be made, (a) distributions as contemplated by, and to the extent funds are available for such purpose under, the Transfer and Servicing Agreement, the Trust Agreement or any other related Transaction Document and (b) payments to the Indenture Trustee pursuant to Section 6.07. The Issuer will not, directly or indirectly, make payments to or distributions from the Collection Account except in accordance with the Transaction Documents.

Section 3.19. Notice of Events of Default. The Issuer agrees to give the Indenture Trustee and the Rating Agencies prompt written notice of each Event of Default hereunder and, immediately after obtaining knowledge of any of the following occurrences, written notice of each default on the part of the Servicer or the Transferor of its obligations under the Transfer and Servicing Agreement, each default on the part of a Seller of its obligations under the Receivables Purchase Agreement and any action taken by the Indenture Trustee pursuant to Section 5.05.

Section 3.20. Further Instruments and Acts. Upon request of the Indenture Trustee, the Issuer will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purpose of this Master Indenture.

Section 3.21. Representations and Warranties as to the Security Interest of the Indenture Trustee in the Receivables. The Transferor on behalf of the Issuer makes the following representations and warranties to the Indenture Trustee. The representations and warranties speak as of the execution and delivery of this Master Indenture and as of each Closing Date. Such representations and warranties shall survive the pledge of the Receivables by the Trust to the Indenture Trustee and the termination of this Master Indenture and shall not be waived by any party hereto unless the Rating Agency Condition is satisfied.

(a) This Master Indenture creates a valid and continuing security interest (as defined in the applicable UCC) in the Collateral in favor of the Indenture Trustee, which security interest is prior to all other Liens, and is enforceable as such as against creditors of and purchasers from the Trust.

(b) The Receivables constitute “accounts” or “payment intangibles” within the meaning of the applicable UCC.

(c) The Trust has rights in or the power to transfer the collateral and its title to the Collateral is free and clear of any Lien, claim or encumbrance of any Person.

(d) The Trust has caused or will have caused, within ten days of the Closing Date for the related Series, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Collateral granted to the Indenture Trustee hereunder.

(e) Other than the security interest granted to the Indenture Trustee pursuant to this Master Indenture, the Trust has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Collateral. The Trust has not authorized the filing of and is not aware of any financing statements against the Trust that include a description of collateral covering the Collateral other than any financing statement relating to the security interest granted to the Indenture Trustee hereunder or that has been terminated. The Trust is not aware of any judgment or tax lien filings against the Trust.

ARTICLE FOUR

SATISFACTION AND DISCHARGE

Section 4.01. Satisfaction and Discharge of this Master Indenture. This Master Indenture shall cease to be of further effect with respect to the Notes except as to (a) rights of registration of transfer and exchange, (b) substitution of mutilated, destroyed, lost or stolen Notes, (c) the rights of Noteholders to receive payments of principal thereof and interest thereon, (d) Sections 3.03, 3.08, 3.09, 3.11, 3.12 and 12.16, (e) the rights and immunities of the Indenture Trustee hereunder, including the rights of the Indenture Trustee under Section 6.07, and the obligations of the Indenture Trustee under Section 4.02 and (f) the rights of Noteholders as beneficiaries hereof with respect to the property so deposited with the Indenture Trustee and payable to all or any of them, and the Indenture Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging satisfaction and discharge of this Master Indenture with respect to the Notes when:

(i) either

(A) all Notes theretofore authenticated and delivered (other than (1) Notes which have been destroyed, lost or stolen and which have been replaced, or paid as provided in Section 2.06, and (2) Notes for whose full payment (principal and interest) money has theretofore been deposited in trust or segregated and held in trust, as provided in Section 3.03) have been delivered to the Indenture Trustee for cancellation; or

(B) all Notes not theretofore delivered to the Indenture Trustee for cancellation:

(1) have become due and payable;

(2) will become due and payable at the Series Final Maturity Date for such Class or Series of Notes; or

(3) are to be called for redemption within one year under arrangements satisfactory to the Indenture Trustee for the giving of notice of redemption by the Indenture Trustee in the name, and at the expense, of the Issuer;

and the Issuer, in the case of (1), (2) or (3) above, has irrevocably deposited or caused to be irrevocably deposited with the Indenture Trustee cash or direct obligations of or obligations guaranteed by the United States (which will mature prior to the date such amounts are payable), in trust for such purpose, in an amount sufficient to pay and discharge the entire indebtedness on such Notes not theretofore delivered to the Indenture Trustee for cancellation when due at the Series Final Maturity Date for such Class or Series of Notes or the Redemption Date (if Notes shall have been called for redemption pursuant to the related Indenture Supplement), as the case may be;

(ii) the Issuer has paid or caused to be paid all other sums payable hereunder by the Issuer; and

(iii) the Issuer has delivered to the Indenture Trustee an Officer's Certificate, an Opinion of Counsel and (if required by the TIA, if applicable, or the Indenture Trustee) an Independent Certificate from a firm of certified public accountants, each meeting the applicable requirements of Section 12.01(a) and each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Master Indenture have been complied with.

Section 4.02. Application of Trust Money. All monies deposited with the Indenture Trustee pursuant to Section 4.01 shall be held in trust and applied by it, in accordance with the provisions of the Notes, this Master Indenture and the applicable Indenture Supplement, to make payments, either directly or through any Paying Agent, as the Indenture Trustee may determine, to the Noteholders and for the payment in respect of which such monies have been deposited with the Indenture Trustee, of all sums due and to become due thereon for principal and interest; but such monies need not be segregated from other funds except to the extent required herein or in the Transfer and Servicing Agreement or required by law.

ARTICLE FIVE

PAY OUT EVENTS, DEFAULTS AND REMEDIES

Section 5.01. Pay Out Events. If any one of the following events (each, a "Trust Pay Out Event") shall occur:

(a) an Insolvency Event occurs with respect to the Transferor, the Bank, any other Account Owner or the Servicer; provided, however, that if the Rating Agency Condition is first satisfied with respect to an Insolvency Event with respect to Nordstrom fsb, such Insolvency Event shall not be a Pay Out Event;

(b) a Transfer Restriction Event shall occur; or

(c) the Trust shall be required to register as an investment company under the Investment Company Act;

then a Pay Out Event with respect to all Series of Notes shall occur without any notice or other action on the part of the Indenture Trustee or the Noteholders immediately upon the occurrence of such event.

Upon the occurrence of a Pay Out Event, an Amortization Period (or if so provided in the Indenture Supplement for a Series, an Accumulation Period) shall commence and payment on the Notes of each Series will be made in accordance with the terms of the related Indenture Supplement.

Section 5.02. Events of Default. "Event of Default", wherever used herein, means with respect to any Series any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) default in the payment of the principal of any Note of that Series, if and to the extent not previously paid, when the same becomes due and payable;

(b) default in the payment of any interest on any Note of that Series when the same becomes due and payable, and such default shall continue for a period of 35 days;

(c) default in the observance or performance of any covenant or agreement of the Issuer made in this Master Indenture made in respect of the Notes of such Series (other than a covenant or agreement, a default in the observance or performance of which is elsewhere in this Section specifically dealt with) (all of such covenants and agreements in this Master Indenture which are not expressly stated to be for the benefit of a particular Series being deemed to be in respect of the Notes of all Series for this purpose), and such default shall continue or not be cured for a period of 60 days after there shall have been given, by written registered, certified mail or overnight delivery by a nationally recognized carrier, return receipt requested to the Issuer by the Indenture Trustee or to the Issuer and the Indenture Trustee by the Holders of at least 25% of the principal amount of Outstanding Notes of such Series, a written notice specifying such default and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder and, as a result of such default, the interests of the Holders of the Notes are materially and adversely affected and will continue to be materially and adversely affected during the 60-day period;

(d) the filing of a decree or order for relief by a court having jurisdiction in the premises in respect of the Issuer in an involuntary case under any applicable federal or State bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, conservator, liquidator, assignee, custodian, trustee, sequestrator or similar official for the Issuer or ordering the winding-up or liquidation of the Issuer's affairs, and such decree or order shall remain unstayed and in effect for a period of 60 consecutive days;

(e) the commencement by the Issuer of a voluntary case under any applicable federal or State bankruptcy, insolvency or other similar law now or hereafter in effect, or the consent by the Issuer to the entry of an order for relief in an involuntary case under any such law, or the consent by the Issuer to the appointment of or the taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator, conservator or similar official of the Issuer, or the making by the Issuer of any general assignment for the benefit of creditors, or the failure by the Issuer generally to pay, or the admission in writing by the Issuer of its inability to pay, its debts as such debts become due, or the taking of action by the Issuer in furtherance of any of the foregoing; or

(f) the occurrence of any additional events specified in the Indenture Supplement related to such Series.

The Issuer shall deliver to the Indenture Trustee, within five days after the occurrence thereof, written notice in the form of an Officer's Certificate of any event which with the giving of notice and the lapse of time would become an Event of Default, its status and what action the Issuer is taking or proposes to take with respect thereto.

Section 5.03. Acceleration of Maturity; Rescission and Annulment. If an Event of Default described in paragraph (a), (b) or (c) of Section 5.02 should occur and be continuing with respect to a Series, then and in every such case the Indenture Trustee or the Holders of Notes representing at least 25% of the principal amount of Outstanding Notes of such Series may declare all the Notes of such Series to be immediately due and payable, by a notice in writing to the Issuer (and to the Indenture Trustee if declared by Noteholders), and upon any such declaration the unpaid principal amount of such Notes, together with accrued and unpaid interest thereon through the date of acceleration, shall become immediately due and payable.

If an Event of Default described in paragraph (d) or (e) of Section 5.02 should occur and be continuing, then the unpaid principal of the Notes, together with accrued and unpaid interest thereon through the date of acceleration, shall automatically become, and shall be deemed to be declared, due and payable.

At any time after such declaration of acceleration of maturity has been made and before a judgment or decree for payment of the money due has been obtained by the Indenture Trustee as hereinafter in this Article provided, the Holders of Notes representing at least 66 2/3% of the principal amount of the Notes of such Series, by written notice to the Issuer and the Indenture Trustee and in accordance with Section 5.13, may rescind and annul such declaration and its consequences; provided, that:

(a) the Issuer has paid or deposited with the Indenture Trustee a sum sufficient to pay:

(i) all payments of principal of and interest on all Notes and all other amounts that would then be due hereunder or upon such Notes if the Event of Default giving rise to such acceleration had not occurred; and

(ii) all sums paid by the Indenture Trustee hereunder and the reasonable compensation, expenses and disbursements of the Indenture Trustee and its agents and counsel; and

(b) all Events of Default, other than the nonpayment of the principal of the Notes that has become due solely by such acceleration, have been cured or waived as provided in Section 5.13.

No such rescission shall affect any subsequent default or impair any right consequent thereto.

Section 5.04. Collection of Indebtedness and Suits for Enforcement by Indenture Trustee.

(a) The Issuer covenants that if (i) default is made in the payment of any interest on any Note when the same becomes due and payable, and such default continues for a period of 35 days following the date on which such interest became due and payable, or (ii) default is made in the payment of principal of any Note, if and to the extent not previously paid, when the same becomes due and payable, the Issuer will, upon demand of the Indenture Trustee, pay to it, for the benefit of the Holders of the Notes of the affected Series, the whole amount then due and payable on such Notes for principal and interest, with interest upon the overdue principal, and, to the extent payment at such rate of interest shall be legally enforceable, interest upon overdue installments of interest, at the applicable Note Interest Rate borne by the Notes of such Series, and in addition thereto will pay such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Indenture Trustee and its agents and counsel.

(b) In case the Issuer shall fail forthwith to pay such amounts upon such demand, the Indenture Trustee, in its own name and as trustee of an express trust, may institute a Proceeding for the collection of the sums so due and unpaid, and may prosecute such Proceeding to judgment or final decree, and may enforce the same against the Issuer or other obligor upon such Notes and collect in the manner provided by law out of the property of the Issuer or other obligor upon such Notes, wherever situated, the monies adjudged or decreed to be payable.

(c) If an Event of Default occurs and is continuing, the Indenture Trustee may, as more particularly provided in Section 5.05, in its discretion, proceed to protect and enforce its rights and the rights of the Noteholders of the affected Series, by such appropriate Proceedings as the Indenture Trustee shall deem necessary to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Master Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy or legal or equitable right vested in the Indenture Trustee by this Master Indenture or by law.

(d) In case there shall be pending, relative to the Issuer or any other obligor upon the Notes of the affected Series, or any Person having or claiming an ownership interest in the Collateral, Proceedings under Title 11 of the United States Code or any other applicable federal or State bankruptcy, insolvency or other similar law now or hereafter in effect, or in case a receiver, conservator, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator, custodian or other similar official shall have been appointed for or taken possession of the Issuer or its property or such other obligor or Person, or in case of any other comparable judicial Proceedings relative to the Issuer or other obligor upon the Notes of such Series, or to the creditors or property of the Issuer or such other obligor, the Indenture Trustee, irrespective of whether the principal of any Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Indenture Trustee shall have made any demand pursuant to the provisions of this Section, shall be entitled and empowered, by intervention in such Proceedings or otherwise:

(i) to file and prove a claim or claims for the whole amount of principal and interest owing and unpaid in respect of the Notes of such Series and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Indenture Trustee (including any claim for reasonable compensation to the Indenture Trustee and each predecessor Indenture Trustee, and their respective agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee, except as a result of negligence or bad faith) and of the Noteholders of such Series allowed in such Proceedings;

(ii) unless prohibited by applicable law and regulations, to vote on behalf of the Holders of Notes of such Series in any election of a trustee, a standby trustee or Person performing similar functions in any such Proceedings;

(iii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute all amounts received with respect to the claims of the Noteholders of such Series and of the Indenture Trustee on their behalf; and

(iv) to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Indenture Trustee or the Holders of Notes of such Series allowed in any judicial Proceedings relative to the Issuer, its creditors and its property;

and any trustee, receiver, conservator, liquidator, custodian, assignee, sequestrator or other similar official in any such Proceeding is hereby authorized by each of such Noteholders to make payments to the Indenture Trustee, and, in the event that the Indenture Trustee shall consent to the making of payments directly to such Noteholders, to pay to the Indenture Trustee such amounts as shall be sufficient to cover reasonable compensation to the Indenture Trustee, each predecessor Indenture Trustee and their respective agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except as a result of negligence or bad faith.

(e) Nothing herein contained shall be deemed to authorize the Indenture Trustee to authorize or consent to or vote for or accept or adopt on behalf of any Noteholder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder thereof or to authorize the Indenture Trustee to vote in respect of the claim of any Noteholder in any such proceeding except, as aforesaid, to vote for the election of a trustee in bankruptcy or similar Person.

(f) All rights of action and of asserting claims under this Master Indenture, or under any of the Notes, may be enforced by the Indenture Trustee without the possession of any of the Notes or the production thereof in any trial or other Proceedings relative thereto, and any such action or Proceedings instituted by the Indenture Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment, subject to the payment of the expenses, disbursements and compensation of the Indenture Trustee, each predecessor Indenture Trustee and their respective agents and attorneys, shall be for the benefit of the Holders of the Notes of the affected Series as provided herein.

(g) In any Proceedings brought by the Indenture Trustee (and also any Proceedings involving the interpretation of any provision of this Master Indenture to which the Indenture Trustee shall be a party), the Indenture Trustee shall be held to represent all the Holders of the Notes of the affected Series, and it shall not be necessary to make any such Noteholder a party to any such Proceedings.

Section 5.05. Remedies; Priorities.

(a) If an Event of Default shall have occurred and be continuing with respect to any Series, and the Notes of such Series have been accelerated pursuant to Section 5.03, the Indenture Trustee may do one or more of the following (subject to Sections 5.06 and 12.16):

(i) institute Proceedings in its own name and as trustee of an express trust for the collection of all amounts then payable on the Notes of the affected Series or under this Master Indenture with respect thereto, whether by declaration or otherwise, enforce any judgment obtained, and collect from the Issuer and any other obligor upon such Notes monies adjudged due;

(ii) subject to the last paragraph of this Section 5.05(a), take any other appropriate action to protect and enforce the rights and remedies of the Indenture Trustee and the Holders of the Notes of the affected Series; and

(iii) at the direction of the Holders of a majority of the principal amount of the Outstanding Notes of such Series, cause the Issuer to sell Principal Receivables in an amount equal to the Invested Amount with respect to the accelerated Series and the related Finance Charge Receivables (or interests therein) in accordance with Section 5.16;

provided, however, that the Indenture Trustee may not exercise the remedy described in subparagraph (iii) above unless one of the following conditions is satisfied: (A) the Holders of 100% of the principal amount of Outstanding Notes of the affected Series consent in writing thereto, (B) the Indenture Trustee determines that any proceeds of such exercise distributable to the Noteholders of the affected Series are sufficient to discharge in full all amounts then due and unpaid upon the Notes for principal and interest or (C) the Indenture Trustee determines that the Collateral may not continue to provide sufficient funds for the payment of principal of and interest on the Notes as they would have if the Notes had not been declared due and payable, and the Indenture Trustee obtains the consent of Holders of at least 66 2/3% of the principal amount of Outstanding Notes of each Class of the Notes of such Series. In determining such sufficiency or insufficiency with respect to clause (B) and (C), the Indenture Trustee may, but need not, obtain and rely upon an opinion of an Independent investment banking or accounting firm of national reputation as to the feasibility of such proposed action and as to the sufficiency of the Collateral for such purpose.

The remedies provided in this Section are the exclusive remedies provided to the Noteholders with respect to an Event of Default and each of the Noteholders (by their acceptance of their respective interests in the Notes) and the Indenture Trustee hereby expressly waive any other remedy that may be available under the applicable UCC.

(b) If the Indenture Trustee collects any money or property pursuant to this Article following the acceleration of the maturities of the Notes of the affected Series pursuant to Section 5.03 (so long as such declaration shall not have been rescinded or annulled), it shall pay the money or property in the following order:

(i) to the Indenture Trustee for amounts due pursuant to Section 6.07;

(ii) to Holders of the Notes of such Series for amounts due and unpaid on such Notes for interest, in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind except for preferences or priorities specified in and in accordance with the related Indenture Supplement, according to the amounts due and payable on such Notes for interest according to the terms of the related Indenture Supplement;

(iii) to Holders of the Notes of such Series for amounts due and unpaid on such Notes for principal, in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind except for preferences or priorities specified in and in accordance with the related Indenture Supplement, according to the amounts due and payable on such Notes for principal according to the terms of the related Indenture Supplement;

(iv) to the Holders of Notes of such Series for amounts, if any, that remain owing to such Holders of Notes of such Series after the applications of amounts described in (ii) and (iii) above, in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind except for preferences or priorities specified in and in accordance with the related Indenture Supplement, according to the amounts remaining due and payable on such Notes according to the terms of the related Indenture Supplement;

(v) to any Series Enhancer, if any, for such Series for amounts due and unpaid to such Series Enhancer under the Series Enhancement, in respect of which or for the benefit of which such money has been collected, according to the terms of the Series Enhancement; and

(vi) to the Issuer for distribution pursuant to Article Four of the related Indenture Supplement.

(c) The Indenture Trustee may, upon notification to the Issuer, fix a record date and payment date for any payment to Noteholders of the affected Series pursuant to this Section. At least 15 days before such record date, the Indenture Trustee shall mail or send by facsimile to each such Noteholder a notice that states the record date, the payment date and the amount to be paid.

(d) In addition to the application of money or property referred to in Section 5.05(b) for an accelerated Series, amounts then held in the Collection Account, the Special Funding Account or in any Series Accounts for such Series and any amounts available under the Series Enhancement for such Series shall be used to make payments to the Holders of the Notes of such Series and the Series Enhancer for such Series in accordance with the terms of this Master Indenture, the related Indenture Supplement and the Series Enhancement for such Series. Following the sale of any Principal Receivables and related Finance Charge Receivables pursuant to Section 5.05(a)(iii) (or interests therein) for a Series and the application of the proceeds of such sale to such Series and the application of the amounts then held in the Collection Account, the Special Funding Account and any Series Accounts for such Series as are allocated to such Series and any amounts available under the Series Enhancement for such Series, such Series shall no longer be entitled to any allocation of Collections or other property constituting the Collateral under this Master Indenture and the Notes of such Series shall no longer be Outstanding.

Section 5.06. Optional Preservation of the Collateral. If the Notes of any Series have been declared to be due and payable under Section 5.03 following an Event of Default and such declaration and its consequences have not been rescinded and annulled, and the Indenture Trustee has not received directions from the Noteholders pursuant to Section 5.12, the Indenture Trustee may, but need not, elect to maintain possession of the portion of the Collateral which secures such Notes and apply proceeds of the Collateral to make payments on such Notes to the extent such proceeds are available therefor. It is the desire of the parties hereto and the Noteholders that there be at all times sufficient funds for the payment of principal of and interest on the Notes, and the Indenture Trustee shall take such desire into account when determining whether or not to maintain possession of the Collateral. In determining whether to maintain possession of the Collateral, the Indenture Trustee may, but need not, obtain and rely upon an opinion of an Independent investment banking or accounting firm of national reputation as to the feasibility of such proposed action and as to the sufficiency of the Collateral for such purpose.

Section 5.07. Limitation on Suits. No Noteholder shall have any right to institute any Proceedings, judicial or otherwise, with respect to this Master Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(a) the Holders of not less than 25% of the principal amount of the Outstanding Notes of any affected Series have made written request to the Indenture Trustee to institute such proceeding in its own name as indenture trustee;

(b) such Noteholder or Noteholders has previously given written notice to the Indenture Trustee of a continuing Event of Default;

(c) such Noteholder or Noteholders has offered to the Indenture Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(d) the Indenture Trustee for 60 days after its receipt of such request and offer of indemnity has failed to institute any such Proceeding; and

(e) no direction inconsistent with such written request has been given to the Indenture Trustee during such 60-day period by at least 66 2/3% of the principal amount of the Outstanding Notes of such Series;

it being understood and intended that no one or more Noteholders of the affected Series shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Master Indenture to affect, disturb or prejudice the rights of any other Noteholders of such Series or to obtain or to seek to obtain priority or preference over any other Noteholders of such Series or to enforce any right under this Master Indenture, except in the manner herein provided.

In the event the Indenture Trustee shall receive conflicting or inconsistent requests and indemnity from two or more groups of Noteholders of such affected Series, each representing less than a majority of the principal amount of the Outstanding Notes of such Series, the Indenture Trustee in its sole discretion may determine what action, if any, shall be taken, notwithstanding any other provisions of this Master Indenture.

Section 5.08. Unconditional Rights of Noteholders to Receive Principal and Interest. Notwithstanding any other provision in this Master Indenture, each Holder of a Note shall have the right which is absolute and unconditional to receive payment of the principal of and interest in respect of such Note as such principal and interest becomes due and payable and to institute suit for the enforcement of any such payment, and such right shall not be impaired without the consent of such Noteholder.

Section 5.09. Restoration of Rights and Remedies. If the Indenture Trustee or any Noteholder has instituted any Proceeding to enforce any right or remedy under this Master Indenture and such Proceeding has been discontinued or abandoned, or has been determined adversely to the Indenture Trustee or to such Noteholder, then and in every such case the Issuer, the Indenture Trustee and the Noteholder shall, subject to any determination in such Proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Indenture Trustee and the Noteholders shall continue as though no such Proceeding had been instituted.

Section 5.10. Rights and Remedies Cumulative. No right, remedy, power or privilege herein conferred upon or reserved to the Indenture Trustee or to the Noteholders is intended to be exclusive of any other right, remedy, power or privilege, and every right, remedy, power or privilege shall, to the extent permitted by law, be cumulative and in addition to every other right, remedy, power or privilege given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or exercise of any right or remedy shall not preclude any other further assertion or the exercise of any other appropriate right or remedy.

Section 5.11. Delay or Omission Not Waiver. No failure to exercise and no delay in exercising, on the part of the Indenture Trustee or of any Noteholder or other Person, any right or remedy occurring hereunder upon any Event of Default shall impair any such right or remedy or constitute a waiver thereof of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Indenture Trustee or to the Noteholders may be exercised from time to time, and as often as may be deemed expedient, by the Indenture Trustee or by the Noteholders, as the case may be.

Section 5.12. Rights of Noteholders to Direct Indenture Trustee. Holders of at least 25% of the principal amount of the Outstanding Notes of any affected Series (if an Event of Default with respect to such Series has occurred and is continuing) shall have the right to direct the time, method and place of conducting any Proceeding for any remedy available to the Indenture Trustee with respect to the Notes or exercising any trust or power conferred on the Indenture Trustee with respect to the Notes; provided, however, that subject to Section 6.01 the Indenture Trustee shall have the right to decline any such direction if :

(a) the Indenture Trustee, after being advised by counsel, determines that the action so directed is in conflict with any rule of law or with this Master Indenture, and

(b) the Indenture Trustee in good faith shall, by a Responsible Officer of the Indenture Trustee, determine that the Proceedings so directed would be illegal or involve the Indenture Trustee in personal liability or be unjustly prejudicial to the Noteholders not parties to such direction.

Section 5.13. Waiver of Past Defaults. Prior to the declaration of the acceleration of the maturity of the Notes of the affected Series as provided in Section 5.03, at least 66 2/3% of the principal amount of the Outstanding Notes of such Series (or with respect to any such Series with two or more Classes, of each Class) may, on behalf of all such Noteholders, waive by written notice to the Issuer and the Indenture Trustee any past default with respect to such Notes and its consequences, except a default:

(a) in the payment of the principal or interest in respect of any Note of such Series, or

(b) in respect of a covenant or provision hereof that under Section 10.02 cannot be modified or amended without the consent of the Noteholder of each Outstanding Note affected.

Upon any such written waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Master Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon. The Servicer shall give each Rating Agency prompt notice of any waiver of an Event of Default.

Section 5.14. Undertaking for Costs. All parties to this Master Indenture agree, and each Noteholder by its acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Master Indenture, or in any suit against the Indenture Trustee for any action taken, suffered or omitted by it as Indenture Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Indenture Trustee, to any suit instituted by any Noteholder, or group of Noteholders (in compliance with Section 5.08), holding in the aggregate more than 10% of the principal balance of the Outstanding Notes of the affected Series, or to any suit instituted by any Noteholder for the enforcement of the payment of the principal or interest in respect of any Note on or after the Distribution Date on which any of such amounts was due (or, in the case of redemption, on or after the applicable Redemption Date).

Section 5.15. Waiver of Stay or Extension Laws. The Issuer covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may adversely affect the covenants or the performance of this Master Indenture; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Indenture Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 5.16. Sale of Receivables.

(a) The method, manner, time, place and terms of any sale of Receivables (or interests therein) pursuant to Section 5.05(a)(iii) shall be commercially reasonable. The Indenture Trustee may from time to time postpone any sale by public announcement made at the time and place of such sale. The Indenture Trustee hereby expressly waives its right to any amount fixed by law as compensation for any sale.

(b) The Indenture Trustee is hereby irrevocably appointed the agent and attorney-in-fact of the Issuer in connection with any sale of Receivables pursuant to Section 5.05(a)(iii). No purchaser or transferee at any such sale shall be bound to ascertain the Indenture Trustee's authority, inquire into the satisfaction of any conditions precedent or see to the application of any monies.

(c) In its exercise of the foreclosure remedy pursuant to Section 5.05(a)(iii), the Indenture Trustee shall solicit bids from Permitted Assignees for the sale of Principal Receivables in an amount equal to the product of (i) the Invested Amount with respect to the affected Series of Notes at the time of sale and (ii) a fraction, the numerator of which is one and the denominator of which is equal to the difference between one and the Discount Percentage, and the related Finance Charge Receivables (or interests therein).

Section 5.17. Action on Notes. The Indenture Trustee's right to seek and recover judgment on the Notes or under this Master Indenture shall not be affected by the seeking or obtaining of or application for any other relief under or with respect to this Master Indenture. Neither the lien of this Master Indenture nor any rights or remedies of the Indenture Trustee or the Noteholders shall be impaired by the recovery of any judgment by the Indenture Trustee against the Issuer or by the levy of any execution under such judgment upon any portion of the Collateral or upon any of the assets of the Issuer. Any money or property collected by the Indenture Trustee shall be applied as specified in the applicable Indenture Supplement.

ARTICLE SIX

THE INDENTURE TRUSTEE

Section 6.01. Duties of the Indenture Trustee.

(a) If an Event of Default has occurred and is continuing with respect to a Series of Notes and a Responsible Officer shall have actual knowledge or written notice of such Event of Default, the Indenture Trustee shall, prior to the receipt of directions, if any, from at least 25% of the principal amount of the Outstanding Notes of such Series, exercise the rights and powers vested in it by this Master Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(i) the Indenture Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Master Indenture, and no implied covenants or obligations shall be read into this Master Indenture against the Indenture Trustee; and

(ii) in the absence of bad faith or negligence on its part, the Indenture Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Indenture Trustee and conforming to the requirements of this Master Indenture; provided, however, the Indenture Trustee, upon receipt of any resolutions, certificates, statements, opinions, reports, documents, orders or other instruments furnished to the Indenture Trustee which are specifically required to be furnished pursuant to any provision of this Master Indenture or any Indenture Supplement, shall examine them to determine whether they substantially conform to the requirements of this Master Indenture or any Indenture Supplement; and the Indenture Trustee shall give prompt written notice to the Noteholders of such Series and each Rating Agency of any material lack of conformity of any such instrument to the applicable requirements of this Master Indenture or any Indenture Supplement discovered by the Indenture Trustee which would entitle a majority of the principal amount of the Outstanding Notes of such Series to take any action pursuant to this Master Indenture or any Indenture Supplement.

(c) In case a Pay Out Event has occurred and is continuing with respect to a Series and a Responsible Officer shall have actual knowledge or written notice of such Pay Out Event, the Indenture Trustee shall, prior to the receipt of directions, if any, from a majority of the principal amount of Outstanding Notes of such Series, exercise such of the rights and powers vested in it by this Master Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(d) No provision of this Master Indenture shall be construed to relieve the Indenture Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) Section (b) or (d) shall not be construed to limit the effect of Section 6.01(a);

(ii) the Indenture Trustee shall not be liable for any error of judgment made in good faith, unless it shall be proved that the Indenture Trustee was negligent in ascertaining the pertinent facts; and

(iii) the Indenture Trustee shall not be liable with respect to any action taken, suffered or omitted to be taken by it in good faith in accordance with this Master Indenture and/or the direction of a majority of the principal amount of the Outstanding Notes of each Series of Notes relating to the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee, or for exercising any trust or power conferred upon the Indenture Trustee, under this Master Indenture; and the Indenture Trustee shall not be liable for any action taken, suffered or omitted to be taken by it in good faith in accordance with the direction of the Servicer, the Transferor or the Trust in compliance with the terms of this Master Indenture or any Indenture Supplement.

(e) No provision of this Master Indenture shall require the Indenture Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(f) Every provision of this Master Indenture that in any way relates to the Indenture Trustee is subject to subsections (a), (b), (c), (d) and (e) of this Section.

(g) Except as expressly provided in this Master Indenture, the Indenture Trustee shall have no power to vary the Collateral, including by (i) accepting any substitute payment obligation for a Receivable initially transferred to the Trust under the Transfer and Servicing Agreement, (ii) adding any other investment, obligation or security to the Trust or (iii) withdrawing from the Trust any Receivable (except as otherwise provided in the Transfer and Servicing Agreement).

(h) The Indenture Trustee shall have no responsibility or liability for investment losses on Eligible Investments (other than Eligible Investments on which the institution acting as Indenture Trustee is an obligor).

(i) The Indenture Trustee shall notify each Rating Agency (i) of any change in any rating of the Notes by any other Rating Agency of which a Responsible Officer has actual knowledge, (ii) immediately of the occurrence of any Event of Default or Pay Out Event of which a Responsible Officer has actual knowledge and (iii) immediately of potential Pay Out Events or Events of Default of which a Responsible Officer has actual notice from the Servicer.

(j) For all purposes under this Master Indenture, the Indenture Trustee shall not be deemed to have notice or knowledge of any Event of Default, Pay Out Event or Servicer Default unless a Responsible Officer has actual knowledge thereof or has received written notice thereof. For purposes of determining the Indenture Trustee’s responsibility and liability hereunder, any reference to an Event of Default, Pay Out Event or Servicer Default shall be construed to refer only to such event of which the Indenture Trustee is deemed to have notice as described in this subsection.

Section 6.02. Notice of Pay Out Event or Event of Default. Upon the occurrence of any Pay Out Event or Event of Default of which a Responsible Officer has actual knowledge or has received notice thereof, the Indenture Trustee shall transmit by mail to all Noteholders as their names and addresses appear on the Note Register and the Rating Agencies, notice of such Pay Out Event or Event of Default hereunder known to the Indenture Trustee within 30 days after it occurs or within ten Business Days after it receives such notice or obtains actual notice, if later.

Section 6.03. Rights of Indenture Trustee. Except as otherwise provided in Section 6.01:

(a) the Indenture Trustee may conclusively rely and shall fully be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) whenever in the administration of this Master Indenture the Indenture Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Indenture Trustee (unless other evidence is specifically prescribed herein) may, in the absence of bad faith on its part, rely upon an Officer's Certificate of the Issuer;

(c) as a condition to the taking, suffering or omitting of any action by it hereunder, the Indenture Trustee may consult with counsel and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in-good faith and in reliance thereon;

(d) the Indenture Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Master Indenture or to honor the request or direction of any of the Noteholders pursuant to this Master Indenture, unless such Noteholders shall have offered to the Indenture Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(e) the Indenture Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note or other paper or document, but the Indenture Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Indenture Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuer and the Servicer, personally or by agent or attorney;

(f) the Indenture Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees and the Indenture Trustee shall not be responsible for (i) any misconduct or negligence on the part of any agent, attorney, custodians or nominees appointed with due care by it hereunder or (ii) the supervision of such agents, attorneys, custodians or nominees after such appointment with due care;

(g) the Indenture Trustee shall not be liable for any actions taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights conferred upon the Indenture Trustee by this Master Indenture; and

(h) in the event that the Indenture Trustee is also acting as Paying Agent and Transfer Agent and Registrar, the rights and protections afforded to the Indenture Trustee pursuant to this Article shall also be afforded to such Paying Agent and Transfer Agent and Registrar.

Section 6.04. Not Responsible for Recitals or Issuance of Notes. The recitals contained herein and in the Notes, except the certificate of authentication of the Indenture Trustee, shall be taken as the statements of the Issuer, and the Indenture Trustee assumes no responsibility for their correctness. The Indenture Trustee makes no representation as to the validity or sufficiency of this Master Indenture, the Notes, or any related document. The Indenture Trustee shall not be accountable for the use or application by the Issuer of the proceeds from the Notes.

Section 6.05. May Hold Notes. The Indenture Trustee, any Paying Agent, the Transfer Agent and Registrar or any other agent of the Issuer, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Issuer with the same rights it would have if it were not Indenture Trustee, Paying Agent, Transfer Agent and Registrar or such other agent.

Section 6.06. Money Held in Trust. Money held by the Indenture Trustee in trust hereunder need not be segregated from other funds held by the Indenture Trustee in trust hereunder except to the extent required herein or required by law. The Indenture Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed upon in writing by the Indenture Trustee and the Issuer.

Section 6.07. Compensation, Reimbursement and Indemnification. The Servicer shall pay to the Indenture Trustee from time to time reasonable compensation for all services rendered by the Indenture Trustee under this Master Indenture (which compensation shall not be limited by any law on compensation of a trustee of an express trust). The Servicer shall reimburse the Indenture Trustee for all reasonable out-of-pocket expenses incurred or made by it, including costs of collection, in addition to the compensation for its services. Such expenses shall include the reasonable compensation and expenses, disbursements and advances of the Indenture Trustee’s agents, counsel, accountants and experts. Pursuant to the Transfer and Servicing Agreement, the Servicer shall indemnify the Indenture Trustee against any and all loss, liability or expense (including the fees of either in-house counsel or outside counsel, but not both) incurred by it in connection with the administration of this trust and the performance of its duties hereunder. The Indenture Trustee shall notify the Issuer and the Servicer promptly

of any claim for which it may seek indemnity. Failure by the Indenture Trustee to so notify the Issuer and the Servicer shall not relieve the Issuer or the Servicer of its obligations hereunder unless such loss, liability or expense could have been avoided with such prompt notification and then only to the extent of such loss, expense or liability which could have been so avoided. The Servicer shall defend any claim against the Indenture Trustee; the Indenture Trustee may have separate counsel and, if it does, the Servicer shall pay the fees and expenses of such counsel. The Servicer need not reimburse any expense or indemnify against any loss, liability or expense incurred by the Indenture Trustee through the Indenture Trustee's own willful misconduct, negligence or bad faith.

The Servicer's payment obligations to the Indenture Trustee pursuant to this Section shall survive the discharge of this Master Indenture. When the Indenture Trustee incurs expenses after the occurrence of a Default specified in Section 5.02(d) or (e) with respect to the Issuer, the expenses are intended to constitute expenses of administration under Title 11 of the United States Code or any other applicable federal or State bankruptcy, insolvency or similar law.

Notwithstanding anything herein to the contrary, the Indenture Trustee's right to enforce any of the Servicer's payment obligations pursuant to this Section shall be subject to the provisions of Section 12.16.

Section 6.08. Replacement of Indenture Trustee. No resignation or removal of the Indenture Trustee and no appointment of a successor Indenture Trustee shall become effective until the acceptance of appointment by the successor Indenture Trustee pursuant to this Section. The Indenture Trustee may resign at any time by giving 30 days' written notice to the Issuer. Holders of a majority of the principal amount of the Outstanding Notes, upon delivery of notice of such removal to the Issuer, may remove the Indenture Trustee by so notifying the Indenture Trustee and may appoint a successor Indenture Trustee. The Issuer shall remove the Indenture Trustee if:

(i) the Indenture Trustee fails to comply with Section 6.11;

(ii) an Insolvency Event with respect to the Indenture Trustee occurs; or

(iii) the Indenture Trustee otherwise becomes legally unable to act.

If the Indenture Trustee resigns or is removed or if a vacancy exists in the office of Indenture Trustee for any reason (the Indenture Trustee in such event being referred to herein as the retiring Indenture Trustee), the Issuer shall promptly appoint a successor Indenture Trustee. The Issuer shall furnish each Rating Agency with a copy of any notice of resignation or removal of a retiring Indenture Trustee pursuant to this Section promptly after receiving such notice, in the case of a resignation by a retiring Indenture Trustee, or delivering such notice, in the case of a removal of a retiring Indenture Trustee by the Issuer or Holders of a majority of the principal amount of the Outstanding Notes.

A successor Indenture Trustee shall deliver a written acceptance of its appointment to the retiring Indenture Trustee, the Administrator and the Issuer. Thereupon the resignation or removal of the retiring Indenture Trustee shall become effective, and the successor Indenture Trustee shall have all the rights, powers and duties of the Indenture Trustee under this Master Indenture. The successor Indenture Trustee shall mail a notice of its succession to all of the Noteholders and each Rating Agency. The retiring Indenture Trustee shall promptly transfer all property held by it as Indenture Trustee to the successor Indenture Trustee.

If a successor Indenture Trustee does not take office within 60 days after the retiring Indenture Trustee resigns or is removed, the retiring Indenture Trustee, the Issuer or the Holders of a majority of the principal amount of the Outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Indenture Trustee.

If the Indenture Trustee fails to comply with Section 6.11, any Noteholder may petition any court of competent jurisdiction for the removal of the Indenture Trustee and the appointment of a successor Indenture Trustee.

Notwithstanding the replacement of the Indenture Trustee pursuant to this Section, the Issuer's obligations under Section 6.07 shall continue for the benefit of the retiring Indenture Trustee.

Section 6.09. Successor Indenture Trustee by Merger. If the Indenture Trustee consolidates with, merges or converts into, or transfers all or substantially all its corporate trust business or assets to, another corporation or banking association, the resulting, surviving or transferee corporation or banking association without any further act shall be the successor Indenture Trustee; provided that such corporation or banking association shall be otherwise qualified and eligible under Section 6.11. The Indenture Trustee shall give each Rating Agency notice of any such transaction.

In case at the time such successor or successors by merger, conversion, consolidation or transfer to the Indenture Trustee shall succeed to the trusts created by this Master Indenture any of the Notes shall have been authenticated but not delivered, any such successor to the Indenture Trustee may adopt the certificate of authentication of any predecessor Indenture Trustee and deliver such Notes so authenticated; and in case at that time any of the Notes shall not have been authenticated, any successor to the Indenture Trustee may authenticate such Notes in the name of the successor to the Indenture Trustee; and in all such cases such certificates shall have the full force which it is anywhere in the Notes or in this Master Indenture provided that the certificate of the Indenture Trustee shall have.

Section 6.10. Appointment of Co-Indenture Trustee or Separate Indenture Trustee.

(a) Notwithstanding any other provisions of this Master Indenture, at any time, for the purpose of meeting any legal requirement of any jurisdiction in which any part of the Collateral may at the time be located, the Indenture Trustee shall have the power and may execute and deliver all instruments to appoint one or more Persons to act as a co-trustee or co-trustees, or separate trustee or separate trustees, of all or any part of the Collateral, and to vest in such Person or Persons, in such capacity and for the benefit of the Noteholders, such title to the Collateral, or any part hereof, and, subject to the other provisions of this Section, such powers, duties, obligations, rights and trusts as the Indenture Trustee may consider necessary or desirable. No co-trustee or separate trustee hereunder shall be required to meet the terms of eligibility as a successor trustee under Section 6.11 and no notice to Noteholders of the appointment of any co-trustee or separate trustee shall be required under Section 6.08.

(b) Every separate trustee and co-trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

(i) all rights, powers, duties and obligations conferred or imposed upon the Indenture Trustee shall be conferred or imposed upon and exercised or performed by the Indenture Trustee and such separate trustee or co-trustee jointly (it being understood that such separate trustee or co-trustee is not authorized to act separately without the Indenture Trustee joining in such act), except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Indenture Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Collateral or any portion thereof in any such jurisdiction) shall be exercised and performed singly by such separate trustee or co-trustee, but solely at the direction of the Indenture Trustee;

(ii) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder; and

(iii) the Indenture Trustee may at any time accept the resignation of or remove any separate trustee or co-trustee.

(c) Any notice, request or other writing given to the Indenture Trustee shall be deemed to have been given to each of the then separate trustees and co-trustees, as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to this Master Indenture and the conditions of this Article. Each separate trustee and co-trustee, upon its acceptance of the trusts conferred, shall be vested with the estates or property specified in its instrument of appointment, either jointly with the Indenture Trustee or separately, as may be provided therein, subject to all the provisions of this Master Indenture, specifically including every provision of this Master Indenture relating to the conduct of, affecting the liability of, or affording protection to, the Indenture Trustee. Every such instrument shall be filed with the Indenture Trustee.

(d) Any separate trustee or co-trustee may at any time constitute the Indenture Trustee, its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of this Master Indenture on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies and trusts shall vest in and be exercised by the Indenture Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

Section 6.11. Eligibility; Disqualification. For all Series of Notes issued hereunder, there shall at all times be an Indenture Trustee which shall be a “bank” (within the meaning of Section 2(a)(5) of the Investment Company Act) with an aggregate capital, surplus and undivided profits of at least $50,000,000, which is authorized under applicable laws to exercise corporate trust powers and which in all events satisfies the requirements set forth in Section (a)(4)(i) of Rule 3a-7 promulgated under the Investment Company Act, and its long-term unsecured debt shall be rated at least Baa3 by Moody’s and at least BBB- by Standard & Poor’s.

Section 6.12. Preferential Collection of Claims Against. The Indenture Trustee shall comply with TIA Section 311(a), excluding any creditor relationship listed in TIA Section 311(b). An Indenture Trustee who has resigned or been removed shall be subject to TIA Section 311(a) to the extent indicated.

Section 6.13. Tax Returns. In the event the Trust shall be required to file tax returns, the Servicer shall prepare or shall cause to be prepared such tax returns and shall provide such tax returns with instruction to the Owner Trustee for signature at least five days before such tax returns are due to be filed and shall file such returns. The Servicer, in accordance with the terms of each Indenture Supplement, shall also prepare or shall cause to be prepared all tax information required by law to be distributed to Noteholders and shall deliver such information to the Owner Trustee at least five days prior to the date it is required by law to be distributed to Noteholders. The Owner Trustee, upon written request, will furnish the Servicer with all such information known to the Owner Trustee as may be reasonably requested and required in connection with the preparation of all tax returns of the Trust, and shall, upon request, execute such returns. In no event shall the Owner Trustee be personally liable for any liabilities, costs or expenses of the Trust or any Noteholder arising under any tax law, including without limitation, federal, State or local income or excise taxes or any other tax imposed on or measured by income (or any interest or penalty with respect thereto arising from a failure to comply therewith).

Section 6.14. Representations and Covenants of the Indenture Trustee. The Indenture Trustee represents, warrants and covenants that:

(a) it is a national banking association duly organized and validly existing under the federal laws of the United States;

(b) it has full power and authority to deliver and perform this Master Indenture and has taken all necessary action to authorize the execution, delivery and performance by it of this Master Indenture and each other Transaction Document to which it is a party; and

(c) each of this Master Indenture and each other Transaction Document to which it is a party has been duly executed and delivered by the Indenture Trustee and constitutes its legal, valid and binding obligation in accordance with its terms.

Section 6.15. Custody of the Collateral. The Indenture Trustee shall hold such of the Collateral as consists of instruments, deposit accounts, negotiable documents, money, goods, letters of credit, and advices of credit in the State of Minnesota. The Indenture Trustee shall hold such of the Collateral as constitutes investment property through a securities intermediary, which securities intermediary shall agree with the Indenture Trustee that (i) such investment property shall at all times be credited to a securities account of the Indenture Trustee, (ii) such securities intermediary shall treat the Indenture Trustee as entitled to exercise the rights that

comprise each financial asset credited to such securities account, (iii) all property credited to such securities account shall be treated as financial assets, (iv) such securities intermediary shall comply with entitlement orders originated by the Indenture Trustee without the further consent of any other person or entity, (v) such securities intermediary shall not agree with any person or entity other than the Indenture Trustee to comply with entitlement orders originated by any person or entity other than the Indenture Trustee, (vi) such securities accounts and the property credited thereto shall not be subject to any lien, security interest, right of set-off, or encumbrance in favor of such securities intermediary or anyone claiming through it (other than the Indenture Trustee), and (vii) such agreement shall be governed by the laws of the State of New York. Terms used in this Section that are defined in the New York UCC and not otherwise defined herein shall have the meaning set forth in the UCC of the State of New York. Except as permitted by this Section, the Indenture Trustee shall not hold any part of the Collateral through an agent or a nominee.

Section 6.16. Disqualification of the Indenture Trustee. If the Indenture Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Indenture Trustee shall either eliminate such interest or resign to the extent in the manner provided by and subject to the provisions of this Master Indenture.

ARTICLE SEVEN

NOTEHOLDERS' LIST AND REPORTS BY INDENTURE TRUSTEE AND ISSUER

Section 7.01. Issuer to Furnish Indenture Trustee Names and Addresses of Noteholders. The Issuer will furnish or cause to be furnished to the Indenture Trustee (i) upon each transfer of a Note, a list, in such form as the Indenture Trustee may reasonably require, of the names, addresses and taxpayer identification numbers of the Noteholders as they appear on the Note Register as of the most recent Record Date, and (ii) at such other times, as the Indenture Trustee may request in writing, within ten days after receipt by the Issuer of any such request, a list of similar form and content as of a date not more than ten days prior to the time such list is furnished; provided, however, that for so long as the Indenture Trustee is the Transfer Agent and Registrar, no such list shall be required to be furnished.

Section 7.02. Preservation of Information; Communications to Noteholders.

(a) The Indenture Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of the Noteholders contained in the most recent list furnished to the Indenture Trustee as provided in Section 7.01 and the names, addresses and taxpayer identification numbers of the Noteholders received by the Indenture Trustee in its capacity as Transfer Agent and Registrar. The Indenture Trustee may destroy any list furnished to it as provided in Section 7.01 upon receipt of a new list so furnished.

(b) Noteholders may communicate, pursuant to TIA Section 312(b), with other Noteholders with respect to their rights under this Master Indenture or under the Notes.

(c) The Issuer, the Indenture Trustee and the Transfer Agent and Registrar shall have the protection of TIA Section 312(c).

Section 7.03. Reports by Issuer.

(a) The Issuer shall:

(i) file with the Indenture Trustee, within 15 days after the Issuer is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Issuer may be required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act;

(ii) file with the Indenture Trustee and the Commission in accordance with rules and regulations prescribed from time to time by the Commission such additional information, documents and reports with respect to compliance by the Issuer with the conditions and covenants of this Master Indenture as may be required from time to time by such rules and regulations; and

(iii) supply to the Indenture Trustee (and the Indenture Trustee shall transmit by mail to all Noteholders) such summaries of any information, documents and reports required to be filed by the Issuer pursuant to clauses (i) and (ii) of this subsection as may be required by rules and regulations prescribed from time to time by the Commission.

(b) Unless the Issuer otherwise determines, the fiscal year of the Issuer shall end on January 31 of each year.

Section 7.04. Reports by Indenture Trustee. If the TIA is applicable, and such reports are required by TIA Section 313(a), within 60 days after each March 31 beginning with March 31, 2008, the Indenture Trustee shall mail to each Noteholder as required by TIA Section 313(c) a brief report dated as of such date that complies with TIA Section 313(a). If the TIA is applicable, the Indenture Trustee also shall comply with TIA Section 313(b).

ARTICLE EIGHT

ALLOCATION AND APPLICATION OF COLLECTIONS

Section 8.01. Collection of Money. Except as otherwise expressly provided herein and in the related Indenture Supplement, the Indenture Trustee may demand payment or delivery of, and shall receive and collect, directly and without intervention or assistance of any fiscal agent or other intermediary, all money and other property payable to or receivable by the Indenture Trustee pursuant to this Master Indenture. The Indenture Trustee shall hold all such money and property received by it in trust for the Noteholders and shall apply it as provided in this Master Indenture. Except as otherwise expressly provided in this Master Indenture, if any default occurs in the making of any payment or performance under the Transfer and Servicing Agreement or any other Transaction Document, the Indenture Trustee may, and upon the request of at least a majority of the Holders of the principal amount of the Outstanding Notes of an affected Series shall, take such action as may be appropriate to enforce such payment or performance, including the institution and prosecution of appropriate Proceedings. Any such action shall be without prejudice to any right to claim a Pay Out Event or an Event of Default under this Master Indenture and to proceed thereafter as provided in Article Five.

Section 8.02. Rights of Noteholders. The Collateral shall secure the obligation of the Trust to pay to the Holders of the Notes of each Series principal and interest and other amounts payable pursuant to this Master Indenture and the related Indenture Supplements. Except as specifically set forth in the Indenture Supplement with respect thereto, the Notes of any Series or Class shall not have rights to payment from any Series Account or Series Enhancement allocated for the benefit of any other Series or Class.

Section 8.03. Establishment of Collection Account and Special Funding Account. The Servicer, for the benefit of the Noteholders, shall establish and maintain with the Indenture Trustee or its nominee in the name of the Indenture Trustee, on behalf of the Trust, one or more Qualified Accounts (including any subaccount thereof) bearing a designation clearly indicating that the funds and other property credited thereto are held for the benefit of the Noteholders (collectively, the "Collection Account"). The Indenture Trustee shall possess all right, title and interest in all monies, instruments, investment property, documents, certificates of deposit and other property credited from time to time to the Collection Account and in all proceeds, earnings, income, revenue, dividends and distributions thereof for the benefit of the Noteholders.

The Collection Account shall be under the sole dominion and control of the Indenture Trustee for the benefit of the Noteholders. Except as expressly provided in this Master Indenture and the Transfer and Servicing Agreement, the Servicer agrees that it shall have no right of setoff or banker's lien against, and no right to otherwise deduct from, any funds held in the Collection Account for any amount owed to it by the Indenture Trustee, the Trust, any Noteholder or any Series Enhancer. If, at any time, the Collection Account ceases to be a Qualified Account, the Indenture Trustee (or the Servicer on its behalf) shall within ten Business Days (or such longer period, not to exceed 30 calendar days, as to which each Rating Agency may consent) establish a new Collection Account meeting the conditions specified above, transfer any monies, documents, instruments, investment property, certificates of deposit and other property to such new Collection Account and from the date such new Collection Account is established, it shall be the

"Collection Account". Pursuant to the authority granted to the Servicer in Section 3.01(b) of the Transfer and Servicing Agreement, the Servicer shall have the power, revocable by the Indenture Trustee, to instruct the Indenture Trustee to make withdrawals and payments from the Collection Account for the purposes of carrying out the Servicer's or the Indenture Trustee's duties hereunder and under the Transfer and Servicing Agreement, as applicable. The Servicer shall reduce deposits into the Collection Account payable by the Transferor on any Deposit Date to the extent the Transferor is entitled to receive funds from the Collection Account on such Deposit Date, but only to the extent such reduction would not reduce the Transferor Interest to an amount less than the Required Transferor Interest.

Funds on deposit in the Collection Account (other than investment earnings and amounts deposited pursuant to Section 2.06, 6.01 or 7.01 of the Transfer and Servicing Agreement or Section 11.02 of this Master Indenture) shall at the written direction of the Servicer be invested by the Indenture Trustee in Eligible Investments selected by the Servicer. All such Eligible Investments shall be held by the Indenture Trustee for the benefit of the Noteholders pursuant to Section 6.15. Investments of funds representing Collections collected during any Monthly Period shall be invested in Eligible Investments that will mature so that such funds will be available no later than the close of business on each monthly Transfer Date following such Monthly Period. No such Eligible Investment shall be disposed of prior to its maturity. In the event that the Indenture Trustee does not receive written direction from the Servicer, funds on deposit in the Collection Account shall be deposited by the Indenture Trustee in Eligible Investments described in clause (vi) of the definition thereof. On each Distribution Date, all interest and other investment earnings (net of losses and investment expenses) on funds on deposit in the Collection Account shall be paid to the Transferor, except as otherwise specified in any Indenture Supplement. The Indenture Trustee shall bear no responsibility or liability for any losses resulting from investment or reinvestment of any funds in accordance with this Section nor for the selection of Eligible Investments in accordance with the provisions of this Master Indenture and any Indenture Supplement (other than Eligible Investments on which the institution acting as Indenture Trustee is an obligor).

The Servicer, for the benefit of the Noteholders, shall establish and maintain with the Indenture Trustee or its nominee in the name of the Indenture Trustee, on behalf of the Trust, a Qualified Account (including any subaccounts thereof) bearing a designation clearly indicating that the funds and other property credited thereto are held for the benefit of the Noteholders (the "Special Funding Account"). The Indenture Trustee shall possess all right, title and interest in all monies, instruments, investment property, documents, certificates of deposit and other property credited from time to time to the Special Funding Account and in all proceeds, dividends, distributions, earnings, income and revenue thereof for the benefit of the Noteholders. The Special Funding Account shall be under the sole dominion and control of the Indenture Trustee for the benefit of the Noteholders. Except as expressly provided in this Master Indenture and the Transfer and Servicing Agreement, the Servicer shall have no right of setoff or banker's lien against, and no right to otherwise deduct from, any funds and other property held in the Special Funding Account for any amount owed to it by the Indenture Trustee, the Trust, any Noteholder or any Series Enhancer. If, at any time, the Special Funding Account ceases to be a Qualified Account, the Indenture Trustee (or the Servicer on its behalf) shall within ten Business Days (or such longer period, not to exceed 30 calendar days, as to which each Rating Agency may consent) establish a new Special Funding Account meeting the conditions specified above, transfer any monies, documents, instruments, investment property, certificates of deposit and other property to such new Special Funding Account and from the date such new Special Funding Account is established, it shall be the "Special Funding Account."

Funds on deposit in the Special Funding Account shall at the written direction of the Servicer be invested by the Indenture Trustee in Eligible Investments selected by the Servicer. All such Eligible Investments shall be held by the Indenture Trustee for the benefit of the Noteholders pursuant to Section 6.15. Funds on deposit in the Special Funding Account on any Distribution Date will be invested in Eligible Investments that will mature so that such funds will be available no later than the close of business on the Transfer Date following such Monthly Period. No such Eligible Investment shall be disposed of prior to its maturity. In the event that the Indenture Trustee does not receive written direction from the Servicer, funds on deposit in the Collection Account shall be deposited by the Indenture Trustee in Eligible Investments described in clause (vi) of the definition thereof. On each Distribution Date, all interest and other investment earnings (net of losses and investment expenses) on funds on deposit in the Special Funding Account shall be treated as Collections of Finance Charge Receivables with respect to the last day of the related Monthly Period except as otherwise specified in the related Indenture Supplement. On each Business Day on which funds are on deposit in the Special Funding Account and on which no Series is in an Accumulation Period or Amortization Period, the Servicer shall determine the amount (if any) by which the Transferor Interest exceeds the Required Transferor Interest on such date and shall instruct the Indenture Trustee to withdraw any such excess from the Special Funding Account and pay such amount to the Holders of the Transferor Certificates; provided, however, that, if an Accumulation Period or Amortization Period has commenced and is continuing with respect to one or more Outstanding Series, any funds on deposit in the Special Funding Account shall be treated as Shared Principal Collections and shall be allocated and distributed in accordance with Section 8.05 and the terms of each Indenture Supplement.

Section 8.04. Collections and Allocations.

The Servicer will apply or will instruct the Indenture Trustee to apply all funds on deposit in the Collection Account as described in this Article and in each Indenture Supplement. Except as otherwise provided below, the Servicer shall deposit Collections into the Collection Account as promptly as possible after the Date of Processing of such Collections, but in no event later than the second Business Day following the Date of Processing. Subject to the terms of any Indenture Supplement, but notwithstanding anything else in this Master Indenture or the Transfer and Servicing Agreement to the contrary, provided that an Early Amortization Event has not occurred and the long term debt rating of Nordstrom is not less than Baa3 by Moody’s, if one or more of the following conditions is satisfied the Servicer need not make the daily deposits of Collections into the Collection Account as provided in the preceding sentence, but may make a single deposit in the Collection Account in immediately available funds not later than 1:00 p.m., New York City time, on the Transfer Date immediately preceding the Distribution Date following the Monthly Period with respect to which such deposit relates: (i) (A) Nordstrom fsb remains the Servicer under the Transfer and Servicing Agreement and a wholly-owned subsidiary of Nordstrom (directly or indirectly), (B) Nordstrom guarantees the performance of the Servicer’s obligations (unless the Rating Agencies shall consent to the deletion of such guarantee) and achieves and maintains a commercial paper rating of not less than A-1 or

a senior unsecured long term rating of not less than A- by Standard & Poor's and not less than Prime-1 by Moody's, and (C) in the event of a material change in the financial relationship between them, the Bank notifies each Rating Agency, (ii) at the beginning of each Monthly Period, the Bank deposits an amount equal to the amount representing its estimated share of Collections of Finance Charge Receivables for the related Monthly Period, which shall be equal to the sum of the following amounts for the immediately preceding Distribution Date: (A) 125% of the Class A Monthly Interest and the Class B Monthly Interest, (B) Monthly Servicing Fee and (C) 150% of the Investor Default Amount or (iii) any other arrangements are made such that the Rating Agency Condition is satisfied with respect thereto. Subject to the first proviso in Section 8.05, but notwithstanding anything else in this Master Indenture or the Transfer and Servicing Agreement to the contrary, with respect to any Monthly Period, whether the Servicer is required to make deposits of collections pursuant to the first or the second preceding sentence, (i) the Servicer will only be required to deposit Collections into the Collection Account up to the aggregate amount of Collections required to be deposited into any Series Account or, without duplication, distributed on or prior to the related Distribution Date to Noteholders or to any Series Enhancer pursuant to the terms of any Indenture Supplement or Enhancement Agreement and (ii) if at any time prior to such Distribution Date the amount of Collections deposited in the Collection Account exceeds the amount required to be deposited pursuant to clause (i) above, the Servicer will be permitted to cause the Indenture Trustee to withdraw the excess from the Collection Account and pay such amounts pursuant to the terms of the Transaction Documents. Subject to the immediately preceding sentence, the Servicer may retain its Servicing Fee with respect to a Series and shall not be required to deposit it in the Collection Account. To the extent that, in accordance with this subsection, the Servicer has retained amounts which would otherwise be required to be deposited into the Collection Account or any Series Account with respect to any Monthly Period, the Servicer shall be required to deposit such amounts in the Collection Account or such Series Account on the related Transfer Date to the extent necessary to make required distributions on the related Distribution Date, including any amounts which are required to be applied as Reallocated Principal Collections, and pay any amounts remaining after making such deposit pursuant to the terms of the Transaction Documents.

(a) Collections of Finance Charge Receivables, Principal Receivables and Defaulted Receivables will be allocated to each Series of Notes and to the holders of the Transferor Certificates in accordance with this Article and each Indenture Supplement and amounts so allocated to any Series will not, except as specified in the related Indenture Supplement, be available to the Noteholders of any other Series. Allocations of the foregoing amounts between the Holders of the Notes and the holders of the Transferor Certificates, among the Series and among the Classes in any Series, shall be set forth in the related Indenture Supplement or Indenture Supplements. In-store payments made with respect to Finance Charge Receivables and Principal Receivables shall be treated as Collections and be deemed to be received by the Servicer on the day such payment was made by the cardholder.

Section 8.05. Shared Principal Collections. On each Distribution Date, (i) the Servicer shall allocate Shared Principal Collections to each Principal Sharing Series, pro rata, in proportion to the Principal Shortfalls, if any, with respect to each such Series and (ii) the Servicer shall cause the Indenture Trustee to withdraw from the Collection Account and pay to the holders of the Transferor Certificates an amount equal to the excess, if any, of Shared Principal Collections over Principal Shortfalls; provided, however, that if the Transferor Interest as of such Distribution Date (determined after giving effect to the Principal Receivables transferred to the

Trust on such date) is less than the Required Transferor Interest, the Servicer will not direct the Indenture Trustee to distribute to the holders of the Transferor Certificates any such amounts that otherwise would be distributed to the holders of the Transferor Certificates, but shall deposit such funds in the Special Funding Account. The Transferor may, at its option, instruct the Indenture Trustee to deposit Shared Principal Collections which are otherwise payable to the holders of the Transferor Certificates pursuant to the provisions set forth above into the Special Funding Account. Notwithstanding the foregoing, a Group of Series may specify in their related Indenture Supplements that Shared Principal Collections from such Series shall be allocated as provided above but only among the Series in such Group.

Section 8.06. Additional Withdrawals from the Collection Account. On or before the Determination Date with respect to any Monthly Period, the Servicer may direct the Indenture Trustee in writing to withdraw from the Collection Account any amounts it has determined do not constitute Trust Assets and were erroneously deposited into the Collection Account, due to an accounting error or otherwise.

Section 8.07. Allocation of Collateral to Series or Groups. To the extent so provided in the Indenture Supplement for any Series or in an Indenture Supplement otherwise executed pursuant to Section 10.01, Receivables conveyed to the Trust pursuant to Section 2.01 of the Transfer and Servicing Agreement and Receivables conveyed to the Trust pursuant to Section 2.09 of the Transfer and Servicing Agreement, and all Collections received with respect thereto may be allocated or applied in whole or in part to one or more Series or Groups as may be provided in such Indenture Supplement; provided, however, that any such allocation or application shall be effective only upon satisfaction of the following conditions:

(a) on or before the fifth Business Day immediately preceding such allocation, the Servicer shall have given the Indenture Trustee and each Rating Agency written notice of such allocation;

(b) the Rating Agency Condition shall have been satisfied with respect to such allocation; and

(c) the Servicer shall have delivered to the Indenture Trustee an Officer's Certificate, dated the date of such allocation, to the effect that the Servicer reasonably believes that such allocation will not result in an Adverse Effect.

Any such Indenture Supplement may provide that (i) such allocation to one or more particular Series or Groups may terminate upon the occurrence of certain events specified therein and (ii) upon the occurrence of any such event, such assets and any Collections with respect thereto, shall be reallocated to other Series or Groups or to all Series, all as shall be provided in such Indenture Supplement.

Section 8.08. Excess Finance Charge Collections. On each Distribution Date, the Servicer shall (i) allocate Excess Finance Charge Collections to each Excess Allocation Series, pro rata, in proportion to the Finance Charge Shortfalls, if any, with respect to each such Series and (ii) withdraw from the Collection Account and pay to the Holders of the Transferor Certificates an amount equal to the excess, if any, of Excess Finance Charge Collections over Finance Charge Shortfalls; provided, however, that the sharing of Excess Finance Charge Collections among Series will continue only until such time, if any, at which the Transferor shall deliver to the Indenture Trustee an Officer's Certificate to the effect that, in the reasonable belief of the Transferor, the continued sharing of Excess Finance Charge Collections among Series would have adverse regulatory implications with respect to an Account Owner. Notwithstanding the foregoing, a Group of Series may specify in their related Indenture Supplements that Excess Finance Charge Collections from such Series shall be allocated as provided above but only among the Series in such Group.

Section 8.09. Release of Collateral; Eligible Loan Documents.

(a) The Indenture Trustee may, and when required by the provisions of this Master Indenture shall, execute instruments to release property from the lien of this Master Indenture, or convey the Indenture Trustee's interest in the same, in a manner and under circumstances which are not inconsistent with the provisions of this Master Indenture. No party relying upon an instrument executed by the Indenture Trustee as provided in this Article shall be bound to ascertain the Indenture Trustee's authority, inquire into the satisfaction of any conditions precedent or see to the application of any monies.

(b) In order to facilitate the servicing of the Receivables by the Servicer, the Indenture Trustee upon Issuer Order shall authorize the Servicer to execute in the name and on behalf of the Indenture Trustee instruments of satisfaction or cancellation, or of partial or full release or discharge, and other comparable instruments with respect to the Receivables (and the Indenture Trustee shall execute any such documents on request of the Servicer), subject to the obligations of the Servicer under the Transfer and Servicing Agreement.

(c) The Indenture Trustee shall, at such time as there are no Notes Outstanding, release and transfer, without recourse, all of the Collateral that secured the Notes (other than any cash held for the payment of the Notes pursuant to Section 4.02). The Indenture Trustee shall release property from the lien of this Master Indenture pursuant to this Section only upon receipt of an Issuer Order accompanied by an Officer's Certificate, an Opinion of Counsel and (if required by the TIA) Independent Certificates in accordance with TIA Sections 314(c) and 314(d)(1) meeting the applicable requirements of Section 12.01.

(d) Notwithstanding anything to the contrary in this Master Indenture, the Transfer and Servicing Agreement and the Trust Agreement, immediately prior to the release of any portion of the Collateral or any funds on deposit in the Series Accounts pursuant to this Master Indenture, the Indenture Trustee shall remit to the Transferor for its own account any funds that, upon such release, would otherwise be remitted to the Issuer.

Section 8.10. Opinion of Counsel. The Indenture Trustee shall receive at least seven days' notice when requested by the Issuer to take any action pursuant to Section 8.09(a), accompanied by copies of any instruments involved, and the Indenture Trustee shall also require, as a condition to such action, an Opinion of Counsel, in form and substance reasonably satisfactory to the Indenture Trustee, stating the legal effect of any such action, outlining the steps required to complete the same, and concluding that all conditions precedent to the taking of such action have been complied with and such action will not materially and adversely impair the security for the Notes or the rights of the Noteholders in contravention of the provisions of this Master Indenture; provided, however, that such Opinion of Counsel shall not be required to express an opinion as to the fair value of the Collateral. The Indenture Trustee and counsel rendering any such opinion may rely, without independent investigation, on the accuracy and validity of any certificate or other instrument delivered to the Indenture Trustee in connection with any such action.

ARTICLE NINE

DISTRIBUTIONS AND REPORTS TO NOTEHOLDERS

Section 9.01. Distributions and Reports to Noteholders. Distributions shall be made to, and reports shall be provided to, Noteholders as set forth in the related Indenture Supplements. The identity of the Noteholders with respect to distributions and reports shall be determined according to the immediately preceding Record Date.

ARTICLE TEN

SUPPLEMENTAL INDENTURES

Section 10.01. Supplemental Indentures Without Consent of Noteholders.

(a) Without the consent of the Holders of any Notes, but upon satisfaction of the Rating Agency Condition, the Issuer and the Indenture Trustee, when authorized by an Issuer Order, at any time and from time to time, may enter into one or more indentures supplemental hereto (which shall conform to the provisions of the TIA, if applicable, as in force at the date of the execution thereof), in form satisfactory to the Indenture Trustee, for any of the following purposes:

(i) to correct or amplify the description of any property at any time subject to the lien of this Master Indenture, or better to assure, convey and confirm unto the Indenture Trustee any property subject or required to be subjected to the lien of this Master Indenture, or to subject to the lien of this Master Indenture additional property;

(ii) to evidence the succession, in compliance with Section 3.11, of another Person to the Issuer, and the assumption by any such successor of the covenants of the Issuer herein and in the Notes contained;

(iii) to add to the covenants of the Issuer, for the benefit of the Holders of the Notes, or to surrender any right or power herein conferred upon the Issuer;

(iv) to convey, transfer, assign, mortgage or pledge any property to or with the Indenture Trustee;

(v) to cure any ambiguity, to correct or supplement any provision herein or in any supplemental indenture that may be inconsistent with any other provision herein or in any supplemental indenture or to make any other provisions with respect to matters or questions arising under this Master Indenture or in any supplemental indenture;

(vi) to evidence and provide for the acceptance of the appointment hereunder by a successor indenture trustee with respect to the Notes and to add to or change any of the provisions of this Master Indenture as shall be necessary to facilitate the administration of the trusts hereunder by more than one indenture trustee, pursuant to the requirements of Article Six;

(vii) to modify, eliminate or add to the provisions of this Master Indenture to such extent as shall be necessary to effect the qualification of this Master Indenture under the TIA or under any similar federal statute hereafter enacted and to add to this Master Indenture such other provisions as may be expressly required by the TIA, if applicable; or

(viii) to provide for the issuance of one or more new Series of Notes, in accordance with the provisions of Section 2.12.

The Indenture Trustee is hereby authorized to join in the execution of any such supplemental indenture and to make any further appropriate agreements and stipulations that may be therein contained.

(b) The Issuer and the Indenture Trustee, when authorized by an Issuer Order, may, also without the consent of any Noteholders of any Series then Outstanding but upon satisfaction of the Rating Agency Condition with respect to the Notes of all Series, enter into an indenture or supplemental indentures hereto for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Master Indenture or of modifying in any manner the rights of the Holders of the Notes under this Master Indenture; provided, however that (i) the Transferor shall have delivered to the Indenture Trustee an Officer's Certificate, dated the date of any such action, stating that all requirements for such amendments contained in this Master Indenture have been met and the Transferor reasonably believes that such action will not result in an Adverse Effect, (ii) a Tax Opinion shall have been delivered to each Rating Agency and (iii) such amendment does not affect the rights, duties, permitted activities or obligations of the Servicer, the Master Indenture Trustee or the Owner Trustee hereunder. Additionally, notwithstanding the preceding sentence, the Issuer and the Indenture Trustee, when authorized by an Issuer Order, may, without the consent of any Noteholders of any Series then Outstanding or the Series Enhancers for any Series, enter into an indenture or supplemental indentures hereto to add, modify or eliminate such provisions as may be necessary or advisable in order to enable all or a portion of the Trust to avoid the imposition of State or local income or franchise taxes imposed on the Trust's property or its income; provided, however, that (A) the Transferor delivers to the Indenture Trustee and the Owner Trustee an Officer's Certificate to the effect that the proposed amendments meet the requirements set forth in this subsection, (B) the Rating Agency Condition will have been satisfied and (C) such amendment does not affect the rights, duties or obligations of the Indenture Trustee or the Owner Trustee hereunder. The amendments which the Transferor may make without the consent of Noteholders pursuant to the preceding sentence may include the addition of a sale of Receivables.

Section 10.02. Supplemental Indentures with Consent of Noteholders. The Issuer and the Indenture Trustee, when authorized by an Issuer Order, also may, upon satisfaction of the Rating Agency Condition and with the consent of the Holders of at least 66 2/3% of the principal amount of the Outstanding Notes of each adversely affected Series of Notes, by Act of such Holders delivered to the Issuer and the Indenture Trustee, enter into an indenture or supplemental indentures hereto for the purpose of adding any provisions to, changing in any manner or eliminating any of the provisions of this Master Indenture or of modifying in any manner the rights of such Noteholders under this Master Indenture; provided, however that no such supplemental indenture shall, without the consent of the Holder of each Outstanding Note affected thereby:

(a) change the due date of any installment of principal of or interest on any Note, or reduce the principal amount thereof, the interest rate specified thereon or the redemption price with respect thereto or change any place of payment where, or the coin or currency in which, any Note or any interest thereon is payable;

(b) impair the right to institute suit for the enforcement of the provisions of this Master Indenture requiring the application of funds available therefor, as provided in Article Five, to the payment of any such amount due on the Notes on or after the respective due dates thereof (or, in the case of redemption, on or after the Redemption Date);

(c) reduce the percentage of the principal amount of the Outstanding Notes of any Series the consent of the Holders of which is required for any such supplemental indenture, or the consent of the Holders of which is required for any waiver of compliance with certain provisions of this Master Indenture or certain defaults hereunder and their consequences as provided for in this Master Indenture;

(d) reduce the percentage of the aggregate principal amount of any Notes, the consent of the Holders of which is required to direct the Indenture Trustee to sell or liquidate the Collateral if the proceeds of such sale would be insufficient to pay the principal amount and accrued but unpaid interest on the Outstanding Notes of such Series;

(e) decrease the percentage of the aggregate principal amount of the Notes required to amend the sections of this Master Indenture which specify the applicable percentage of the aggregate principal amount of the Notes of such Series necessary to amend the Indenture or any Transaction Documents which require such consent;

(f) modify or alter the provisions of this Master Indenture prohibiting the voting of Notes held by the Trust, any other obligor on the Notes, a Seller or any Affiliate thereof; or

(g) permit the creation of any Lien ranking prior to or on a parity with the lien of this Master Indenture with respect to any part of the Collateral for any Notes or, except as otherwise permitted or contemplated herein, terminate the Lien of this Master Indenture on any such Collateral at any time subject hereto or deprive the Holder of any Note of the security provided by the Lien of this Master Indenture.

The Indenture Trustee may in its discretion determine whether or not any Notes would be affected by any supplemental indenture and any such determination shall be conclusive upon the Holders of all Notes, whether theretofore or thereafter authenticated and delivered hereunder. The Indenture Trustee shall not be liable for any such determination made in good faith.

It shall not be necessary for any Act of Noteholders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

Promptly after the execution by the Issuer and the Indenture Trustee of any supplemental indenture pursuant to this Section, the Indenture Trustee shall mail to the Holders of the Notes to which such amendment or supplemental indenture relates written notice setting forth in general terms the substance of such supplemental indenture. Any failure of the Indenture Trustee to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture.

Section 10.03. Execution of Supplemental Indentures. In executing, or permitting the additional trusts created by, any supplemental indenture permitted by this Article or the modification thereby of the trusts created by this Master Indenture, the Indenture Trustee shall be entitled to receive, and subject to Sections 6.01 and 6.02, shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Master Indenture. The Indenture Trustee or Owner Trustee may, but shall not be obligated to, enter into any such supplemental indenture that affects the Indenture Trustee's or Owner Trustee's (as such or in its individual capacity) own rights, duties, liabilities, benefits, protections, privileges or immunities under this Master Indenture or otherwise.

Section 10.04. Effect of Supplemental Indenture. Upon the execution of any supplemental indenture under this Article, this Master Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes, and every Holder of Notes theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

Section 10.05. Conformity With Trust Indenture Act. Every amendment of this Master Indenture and every supplemental indenture executed pursuant to this Article shall conform to the requirements of the TIA as then in effect so long as this Master Indenture shall then be required to be qualified under the TIA.

Section 10.06. Reference in Notes to Supplemental Indentures. Notes authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and if required by the Indenture Trustee shall, bear a notation in form approved by the Indenture Trustee as to any matter provided for in such supplemental indenture. If the Issuer shall so determine, new Notes so modified as to conform, in the opinion of the Indenture Trustee and the Issuer, to any such supplemental indenture may be prepared and executed by the Issuer and authenticated and delivered by the Indenture Trustee in exchange for the Outstanding Notes.

ARTICLE ELEVEN

TERMINATION

Section 11.01. Termination of Trust. The Trust and the respective obligations and responsibilities of the Indenture Trustee created hereby (other than the obligation of the Indenture Trustee to make payments to Noteholders as hereinafter set forth) shall terminate, except with respect to the duties described in Section 11.02(b), as provided in the Trust Agreement.

Section 11.02. Final Distribution.

(a) The Servicer shall give the Indenture Trustee at least 30 days' prior notice of the Distribution Date on which the Noteholders of any Series or Class may surrender their Notes for payment of the final distribution on and cancellation of such Notes (or, in the event of a final distribution resulting from the application of Section 2.06 or 7.01 of the Transfer and Servicing Agreement, notice of such Distribution Date promptly after the Servicer has determined that a final distribution will occur, if such determination is made less than 30 days prior to such Distribution Date). Such notice shall be accompanied by an Officer's Certificate setting forth the information specified in Section 3.05 of the Transfer and Servicing Agreement covering the period during the then-current calendar year through the date of such notice. Not later than the fifth day of the month in which the final distribution in respect of such Series or Class is payable to Noteholders, the Indenture Trustee shall provide notice to Noteholders of such Series or Class specifying (i) the date upon which final payment of such Series or Class will be made upon presentation and surrender of Notes of such Series or Class at the office or offices therein designated, (ii) the amount of any such final payment and (iii) that the Record Date otherwise applicable to such payment date is not applicable, payments being made only upon presentation and surrender of such Notes at the office or offices therein specified (which, in the case of Bearer Notes, shall be outside the United States). The Indenture Trustee shall give such notice to the Transfer Agent and Registrar and the Paying Agent at the time such notice is given to Noteholders.

(b) Notwithstanding a final distribution to the Noteholders of any Series or Class (or the termination of the Trust), except as otherwise provided in this paragraph, all funds then on deposit in the Collection Account and any Series Account allocated to such Noteholders shall continue to be held in trust for the benefit of such Noteholders and the Paying Agent or the Indenture Trustee shall pay such funds to such Noteholders upon surrender of their Notes, if certificated (and any excess shall be paid in accordance with the terms of any Enhancement Agreement). In the event that all such Noteholders shall not surrender their Notes for cancellation within six months after the date specified in the notice from the Indenture Trustee described in Section 11.02(a) the Indenture Trustee shall give a second notice to the remaining such Noteholders to surrender their Notes for cancellation and receive the final distribution with respect thereto (which surrender and payment, in the case of Bearer Notes, shall be outside the United States). If within one year after the second notice all such Notes shall not have been surrendered for cancellation, the Indenture Trustee may take appropriate steps, or may appoint an agent to take appropriate steps, to contact the remaining such Noteholders concerning surrender of their Notes, and the cost thereof shall be paid out of the funds in the Collection Account or any Series Account held for the benefit of such Noteholders. The Indenture Trustee and the Paying Agent shall pay to the Issuer any monies held by them for the payment of principal or interest that remains unclaimed for two years. After payment to the Issuer, Noteholders entitled to the money must look to the Issuer for payment as general creditors unless an applicable abandoned property law designates another Person.

Section 11.03. Termination Distributions. Upon the termination of the Issuer pursuant to the terms of the Trust Agreement, the Indenture Trustee shall assign and convey to the holders of the Transferor Certificates or any of their designees, without recourse, representation or warranty, all right, title and interest of the Issuer in the Receivables, whether then existing or thereafter created, and Recoveries related thereto, all monies due or to become due and all amounts received or receivable with respect thereto (including all monies then held in the Collection Account or any Series Account) and all proceeds thereof, except for amounts held by the Indenture Trustee pursuant to Section 11.02(b). The Indenture Trustee shall execute and deliver such instruments of transfer and assignment, in each case without recourse, as shall be reasonably requested by the holders of the Transferor Certificates to vest in the holders of the Transferor Certificates or any of their designees all right, title and interest which the Indenture Trustee had in the Collateral and such other property.

Section 11.04. Defeasance. Notwithstanding anything to the contrary in this Master Indenture and unless otherwise specified with respect to any Series in the applicable Indenture Supplement:

(a) The Issuer may at its option be discharged from its obligations hereunder with respect to any Series or all Outstanding Series (each, a "Defeased Series") on the date the applicable conditions set forth in Section 11.04(c) are satisfied (a "Defeasance"); provided, however, that the following rights, obligations, powers, duties and immunities shall survive with respect to each Defeased Series until otherwise terminated or discharged hereunder: (i) the rights of the Holders of Notes of the Defeased Series to receive, solely from the trust fund provided for in Section 11.04(c), payments in respect of principal of and interest on such Notes when such payments are due; (ii) the Issuer's obligations with respect to such Notes under Sections 2.05 and 2.06; (iii) the rights, powers, trusts, duties, and immunities of the Indenture Trustee, the Paying Agent and the Registrar hereunder; and (iv) Section 12.16 and this Section.

(b) Subject to Section 11.04(c), the Issuer at its option may cause Collections allocated to each Defeased Series and available to purchase additional Receivables to be applied to purchase Eligible Investments rather than additional Receivables.

(c) The following shall be the conditions precedent to any Defeasance under Section 11.04(a):

(i) the Issuer irrevocably shall have deposited or caused to be deposited with the Indenture Trustee (such deposit to be made from other than the Issuer's or any Affiliate of the Issuer's funds), under the terms of an irrevocable trust agreement in form and substance satisfactory to the Indenture Trustee, as trust funds in trust for making the payments described below, (A) Dollars in an amount equal to, (B) Eligible Investments which through the scheduled payment of principal and interest in respect thereof will provide, not later than the due date of payment thereon, money in an amount equal to, or (C) a combination thereof, in each case sufficient to pay and discharge (without relying on income or gain from reinvestment of such amount), and which shall be applied by the Indenture Trustee to pay and discharge, all remaining scheduled interest and principal payments on all Outstanding Notes of each Defeased Series on the dates scheduled for such payments in this Master Indenture and the applicable Indenture Supplements and all amounts owing to the Series Enhancers with respect to each Defeased Series;

(ii) a statement from a firm of nationally recognized independent public accountants (who may also render other services to the Issuer) to the effect that such deposit is sufficient to pay the amounts specified in clause (i) above;

(iii) prior to its exercise of its right pursuant to this Section with respect to any Defeased Series to substitute money or Eligible Investments for Receivables, the Issuer shall have delivered to the Indenture Trustee an Opinion of Counsel to the effect contemplated by clause (ii) of the definition of the term "Tax Opinion" (the preparation and delivery of which shall not be at the expense of the Indenture Trustee) with respect to such deposit and termination of obligations, and an Opinion of Counsel to the effect that such deposit and termination of obligations will not result in the Trust being required to register as an investment company under the Investment Company Act;

(iv) the Issuer shall have delivered to the Indenture Trustee an Officer's Certificate of the Transferor stating that the Transferor reasonably believes that such deposit and termination of obligations will not, based on the facts known to such officer at the time of such certification, then cause a Pay Out Event with respect to any Series or any event that, with the giving of notice or the lapse of time, would result in the occurrence of a Pay Out Event with respect to any Series; and

(v) the Rating Agency Condition shall have been satisfied and the Issuer shall have delivered copies of such written notice to the Servicer and the Indenture Trustee.

ARTICLE TWELVE

MISCELLANEOUS

Section 12.01. Compliance Certificates and Opinions, etc.

(a) Upon any application or request by the Issuer to the Indenture Trustee to take any action under any provision of this Master Indenture, the Issuer shall furnish to the Indenture Trustee (i) an Officer's Certificate stating that all conditions precedent, if any, provided for in this Master Indenture relating to the proposed action have been complied with, (ii) an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with and (iii) (if required by the TIA) an Independent Certificate from a firm of certified public accountants meeting the applicable requirements of this Section, except that, in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Master Indenture, no additional certificate or opinion need be furnished.

Except to the extent that the Authorized Officer of the Issuer executes the certificate on behalf of the Issuer, every certificate or opinion with respect to compliance with a condition or covenant provided for in this Master Indenture shall include:

(i) a statement that each signatory of such certificate or opinion has read or has caused to be read such covenant or condition and the definitions herein relating thereto;

(ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(iii) a statement that, in the opinion of each such signatory, such signatory has made such examination or investigation as is necessary to enable such signatory to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(iv) a statement as to whether, in the opinion of each such signatory, such condition or covenant has been complied with.

(b) (i) Prior to the deposit of any Collateral or other property or securities with the Indenture Trustee that is to be made the basis for the release of any property or securities subject to the lien of this Master Indenture, the Issuer shall, in addition to any obligation imposed in Section 12.01(a) or elsewhere in this Master Indenture, furnish to the Indenture Trustee an Officer's Certificate certifying or stating the opinion of each person signing such certificate as to the fair value (within 90 days of such deposit) to the Issuer of the Collateral or other property or securities to be so deposited.

(ii) Whenever the Issuer is required to furnish to the Indenture Trustee an Officer's Certificate certifying or stating the opinion of any signer thereof as to the matters described in clause (i) above, the Issuer shall also deliver to the Indenture Trustee (if required by the TIA) an Independent Certificate as to the same matters, if the fair value to the Issuer of the securities to be so deposited and of all other such securities made the basis of any such withdrawal or release since the commencement of the then-current fiscal year of the Issuer, as set forth in the certificates delivered pursuant to clause (i) above and this clause (ii), is 10% or more of the principal amount of the Outstanding Notes, but such a certificate need not be furnished with respect to any securities so deposited if the fair value thereof to the Issuer as set forth in the related Officer's Certificate is less than $25,000 or less than 1% of the principal amount of the Outstanding Notes.

(iii) Other than with respect to the release of any Defaulted Receivables and Receivables in Removed Accounts, whenever any property or securities is to be released from the lien of this Master Indenture, the Issuer shall also furnish to the Indenture Trustee an Officer's Certificate certifying or stating the opinion of each individual signing such certificate as to the fair value (within 90 days of such release) of the property or investment property proposed to be released and stating that in the opinion of such person the proposed release will not impair the security under this Master Indenture in contravention of the provisions hereof.

(iv) Whenever the Issuer is required to furnish to the Indenture Trustee an Officer's Certificate certifying or stating the opinion of any signer thereof as to the matters described in clause (iii) above, the Issuer shall also furnish to the Indenture Trustee (if required by the TIA) an Independent Certificate as to the same matters if the fair value of the property or securities and of all other property, other than Defaulted Receivables and Receivables in Removed Accounts, or securities released from the lien of this Master Indenture since the commencement of the then current calendar year, as set forth in the certificates required by clause (iii) above and this clause, equals 10% or more of the principal amount of the Outstanding Notes, but such certificate need not be furnished in the case of any release of property or securities if the fair value thereof as set forth in the related Officer's Certificate is less than $25,000 or less than one percent of the then principal amount of the Outstanding Notes.

(v) Notwithstanding Section 2.11 or any other provision of this Section, the Issuer may collect, liquidate, sell or otherwise dispose of Receivables as and to the extent permitted or required by the Transaction Documents and make cash payments out of the Series Accounts as and to the extent permitted or required by the Transaction Documents.

Section 12.02. Form of Documents Delivered to Indenture Trustee. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an Authorized Officer of the Issuer may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which such officer's certificate or opinion is based are erroneous. Any such certificate of an Authorized Officer or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Servicer, a Seller, a Transferor, the Issuer or the Administrator, stating that the information with respect to such factual matters is in the possession of the Servicer, a Seller, a Transferor, the Issuer or the Administrator, unless such an Authorized Officer or Counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Master Indenture, they may, but need not, be consolidated and form one instrument.

Whenever in this Master Indenture, in connection with any application or certificate or report to the Indenture Trustee, it is provided that the Issuer shall deliver any document as a condition of the granting of such application, or as evidence of the Issuer's compliance with any term hereof, it is intended that the truth and accuracy, at the time of the granting of such application or at the effective date of such certificate or report (as the case may be), of the facts and opinions stated in such document shall in such case be conditions precedent to the right of the Issuer to have such application granted or to the sufficiency of such certificate or report. The foregoing shall not, however, be construed to affect the Indenture Trustee's right to rely upon the truth and accuracy of any statement or opinion contained in any such document as provided in Article Six.

Section 12.03. Acts of Noteholders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Master Indenture to be given or taken by Noteholders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Noteholders in person or by their agents duly appointed in writing and satisfying any requisite percentages as to minimum number or dollar value of outstanding principal amount represented by such Noteholders; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Indenture Trustee, and, where it is hereby expressly required, to the Issuer. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Noteholders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Master Indenture and conclusive in favor of the Indenture Trustee and the Issuer, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved in any manner which the Indenture Trustee deems sufficient.

(c) The ownership of Notes shall be proved by the Note Register.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Notes shall bind the Holder (and any transferee thereof) of every Note issued upon the registration thereof in exchange therefor or in lieu thereof, in respect of anything done, omitted or suffered to be done by the Indenture Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Note.

Section 12.04. Notices, Etc. to Indenture Trustee and Issuer. Any request, demand, authorization, direction, notice, consent, waiver or Act of Noteholders or other documents provided or permitted by this Master Indenture to be made upon, given or furnished to, or filed with:

(a) the Indenture Trustee by any Noteholder or by the Issuer shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to a Responsible Officer, by facsimile transmission or by other means acceptable to the Indenture Trustee to or with the Indenture Trustee at its Corporate Trust Office; or

(b) the Issuer by the Owner Trustee or by any Noteholder shall be sufficient for every purpose hereunder if in writing and mailed, first-class postage prepaid, to the Issuer addressed to it c/o Wilmington Trust Company, Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890-0001, Attention: Corporate Trust Administration (facsimile no. (302) 651-8882), or at any other address previously furnished in writing to the Owner Trustee by the Issuer; a copy of each notice to the Issuer shall be sent in writing and mailed, first-class postage prepaid, to the Administrator at 13531 East Caley Avenue, Centennial, Colorado 80111.

Section 12.05. Notices to Noteholders; Waiver. Where this Master Indenture provides for notice to Noteholders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed by registered or certified mail or first class postage prepaid or national overnight courier service to each Noteholder affected by such event, at its address as it appears on the Note Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice. In any case where notice to Noteholders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Noteholder shall affect the sufficiency of such notice with respect to other Noteholders, and any notice which is mailed in the manner herein provided shall conclusively be presumed to have been duly given.

Where this Master Indenture provides for notice in any manner, such notice may be waived in writing by any Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Noteholders shall be filed with the Indenture Trustee but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

In the event that, by reason of the suspension of regular mail service as a result of a strike, work stoppage or similar activity, it shall be impractical to mail notice of any event to Noteholders when such notice is required to be given pursuant to any provision of this Master Indenture, then any manner of giving such notice as shall be satisfactory to the Indenture Trustee shall be deemed to be a sufficient giving of such notice.

Where this Master Indenture provides for notice to any Rating Agency, failure to give such notice shall not affect any other rights or obligations created hereunder and shall not under any circumstance constitute a Default or Event of Default.

Section 12.06. Alternate Payment and Notice Provisions. Notwithstanding any provision of this Master Indenture or any of the Notes to the contrary, the Issuer, with the consent of the Indenture Trustee, may enter into any agreement with any Holder of a Note providing for a method of payment, or notice by the Indenture Trustee or any Paying Agent to such Holder, that is different from the methods provided for in this Master Indenture for such payments or notices. The Issuer will furnish to the Indenture Trustee a copy of each such agreement and the Indenture Trustee will cause payments to be made and notices to be given in accordance with such agreements.

Section 12.07. Conflict with Trust Indenture Act. In the event that the TIA is applicable, (i) if any provision hereof limits, qualifies or conflicts with another provision hereof that is required to be included in this Master Indenture by any of the provisions of the TIA, such required provision shall control and (ii) the provisions of TIA Section 310 through 317 that impose duties on any person (including the provisions automatically deemed included herein unless expressly excluded by this Master Indenture) shall be part of and govern this Master Indenture, whether or not physically contained herein.

Section 12.08. Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 12.09. Successors and Assigns. All covenants and agreements in this Master Indenture by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 12.10. Severability. In case any provision in this Master Indenture or in the Notes shall be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 12.11. Benefits of Indenture. Nothing in this Master Indenture or in the Notes, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, the Noteholders, the Servicer and the Transferor, any benefit.

Section 12.12. Legal Holidays. In any case where the date on which any payment is due shall not be a Business Day, then (notwithstanding any other provision of the Notes or this Master Indenture) payment need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the date on which nominally due, and no interest shall accrue for the period from and after any such nominal date.

Section 12.13. GOVERNING LAW. THIS MASTER INDENTURE SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 12.14. Counterparts. This Master Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 12.15. Trust Obligations. No recourse may be taken, directly or indirectly, with respect to the obligations of the Issuer, the Owner Trustee or the Indenture Trustee on the Notes or under this Master Indenture or any certificate or other writing delivered in connection herewith or therewith, against (i) the Indenture Trustee or the Owner Trustee in its individual capacity, (ii) any owner of a beneficial interest in the Issuer or (iii) any partner, owner, beneficiary, agent, officer, director, employee or agent of the Indenture Trustee or the Owner Trustee in its individual capacity, any holder of a beneficial interest in the Issuer, the Owner Trustee or the Indenture Trustee or of any successor or assign of the Indenture Trustee or the Owner Trustee in its individual capacity, except as any such Person may have expressly agreed (it being understood that the Indenture Trustee and the Owner Trustee have no such obligations in their individual capacity) and except that any such partner, owner or beneficiary shall be fully liable, to the extent provided by applicable law, for any unpaid consideration for stock, unpaid capital contribution or failure to pay any installment or call owing to such entity. For all purposes of this Master Indenture, in the performance of any duties or obligations hereunder, the Owner Trustee (as such or in its individual capacity) shall be subject to, and entitled to the benefits of, the terms and provisions of the Trust Agreement.

Section 12.16. No Petition. The Indenture Trustee, by entering into this Master Indenture, and each Noteholder, by accepting a Note, hereby covenant and agree that they will not at any time institute against the Issuer or the Transferor, or join in instituting against the Issuer or the Transferor, prior to the date which is one year and one day after the termination of this Master Indenture, acquiesce, petition or otherwise invoke or cause the Issuer or the Transferor to invoke the process of any Governmental Authority for the purpose of commencing or sustaining a case against the Issuer or the Transferor under any Debtor Relief Law or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Issuer or Transferor or any substantial part of its property or ordering the winding-up or liquidation of the affairs of the Issuer or Transferor.

IN WITNESS WHEREOF, the undersigned have caused this Master Indenture to be duly executed and delivered by their respective duly authorized officers as of the day and year first above written.

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Issuer

By: WILMINGTON TRUST COMPANY,
not in its individual capacity,
but solely as Owner Trustee

By: /s/ James P. Lawler
James P. Lawler
Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Indenture Trustee

By: /s/ Melissa Philibert
Melissa Philibert
Vice President

Acknowledged and Accepted:

NORDSTROM CREDIT CARD
RECEIVABLES II LLC,
as Transferor

By: /s/ Marc A. Anacker
Marc A. Anacker
Treasurer

NORDSTROM fsb,
as Servicer

By: /s/ Kevin T. Knight
Kevin T. Knight
Chairman and CEO

[Exhibit 4.2]

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Issuer,

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Indenture Trustee

SERIES 2007-1 INDENTURE SUPPLEMENT
Dated as of May 1, 2007

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SERIES 2007-1 INDENTURE SUPPLEMENT

This Series 2007-1 Indenture Supplement, dated as of May 1, 2007 (the "2007-1 Indenture Supplement"), is between Nordstrom Credit Card Master Note Trust II (formerly known as Nordstrom Private Label Credit Card Master Note Trust), a statutory trust organized and existing under the laws of the State of Delaware (the "Issuer" or the "Trust"), and Wells Fargo Bank, National Association, a national banking association, not in its individual capacity, but solely as indenture trustee under the Master Indenture (together with its successors in the trusts thereunder as provided in the Amended and Restated Master Indenture, dated as of May 1, 2007 (the "Master Indenture"), between the Issuer and Wells Fargo Bank, National Association, the "Indenture Trustee").

RECITALS

Section 2.12 of the Master Indenture provides that the Issuer may, pursuant to one or more Indenture Supplements, direct the Indenture Trustee, on behalf of the Issuer, to issue one or more Series of Notes and to set forth the Principal Terms of such Series; and

WHEREAS, pursuant to this Series 2007-1 Indenture Supplement, the Issuer and the Indenture Trustee shall create a new Series of Notes and specify the Principal Terms thereof.

ARTICLE ONE

DEFINITIONS

Section 1.01. Definitions. Whenever used in this Indenture Supplement, the following words and phrases shall have the following meanings:

"Accumulation Period Factor" means, with respect to any Monthly Period, a fraction, the numerator of which is equal to the sum of the initial invested amounts of all outstanding Series, and the denominator of which is equal to the sum of (i) the Initial Invested Amount, (ii) the initial invested amounts of all outstanding Series (other than Series 2007-1) which are not expected to be in their revolving period, and (iii) the initial invested amounts of all other outstanding Series which are not allocating Shared Principal Collections to other Series and are in their revolving periods; provided, however, that this definition may be changed at any time if the Rating Agency Condition is satisfied.

"Accumulation Period Length" has the meaning set forth in Section 4.03(f).

"Accumulation Shortfall" means, with respect to (i) a Distribution Date prior to the Controlled Accumulation Period, zero (ii) the first Distribution Date during the Controlled Accumulation Period, the excess, if any, of the Controlled Accumulation Amount over the amount deposited in the Principal Funding Account on that Distribution Date and (iii) each subsequent Distribution Date during the Controlled Accumulation Period, the excess, if any, of the Controlled Deposit Amount for the prior Distribution Date over the amount deposited in the Principal Funding Account pursuant to Section 4.03(c) on such Distribution Date.

"Additional Interest" means, with respect to any Distribution Date, Class A Additional Interest, Class B Additional Interest and Class C Additional Interest.

"Adjusted Invested Amount" means, for any Determination Date, an amount equal to the Invested Amount, minus the amount on deposit in the Principal Funding Account, in each case as of the Determination Date.

"Available Finance Charge Collections" means, with respect to any Monthly Period and the related Distribution Date, an amount equal to the sum of (i) the Investor Finance Charge Collections, (ii) the Excess Finance Charge Collections allocated to Series 2007-1, (iii) the Reserve Account Draw Amount and (iv) Principal Funding Investment Proceeds, if any.

"Available Principal Collections" means, with respect to any Monthly Period and the related Distribution Date, an amount equal to the (i) Investor Principal Collections minus (ii) the amount of Reallocated Principal Collections which pursuant to Section 4.05 are required to be applied on such Distribution Date, plus (iii) any Shared Principal Collections that are allocated to Series 2007-1 in accordance with Section 8.05 of the Master Indenture and Section 4.07 hereof, plus (iv) the aggregate amount to be treated as Available Principal Collections pursuant to Sections 4.03(a)(v), (vi) and to the extent applicable (vii) for such Distribution Date.

"Base Rate" means, with respect to any Monthly Period, the sum of (i) the Servicing Fee Rate and (ii) the weighted average of the Class A Note Interest Rate and the Class B Note Interest Rate.

"Benefit Plan" means an employee benefit plan, as defined in Section 3(3) of ERISA, that is subject to Title I of ERISA, a plan, as defined in Section 4975(e)(1) of the Code, that is subject to Section 4975 of the Code, and any entity deemed to hold plan assets of any of the foregoing by reason of an employee benefit plan's or plan's investment in the entity or otherwise under ERISA.

"Benefit Plan Investor" has the meaning set forth in Section 2.03(f)(i).

"Class" means the Class A Notes, Class B Notes or Class C Notes, as applicable.

"Class A Additional Interest" means, with respect to any Distribution Date, an amount equal to the product of (i) a fraction, the numerator of which is 30, and the denominator of which is 360, (ii) the Class A Note Interest Rate in effect with respect to the related Interest Period and (iii) the Class A Interest Shortfall for the preceding Distribution Date (which shall be zero in the case of the first Distribution Date). Notwithstanding anything to the contrary herein, Class A Additional Interest shall be payable or distributed to the Class A Noteholders only to the extent permitted by applicable law.

"Class A Covered Amount" equals for any Distribution Date, the product of (i) the Class A Note Interest Rate for the related Interest Period, (ii) a fraction, the numerator of which is 30, and the denominator of which is 360 and (iii) the balance on deposit in the Principal Funding Account on the first day of such Interest Period, up to the Class A Note Principal Balance as of the related Record Date.

"Class A Interest Shortfall" means, with respect to any Distribution Date, the excess, if any, as determined by the Servicer, of (i) the amount described in Section 4.03(a)(ii) over (ii) the sum of (a) the aggregate amount of Available Finance Charge Collections allocated and paid for such amounts on such Distribution Date and (b) the Reallocated Principal Amount applied to fund a deficiency in the amount distributed pursuant to Section 4.03(a)(ii) on such Distribution Date.

"Class A Monthly Interest" means, with respect to any Distribution Date, an amount of monthly interest distributable from the Collection Account with respect to the Class A Notes on such Distribution Date equal to the product of (i) a fraction, the numerator of which is 30 and the denominator of which is 360, (ii) the Class A Note Interest Rate and (iii) the Class A Note Principal Balance as of the close of business on the last day of the related Monthly Period (or, with respect to the initial Distribution Date, the Class A Note Initial Principal Balance).

"Class A Note Initial Principal Balance" means $325,500,000.

"Class A Note Interest Rate" means 4.92% per annum.

"Class A Note Principal Balance" means, on any date of determination, an amount equal to (i) the Class A Note Initial Principal Balance, minus (ii) the aggregate amount of principal payments made to the Class A Noteholders on or prior to such date.

"Class A Noteholder" means the Person in whose name a Class A Note is registered in the Note Register.

"Class A Notes" means any one of the Notes executed by the Issuer and authenticated by or on behalf of the Indenture Trustee, substantially in the form of Exhibit A-1.

"Class A Reallocated Principal Amount" means, with respect to any Distribution Date, the lesser of:

(i) the excess of the amounts described in Sections 4.03(a)(i) and (ii) over the amount actually distributed pursuant to such Sections; and

(ii) the greater of (a)(1) the product of (A) 13.50% and (B) the Initial Invested Amount minus (b) the amount of unreimbursed Investor Charge-Offs (after giving effect to Investor Charge-Offs for the related Monthly Period) and unreimbursed Reallocated Principal Collections (as of the preceding Distribution Date or $0, in the case of the first Distribution Date) and (ii) zero.

"Class B Additional Interest" means, with respect to any Distribution Date, an amount equal to the product of (i) a fraction, the numerator of which is 30 and the denominator of which is 360, (ii) the Class B Note Interest Rate in effect with respect to the related Interest Period and (iii) the Class B Interest Shortfall for the preceding Distribution Date (which shall be zero in the case of the first Distribution Date. Notwithstanding anything to the contrary herein, Class B Additional Interest shall be payable or distributed to the Class B Noteholders only to the extent permitted by applicable law.

"Class B Covered Amount" equals for any Distribution Date, the product of (i) the Class B Interest Rate for the related Interest Period, (ii) a fraction, the numerator of which is 30, and whose denominator is 360 and (iii) the balance of the Principal Funding Account on the first day of the related Interest Period in excess of the Class A Note Principal Balance as of the related Record Date, up to the Class B Note Principal Balance as of the related Record Date.

"Class B Interest Shortfall" means, with respect to any Distribution Date, the excess, if any, as determined by the Servicer, of (i) the amount described in Section 4.03(a)(iii) over (ii) the sum of (a) the aggregate amount of Available Finance Charge Collections allocated and paid for such amounts on such Distribution Date and (b) the Reallocated Principal Amount applied to fund a deficiency in the amount distributed pursuant to Section 4.03(a)(iii) on such Distribution Date.

"Class B Monthly Interest" means, with respect to any Distribution Date, the amount of monthly interest distributable from the Collection Account with respect to the Class B Notes on such Distribution Date and which shall be an amount equal to the product of (i) a fraction, the numerator of which is 30, and the denominator of which is 360, (ii) the Class B Note Interest Rate in effect with respect to the related Interest Period and (iii) the Class B Note Principal Balance as of the close of business on the last day of the preceding Monthly Period (or, with respect to the initial Distribution Date, the Class B Note Initial Principal Balance).

"Class B Note Initial Principal Balance" means $24,500,000.

"Class B Note Interest Rate" means 5.02% per annum.

"Class B Note Principal Balance" means, on any date of determination, an amount equal to (i) the Class B Note Initial Principal Balance, minus (ii) the aggregate amount of principal payments made to the Class B Noteholders on or prior to such date.

"Class B Noteholder" means the Person in whose name a Class B Note is registered in the Note Register.

"Class B Notes" means any one of the Notes executed by the Issuer and authenticated by or on behalf of the Indenture Trustee, substantially in the form of Exhibit A-2.

"Class B Reallocated Principal Amount" means, with respect to any Distribution Date, the lesser of:

(i) the excess of the amount described in Section 4.03(a)(iii) over the amount actually distributed pursuant to such Section; and

(ii) the greater of (a)(1) the product of (A) 7.0% and (B) the Initial Invested Amount minus (b) the amount of unreimbursed Investor Charge-Offs (after giving effect to Investor Charge-Offs for the related Monthly Period) and unreimbursed Reallocated Principal Collections (as of the preceding Distribution Date, or $0 in the case of the first Distribution Date) and (ii) zero.

"Class C Additional Interest" means, with respect to any Distribution Date, an amount equal to the product of (i) a fraction, the numerator of which is 30, and the denominator of which is 360, (ii) the Class C Note Interest Rate in effect with respect to such Interest Period and (iii) the Class C Interest Shortfall for the preceding Distribution Date. Notwithstanding anything to the contrary herein, Class C Additional Interest shall be payable or distributed to the Class C Noteholders only to the extent permitted by applicable law.

"Class C Interest Shortfall" means, with respect to any Distribution Date, the excess, if any, as determined by the Servicer, of (i) the amount described in Section 4.03(a)(iv) over (ii) the aggregate amount of Available Finance Charge Collections allocated and paid for such amounts on such Distribution Date.

"Class C Monthly Interest" means, with respect to any Distribution Date, the amount of monthly interest distributable from the Collection Account with respect to the Class C Notes on such Distribution Date and which shall be an amount equal to the product of (i) a fraction, the numerator of which is 30, and the denominator of which is 360, times (ii) the Class C Note Interest Rate in effect with respect to the related Interest Period and (iii) the Class C Note Principal Balance as of the close of business on the last day of the related Monthly Period (or, with respect to the initial Distribution Date, the Class C Note Initial Principal Balance).

"Class C Note Initial Principal Balance" means $26,400,000.

"Class C Note Interest Rate" means a per annum rate of 0.00% or the rate specified by the Transferor pursuant to Section 4.02(b).

"Class C Note Principal Balance" means on any date of determination, an amount equal to (i) the Class C Note Initial Principal Balance, minus (ii) the aggregate amount of principal payments made to the Class C Noteholders on or prior to such date.

"Class C Noteholder" means the Person in whose name a Class C Note is registered in the Note Register.

"Class C Notes" means any one of the Notes executed by the Issuer and authenticated by or on behalf of the Indenture Trustee, substantially in the form of Exhibit A-3.

"Closing Date" means May 1, 2007.

"Controlled Accumulation Amount" means, for any Distribution Date with respect to the Controlled Accumulation Period, $43,750,000; provided, however, that if the Accumulation Period Length is determined to be less than eight months pursuant to Section 4.03(f), the Controlled Accumulation Amount for each Distribution Date with respect to the Controlled Accumulation Period will be equal to (i) the product of (a) the Offered Note Initial Principal Balance and (b) the Accumulation Period Factor for the related Monthly Period divided by (ii) the Required Accumulation Factor Number.

"Controlled Accumulation Period" means, unless a Pay Out Event shall have occurred prior thereto, the period commencing at the close of business on August 1, 2009 or such later date as is determined in accordance with Section 4.03(f), and ending on the first to occur of (i) the commencement of the Early Amortization Period, (ii) the payment in full of the Offered Notes and (iii) the Expected Principal Payment Date.

"Controlled Deposit Amount" means, for any Distribution Date with respect to the Controlled Accumulation Period, an amount equal to the sum of the Controlled Accumulation Amount and any existing Accumulation Shortfall.

"Defaulted Amount" means, with respect to a Distribution Date, the total amount of Defaulted Receivables for the related Monthly Period.

"Determination Date" means, for each series of Notes, the fifth Business Day preceding the Distribution Date.

"Dilution Amount" means the amount of the required reduction in the amount of Principal Receivables used in the calculation of the Transferor Interest described in the first two sentences of Section 3.09(a) of the Transfer and Servicing Agreement.

"Disqualified Transferee" has the meaning set forth in Section 2.03(k).

"Distribution Date" means June 15, 2007 and the fifteenth day of each calendar month thereafter, or if such fifteenth day is not a Business Day, the next succeeding Business Day, and with respect to the Series 2007-1 Final Maturity Date, May 15, 2013.

"Early Amortization Period" means the period commencing on the Business Day immediately preceding the day on which a Pay Out Event with respect to Series 2007-1 is deemed to have occurred, and ending on the first to occur of (i) the payment in full of the Note Principal Balance and (ii) the Series 2007-1 Final Maturity Date.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Excess Reserve Account Investment Earnings" means, as of any Distribution Date, interest and other investment income, net of losses and investment expenses, earned on amounts on deposit in the Reserve Account less the amount, if any, required to be retained in the Reserve Account so that the amount therein equals the Required Reserve Account Amount.

"Expected Final Principal Payment Date" means the April 15, 2010 Distribution Date.

"Finance Charge Shortfall" means, with respect to any Distribution Date and the related Monthly Period, an amount equal to the excess, if any, of (i) the full amount required to be paid, without duplication, pursuant to Sections 4.03(a)(i) through (ix) on such Distribution Date over (ii) the Investor Finance Charge Collections.

"Fixed Investor Percentage" means, with respect to any day during a Monthly Period, the percentage equivalent (which percentage shall never exceed 100%) of a fraction, (i) the numerator of which is the Invested Amount as of the close of business on the last day of the Revolving Period unless the numerator is reset as described in the proviso below and (ii) the denominator of which is calculated each Reset Date and which is equal to the greater of (a) the total amount of Principal Receivables in the Trust as of the close of business on the Reset Date

and (b) the sum of the numerators used to calculate the investor percentages for allocations with respect to Principal Receivables for all Series outstanding as of such Reset Date; provided, however, that if, after the commencement of the Controlled Accumulation Period or the Early Amortization Period, a Pay Out Event occurs with respect to another Series that was designated in the Indenture Supplement therefor as a Series that is a Paired Series with respect to Series 2007-1, the Transferor may, by written notice delivered to the Indenture Trustee and the Servicer, designate a different numerator for the foregoing fraction; provided that (1) such numerator is not less than the Adjusted Invested Amount as of the last day of the Revolving Period for such Paired Series, (2) such action shall be taken only upon satisfaction of the Rating Agency Condition and (3) the Transferor shall have delivered to the Indenture Trustee an Officer's Certificate to the effect that, based on the facts known to such officer at that time, in the reasonable belief of the Transferor, such designation will not cause a Pay Out Event or an event that, after the giving of notice or the lapse of time, would constitute a Pay Out Event, to occur with respect to Series 2007-1.

"Floating Investor Percentage" means, with respect to any day during a Monthly Period, the percentage equivalent (which percentage shall never exceed 100%) of a fraction, (i) the numerator of which is equal to the Adjusted Invested Amount as of the close of business on the last day of the preceding Monthly Period (or with respect to the first Monthly Period, the Initial Invested Amount) and (ii) the denominator of which is calculated each Reset Date and which is equal to (a) with respect to allocations of Uncovered Dilution Amounts only, the sum of the numerators used to calculate the Investor Percentage for allocating the Uncovered Dilution Amount on the Reset Date or (ii) for all other purposes, the greater of (a) the aggregate amount of Principal Receivables in the Trust as of the close of business on such Reset Date and (b) the sum of the numerators used to calculate the investor percentages for allocations with respect to Finance Charge Receivables, Defaulted Amounts or Principal Receivables, as applicable, for all Series outstanding as of the date as to which such determination is being made.

"Group One" means Series 2007-1 and each other Series hereafter specified in the related Indenture Supplement to be included in Group One.

"Indenture" means the Master Indenture, as supplemented by this Series 2007-1 Indenture Supplement, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Indenture Supplement" has the meaning specified in the Master Indenture.

"Initial Invested Amount" means $376,400,000.

"Interest Period" means, with respect to any Distribution Date, the period from and including the preceding Distribution Date (or, in the case of the first Distribution Date, from and including the Closing Date) to but excluding the current Distribution Date.

"Invested Amount" means, as of any date of determination, an amount equal to the initial principal amount of the Series 2007-1 Notes minus the sum of (i) amount of principal previously paid to the Series 2007-1 Noteholders and (ii) the excess, if any, of the aggregate amount of Investor Charge-Offs and Reallocated Principal Collections over the reimbursements of such amounts pursuant to Section 4.03(a)(vi) prior to such date.

"Investor Charge-Off" has the meaning set forth in Section 4.04.

"Investor Default Amount" means, with respect to any Distribution Date, an amount equal to the product of the Defaulted Amount for the related Monthly Period and the Floating Investor Percentage.

"Investor Finance Charge Collections" means, with respect to any Monthly Period, an amount equal to the Investor Percentage for such Monthly Period of Collections of Finance Charge Receivables (including Recoveries, any Excess Reserve Account Investment Earnings and Interchange treated as Collections of Finance Charge Receivables) deposited in the Collection Account for such Monthly Period pursuant to Section 8.04 of the Master Indenture.

"Investor Percentage" means, for any Monthly Period, with respect to (i) Finance Charge Receivables, Defaulted Amounts and Uncovered Dilution Amounts at any time and Principal Receivables during the Revolving Period, the Floating Investor Percentage for such Monthly Period and (ii) Principal Receivables during the Controlled Accumulation Period or the Early Amortization Period, the Fixed Investor Percentage for such Monthly Period.

"Investor Principal Collections" means, with respect to any Monthly Period, the aggregate amount retained in the Collection Account for Series 2007-1 Noteholders pursuant to Section 4.01(c)(ii) for such Monthly Period.

"Investor Uncovered Dilution Amount" means, with respect to any Monthly Period, an amount equal to the product of the weighted average Floating Investor Percentage for such Monthly Period and the Uncovered Dilution Amount.

"Master Indenture" means the Amended and Restated Master Indenture, dated as of May 1, 2007, between the Trust and the Indenture Trustee, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Monthly Interest" means, with respect to any Distribution Date, the sum of the Class A Monthly Interest, the Class B Monthly Interest and the Class C Monthly Interest.

"Monthly Period" has the meaning set forth in the Master Indenture; provided, however, that the initial Monthly Period will commence on the Closing Date and end on the last day of calendar month preceding the first Distribution Date; provided, however, that for the purposes of calculating Portfolio Yield which includes the month of May 2007, the Monthly Period will be the period from and including the Closing Date to and including May 31, 2007.

"Monthly Principal" means, with respect to any Distribution Date, an amount equal to the least of (i) the Available Principal Collections on deposit in the Collection Account with respect to such Distribution Date, (ii) for each Distribution Date with respect to the Controlled Accumulation Period, the Controlled Deposit Amount for such Distribution Date, (iii) the excess of the Offered Note Initial Principal Balance over the amount on deposit in the Principal Funding Account without taking into account deposits thereto on such Distribution Date and (iv) the Adjusted Invested Amount (after taking into account any adjustments to be made on such Distribution Date) prior to any deposit into the Principal Funding Account on such Distribution Date.

"Monthly Principal Reallocation Amount" means, with respect to any Monthly Period, an amount equal to the sum of the Class A Reallocated Principal Amount and the Class B Reallocated Principal Amount.

"Monthly Servicing Fee" has the meaning set forth in Section 3.01(a).

"Note Principal Balance" means, on any date of determination, an amount equal to the sum of the Class A Note Principal Balance, the Class B Note Principal Balance and the Class C Note Principal Balance.

"Noteholders" means the holders of Class A Notes, Class B Notes and the Class C Notes.

"Offered Note Initial Principal Balance" means the sum of the Class A Note Initial Principal Balance and the Class B Note Initial Principal Balance.

"Offered Note Principal Balance" means, as of any date, the sum of the Class A Note Principal Balance and the Class B Note Principal Balance.

"Offered Notes" means the Class A Notes and the Class B Notes.

"Portfolio Adjusted Yield" means, with respect to any Monthly Period, the Portfolio Yield minus the Base Rate.

"Portfolio Yield" means, with respect to any Monthly Period, the annualized percentage equivalent of a fraction, (i) the numerator of which is equal to the sum of (a) Investor Finance Charge Collections with respect to such Monthly Period and (b) the Principal Funding Investment Proceeds and any Reserve Account Draw Amount deposited into the Collection Account on the related Distribution Date, such sum to be calculated on a cash basis after subtracting the Investor Default Amount and the Investor Uncovered Dilution Amount, and (ii) the denominator of which is the Note Principal Balance as of the first day of such Monthly Period; provided, however, that Excess Finance Charge Collections that are allocated to Series 2007-1 with respect to such Monthly Period may be added to the numerator if the Transferor shall have provided ten Business Days' prior written notice of such action to each Rating Agency and the Transferor, the Servicer and the Indenture Trustee has not received notification in writing that such action will not result in any such Rating Agency reducing or withdrawing its then-existing rating of the Class A Notes or any outstanding Series or Class; provided further that the Portfolio Yield for the month of March 2007 shall equal ___%.

"Principal Funding Account" has the meaning set forth in Section 4.08(a).

"Principal Funding Account Balance" means, with respect to any date of determination, the principal amount, if any, on deposit in the Principal Funding Account on such date.

"Principal Funding Investment Proceeds" means, with respect to any Distribution Date, the investment earnings on funds in the Principal Funding Account (net of investment expenses and losses) for the related Interest Period.

"Principal Funding Investment Shortfall" means, with respect to any Distribution Date, the excess of the Class A Covered Amount and the Class B Covered Amount over the Principal Funding Investment Proceeds.

"QIB" means a Qualified Institutional Buyer under Rule 144A.

"Rating Agency" means each of Standard & Poor's and Moody's.

"Reallocated Principal Collections" means, with respect to any Distribution Date, Investor Principal Collections applied in accordance with Section 4.05 in an amount not to exceed the Monthly Principal Reallocation Amount for the related Monthly Period.

"Reassignment Amount" means, with respect to any Distribution Date, after giving effect to any deposits and distributions otherwise to be made on such Distribution Date, the sum of (i) the Note Principal Balance on such Distribution Date, (ii) Monthly Interest and any Monthly Interest due on one or more prior Distribution Dates but not distributed to the Series 2007-1 Noteholders on one or more prior Distribution Dates, and (iii) the amount of Additional Interest and any Additional Interest due but not distributed to the Series 2007-1 Noteholders on one or more prior Distribution Dates.

"Required Accumulation Factor Number" means a fraction, rounded upwards to the nearest whole number, the numerator of which is one and the denominator of which is equal to the lowest monthly principal payment rate on the Accounts, expressed as a decimal, for the 12 months preceding the date of such calculation; provided, however, that this definition may be changed at any time if the Rating Agency Condition is satisfied.

"Required Reserve Account Amount" means zero or, for any Distribution Date on or after the Reserve Account Funding Date, an amount equal to (i) 0.50% of the Offered Note Principal Balance or (ii) any other amount designated by the Servicer; provided, however, the Servicer may only designate a lesser amount if the Rating Agency Condition remains satisfied and the Servicer certifies to the Indenture Trustee that, based on the facts known to the certifying officer at the time, in its reasonable belief, such designation will not cause a Pay Out Event to occur for the Series 2007-1 Notes.

"Reserve Account" means the account established pursuant to Section 4.09.

"Reserve Account Draw Amount" means, with respect to any Distribution Date, an amount equal to the lesser of (i) the amount then on deposit in the Reserve Account with respect to such Distribution Date and (ii) the Principal Funding Investment Shortfall.

"Reserve Account Funding Date" means the Distribution Date with respect to the Monthly Period which commences no later than four months prior to the Controlled Accumulation Period, provided that the Reserve Account Funding Date shall be accelerated to (i) the Distribution Date with respect to the Monthly Period which commences no later than four

months prior to the Controlled Accumulation Period if the average of the Portfolio Adjusted Yields for any three consecutive Monthly Periods shall be less than 6.00%; (ii) the Distribution Date with respect to the Monthly Period which commences no later than six months prior to the Controlled Accumulation Period if the average of the Portfolio Adjusted Yields for any three consecutive Monthly Periods shall be less than 3.00%; or (iii) the Distribution Date which commences no later than nine months prior to the Controlled Accumulation Period if the average of the Portfolio Adjusted Yields for any three consecutive Monthly Periods shall be less than 2.00%.

"Reset Date" means (i) the close of business on the last day of each calendar month, (ii) each Removal Date, (iii) each date the Trust issues a new series of Notes or class of Notes relating to a multiple issuance series, (iv) each date there is an increase in the invested amount with respect to any series of Notes issued by the Trust and (v) each Addition Date that Supplemental Accounts are designated to the Trust.

"Revolving Period" means the period beginning on the Closing Date and ending on the earlier of the close of business on the day immediately preceding the day the Controlled Accumulation Period commences or the Early Amortization Period commences.

"Rule 144A" means Rule 144A under the Securities Act.

"Rule 144A Global Note" has the meaning set forth in Section 2.02.

"Series 2007-1" means the Series of Notes the terms of which are specified in this Series 2007-1 Indenture Supplement.

"Series 2007-1 Final Maturity Date" means the earlier to occur of (i) the Distribution Date on which the Note Principal Balance is paid in full and (ii) the May 2013 Distribution Date.

"Series 2007-1 Indenture Supplement" means this Series 2007-1 Indenture Supplement, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Series 2007-1 Note" means a Class A Note, a Class B Note or a Class C Note.

"Series 2007-1 Noteholder" means a Class A Noteholder, a Class B Noteholder or a Class C Noteholder.

"Series 2007-1 Pay Out Event" has the meaning set forth in Section 6.01.

"Series 2007-1 Principal Shortfall" means an amount equal to, with respect to any Distribution Date during (i) the Revolving Period, zero, (ii) the Controlled Accumulation Period, the excess, if any, of the Controlled Deposit Amount with respect to such Distribution Date over the amount of Available Principal Collections for such Distribution Date (excluding any portion thereof attributable to Shared Principal Collections), and (iii) the Early Amortization Period, the excess, if any, of the Adjusted Invested Amount over the amount of Available Principal Collections for such Distribution Date (excluding any portion thereof attributable to Shared Principal Collections).

"Servicing Fee" has the meaning set forth in the Transfer and Servicing Agreement.

"Servicing Fee Rate" means 2.0% per annum.

"Successor Servicer" has the meaning set forth in the Transfer and Servicing Agreement.

"Transfer and Servicing Agreement" means the Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007, among the Bank, the Purchaser and the Trust, as amended, supplemented, restated or otherwise modified from time to time.

"Transferor Certificate" has the meaning set forth in the Trust Agreement.

"Transferor Percentage" has the meaning set forth in the Master Indenture.

"Transition Expenses" means any documented expenses and costs reasonably incurred by a Successor Servicer in connection with the transition of servicing duties under the Transaction Documents relating to Series 2007-1 to the Successor Servicer. The aggregate amount of Transition Expenses shall not exceed $100,000.

"Trust Agreement" means the Second Amended and Restated Trust Agreement, dated as of May 1, 2007, between the Owner Trustee and the Transferor, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Uncovered Dilution Amount" means, with respect to any Distribution Date, that portion of the Dilution Amount for the related Monthly Period which would cause the Transferor Interest to fall below the Required Transferor Interest after giving effect to any deposits to the Special Funding Account by the Transferor or addition of Principal Receivables transferred to the Trust by the Transferor.

Section 1.02. Other Definitional Provisions.

(a) Each capitalized term defined herein shall relate to the Series 2007-1 Notes and no other Series of Notes issued by the Trust, unless the context otherwise requires. All capitalized terms used herein and not otherwise defined herein have the meanings ascribed to them in the Trust Agreement, the Master Indenture or the Transfer and Servicing Agreement. In the event that any term or provision contained herein shall conflict with or be inconsistent with any term or provision contained in the Trust Agreement, the Master Indenture or the Transfer and Servicing Agreement, the terms and provisions of this Series 2007-1 Indenture Supplement shall govern.

(b) As used in this Series 2007-1 Indenture Supplement and in any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in this Series 2007-1 Indenture Supplement or in any such certificate or other document, and accounting terms partly defined in this Series 2007-1 Indenture Supplement or in any such certificate or other document to the extent not defined, shall have the respective meanings given to them under GAAP. To the extent that the definitions of accounting terms in this Series 2007-1 Indenture Supplement or in any such certificate or other document are inconsistent with the meanings of such terms under GAAP, the definitions contained in this Master Indenture or in any such certificate or other document shall control.

(c) Unless otherwise specified, references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day.

(d) The words “hereof,” “herein,” “hereunder” and words of similar import when used in this Series 2007-1 Indenture Supplement shall refer to this Series 2007-1 Indenture Supplement as a whole and not to any particular provision of this Series 2007-1 Indenture Supplement; references to any Article, subsection, Section, Schedule or Exhibit are references to Articles, subsections, Sections, Schedules and Exhibits in or to this Series 2007-1 Indenture Supplement unless otherwise specified; and the term “including” means “including without limitation.”

ARTICLE TWO

CREATION OF THE SERIES 2007-1 NOTES

Section 2.01. Designation.

(a) There is hereby created and designated a Series of Notes to be issued pursuant to the Master Indenture and this Series 2007-1 Indenture Supplement to be known as "Nordstrom Credit Card Master Note Trust, Asset-Backed Notes, Series 2007-1" or the "Series 2007-1 Notes." The Series 2007-1 Notes shall be issued in three Classes, the first of which shall be known as the "Series 2007-1 4.92% Asset Backed Notes, Class A", the second of which shall be known as the "Series 2007-1 5.02% Asset Backed Notes, Class B", and the third of which shall be known as the "Series 2007-1 Asset Backed Notes, Class C". The Series 2007-1 Notes shall be due and payable on the Series 2007-1 Final Maturity Date.

(b) Series 2007-1 shall be included in Group One and shall be a Principal Sharing Series with respect to Group One only. Series 2007-1 shall be an Excess Allocation Series with respect to Group One only. Series 2007-1 shall not be subordinated to any other Series.

(c) In the event that any term or provision contained herein shall conflict with or be inconsistent with any term or provision contained in the Master Indenture, the terms and provisions of this Series 2007-1 Indenture Supplement shall be controlling.

Section 2.02. Forms of Series 2007-1 Notes.

(a) The form of each of the Class A Notes, the Class B Notes and the Class C Notes shall be substantially as set forth in Exhibits A-1, A-2 and A-3 hereto.

(b) The Offered Notes offered and sold in reliance on the exemption from registration under Rule 144A (except for any sale directly from the Issuer) shall be issued initially in the form of one or more permanent global notes in definitive, fully registered form without interest coupons with the applicable legend set forth in Exhibit A-1, Exhibit A-2 and Exhibit A-3 hereto, added to the form of the Class A Notes ("Class A Rule 144A Global Notes"), the Class B Notes ("Class B Rule 144A Global Notes") and the Class C Notes (the "Class C Rule 144A Global Notes" and, together with the Class A Rule 144A Global Notes and the Class B Rule 144A Global Notes, the "Rule 144A Global Notes"). The Offered Notes each shall be registered in the name of the nominee of DTC and deposited with the Indenture Trustee, at its Corporate Trust Office, as custodian for DTC, duly executed by the Issuer and authenticated by the Indenture Trustee as hereinafter provided. The Class C Notes will not be registered with the DTC and will be retained by the Transferor. The aggregate principal amount of the Class A Rule 144A Global Notes and the Class B Rule 144A Global Notes may from time to time be increased or decreased by adjustments made on the records of the Indenture Trustee or DTC or its nominee, as the case may be, as hereinafter provided.

Section 2.03. Registration; Registration of Transfer and Exchange.

(a) No Series 2007-1 Note may be sold or transferred (including by pledge or hypothecation) unless such sale or transfer is exempt from the registration requirements of the Securities Act and is exempt from the registration requirements under applicable State securities laws and the representations deemed to be made by the transferee pursuant to Section 2.03(g) are true and correct.

(b) No Offered Note may be offered, sold, resold or delivered, within the United States except in accordance with Section 2.03(e) and in accordance with Rule 144A to QIBs purchasing for their own account or for the accounts of one or more QIBs, for which the purchaser is acting as fiduciary or agent.

(c) Upon final payment due on a Series 2007-1 Note, the Holder thereof shall present and surrender such Series 2007-1 Note at the Corporate Trust Office or at the office of the Paying Agent.

(d) Notwithstanding any provision to the contrary herein, so long as a Global Note remains outstanding and is held by or on behalf of DTC, transfers of a Global Note, in whole or in part, shall only be made in accordance with this Section 2.03(e).

(i) Subject to clauses (ii) through (iv) of this Section 2.03(e), a transfer of a Global Note shall be limited to transfers of such Global Note in whole, but not in part, to nominees of DTC or to a successor of DTC or such successor's nominee.

(ii) In the event that a Global Note is exchanged for a Note of the same Class in definitive form, such Offered Notes may be exchanged for one another only in accordance with such procedures as are substantially consistent with the provisions above (including certification requirements intended to ensure that such transfers are to a QIB, or otherwise comply with Rule 144A) and as may be from time to time adopted by the Issuer and the Indenture Trustee.

(e) Each transferee of an Offered Note shall be deliver to the Indenture Trustee an Investment Letter substantially in the form of Exhibit E, in the case of the Class A Notes or Class B Notes, or Exhibit F, in the case of Class C Notes, and shall be deemed to represent and agree as follows:

(i) The transferee is aware that the sale of such Offered Notes to it is being made in reliance on Rule 144A.

(ii) The transferee understands that (A) the Offered Notes have not been and will not be registered under the Securities Act or any State securities laws, and may not be reoffered, resold, pledged or otherwise transferred except (1) to a Person whom the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A or (2) in a transaction complying with the provisions of Rule 903 or 904 under the Securities Act, in accordance with any applicable securities laws of any State of the United States or any other applicable jurisdictions and that (B) the transferee will, and each subsequent holder is required to, notify any subsequent purchaser of such Offered Notes from it of the resale restrictions referred to in (A) above.

(iii) The transferee agrees that if in the future it should offer, sell or otherwise transfer such Offered Note, it will do so only pursuant to Rule 144A to a Person who the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, purchasing for its own account or for the account of a QIB, whom the holder has informed that such offer, sale or other transfer is being made in reliance on Rule 144A.

(iv) Each Offered Note will bear a legend to the following effect, unless the Transferor and the Indenture Trustee determine otherwise in accordance with applicable law:

"THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES THAT THIS NOTE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (I) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB"), PURCHASING FOR ITS OWN ACCOUNT OR A QIB PURCHASING FOR THE ACCOUNT OF A QIB, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTIONS.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUST OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

NO RESALE OR OTHER TRANSFER OF ANY NOTE SHALL BE MADE TO ANY TRANSFEREE UNLESS: (A) SUCH TRANSFEREE IS NOT, AND WILL NOT ACQUIRE THE NOTE ON BEHALF OR WITH PLAN ASSETS OF, AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), THAT IS SUBJECT TO ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OR ANY ENTITY DEEMED TO HOLD PLAN ASSETS OF ANY OF THE FOREGOING BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY (EACH, A

"BENEFIT PLAN") OR (B) THE ACQUISITION AND HOLDING OF THE NOTE BY SUCH TRANSFEREE ARE ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 OR A SIMILAR EXEMPTION. EACH PURCHASER OR TRANSFEREE OF A NOTE, BY ITS ACCEPTANCE OF SUCH NOTE, WILL BE DEEMED TO HAVE MADE THE REPRESENTATION SET FORTH IN CLAUSE (A) OR (B) ABOVE.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

TRANSFERS OF THE NOTES MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE MASTER INDENTURE.

THE HOLDER, BY ACCEPTANCE OF THIS NOTE, SHALL BE DEEMED TO HAVE AGREED TO TREAT THIS NOTE AS DEBT SOLELY OF THE TRUST FOR UNITED STATES FEDERAL, STATE AND LOCAL INCOME, SINGLE BUSINESS AND FRANCHISE TAX PURPOSES."

(v) If the transferee is acquiring any Offered Note, or any interest or participation therein, as a fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the acknowledgments, representations and agreements contained herein on behalf of such account.

(vi) (A) The transferee is not acquiring and will not acquire the Offered Notes on behalf of or with plan assets of any Benefit Plan or (B) its acquisition and holding of the Offered Note are eligible for the exemptive relief available under PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 or a similar exemption. By its acceptance of a Offered Note each transferee will be deemed to have made the representation set forth in clause (A) or (B).

(vii) The transferee agrees that if at some time in the future it wishes to transfer or exchange any of the Offered Notes, it will not transfer or exchange any of the Offered Notes unless such transfer or exchange is in accordance with the Master Indenture. The purchaser understands that any purported transfer of any Offered Note (or any interest therein) in contravention of any of the restrictions and conditions in the Master Indenture shall be void, and the purported transferee in such transfer shall not be recognized by the Trust or any other Person as a Noteholder for any purpose.

(f) Any purported transfer of a Series 2007-1 Note not in accordance with this Section 2.03 or Section 2.05 of the Master Indenture shall be null and void and shall not be given effect for any purpose hereunder or under the Master Indenture.

(g) If the Indenture Trustee determines or is notified by the Issuer, the Transferor or the Servicer that (i) a transfer or attempted or purported transfer of any interest in any Series 2007-1 Note was consummated in compliance with the provisions of this Section on the basis of a materially incorrect certification from the transferee or purported transferee, (ii) a transferee failed to deliver to the Indenture Trustee any certification required to be delivered hereunder or (iii) the holder of any interest in a Series 2007-1 Note is in breach of any representation or agreement set forth in any certification or any deemed representation or agreement of such holder, the Indenture Trustee shall not register such attempted or purported transfer and if a transfer has been registered, such transfer shall be absolutely null and void ab initio and shall vest no rights in the purported transferee (such purported transferee, a "Disqualified Transferee") and the last preceding holder of such interest in such Series 2007-1 Note that was not a Disqualified Transferee shall be restored to all rights as a Holder thereof retroactively to the date of transfer of such Series 2007-1 Note by such Holder.

ARTICLE THREE

SERVICING FEE

Section 3.01. Servicing Fee.

(a) Servicing Compensation. The share of the Servicing Fee allocable to the Series 2007-1 Noteholders with respect to any Distribution Date (the "Monthly Servicing Fee") shall be equal to one-twelfth of the product of (i) the Servicing Fee Rate and (ii) (A) the Adjusted Invested Amount for the related Monthly Period, minus (B) the product of the average daily amount, if any, on deposit in the Special Funding Account during the Monthly Period and the Investor Percentage with respect to such Monthly Period. The remainder of the Servicing Fee shall be paid by the Holders of the Transferor Certificates or the Noteholders of other Series (as provided in the related Indenture Supplements) and in no event shall the Trust, the Indenture Trustee or the Series 2007-1 Noteholders be liable for the share of the Servicing Fee to be paid by the Holders of the Transferor Certificates or the Noteholders of any other Series. To the extent that the Monthly Servicing Fee is not paid in full pursuant to the preceding provisions of this Section and Section 4.03, it shall be paid by the Holders of the Transferor Certificates.

(b) Interchange. On or before each Determination Date, the Servicer shall notify the Transferor of the amount of Interchange to be included as Investor Finance Charge Collections with respect to the preceding Monthly Period as determined pursuant to this Section. Such amount of Interchange shall be equal to the product of (i) the amount of Interchange attributable to the Accounts, as reasonably estimated by the Servicer, and (ii) the Investor Percentage with regard to Finance Charge Receivables. On each Transfer Date, the Transferor shall deposit into the Collection Account, in immediately available funds, the amount of Interchange to be so included as Investor Finance Charge Collections with respect to the preceding Monthly Period and such Interchange shall be treated as a portion of Investor Finance Charge Collections for all purposes of this Series 2007-1 Indenture Supplement, the Master Indenture and the Transfer and Servicing Agreement.

ARTICLE FOUR

RIGHTS OF SERIES 2007-1 NOTEHOLDERS
AND ALLOCATION AND APPLICATION OF COLLECTIONS

Section 4.01. Collections and Allocations.

(a) Allocations. Collections of Finance Charge Receivables, Principal Receivables and Defaulted Receivables allocated to Series 2007-1 pursuant to Article Eight of the Master Indenture shall be allocated and distributed as set forth in this Article.

(b) Payments to the Transferor. The Servicer shall on each Deposit Date direct the Indenture Trustee to withdraw from the Collection Account and pay to the Holders of the Transferor Certificates (or to the Successor Servicer to the extent that the Successor Servicer is owed Transition Expenses pursuant to Section 4.03(a)(ix)) the following amounts:

(i) an amount equal to the Transferor Percentage for the related Monthly Period of Collections of Finance Charge Receivables; and

(ii) an amount equal to the Transferor Percentage for the related Monthly Period of Collections of Principal Receivables deposited in the Collection Account, if the Transferor Interest (determined after giving effect to any Principal Receivables transferred to the Trust on such Deposit Date) exceeds the Required Transferor Interest.

;provided, that, during the Revolving Period, the amount of Reallocated Principal Collections payable with respect to interest on the Series 2007-1 Notes on any Distribution Date will be paid by the Servicer from the amount of Collections of Receivables otherwise payable to the Transferor.

The withdrawals to be made from the Collection Account pursuant to this Section do not apply to deposits into the Collection Account that do not represent Collections, including payment of the purchase price for the Receivables or the Notes pursuant to, respectively, Section 2.06 or 7.01 of the Transfer and Servicing Agreement or Section 11.04 of the Master Indenture and payment of the purchase price for the Series 2007-1 Notes pursuant to Section 7.01 of this Series 2007-1 Indenture Supplement.

(c) Allocations to the Series 2007-1 Noteholders. The Servicer shall, prior to the close of business on any Deposit Date, allocate to the Series 2007-1 Noteholders the following amounts:

(i) Allocations of Finance Charge Collections. The Servicer shall allocate to the Series 2007-1 Noteholders and retain in the Collection Account for application as provided herein an amount equal to the product of (A) the Investor Percentage and (B) the aggregate amount of Collections of Finance Charge Receivables deposited in the Collection Account.

(ii) Allocations of Principal Collections. The Servicer shall allocate to the Series 2007-1 Noteholders the following amounts:

(A) Allocations During the Revolving Period. During the Revolving Period, an amount equal to the product of (1) the Investor Percentage and (2) the aggregate amount of Collections of Principal Receivables deposited in the Collection Account on such Deposit Date shall be allocated to the Series 2007-1 Noteholders and shall be first, if any other Principal Sharing Series in Group One is outstanding and in its amortization period or accumulation period, retained in the Collection Account for application, to the extent necessary, as Shared Principal Collections to other Series in Group One on the related Distribution Date, and second paid to the Holders of the Transferor Certificates if the Transferor Interest on such Deposit Date is greater than the Required Transferor Interest (after giving effect to all Principal Receivables transferred to the Trust on such day) and otherwise shall be deposited in the Special Funding Account.

(B) Allocations During the Controlled Accumulation Period. During the Controlled Accumulation Period an amount equal to, the product of (1) the Investor Percentage and (2) the aggregate amount of Collections of Principal Receivables deposited in the Collection Account on such Deposit Date shall be allocated to the Series 2007-1 Noteholders and deposited in the Principal Funding Account until applied as provided herein; provided, however, that if such amount along with all other allocations to the Series 2007-1 Noteholders of Principal Receivables during the related Monthly Period exceeds the Controlled Deposit Amount for the related Distribution Date, then such excess shall be first, if any other Principal Sharing Series in Group One is outstanding and in its amortization period or accumulation period, retained in the Collection Account for application, to the extent necessary, as Shared Principal Collections to other Series in Group One on the related Distribution Date, and second paid to the Holders of the Transferor Certificates if the Transferor Interest on such Deposit Date is greater than the Required Transferor Interest (after giving effect to all Principal Receivables transferred to the Trust on such day) and otherwise shall be deposited in the Special Funding Account.

(C) Allocations During the Early Amortization Period. During the Early Amortization Period, an amount equal to the product of (1) the Investor Percentage and (2) the aggregate amount of Collections of Principal Receivables deposited in the Collection Account on such Deposit Date, shall be allocated to the Series 2007-1 Noteholders and retained in the Collection Account until applied as provided herein; provided, however, that after the date on which an amount of such Collections equal to the Adjusted Invested Amount has been deposited into the Collection Account and allocated to the Series 2007-1 Noteholders, such amount shall be first, if any other Principal Sharing Series in Group One is outstanding and in its amortization period or accumulation period, retained in the Collection Account for application, to the extent necessary, as Shared Principal Collections to other Series in Group One on the related Distribution Date, and second paid to the Holders of the Transferor Certificates only if the Transferor Interest on such date is greater than the Required Transferor Interest (after giving effect to all Principal Receivables transferred to the Trust on such day) and otherwise shall be deposited in the Special Funding Account.

Section 4.02. Determination of Monthly Interest, Monthly Principal and Interest Rate.

(a) On each Determination Date, the Servicer shall calculate all amounts necessary to make the required distributions to the Series 2007-1 Noteholders on the related Distribution Date, including, the following amounts in respect of such Distribution Date and the related Monthly Period: (i) the Class A Monthly Interest; (ii) the Class A Interest Shortfall; (iii) the Class A Additional Interest; (iv) the Class B Monthly Interest; (v) the Class B Interest Shortfall; (vi) the Class B Additional Interest; (vii) the Class C Monthly Interest; (viii) the Class C Interest Shortfall; (ix) the Class C Additional Interest; and (x) the Monthly Principal.

(b) The Class C Note Interest Rate may be increased by the Issuer upon satisfaction of the Rating Agency Condition. The Issuer will give the Rating Agencies 30 days' prior written notice of the proposed increase to the Class C Note Interest Rate

Section 4.03. Application of Available Finance Charge Collections and Available Principal Collections. The Servicer shall apply, or shall cause the Indenture Trustee to apply by written instruction to the Indenture Trustee in the form of Exhibit B attached hereto, on each Distribution Date, Available Finance Charge Collections and Available Principal Collections, as the case may be, on deposit in the Collection Account with respect to the related Monthly Period or such Distribution Date to make the following distributions:

(a) On each Distribution Date, an amount equal to the Available Finance Charge Collections will be distributed or deposited in the following amounts and priority:

(i) an amount equal to the Monthly Servicing Fee, plus the amount of any Monthly Servicing Fee previously due but not distributed to the Servicer on one or more prior Distribution Dates, shall be distributed to the Servicer (unless such amount has been netted against deposits to the Collection Account in accordance with Section 8.04 of the Master Indenture);

(ii) an amount equal to the Class A Monthly Interest for such Distribution Date, plus the amount of any Class A Monthly Interest previously due but not distributed to Class A Noteholders on one or more prior Distribution Dates, plus the amount of any Class A Additional Interest for such Distribution Dates, plus the amount of any Class A Additional Interest previously due but not distributed to Class A Noteholders on one or more prior Distribution Dates, shall be distributed to the Paying Agent for payment to Class A Noteholders on such Distribution Date;

(iii) an amount equal to the Class B Monthly Interest for such Distribution Date, plus the amount of any Class B Monthly Interest previously due but not distributed to Class B Noteholders on one or more prior Distribution Dates, plus the amount of any Class B Additional Interest for such Distribution Dates, plus the amount of any Class B Additional Interest previously due but not distributed to Class B Noteholders on one or more prior Distribution Dates, shall be distributed to the Paying Agent for payment to Class B Noteholders on such Distribution Date;

(iv) an amount equal to the Class C Monthly Interest for such Distribution Date, plus the amount of any Class C Monthly Interest previously due but not distributed to the Class C Noteholders on one or more prior Distribution Dates, plus the amount of any Class C Additional Interest for such Distribution Dates, plus the amount of any Class C Additional Interest previously due but not distributed to the Class C Noteholders on one or more prior Distribution Dates shall be distributed to the Paying Agent for payment to the Class C Noteholders on such Distribution Date;

(v) an amount equal to the Investor Default Amount and the Investor Uncovered Dilution Amount, if any, for such Distribution Date shall be treated as a portion of Available Principal Collections for such Distribution Date;

(vi) an amount equal to the sum of the aggregate amount of Investor Charge-Offs and the amount of Reallocated Principal Collections which have not been previously reimbursed pursuant to this subparagraph shall be treated as a portion of Available Principal Collections for such Distribution Date;

(vii) upon the occurrence of an Event of Default with respect to Series 2007-1 and acceleration of the maturity of the Series 2007-1 Notes, the balance, if any, up to the outstanding principal amount of the Series 2007-1 Notes will be treated as Available Principal Collections for that Distribution Date for distribution to the Series 2007-1 Noteholders;

(viii) on each Distribution Date from and after the Reserve Account Funding Date, but prior to the date on which the Reserve Account terminates pursuant to Section 4.09(e), an amount up to the excess, if any, of the Required Reserve Account Amount over the amount then on deposit in the Reserve Account will be deposited into the Reserve Account;

(ix) an amount equal to any Transition Expenses and other amounts the Trust may be liable for from time to time that are not otherwise provided for above will be applied by the Indenture Trustee as directed by the Servicer; and

(x) the balance, if any, will constitute a portion of Excess Finance Charge Collections for such Distribution Date and will be available for allocation to other Series in Group One or to the Holder of the Transferor Certificates as described in Section 8.07 of the Master Indenture and Section 4.01.

(b) On each Distribution Date with respect to the Revolving Period, an amount equal to the Available Principal Collections shall be treated as Shared Principal Collections and applied in accordance with Section 8.05 of the Master Indenture.

(c) On each Distribution Date with respect to the Controlled Accumulation Period, Available Principal Collections deposited in the Collection Account for the related Monthly Period shall be deposited in an amount up to the Monthly Principal for such Distribution Date into the Principal Funding Account and any Available Principal Collections remaining after the deposit of the Monthly Principal into the Principal Funding Account shall be treated as Shared Principal Collections and applied in accordance with Section 8.05 of the Master Indenture.

(d) On each Distribution Date with respect to the Early Amortization Period, an amount equal to the Available Principal Collections deposited in the Collection Account for the related Monthly Period shall be distributed or deposited in the following order of priority:

(i) an amount equal to the Available Principal Collections for such Distribution Date shall be distributed to the Paying Agent for payment to the Class A Noteholders on such Distribution Date and on each subsequent Distribution Date until the Class A Note Principal Balance has been reduced to zero;

(ii) after giving effect to the distribution referred to in clause (i) above, an amount equal to any remaining Available Principal Collections shall be distributed to the Paying Agent for payment to the Class B Noteholders on such Distribution Date and on each subsequent Distribution Date until the Class B Note Principal Balance has been reduced to zero;

(iii) after giving effect to the distributions referred to in clauses (i) and (ii) above, an amount equal to any remaining Available Principal Collections shall be distributed to the Paying Agent for payment to the Class C Noteholders on such Distribution Date and on each subsequent Distribution Date until the Class C Note Principal Balance has been reduced to zero; and

(iv) the balance of such Available Principal Collections remaining after application in accordance with clauses (i) through (iii) above shall be treated as Shared Principal Collections and applied in accordance with Section 8.05 of the Master Indenture.

(e) On the earlier to occur of (i) the first Distribution Date with respect to the Early Amortization Period and (ii) the Expected Final Principal Payment Date, the Indenture Trustee, acting in accordance with instructions from the Servicer, shall withdraw from the Principal Funding Account and distribute to the Paying Agent for payment to the (i) Class A Noteholders, the amounts deposited into the Principal Funding Account pursuant to Section 4.03(d)(i) until the Class A Notes are paid in full and then (ii) Class B Noteholders, any remaining amounts deposited into the Principal Funding Account pursuant to Section 4.03(d)(ii) until the Class B Notes are paid in full.

(f) The Controlled Accumulation Period is scheduled to commence on August 1, 2009; provided, however, that, if the Accumulation Period Length (determined as described below) is less than eight months, the date on which the Controlled Accumulation Period actually commences will be delayed to the first Business Day of the month that is the number of whole months prior to the Expected Final Principal Payment Date at least equal to the Accumulation Period Length and, as a result, the number of Monthly Periods in the Controlled Accumulation Period will at least equal the Accumulation Period Length. On the Determination Date immediately preceding the July 2009 Distribution Date, and each Determination Date thereafter

until the Controlled Accumulation Period begins, the Servicer will determine the "Accumulation Period Length", which will equal the number of whole months such that the sum of the Accumulation Period Factors for each month during such period will be equal to or greater than the Required Accumulation Factor Number; provided, however, that the Accumulation Period Length will not be determined to be less than one month; provided further, however, that the determination of the Accumulation Period Length may be changed at any time if the Rating Agency Condition is satisfied.

Section 4.04. Investor Charge-Offs and Investor Uncovered Dilution. On each Determination Date, the Servicer shall calculate the Investor Default Amount and the Investor Uncovered Dilution Amount, if any, for the related Distribution Date. If the Investor Default Amount exceeds the amount of Available Finance Charge Collections allocated with respect thereto pursuant to Section 4.03(a)(v) with respect to such Distribution Date, then the Invested Amount will be reduced by the amount of the excess as an Investor Charge-Off. If the Investor Uncovered Dilution Amount exceeds the amount of Available Finance Charge Collections allocated with respect thereto pursuant to Section 4.03(a)(v) (after giving effect to the allocation to cover the Investor Default Amount) with respect to such Distribution Date, and the Transferor Interest is zero, then the Invested Amount will be reduced by the amount by which the Transferor Interest would fall below zero if the Investor Uncovered Dilution Amount was deducted from the Transferor Interest. In no event, however, will the Invested Amount be reduced below zero.

Section 4.05. Reallocated Principal Collections. On each Distribution Date, the Servicer shall apply, or shall cause the Indenture Trustee to apply, Reallocated Principal Collections with respect to such Distribution Date, to fund any deficiency pursuant to and in the priority set forth in Sections 4.03(a)(i) through (iii). On each Distribution Date following the termination of the Revolving Period the Invested Amount shall be reduced by the amount of Reallocated Principal Collections for such Distribution Date.

Section 4.06. Excess Finance Charge Collections. Series 2007-1 shall be an Excess Allocation Series with respect to Group One only. Subject to Section 8.07 of the Master Indenture, Excess Finance Charge Collections with respect to the Excess Allocation Series in Group One for any Distribution Date will be allocated to Series 2007-1 in an amount equal to the product of (i) the aggregate amount of Excess Finance Charge Collections with respect to all the Excess Allocation Series in Group One for such Distribution Date and (ii) a fraction, the numerator of which is the Finance Charge Shortfall for Series 2007-1 for such Distribution Date and the denominator of which is the aggregate amount of Finance Charge Shortfalls for all the Excess Allocation Series in Group One for such Distribution Date.

Section 4.07. Shared Principal Collections. Subject to Section 8.05 of the Master Indenture, Shared Principal Collections with respect to the Series in Group One for any Distribution Date will be allocated to Series 2007-1 in an amount equal to the product of (i) the aggregate amount of Shared Principal Collections with respect to all Principal Sharing Series in Group One for such Distribution Date and (ii) a fraction, the numerator of which is the Series 2007-1 Principal Shortfall for such Distribution Date and the denominator of which is the aggregate amount of Principal Shortfalls for all the Series which are Principal Sharing Series in Group One for such Distribution Date.

Section 4.08. Principal Funding Account.

(a) The Indenture Trustee shall establish and maintain with an Eligible Institution, which may be the Indenture Trustee in the name of the Trust, for the benefit of the Series 2007-1 Noteholders, a segregated trust account with the corporate trust department of such Eligible Institution (the "Principal Funding Account"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Series 2007-1 Noteholders. The Indenture Trustee shall possess all right, title and interest in all funds on deposit from time to time in the Principal Funding Account and in all proceeds thereof. The Principal Funding Account shall be under the sole dominion and control of the Indenture Trustee for the benefit of the Series 2007-1 Noteholders. If at any time the institution holding the Principal Funding Account ceases to be an Eligible Institution, the Transferor shall notify the Indenture Trustee, and the Indenture Trustee upon being notified (or the Transferor on its behalf) shall, within ten Business Days, establish a new Principal Funding Account meeting the conditions specified above with an Eligible Institution, and shall transfer any cash or any investments to such new Principal Funding Account. The Indenture Trustee, at the direction of the Servicer, shall (i) make withdrawals from the Principal Funding Account from time to time, in the amounts and for the purposes set forth in this Series 2007-1 Indenture Supplement, and (ii) on each Distribution Date (from and after the commencement of the Controlled Accumulation Period) prior to the termination of the Principal Funding Account, make deposits into the Principal Funding Account in the amounts specified in, and otherwise in accordance with, Section 4.03(c).

(b) Funds on deposit in the Principal Funding Account shall be invested at the direction of the Servicer by the Indenture Trustee in Eligible Investments. Funds on deposit in the Principal Funding Account on any Distribution Date, after giving effect to any withdrawals from the Principal Funding Account on such Distribution Date, shall be invested in such investments that will mature so that such funds will be available for withdrawal prior to the following Distribution Date.

On each Distribution Date with respect to the Controlled Accumulation Period and on the first Distribution Date with respect to the Early Amortization Period, the Indenture Trustee, acting at the Servicer's direction given on or before such Distribution Date, shall transfer from (i) the Principal Funding Account the Principal Funding Investment Proceeds on deposit in the Principal Funding Account to the Collection Account and (ii) from the Reserve Account any Reserve Account Draw Amount for application as Available Finance Charge Collections in accordance with Section 4.03.

Principal Funding Investment Proceeds (including reinvested interest) shall not be considered part of the amounts on deposit in the Principal Funding Account for purposes of this Series 2007-1 Indenture Supplement.

Section 4.09. Reserve Account.

(a) On or before the Reserve Account Funding Date, the Indenture Trustee shall establish and maintain with an Eligible Institution, which may be the Indenture Trustee in the name of the Trust for the benefit of the Noteholders, a segregated trust account with the corporate trust department of such Eligible Institution (the "Reserve Account"), bearing a

designation clearly indicating that the funds deposited therein are held for the benefit of the Noteholders. The Indenture Trustee shall possess all right, title and interest in all funds on deposit from time to time in the Reserve Account and in all proceeds thereof. The Reserve Account shall be under the sole dominion and control of the Indenture Trustee for the benefit of the Noteholders. If at any time the institution holding the Reserve Account ceases to be an Eligible Institution, the Servicer shall notify the Indenture Trustee, and the Indenture Trustee upon being notified (or the Servicer on its behalf) shall, within ten Business Days, establish a new Reserve Account meeting the conditions specified above with an Eligible Institution, and shall transfer any cash or any investments to such new Reserve Account. The Indenture Trustee, at the direction of the Servicer, shall (i) make withdrawals from the Reserve Account from time to time in an amount up to the Available Reserve Account Amount at such time, for the purposes set forth in this Series 2007-1 Indenture Supplement, and (ii) on each Distribution Date (from and after the Reserve Account Funding Date) prior to termination of the Reserve Account, make a deposit into the Reserve Account in the amount specified in, and otherwise in accordance with, Section 4.03(a)(viii).

(b) Funds on deposit in the Reserve Account shall be invested at the direction of the Servicer by the Indenture Trustee in Eligible Investments. Funds on deposit in the Reserve Account on any Distribution Date, after giving effect to any withdrawals from the Reserve Account on such Distribution Date, shall be invested in such investments that will mature so that such funds will be available for withdrawal prior to the following Distribution Date.

On each Distribution Date, all interest and earnings (net of losses and investment expenses) accrued since the preceding Distribution Date on funds on deposit in the Reserve Account shall be retained in the Reserve Account (to the extent that the amount on deposit in the Reserve Account is less than the Required Reserve Account Amount) and the balance, if any, shall be deposited into the Collection Account and included in Available Finance Charge Collections for such Distribution Date. For purposes of determining the availability of funds or the balance in the Reserve Account for any reason under this Series 2007-1 Indenture Supplement, except as otherwise provided in the preceding sentence, investment earnings on such funds shall be deemed not to be available or on deposit.

(c) In the event that on any Distribution Date the Reserve Account Draw Amount is greater than zero, the Reserve Account Draw Amount shall be withdrawn from the Reserve Account by the Indenture Trustee (acting in accordance with the instructions of the Servicer) and deposited into the Collection Account for application as Available Finance Charge Collections for such Distribution Date.

(d) In the event that the amount on deposit in the Reserve Account on any Distribution Date, after giving effect to all deposits to and withdrawals from the Reserve Account with respect to such Distribution Date, is greater than the Required Reserve Account Amount, the Indenture Trustee, acting in accordance with the instructions of the Servicer, shall withdraw from the Reserve Account an amount equal to the excess of the amount on deposit in the Reserve Account over the Required Reserve Account Amount, and distribute such excess to the holders of the Transferor Certificates.

(e) Upon the earliest to occur of (i) the termination of the Trust pursuant to the Trust Agreement, (ii) the first Distribution Date relating to the Early Amortization Period and (iii) the Expected Final Principal Payment Date, the Indenture Trustee, acting in accordance with the instructions of the Servicer, after the prior payment of all amounts owing to the Noteholders that are payable from the Reserve Account as provided herein, shall withdraw from the Reserve Account all amounts, if any, on deposit in the Reserve Account and distribute any such amounts remaining to the holders of the Transferor Certificates. The Reserve Account shall thereafter be deemed to have terminated for purposes of this Series 2007-1 Indenture Supplement.

Section 4.10. Eligible Investments.

(a) The Indenture Trustee shall hold funds on deposit in the Principal Funding Account and the Reserve Account invested pursuant to Sections 4.08(b) and 4.09(b), respectively, in Eligible Investments. The Indenture Trustee shall hold such of the Eligible Investments as constitutes investment property through a securities intermediary, which securities intermediary shall agree with the Indenture Trustee that (i) such investment property shall at all times be credited to a securities account of the Indenture Trustee, (ii) such securities intermediary shall treat the Indenture Trustee as entitled to exercise the rights that comprise each financial asset credited to such securities account, (iii) all property credited to such securities account shall be treated as a financial asset, (iv) such securities intermediary shall comply with entitlement orders originated by the Indenture Trustee without the further consent of any other Person or entity, (v) such securities intermediary will not agree with any Person or entity other than the Indenture Trustee to comply with entitlement orders originated by such other Person or entity, (vi) such securities accounts and the property credited thereto shall not be subject to any lien, security interest or right of set-off in favor of such securities intermediary or anyone claiming through it (other than the Indenture Trustee) and (vii) such agreement shall be governed by the laws of the State of New York. Terms used in the preceding sentence that are defined in the New York UCC and not otherwise defined herein has the meaning set forth in the New York UCC.

(b) Any investment instructions required to be given to the Indenture Trustee pursuant to the terms hereof must be given to the Indenture Trustee no later than 11:00 a.m., New York City time, on the date such investment is to be made. In the event the Indenture Trustee receives such investment instruction later than such time, the Indenture Trustee may, but shall have no obligation to, make such investment. In the event the Indenture Trustee is unable to make an investment required in an investment instruction received by the Indenture Trustee after 11:00 a.m., New York City time, on such day, such investment shall be made by the Indenture Trustee on the next succeeding Business Day. In no event shall the Indenture Trustee be liable for any investment not made pursuant to investment instructions received after 11:00 a.m., New York City time, on the day such investment is requested to be made.

ARTICLE FIVE

DELIVERY OF SERIES 2007-1 NOTES;
DISTRIBUTIONS; REPORTS TO SERIES 2007-1 NOTEHOLDERS

Section 5.01. Delivery and Payment for the Series 2007-1 Notes. The Issuer shall execute and issue, and the Indenture Trustee shall authenticate, the Series 2007-1 Notes in accordance with Section 2.03 of the Master Indenture. The Indenture Trustee shall deliver the Series 2007-1 Notes to or upon the order of the Trust when so authenticated.

Section 5.02. Distributions.

(a) On each Distribution Date, the Paying Agent shall distribute to each Class A Noteholder of record on the related Record Date (other than as provided in Section 11.02 of the Master Indenture) such Class A Noteholder's pro rata share of the amounts held by the Paying Agent that are allocated and available on such Distribution Date to pay interest and principal on the Class A Notes pursuant to this Series 2007-1 Indenture Supplement.

(b) On each Distribution Date, the Paying Agent shall distribute to each Class B Noteholder of record on the related Record Date (other than as provided in Section 11.02 of the Master Indenture) such Class B Noteholder's pro rata share of the amounts held by the Paying Agent that are allocated and available on such Distribution Date to pay interest and principal on the Class B Notes pursuant to this Series 2007-1 Indenture Supplement.

(c) On each Distribution Date, the Paying Agent shall distribute to each Class C Noteholder of record on the related Record Date (other than as provided in Section 11.02 of the Master Indenture) such Class C Noteholder's pro rata share of the amounts held by the Paying Agent that are allocated and available on such Distribution Date to pay interest and principal on the Class C Notes pursuant to this Series 2007-1 Indenture Supplement.

(d) The distributions to be made pursuant to this Section are subject to the provisions of Sections 2.06, 6.01 and 7.01 of the Transfer and Servicing Agreement, Section 11.02 of the Master Indenture and Section 7.01 of this Series 2007-1 Indenture Supplement.

(e) Except as provided in Section 11.02 of the Master Indenture with respect to a final distribution, distributions to Series 2007-1 Noteholders hereunder shall be made by (i) check mailed to each Series 2007-1 Noteholder (at such Noteholder's address as it appears in the Note Register), except that with respect to any Series 2007-1 Notes registered in the name of the nominee of a Clearing Agency, such distribution shall be made in immediately available funds and (ii) without presentation or surrender of any Series 2007-1 Note or the making of any notation thereon.

Section 5.03. Reports and Statements to Series 2007-1 Noteholders.

(a) On each Distribution Date, the Paying Agent, on behalf of the Indenture Trustee, shall forward to each Series 2007-1 Noteholder a statement substantially in the form of Exhibit C prepared by the Servicer.

(b) Not later than the Determination Date preceding each Distribution Date, the Servicer shall deliver to the Owner Trustee, the Indenture Trustee, the Paying Agent and each Rating Agency (i) a statement substantially in the form of Exhibit C prepared by the Servicer and (ii) a certificate of an Authorized Officer substantially in the form of Exhibit D; provided that the Servicer may amend the form of Exhibit C and Exhibit D, from time to time, with the consent of the Indenture Trustee.

(c) A copy of this Series 2007-2 Indenture Supplement, as well as each statement or certificate provided pursuant to Section 5.03(a) or (b), the Transfer and Servicing Agreement and the Trust Agreement may be obtained by any Series 2007-1 Noteholder by a request in writing to the Servicer.

(d) On or before January 31 of each calendar year, beginning with calendar year 2008, the Paying Agent, on behalf of the Indenture Trustee, shall furnish or cause to be furnished to each Person who at any time during the preceding calendar year was a Series 2007-1 Noteholder, a statement prepared by the Servicer containing the information which is required to be contained in the statement to Series 2007-1 Noteholders, as set forth in Section 5.03(a), aggregated for such calendar year or the applicable portion thereof during which such Person was a Series 2007-1 Noteholder, together with other information as is required to be provided by an issuer of indebtedness under the Code. Such obligation of the Paying Agent shall be deemed to have been satisfied to the extent that substantially comparable information shall be provided by the Paying Agent pursuant to any requirements of the Code as from time to time in effect.

(e) The Paying Agent on behalf of the Indenture Trustee, may make available, via the Paying Agent's internet website, any statement required to be forwarded to the Series 2007-1 Noteholders under Section 5.03(a) and the statement required to be forwarded to the Series 2007-1 Noteholders under Section 5.03(d) and, with the consent or at the direction of the Servicer, such other information regarding the Notes or the Receivables as the Paying Agent may have in its possession, but only with the use of a password provided by the Paying Agent or its agent to such Person. Neither the Paying Agent nor the Indenture Trustee will make any representation or warranties as to the accuracy or completeness of such documents and will assume no responsibility therefor.

The Paying Agent's internet website shall be initially located at "www.CTSLink.com" or at such other address as shall be specified by the Indenture Trustee from time to time in writing to the Series 2007-1 Noteholders. In connection with providing access to the Paying Agent's internet website, the Indenture Trustee may require registration and the acceptance of a disclaimer. Neither the Paying Agent nor the Indenture Trustee shall be liable for the dissemination of information in accordance with this Series 2007-2 Indenture Supplement.

ARTICLE SIX

SERIES 2007-1 PAY OUT EVENTS

Section 6.01. Series 2007-1 Pay Out Events. If any one of the following events shall occur with respect to the Series 2007-1 Notes:

(a) failure on the part of the Transferor (i) to make any payment or deposit required to be made by the Transferor by the terms of the Transfer and Servicing Agreement, the Master Indenture or this Series 2007-1 Indenture Supplement on or before the date occurring five Business Days after the date such payment or deposit is required to be made therein or herein or (ii) duly to observe or perform any other covenants or agreements of the Transferor set forth in the Transfer and Servicing Agreement, the Master Indenture or this Series 2007-1 Indenture Supplement, which failure has a material adverse effect on the Series 2007-1 Noteholders and which continues unremedied for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Transferor by the Indenture Trustee, or to the Transferor and the Indenture Trustee by any Holder of the Series 2007-1 Notes;

(b) any representation or warranty made by the Transferor in the Transfer and Servicing Agreement, or any information contained in a computer file or microfiche list required to be delivered by the Transferor pursuant to Section 2.01 or Section 2.09 of the Transfer and Servicing Agreement shall prove to have been incorrect in any material respect when made or when delivered, which continues to be incorrect in any material respect for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Transferor by the Indenture Trustee, or to the Transferor and the Indenture Trustee by any Holder of the Series 2007-1 Notes and as a result of which the interests of the Series 2007-1 Noteholders are materially and adversely affected for such period; provided, however, that a Series 2007-1 Pay Out Event pursuant to this Subsection shall not be deemed to have occurred hereunder if the Transferor has accepted reassignment of the related Receivable, or all of such Receivables, if applicable, during such period in accordance with the provisions of the Transfer and Servicing Agreement;

(c) a failure by the Transferor to convey Receivables in Supplemental Accounts or Participation Interests to the Trust within five Business Days after the day on which it is required to convey such Receivables pursuant to Section 2.09(a) of the Transfer and Servicing Agreement (including the failure of the Account Owner to transfer the Receivables);

(d) any Servicer Default shall occur;

(e) the average of the Portfolio Adjusted Yield for any three consecutive Monthly Periods is less than zero;

(f) the Offered Note Principal Balance shall not be paid in full on the Expected Final Principal Payment Date;

(g) an Insolvency Event occurs with respect to the Transferor (including any additional Transferor), the Bank, the Seller, any other Account Owner or the Servicer;

(h) the Transferor is unable for any reason to transfer Receivables to the Trust in accordance with the Transfer and Servicing Agreement or the Seller is unable for any reason to transfer Receivables to the Transferor in accordance with the Receivables Purchase Agreement;

(i) the Trust becomes required to register as an "investment company" under the Investment Company Act; or

(j) without limiting the foregoing, the occurrence of an Event of Default with respect to Series 2007-1 and acceleration of the maturity of the Series 2007-1 Notes pursuant to Section 5.03 of the Master Indenture;

then, in the case of any event described in subparagraph (a), (b) or (d), after the applicable grace period, if any, set forth in such subparagraphs, either the Indenture Trustee or the Holders of Series 2007-1 Notes evidencing at least 25% of the aggregate unpaid principal amount of Series 2007-1 Notes by notice then given in writing to the Transferor and the Servicer (and to the Indenture Trustee if given by the Series 2007-1 Noteholders) may declare that a "Series Pay Out Event" with respect to Series 2007-1 (a "Series 2007-1 Pay Out Event") has occurred as of the date of such notice, and, in the case of any event described in subparagraph (c), (e), (f), (g), (h), (i) or (j), a Series 2007-1 Pay Out Event shall occur without any notice or other action on the part of the Indenture Trustee or the Series 2007-1 Noteholders immediately upon the occurrence of such event.

ARTICLE SEVEN

REDEMPTION OF SERIES 2007-1 NOTES; FINAL DISTRIBUTIONS; SERIES TERMINATION

Section 7.01. Optional Redemption of Series 2007-1 Notes; Final Distributions.

(a) On any day occurring on or after the date on which the outstanding principal balance of the Series 2007-1 Notes is reduced to 10% or less of the initial Note Principal Balance, the Servicer shall have the option to redeem the Series 2007-1 Notes if it has determined, in its sole estimation, that the cost of servicing the related Receivables is unduly burdensome in relation to the benefit, at a purchase price equal to (i) if such day is a Distribution Date, the Reassignment Amount for such Distribution Date or (ii) if such day is not a Distribution Date, the Reassignment Amount for the Distribution Date following such day.

(b) The Servicer shall give the Indenture Trustee at least 30 days' prior written notice of the date on which the Servicer intends to exercise such redemption. Not later than 12:00 noon, New York City time, on such date the Servicer shall deposit into the Collection Account in immediately available funds the excess of the Reassignment Amount over the amount, if any, on deposit in the Principal Funding Account. Such redemption option is subject to payment in full of the Reassignment Amount. Following such deposit into the Collection Account in accordance with the foregoing, the Invested Amount for Series 2007-1 shall be reduced to zero and the Series 2007-1 Noteholders shall have no further security interest in the Receivables. The Reassignment Amount shall be distributed as set forth in Section 7.01(d).

Section 7.02. Sale of the Receivables or Redemption of the Notes pursuant to Section 2.06 or 7.01 of the Transfer and Servicing Agreement and Section 5.05 and 5.16 of the Master Indenture and Section 7.01.

(a) (i) The amount to be paid by the Transferor with respect to Series 2007-1 in connection with a reassignment of Receivables to the Transferor pursuant to Section 2.06 of the Transfer and Servicing Agreement shall equal the Reassignment Amount for the first Distribution Date following the Monthly Period in which the reassignment obligation arises under the Transfer and Servicing Agreement.

(ii) The amount to be paid by the Transferor with respect to Series 2007-1 in connection with a purchase of the Notes pursuant to Section 7.01 of the Transfer and Servicing Agreement shall equal the Reassignment Amount for the Distribution Date of such repurchase

(b) With respect to the Reassignment Amount deposited into the Collection Account pursuant to Section 7.01 or any amounts allocable to the Series 2007-2 Notes deposited into the Collection Account pursuant to Section 5.05 and 5.16 of the Master Indenture, the Indenture Trustee shall, in accordance with the written direction of the Servicer, not later than 12:00 noon, New York City time, on the related Distribution Date, make deposits or distributions of the following amounts (in the priority set forth below and, in each case, after giving effect to any deposits and distributions otherwise to be made on such date) in immediately available funds:

(i)(A) the Class A Note Principal Balance on such Distribution Date will be distributed to the Paying Agent for payment to the Class A Noteholders and (B) an amount equal to the sum of (1) Class A Monthly Interest for such Distribution Date, (2) any Class A Monthly Interest previously due but not distributed to the Class A Noteholders on a prior Distribution Date and (3) the amount of Class A Additional Interest, if any, for such Distribution Date and any Class A Additional Interest previously due but not distributed to the Class A Noteholders on any prior Distribution Date, will be distributed to the Paying Agent for payment to the Class A Noteholders, (ii) (A) the Class B Note Principal Balance on such Distribution Date will be distributed to the Paying Agent for payment to the Class B Noteholders and (B) an amount equal to the sum of (1) Class B Monthly Interest for such Distribution Date, (2) any Class B Monthly Interest previously due but not distributed to the Class B Noteholders on a prior Distribution Date and (3) the amount of Class B Additional Interest, if any, for such Distribution Date and any Class B Additional Interest previously due but not distributed to the Class B Noteholders on any prior Distribution Date, will be distributed to the Paying Agent for payment to the Class B Noteholders, (iii) (A) the Class C Note Principal Balance on such Distribution Date will be distributed to the Paying Agent for payment to the Class C Noteholders and (B) an amount equal to the sum of (1) Class C Monthly Interest for such Distribution Date, (2) any Class C Monthly Interest previously due but not distributed to the Class C Noteholders on a prior Distribution Date and (3) the amount of Class C Additional Interest, if any, for such Distribution Date and any Class C Additional Interest previously due but not distributed to the Class C Noteholders on any prior Distribution Date, will be distributed to the Paying Agent for payment to the Class C Noteholders and (iv) any excess shall be released to the Transferor.

(c) Notwithstanding anything to the contrary in this Series 2007-1 Indenture Supplement, the Master Indenture or the Transfer and Servicing Agreement, all amounts distributed to the Paying Agent pursuant to Section 7.01(d) for payment to the Series 2007-1 Noteholders shall be deemed distributed in full to the Series 2007-1 Noteholders on the date on which such funds are distributed to the Paying Agent pursuant to this Section and shall be deemed to be a final distribution pursuant to Section 11.02 of the Master Indenture.

Section 7.03. Series Termination. On the Series 2007-1 Final Maturity Date, the right of the Series 2007-1 Noteholders to receive payments from the Issuer will be limited solely to the right to receive payments pursuant to Section 5.05 of the Master Indenture.

ARTICLE EIGHT

MISCELLANEOUS PROVISIONS

Section 8.01. Ratification of Master Indenture; Amendments. As supplemented by this Series 2007-1 Indenture Supplement, the Master Indenture is in all respects ratified and confirmed and the Master Indenture as so supplemented by this Series 2007-1 Indenture Supplement shall be read, taken and construed as one and the same instrument. This Series 2007-1 Indenture Supplement may be amended only by an Indenture Supplement entered into in accordance with the terms of Section 10.01 or 10.02 of the Master Indenture. For purpose of the application of Section 10.02 to any amendment of this Series 2007-1 Indenture Supplement, the Series 2007-1 Noteholders shall be the only Noteholders whose vote shall be required. Notwithstanding the foregoing, upon satisfaction of the Rating Agency Condition, the provisions of this Series 2007-1 Indenture Supplement may be amended by the parties hereto without consent of Class A Noteholders if the amendment is to restrict the Transfer of Class B and/or Class C Notes and such amendment is in the Opinion of Counsel necessary to ensure that the Trust would not be treated as an association or publicly traded partnership taxable as a corporation.

Section 8.02. Counterparts. This Series 2007-1 Indenture Supplement may be executed in two or more counterparts, and by different parties on separate counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

Section 8.03. GOVERNING LAW. THIS SERIES 2007-1 INDENTURE SUPPLEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 8.04. Limitation of Liability. Notwithstanding any other provision herein or elsewhere, this Series 2007-2 Indenture Supplement has been executed and delivered by Wilmington Trust Company, not in its individual capacity, but solely in its capacity as Owner Trustee of the Trust, in no event shall Owner Trustee in its individual capacity have any liability in respect of the representations, warranties, or obligations of the Trust hereunder or under any other document, as to all of which recourse shall be had solely to the assets of the Trust, and for all purposes of this Series 2007-2 Indenture Supplement and each other document, the Owner Trustee (as such or in its individual capacity) shall be subject to, and entitled to the benefits of, the terms and provisions of the Trust Agreement.

IN WITNESS WHEREOF, the undersigned have caused this Series 2007-1 Indenture Supplement to be duly executed and delivered by their respective duly authorized officers on the day and year first above written.

NORDSTROM CREDIT CARD MASTER
NOTE TRUST II,
as Issuer

By: WILMINGTON TRUST COMPANY,
not in its individual capacity
but solely as Owner Trustee

By: /s/ James P. Lawler
James P. Lawler
Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Indenture Trustee

By: /s/ Melissa Philibert
Melissa Philibert
Vice President

Acknowledged and Accepted:

NORDSTROM CREDIT CARD
RECEIVABLES II LLC,
as Transferor

By: /s/ Marc A. Anacker
Marc A. Anacker
Treasurer

NORDSTROM fsb,
as Servicer

By: /s/ Kevin T. Knight
Kevin T. Knight
Chairman and CEO

FORM OF SERIES 2007-1 4.92%
ASSET BACKED NOTE, CLASS A

RULE 144A GLOBAL NOTE

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES THAT THIS NOTE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (I) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB"), PURCHASING FOR ITS OWN ACCOUNT OR A QIB PURCHASING FOR THE ACCOUNT OF A QIB, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A OF THE SECURITIES ACT AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTIONS.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUST OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

NO RESALE OR OTHER TRANSFER OF ANY NOTE SHALL BE MADE TO ANY TRANSFEREE UNLESS: (A) SUCH TRANSFEREE IS NOT, AND WILL NOT ACQUIRE THE NOTE ON BEHALF OR WITH PLAN ASSETS OF, AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), THAT IS SUBJECT TO ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OR ANY ENTITY DEEMED TO HOLD PLAN ASSETS OF ANY OF THE FOREGOING BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY (EACH, A "BENEFIT PLAN") OR (B) THE ACQUISITION AND HOLDING OF THE NOTE BY SUCH TRANSFEREE ARE ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 OR A SIMILAR EXEMPTION. EACH PURCHASER OR TRANSFEREE OF A NOTE, BY ITS ACCEPTANCE OF SUCH NOTE, WILL BE DEEMED TO HAVE MADE THE REPRESENTATION SET FORTH IN CLAUSE (A) OR (B) ABOVE.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

TRANSFERS OF THE NOTES MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE MASTER INDENTURE.

THE HOLDER, BY ACCEPTANCE OF THIS NOTE, SHALL BE DEEMED TO HAVE AGREED TO TREAT THE NOTES AS DEBT SOLELY OF THE TRUST FOR UNITED STATES FEDERAL, STATE AND LOCAL INCOME, SINGLE BUSINESS AND FRANCHISE TAX PURPOSES."

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF COVENANTS AND AGREES THAT IT WILL NOT AT ANY TIME INSTITUTE AGAINST THE TRUST OR THE TRANSFEROR, OR JOIN IN INSTITUTING AGAINST THE TRUST OR THE TRANSFEROR, ANY BANKRUPTCY, REORGANIZATION, ARRANGEMENT, INSOLVENCY OR LIQUIDATION PROCEEDINGS, OR OTHER PROCEEDINGS UNDER ANY UNITED STATES FEDERAL OR STATE BANKRUPTCY OR SIMILAR LAW.

No. 144A/R-1 Up to $325,500,000

CUSIP NO. 65566VAA8

Class A Note Rate: 4.92%

NORDSTROM CREDIT CARD MASTER NOTE TRUST II

SERIES 2007-1 4.92% ASSET BACKED NOTE, CLASS A

Nordstrom Credit Card Master Note Trust II (herein referred to as the "Trust"), a Delaware statutory trust governed by a Second Amended and Restated Trust Agreement, dated as of May 1, 2007 (the "Trust Agreement"), between Nordstrom Credit Card Receivables II LLC, as transferor (the "Transferor"), and Wilmington Trust Company, as owner trustee (the "Owner Trustee"), for value received, hereby promises to pay to DTC, or its registered assigns, subject to the following provisions, the principal sum of_____, or such greater or lesser amount as determined in accordance with the Master Indenture, referred to herein, on the Series 2007-1 Final Maturity Date (which is the earlier to occur of (a) the Distribution Date on which the Note Principal Balance is paid in full and (b) the May 15, 2013 Distribution Date), except as otherwise provided below or in the Master Indenture. The Trust will pay interest on the unpaid principal amount of this Note at the rate specified above on each Distribution Date until the principal amount of this Note is paid in full. Interest on this Note will

accrue for each Distribution Date from and including the preceding Distribution Date (or in the case of the initial Distribution Date, from and including the Closing Date) to but excluding the current Distribution Date. Interest will be computed on the basis of 30 days in such Interest Period and a 360-day year. Principal of this Note shall be paid in the manner specified on the reverse hereof.

The principal of and interest on this Note are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth on the face of this Note.

Unless the certificate of authentication hereon has been executed by or on behalf of the Indenture Trustee, by manual signature, this Note shall not be entitled to any benefit under the Master Indenture or the Series 2007-1 Indenture Supplement referred to on the reverse hereof, or be valid for any purpose.

IN WITNESS WHEREOF, the Trust has caused this Class A Note to be duly executed.

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Trust

By: WILMINGTON TRUST COMPANY,
not in its individual capacity but solely as
Owner Trustee under the Trust Agreement

By: _____
Name:
Title:

Dated: _____, _____

INDENTURE TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Class A Notes described in the within-mentioned Indenture.

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Indenture Trustee

By: _____
Authorized Signatory

NORDSTROM CREDIT CARD MASTER NOTE TRUST II
SERIES 2007-1 4.92% ASSET BACKED NOTE, CLASS A

Summary of Terms and Conditions

This Class A Note is one of a duly authorized issue of Notes of the Trust, designated as Nordstrom Credit Card Master Note Trust II, Series 2007-1 (the "Series 2007-1 Notes"), issued under an Amended and Restated Master Indenture, dated as of May 1, 2007 (the "Master Indenture") between the Trust and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee"), as supplemented by the Series 2007-1 Indenture Supplement, dated as of May 1, 2007 (the "Series 2007-1 Indenture Supplement" and, together with the Master Indenture, the "Master Indenture"), between the Trust and the Indenture Trustee and representing the right to receive certain payments from the Trust. The Notes are subject to all of the terms of the Master Indenture. All terms used in this Note that are defined in the Master Indenture has the meanings assigned to them in or pursuant to the Master Indenture. In the event of any conflict or inconsistency between the Master Indenture and this Note, the Master Indenture shall control. This Class A Note does not purport to summarize the Master Indenture and reference is made to the Master Indenture for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Indenture Trustee.

The Class B Notes and the Class C Notes will also be issued under the Master Indenture.

The Noteholder, by its acceptance of this Class A Note, agrees that it will look solely to the property of the Trust allocated to the payment of this Class A Note for payment hereunder and that the Indenture Trustee is not liable to the Noteholders for any amount payable under the Note or the Master Indenture or, except as expressly provided in the Master Indenture, subject to any liability under the Master Indenture.

The Expected Final Principal Payment Date is the April 15, 2010 Distribution Date, but principal with respect to the Class A Notes may be paid earlier or later under certain circumstances described in the Master Indenture. If for one or more months during the Controlled Accumulation Period there are not sufficient funds to deposit into the Principal Funding Account the Controlled Deposit Amount, then to the extent that excess funds are not available on subsequent Distribution Dates with respect to the Controlled Accumulation Period to make up for such shortfalls, the final payment of principal of the Notes will occur later than the Expected Final Principal Payment Date. Payments of principal of the Notes shall be payable in accordance with the provisions of the Master Indenture.

Subject to the terms and conditions of the Master Indenture, the Transferor may, from time to time, direct the Owner Trustee, on behalf of the Trust, to issue one or more new Series of Notes.

On each Distribution Date, the Paying Agent shall distribute to each Class A Noteholder of record on the related Record Date (except for the final distribution in respect of this Class A Note) such Class A Noteholder's pro rata share of the amounts held by the Paying Agent that are allocated and available on such Distribution Date to pay interest and principal on the Class A Notes pursuant to the Series 2007-1 Indenture Supplement. Except as provided in the Master Indenture with respect to a final distribution, distributions to Series 2007-1 Noteholders shall be

made by (i) check mailed to each Series 2007-1 Noteholder (at such Noteholder's address as it appears in the Note Register), except that with respect to any Series 2007-1 Notes registered in the name of the nominee of a Clearing Agency, such distribution shall be made in immediately available funds and (ii) without presentation or surrender of any Series 2007-1 Note or the making of any notation thereon. Final payment of this Class A Note will be made only upon presentation and surrender of this Class A Note at the office or agency specified in the notice of final distribution delivered by the Indenture Trustee to the Series 2007-1 Noteholders in accordance with the Master Indenture.

On any day occurring on or after the date on which the outstanding principal balance of the Series 2007-1 Notes is reduced to 10% or less of the initial Note Principal Balance, the Servicer shall have the option to redeem the Series 2007-1 Notes, at a purchase price equal to (i) if such day is a Distribution Date, the Reassignment Amount for such Distribution Date or (ii) if such day is not a Distribution Date, the Reassignment Amount for the Distribution Date following such day.

THIS CLASS A NOTE DOES NOT REPRESENT AN OBLIGATION OF, OR AN INTEREST IN, THE TRANSFEROR, NORDSTROM FSB OR ANY AFFILIATE OF ANY OF THEM AND IS NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY.

Each Noteholder, by accepting a Note, hereby covenants and agrees that it will not at any time institute against the Trust or the Transferor, or join in instituting against the Trust or the Transferor, prior to the date which is one year and one day after the termination of this Master Indenture, acquiesce, petition or otherwise invoke or cause the Issuer or the Transferor to invoke the process of any Governmental Authority for the purpose of commencing or sustaining a case against the Issuer or the Transferor under any Debtor Relief Law or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Issuer or Transferor or any substantial part of its property or ordering the winding up or liquidation of the affairs of the Issuer or Transferor.

Except as otherwise provided in the Indenture Supplement, the Class A Notes are issuable only in minimum denominations of $100,000 and integral multiples of $1,000. The transfer of this Class A Note shall be registered in the Note Register upon surrender of this Class A Note for registration of transfer at any office or agency maintained by the Transfer Agent and Registrar accompanied by a written instrument of transfer, in a form satisfactory to the Indenture Trustee or the Transfer Agent and Registrar, duly executed by the Class A Noteholder or such Class A Noteholder's attorney, and duly authorized in writing with such signature guaranteed, and thereupon one or more new Class A Notes in any authorized denominations of like aggregate principal amount will be issued to the designated transferee or transferees.

As provided in the Master Indenture and subject to certain limitations therein set forth, Class A Notes are exchangeable for new Class A Notes in any authorized denominations and of like aggregate principal amount, upon surrender of such Notes to be exchanged at the office or agency of the Transfer Agent and Registrar. No service charge may be imposed for any such exchange but the Trust or Transfer Agent and Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith.

The Trust, the Transferor, the Indenture Trustee and any agent of the Trust, Transferor or the Indenture Trustee shall treat the person in whose name this Class A Note is registered as the owner hereof for all purposes, and neither the Trust, the Transferor, the Indenture Trustee nor any agent of the Trust, Transferor or the Indenture Trustee shall be affected by notice to the contrary.

THIS CLASS A NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

ASSIGNMENT

Social Security or other identifying number of assignee _____

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

(name and address of assignee)

the within certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to transfer said certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ [1] _____

Signature Guaranteed:

[1] NOTE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular, without alteration, enlargement or any change whatsoever.

SCHEDULE OF EXCHANGES IN GLOBAL SECURITY

The following exchanges of a part of this Global Security have been made:

Date of Exchange	Amount of Decrease in Principal Amount of this Global Security	Amount of Increase in Principal Amount of this Global Security	Principal Amount of this Global Security following such decrease (or increase)	Signature of authorized officer of Trustee or securities Custodian

FORM OF SERIES 2007-1 5.02%
ASSET BACKED NOTE, CLASS B

RULE 144A GLOBAL NOTE

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES THAT THIS NOTE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (I) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB"), PURCHASING FOR ITS OWN ACCOUNT OR A QIB PURCHASING FOR THE ACCOUNT OF A QIB, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A OF THE SECURITIES ACT AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTIONS.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUST OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

NO RESALE OR OTHER TRANSFER OF ANY NOTE SHALL BE MADE TO ANY TRANSFEREE UNLESS: (A) SUCH TRANSFEREE IS NOT, AND WILL NOT ACQUIRE THE NOTE ON BEHALF OR WITH PLAN ASSETS OF, AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), THAT IS SUBJECT TO ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OR ANY ENTITY DEEMED TO HOLD PLAN ASSETS OF ANY OF THE FOREGOING BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY (EACH, A "BENEFIT PLAN") OR (B) THE ACQUISITION AND HOLDING OF THE NOTE BY SUCH TRANSFEREE ARE ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 OR A SIMILAR EXEMPTION. EACH PURCHASER OR TRANSFEREE OF A NOTE, BY ITS ACCEPTANCE OF SUCH NOTE, WILL BE DEEMED TO HAVE MADE THE REPRESENTATION SET FORTH IN CLAUSE (A) OR (B) ABOVE.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

TRANSFERS OF THE NOTES MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE MASTER INDENTURE.

THE HOLDER, BY ACCEPTANCE OF THIS NOTE, SHALL BE DEEMED TO HAVE AGREED TO TREAT THE NOTES AS DEBT SOLELY OF THE TRUST FOR UNITED STATES FEDERAL, STATE AND LOCAL INCOME, SINGLE BUSINESS AND FRANCHISE TAX PURPOSES."

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF COVENANTS AND AGREES THAT IT WILL NOT AT ANY TIME INSTITUTE AGAINST THE TRUST OR THE TRANSFEROR, OR JOIN IN INSTITUTING AGAINST THE TRUST OR THE TRANSFEROR, ANY BANKRUPTCY, REORGANIZATION, ARRANGEMENT, INSOLVENCY OR LIQUIDATION PROCEEDINGS, OR OTHER PROCEEDINGS UNDER ANY UNITED STATES FEDERAL OR STATE BANKRUPTCY OR SIMILAR LAW.

No. 144A/R-1 Up to $24,500,000

CUSIP NO. 65566VAB6

Class B Note Rate: 5.02%

NORDSTROM CREDIT CARD MASTER NOTE TRUST II

SERIES 2007-1 5.02% ASSET BACKED NOTE, CLASS B

Nordstrom Credit Card Master Note Trust II (herein referred to as the "Trust"), a Delaware statutory trust governed by a Second Amended and Restated Trust Agreement, dated as of May 1, 2007 (the "Trust Agreement"), between Nordstrom Credit Card Receivables II LLC, as transferor (the "Transferor"), and Wilmington Trust Company, as owner trustee (the "Owner Trustee"), for value received, hereby promises to pay to DTC, or its registered assigns, subject to the following provisions, the principal sum of _____, or such greater or lesser amount as determined in accordance with the Master Indenture, on the Series 2007-1 Final Maturity Date (which is the earlier to occur of (a) the Distribution Date on which the Note Principal Balance is paid in full and (b) the May 15, 3013 Distribution Date), except as otherwise provided below or in the Master Indenture. The Trust will pay interest on the unpaid principal amount of this Note at the rate specified above on each Distribution Date until the principal amount of this Note is paid in full. Interest on this Note will accrue for each Distribution Date from and including the preceding Distribution Date (or in the case of the initial Distribution Date, from and including the Closing Date) to but excluding the current Distribution Date. Interest will be computed on the basis of 30 days in such Interest Period and a 360-day year. Principal of this Note shall be paid in the manner specified on the reverse hereof.

The principal of and interest on this Note are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth on the face of this Note.

Unless the certificate of authentication hereon has been executed by or on behalf of the Indenture Trustee, by manual signature, this Note shall not be entitled to any benefit under the Master Indenture or the Series 2007-1 Indenture Supplement referred to on the reverse hereof, or be valid for any purpose.

THIS CLASS B NOTE IS SUBORDINATED TO THE EXTENT NECESSARY TO FUND PAYMENT ON THE CLASS A NOTES TO THE EXTENT SPECIFIED IN THE SERIES 2007-1 INDENTURE SUPPLEMENT.

IN WITNESS WHEREOF, the Trust has caused this Class B Note to be duly executed.

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Trust

By: WILMINGTON TRUST COMPANY,
not in its individual capacity but solely as
Owner Trustee under the Trust Agreement

By: _____
Name:
Title:

Dated: _____, _____

INDENTURE TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Class B Notes described in the within-mentioned Indenture.

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Indenture Trustee

By: _____
Authorized Signatory

NORDSTROM CREDIT CARD MASTER NOTE TRUST II
SERIES 2007-1 5.02% ASSET BACKED NOTE, CLASS B

Summary of Terms and Conditions

This Class B Note is one of a duly authorized issue of Notes of the Trust, designated as Nordstrom Credit Card Master Note Trust II, Series 2007-1 (the "Series 2007-1 Notes"), issued under an Amended and Restated Master Indenture, dated as of May 1, 2007 (the "Master Indenture"), between the Trust and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee"), as supplemented by the Series 2007-1 Indenture Supplement, dated as of May 1, 2007 (the "Series 2007-1 Indenture Supplement"), between the Trust and the Indenture Trustee, and representing the right to receive certain payments from the Trust. The term "Indenture," unless the context otherwise requires, refers to the Master Indenture as supplemented by the Series 2007-1 Indenture Supplement. The Notes are subject to all of the terms of the Master Indenture. All terms used in this Note that are defined in the Master Indenture has the meanings assigned to them in or pursuant to the Master Indenture. In the event of any conflict or inconsistency between the Master Indenture and this Note, the Master Indenture shall control.

The Class A Notes and the Class C Notes will also be issued under the Master Indenture.

The Noteholder, by its acceptance of this Note, agrees that it will look solely to the property of the Trust allocated to the payment of this Note for payment hereunder and that the Indenture Trustee is not liable to the Noteholders for any amount payable under the Note or the Master Indenture or, except as expressly provided in the Master Indenture, subject to any liability under the Master Indenture.

This Class B Note does not purport to summarize the Master Indenture and reference is made to the Master Indenture for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Indenture Trustee.

The Class B Note Initial Principal Balance is $24,500,000. The Class B Note Principal Balance on any date of determination will be an amount equal to (a) the Class B Note Initial Principal Balance, minus (b) the aggregate amount of principal payments made to the Class B Noteholders on or prior to such date.

The Expected Final Principal Payment Date is the April 15, 2010 Distribution Date, but principal with respect to the Class B Notes may be paid earlier or later under certain circumstances described in the Master Indenture. If for one or more months during the Controlled Accumulation Period there are not sufficient funds to deposit into the Principal Funding Account the Controlled Deposit Amount, then to the extent that excess funds are not available on subsequent Distribution Dates with respect to the Controlled Accumulation Period to make up for such shortfalls, the final payment of principal of the Class B Notes will occur later than the Expected Final Principal Payment Date. Payments of principal of the Class B Notes shall be payable in accordance with the provisions of the Master Indenture.

Subject to the terms and conditions of the Master Indenture, the Transferor may, from time to time, direct the Owner Trustee, on behalf of the Trust, to issue one or more new Series of Notes.

On each Distribution Date, the Paying Agent shall distribute to each Class B Noteholder of record on the related Record Date (except for the final distribution in respect of this Class B Note) such Class B Noteholder's pro rata share of the amounts held by the Paying Agent that are allocated and available on such Distribution Date to pay interest and principal on the Class B Notes pursuant to the Indenture Supplement. Except as provided in the Master Indenture with respect to a final distribution, distributions to Series 2007-1 Noteholders shall be made by (i) check mailed to each Series 2007-1 Noteholder (at such Noteholder's address as it appears in the Note Register), except that with respect to any Series 2007-1 Notes registered in the name of the nominee of a Clearing Agency, such distribution shall be made in immediately available funds and (ii) without presentation or surrender of any Series 2007-1 Note or the making of any notation thereon. Final payment of this Class B Note will be made only upon presentation and surrender of this Class B Note at the office or agency specified in the notice of final distribution delivered by the Master Indenture Trustee to the Series 2007-1 Noteholders in accordance with the Master Indenture.

On any day occurring on or after the date on which the outstanding principal balance of the Series 2007-1 Notes is reduced to 10% or less of the initial Note Principal Balance, the Servicer shall have the option to redeem the Series 2007-1 Notes, at a purchase price equal to (i) if such day is a Distribution Date, the Reassignment Amount for such Distribution Date or (ii) if such day is not a Distribution Date, the Reassignment Amount for the Distribution Date following such day.

THIS CLASS B NOTE DOES NOT REPRESENT AN OBLIGATION OF, OR AN INTEREST IN, THE TRANSFEROR, NORDSTROM FSB OR ANY AFFILIATE OF ANY OF THEM AND IS NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY.

Each Noteholder, by accepting a Note, hereby covenants and agrees that it will not at any time institute against the Trust or the Transferor, or join in instituting against the Trust or the Transferor, prior to the date which is one year and one day after the termination of this Master Indenture, acquiesce, petition or otherwise invoke or cause the Issuer or the Transferor to invoke the process of any Governmental Authority for the purpose of commencing or sustaining a case against the Issuer or the Transferor under any Debtor Relief Law or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Issuer or Transferor or any substantial part of its property or ordering the winding up or liquidation of the affairs of the Issuer or Transferor.

Except as otherwise provided in the Indenture Supplement, the Class B Notes are issuable only in minimum denominations of $100,000 and integral multiples of $1,000. The transfer of this Class B Note shall be registered in the Note Register upon surrender of this Class B Note for registration of transfer at any office or agency maintained by the Transfer Agent and Registrar accompanied by a written instrument of transfer, in a form satisfactory to the Indenture Trustee

or the Transfer Agent and Registrar, duly executed by the Class B Noteholder or such Class B Noteholder's attorney, and duly authorized in writing with such signature guaranteed, and thereupon one or more new Class B Notes in any authorized denominations of like aggregate principal amount will be issued to the designated transferee or transferees.

As provided in the Master Indenture and subject to certain limitations therein set forth, Class B Notes are exchangeable for new Class B Notes in any authorized denominations and of like aggregate principal amount, upon surrender of such Notes to be exchanged at the office or agency of the Transfer Agent and Registrar. No service charge may be imposed for any such exchange but the Trust or Transfer Agent and Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith.

The Trust, the Transferor, the Indenture Trustee and any agent of the Trust, Transferor or the Indenture Trustee shall treat the person in whose name this Class B Note is registered as the owner hereof for all purposes, and neither the Trust, the Transferor, the Indenture Trustee nor any agent of the Trust, Transferor or the Indenture Trustee shall be affected by notice to the contrary.

THIS CLASS B NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

ASSIGNMENT

Social Security or other identifying number of assignee _____

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

(name and address of assignee)

the within certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to transfer said certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ [2] _____

Signature Guaranteed:

[2] NOTE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular, without alteration, enlargement or any change whatsoever.

SCHEDULE OF EXCHANGES IN GLOBAL SECURITY

The following exchanges of a part of this Global Security have been made:

Date of Exchange	Amount of Decrease in Principal Amount of this Global Security	Amount of Increase in Principal Amount of this Global Security	Principal Amount of this Global Security following such decrease (or increase)	Signature of authorized officer of Trustee or securities Custodian

FORM OF SERIES 2007-1
ASSET BACKED NOTE, CLASS C

RULE 144A GLOBAL NOTE

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES THAT THIS NOTE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (I) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB"), PURCHASING FOR ITS OWN ACCOUNT OR A QIB PURCHASING FOR THE ACCOUNT OF A QIB, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A OF THE SECURITIES ACT AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTIONS.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUST OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

NO RESALE OR OTHER TRANSFER OF ANY NOTE SHALL BE MADE TO ANY TRANSFEREE UNLESS: (A) SUCH TRANSFEREE IS NOT, AND WILL NOT ACQUIRE THE NOTE ON BEHALF OR WITH PLAN ASSETS OF, AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), THAT IS SUBJECT TO ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OR ANY ENTITY DEEMED TO HOLD PLAN ASSETS OF ANY OF THE FOREGOING BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY (EACH, A "BENEFIT PLAN") OR (B) THE ACQUISITION AND HOLDING OF THE NOTE BY SUCH TRANSFEREE ARE ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 OR A SIMILAR EXEMPTION. EACH PURCHASER OR TRANSFEREE OF A NOTE, BY ITS ACCEPTANCE OF SUCH NOTE, WILL BE DEEMED TO HAVE MADE THE REPRESENTATION SET FORTH IN CLAUSE (A) OR (B) ABOVE.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

TRANSFERS OF THE NOTES MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE MASTER INDENTURE.

THE HOLDER, BY ACCEPTANCE OF THIS NOTE, SHALL BE DEEMED TO HAVE AGREED TO TREAT THE NOTES AS DEBT SOLELY OF THE TRUST FOR UNITED STATES FEDERAL, STATE AND LOCAL INCOME, SINGLE BUSINESS AND FRANCHISE TAX PURPOSES."

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF COVENANTS AND AGREES THAT IT WILL NOT AT ANY TIME INSTITUTE AGAINST THE TRUST OR THE TRANSFEROR, OR JOIN IN INSTITUTING AGAINST THE TRUST OR THE TRANSFEROR, ANY BANKRUPTCY, REORGANIZATION, ARRANGEMENT, INSOLVENCY OR LIQUIDATION PROCEEDINGS, OR OTHER PROCEEDINGS UNDER ANY UNITED STATES FEDERAL OR STATE BANKRUPTCY OR SIMILAR LAW.

No. 144A/R-1 Up to $26,400,000

Class C Note Rate: 0.00%

NORDSTROM CREDIT CARD MASTER NOTE II TRUST

SERIES 2007-1 ASSET BACKED NOTE, CLASS C

Nordstrom Credit Card Master Note Trust II (herein referred to as the "Trust"), a Delaware statutory trust governed by a Second Amended and Restated Trust Agreement, dated as May 1, 2007 (the "Trust Agreement"), between Nordstrom Credit Card Receivables II LLC, as transferor (the "Transferor"), and Wilmington Trust Company, as owner trustee, (the "Owner Trustee"), for value received, hereby promises to pay to Nordstrom Credit Card Receivables II LLC, or registered assigns, subject to the following provisions, the principal sum of _____, or such greater or lesser amount as determined in accordance with the Master Indenture, on the Series 2007-1 Final Maturity Date (which is the earlier to occur of (a) the Distribution Date on which the Note Principal Balance is paid in full and (b) the _____ Distribution Date), except as otherwise provided below or in the Master Indenture. The Trust will pay interest on the unpaid principal amount of this Note at the Class C Note Interest Rate on each Distribution Date until the principal amount of this Note is paid in full. Interest on this Note will accrue for each Distribution Date from and including the most recent Distribution Date on which interest has been paid to but excluding such Distribution Date or, for the initial Distribution Date, from and including the Closing Date to but excluding such Distribution Date. Interest will be computed on the basis of 30 days in such Interest Period and a 360-day year. Principal of this Note shall be paid in the manner specified on the reverse hereof.

"Class C Note Interest Rate" means a per annum rate of 0.00% or the rate specified by the Transferor pursuant to Section 4.02 of the Series 2007-1 Indenture Supplement.

The principal of and interest on this Note are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth on the face of this Note.

Unless the certificate of authentication hereon has been executed by or on behalf of the Indenture Trustee, by manual signature, this Note shall not be entitled to any benefit under the Master Indenture or the Series 2007-1 Indenture Supplement referred to on the reverse hereof, or be valid for any purpose.

THIS CLASS C NOTE IS SUBORDINATED TO THE EXTENT NECESSARY TO FUND PAYMENTS ON THE CLASS A NOTES AND THE CLASS B NOTES TO THE EXTENT SPECIFIED IN THE SERIES 2007-1 INDENTURE SUPPLEMENT.

IN WITNESS WHEREOF, the Trust has caused this Class C Note to be duly executed.

NORDSTROM CREDIT CARD MASTER NOTE II TRUST,
as Trust

By: WILMINGTON TRUST COMPANY,
not in its individual capacity but solely as
Owner Trustee under the Trust Agreement

By: _____
Name:
Title:

Dated: _____, ___

INDENTURE TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Class C Notes described in the within-mentioned Indenture.

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Indenture Trustee

By: _____
Authorized Signatory

NORDSTROM CREDIT CARD MASTER NOTE TRUST II

SERIES 2007-1 ASSET BACKED NOTE, CLASS C

Summary of Terms and Conditions

This Class C Note is one of a duly authorized issue of Notes of the Trust, designated as Nordstrom Credit Card Master Note Trust II, Series 2007-1 (the "Series 2007-1 Notes"), issued under an Amended and Restated Master Indenture, dated as of May 1, 2007 (the "Master Indenture"), between the Trust and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee"), as supplemented by the Series 2007-1 Indenture Supplement, dated as of May 1, 2007 (the "Series 2007-1 Indenture Supplement"), between the Trust and the Indenture Trustee and representing the right to receive certain payments from the Trust. The term "Indenture," unless the context otherwise requires, refers to the Master Indenture as supplemented by the Series 2007-1 Indenture Supplement. The Notes are subject to all of the terms of the Master Indenture. All terms used in this Note that are defined in the Master Indenture has the meanings assigned to them in or pursuant to the Master Indenture. In the event of any conflict or inconsistency between the Master Indenture and this Note, the Master Indenture shall control.

The Class A Notes and the Class B Notes will also be issued under the Master Indenture.

The Noteholder, by its acceptance of this Note, agrees that it will look solely to the property of the Trust allocated to the payment of this Note for payment hereunder and that the Indenture Trustee is not liable to the Noteholders for any amount payable under the Note or the Master Indenture or, except as expressly provided in the Master Indenture, subject to any liability under the Master Indenture.

This Note does not purport to summarize the Master Indenture and reference is made to the Master Indenture for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Indenture Trustee.

The Class C Note Initial Principal Balance is $26,400,000. The Class C Note Principal Balance on any date of determination will be an amount equal to (a) the Class C Note Initial Principal Balance, minus (b) the aggregate amount of principal payments made to the Class C Noteholders on or prior to such date.

Subject to the terms and conditions of the Master Indenture, the Transferor may, from time to time, direct the Owner Trustee, on behalf of the Trust, to issue one or more new Series of Notes.

On each Distribution Date, the Paying Agent shall distribute to each Class C Noteholder of record on the related Record Date (except for the final distribution in respect of this Class C Note) such Class C Noteholder's pro rata share of the amounts held by the Paying Agent that are allocated and available on such Distribution Date to pay interest and principal on the Class C Notes pursuant to the Indenture Supplement. Except as provided in the Master Indenture with respect to a final distribution, distributions to Series 2007-1 Noteholders shall be made by (i)

check mailed to each Series 2007-1 Noteholder (at such Noteholder's address as it appears in the Note Register), except that with respect to any Series 2007-1 Notes registered in the name of the nominee of a Clearing Agency, such distribution shall be made in immediately available funds and (ii) without presentation or surrender of any Series 2007-1 Note or the making of any notation thereon. Final payment of this Class C Note will be made only upon presentation and surrender of this Class C Note at the office or agency specified in the notice of final distribution delivered by the Indenture Trustee to the Series 2007-1 Noteholders in accordance with the Master Indenture.

On any day occurring on or after the date on which the outstanding principal balance of the Series 2007-1 Notes is reduced to 10% or less of the initial Note Principal Balance, the Servicer shall have the option to redeem the Series 2007-1 Notes, at a purchase price equal to (i) if such day is a Distribution Date, the Reassignment Amount for such Distribution Date or (ii) if such day is not a Distribution Date, the Reassignment Amount for the Distribution Date following such day.

THIS NOTE DOES NOT REPRESENT AN OBLIGATION OF, OR AN INTEREST IN, THE TRANSFEROR, NORDSTROM FSB OR ANY AFFILIATE OF ANY OF THEM AND IS NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY.

Each Noteholder, by accepting a Note, hereby covenants and agrees that it will not at any time institute against the Trust or the Transferor, or join in instituting against the Trust or the Transferor, prior to the date which is one year and one day after the termination of this Master Indenture, acquiesce, petition or otherwise invoke or cause the Issuer or the Transferor to invoke the process of any Governmental Authority for the purpose of commencing or sustaining a case against the Issuer or the Transferor under any Debtor Relief Law or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Issuer or Transferor or any substantial part of its property or ordering the winding up or liquidation of the affairs of the Issuer or Transferor.

Except as otherwise provided in the Indenture Supplement, the Class C Notes are issuable only in minimum denominations of $100,000 and integral multiples of $1,000. The transfer of this Class C Note shall be registered in the Note Register upon surrender of this Class C Note for registration of transfer at any office or agency maintained by the Transfer Agent and Registrar accompanied by a written instrument of transfer, in a form satisfactory to the Indenture Trustee or the Transfer Agent and Registrar, duly executed by the Class C Noteholder or such Class C Noteholder's attorney, and duly authorized in writing with such signature guaranteed, and thereupon one or more new Class C Notes in any authorized denominations of like aggregate principal amount will be issued to the designated transferee or transferees.

As provided in the Master Indenture and subject to certain limitations therein set forth, Class C Notes are exchangeable for new Class C Notes in any authorized denominations and of like aggregate principal amount, upon surrender of such Notes to be exchanged at the office or agency of the Transfer Agent and Registrar. No service charge may be imposed for any such exchange but the Trust or Transfer Agent and Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith.

The Trust, the Transferor, the Indenture Trustee and any agent of the Trust, the Transferor or the Indenture Trustee shall treat the person in whose name this Class C Note is registered as the owner hereof for all purposes, and neither the Trust, the Transferor, the Indenture Trustee nor any agent of the Trust, the Transferor or the Indenture Trustee shall be affected by notice to the contrary.

THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

ASSIGNMENT

Social Security or other identifying number of assignee _____

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

(name and address of assignee)

the within certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to transfer said certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ [3] _____

Signature Guaranteed:

[3] NOTE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular, without alteration, enlargement or any change whatsoever.

EXHIBIT B

FORM OF MONTHLY PAYMENT INSTRUCTIONS AND
NOTIFICATION TO THE INDENTURE TRUSTEE

NORDSTROM CREDIT CARD MASTER NOTE TRUST II

SERIES 2007-1

The undersigned, a duly authorized representative of Nordstrom fsb, as Servicer (the "Servicer") pursuant to the Amended and Restated Transfer and Servicing Agreement, dated as of May ___, 2007 (the "Transfer and Servicing Agreement"), among the Servicer, Nordstrom Credit Card Receivables II LLC, as Transferor, Nordstrom Credit Card Master Note Trust II (the "Trust"), as issuer and Wells Fargo Bank, National Association, as Indenture Trustee, does hereby certify as follows:

1. Capitalized terms used in this Certificate have their respective meanings set forth in the Transfer and Servicing Agreement or the Amended and Restated Master Indenture, dated as of May 1, 2007 (the "Master Indenture"), between the Trust and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee") as supplemented by the Series 2007-1 Indenture Supplement, dated as of May 1, 2007, between the Trust and the Indenture Trustee (as amended and supplemented, the "Series 2007-1 Indenture Supplement"), as applicable.

2. Nordstrom fsb is the Servicer.

3. The undersigned is an Authorized Officer of the Servicer.

I. Instruction to Make a Withdrawal

Pursuant to Section 4.03(a) of the Series 2007-1 Indenture Supplement, the Servicer does hereby instruct the Indenture Trustee (i) to make withdrawals from the Collection Account on ___, ___, which date is a Distribution Date under the Series 2007-1 Indenture Supplement, in the aggregate amounts as set forth below in respect of the following amounts and (ii) to apply the proceeds of such withdrawals in accordance with Sections 3.01(a) and 4.03(a):

(A) Pursuant to Section 4.03(a)(i):

(1) The Monthly Servicing Fee for such Distribution Date $___

(2) Accrued and unpaid Monthly Servicing Fees $___

(B) Pursuant to Section 4.03(a)(ii):

(1) Interest at the Class A Note Interest Rate for the related Interest Period on the outstanding principal balance of the Class A Notes $___

(2) Class A Monthly Interest previously due but not paid $___

(3) Class A Additional Interest and any Class A Additional Interest previously due but not paid $___

(C) Pursuant to Section 4.03(a)(iii):

(1) Interest at the Class B Note Interest Rate for the related Interest Period on the outstanding principal balance of the Class B Notes $___

(2) Class B Monthly Interest previously due but not paid $___

(3) Class B Additional Interest and any Class B Additional Interest previously due but not paid $___

(D) Pursuant to Section 4.03(a)(iv):

(1) Interest at the Class C Note Interest Rate for the related Interest Period on the outstanding principal balance of the Class C Notes $___

(2) Class C Monthly Interest previously due but not paid $___

(3) Class C Additional Interest and any Class C Additional Interest previously due but not paid $___

(E) Pursuant to Section 4.03(a)(v):

(1) Investor Default Amount and Investor Uncovered Dilution Amount for such Distribution Date to be treated as Available Principal Collections $___

(F) Pursuant to Section 4.03(a)(vi):

(1) Aggregate amount of Investor Charge-Offs and Reallocated Principal Collections not previously reimbursed to be treated as Available Principal Collections $___

(G) Pursuant to Section 4.03(a)(vii):

(1) Balance, if any, up to the outstanding principal amount of the Series 2007-1 Notes to be treated as Available Principal Collections $___

(H) Pursuant to Section 4.03(a)(viii):

(1) An amount equal to the amount to be deposited in the Reserve Account $___

(I) Pursuant to Section 4.03(a)(ix):

(1) An amount equal to the Transition Expenses $___

(J) Pursuant to Section 4.03(a)(x):

(1) Balance, if any, to constitute a portion of Excess Finance Charge Collections and to be available for allocation to other Series in Group One or to the Holder of the Transferor Certificates $___

Pursuant to Sections 4.03(b), (c) and (d), the Servicer hereby instructs the Indenture Trustee (i) to make withdrawals from the Collection Account on _____, which date is a Distribution Date under the Series 2007-1 Indenture Supplement, in the aggregate amounts (equal to the Available Principal Collections) as set forth below in respect of the following amounts and (ii) to apply the proceeds of such withdrawals in accordance with Sections 4.03(b), (c)and (d):

(A) Pursuant to Section 4.03(b):

(1) During the Revolving Period, amount equal to Available Principal Collections to be treated as Shared Principal Collections $___

(B) Pursuant to Section 4.03(c):

(1) During Controlled Accumulation Period, Available Principal Collections deposited in the Collection Account for the related Monthly Period deposited in an amount up to the Monthly Principal for such Distribution Date into the Principal Funding Account $___

(C) Pursuant to Section 4.03(d)(i):

(1) During Early Amortization Period, Available Principal Collections for such Distribution Date to Class A Notes until Class A Notes paid in full $___

(D) Pursuant to Section 4.03(d)(ii):

(1) After giving effect to clause (C) above, during Early Amortization Period, if any remaining Available Principal Collections, to Class B Notes until Class B Notes paid in full $___

(E) Pursuant to Section 4.03(d)(iii):

(1) After giving effect to clauses (C) and (D) above, during Early Amortization Period, if any remaining Available Principal Collections, to Class C Notes until Class C Notes paid in full $___

(F) Pursuant to Section 4.03(d)(iv):

(1) Amount, if any, remaining after giving effect to clauses (C), (D) and (E) above, to be treated as Shared Principal Collections $___

(G) Pursuant to Section 4.03(e):

(1) Amount to be withdrawn from the Principal Funding Account and distributed to the Paying Agent for payment to the (i) Class A Noteholders and then (ii) Class B Noteholders $___

Pursuant to Section 4.05, the Servicer does hereby instruct the Indenture Trustee to apply on ___, which is a Distribution Date under the Series 2007-1 Indenture Supplement, any Reallocated Principal Collections for such Distribution Date in amount equal to $___.

INSTRUCTION TO MAKE CERTAIN PAYMENTS

Pursuant to Section 5.02, the Servicer does hereby instruct the Indenture Trustee or the Paying Agent, as the case may be, to pay in accordance with Section 5.02 from the Collection Account or the Principal Funding Account, as applicable, on ___, which date is a Distribution Date under the Series 2007-1 Indenture Supplement, the following amounts as set forth below:

(A) Pursuant to Section 5.02(a): Interest to be distributed to Class A Noteholders $___

(B) Pursuant to Section 5.02(a): Principal to be distributed to Class A Noteholders $___

(C) Pursuant to Section 5.02(b): Interest to be distributed to Class B Noteholders $___

(D) Pursuant to Section 5.02(b): Principal to be distributed to Class B Noteholders $___

(E) Pursuant to Section 5.02(c): Interest to be distributed to Class C Noteholders $___

(F) Pursuant to Section 5.02(c): Principal to be distributed to Class C Noteholders $___

IN WITNESS WHEREOF, the undersigned has duly executed this Certificate this ___day of ___, ___.

NORDSTROM fsb,
as Servicer

By: _____
Name:
Title:

EXHIBIT C

FORM OF MONTHLY STATEMENT
NORDSTROM CREDIT CARD MASTER NOTE TRUST II
SERIES 2007-1

Pursuant to the Amended and Restated Master Indenture, dated as of May 1, 2007 (as amended, supplemented or modified from time to time, the "Master Indenture"), between Nordstrom Credit Card Master Note Trust II (the "Trust") and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee"), as supplemented by the Series 2007-1 Indenture Supplement, dated as of May 1, 2007 (the "Series 2007-1 Indenture Supplement"), between the Trust and the Indenture Trustee, Nordstrom fsb, as Servicer (the "Servicer") under the Amended and Restated Transfer and Servicing Agreement, dated as of May ___, 2007 (the "Transfer and Servicing Agreement"), among Nordstrom Credit Card Receivables II LLC, as Transferor, the Servicer, the Trust and Wells Fargo Bank, National Association, as Indenture Trustee, is required to prepare certain information each month regarding current distributions to the Series 2007-1 Noteholders and the performance of the Trust during the previous month. The information which is required to be prepared with respect to the Distribution Date of ___, and with respect to the performance of the Trust during the month of ___is set forth below. Capitalized terms used in this Monthly Statement have their respective meanings set forth in the Master Indenture and the Series 2007-1 Indenture Supplement.

(A) Information regarding distributions in respect of the Class A Notes

(1) The total amount of the distribution in respect of Class A Notes $___

(2) The amount of the distribution set forth in paragraph 1 above in respect of interest on the Class A Notes $___

(3) The amount of the distribution set forth in paragraph 1 above in respect of principal of the Class A Notes $___

(4) The amount of the distribution set forth in paragraph 1 above to be treated as Shared Principal Collections $___

(B) Information regarding distributions in respect of the Class B Notes

(1) The total amount of the distribution in respect of Class B Notes $___

(2) The amount of the distribution set forth in paragraph 1 above in respect of interest on the Class B Notes $___ (3) The amount of the distribution set forth in paragraph 1 above in respect of principal of the Class B Notes $___ (4) The amount of the distribution set forth in paragraph 1 above to be treated as Shared Principal Collections $___

(C) Information regarding distributions in respect of the Class C Notes

(1) The total amount of the distribution in respect of Class C Notes $___ (2) The amount of the distribution set forth in paragraph 1 above in respect of interest on the Class C Notes $___ (3) The amount of the distribution set forth in paragraph 1 above in respect of principal of the Class C Notes $___ (4) The amount of the distribution set forth in paragraph 1 above to be treated as Shared Principal Collections $___

(D) The Uncovered Dilution Amount $___

Receivables —

Beginning of the Month Principal Receivables:	$
Beginning of the Month Finance Charge Receivables:	$
Beginning of the Month Total Receivables:	$
Removed Principal Receivables:	$
Removed Finance Charge Receivables:	$
Removed Total Receivables:	$
Additional Principal Receivables:	$
Additional Finance Charge Receivables:	$
Additional Total Receivables:	$
Discounted Receivables Generated this Period:	$
Net Recoveries for month of , 200_	$
Interchange	$
End of the Month Principal Receivables:	$
End of the Month Finance Charge Receivables:	$
End of the Month Total Receivables:	$
Special Funding Account Balance:	$
End of the Month Transferor Interest:	$

Delinquencies And Losses —

End of the Month Delinquencies:	Receivables
31-60 Days Delinquent	$
61-90 Days Delinquent	$
91+ Days Delinquent	$
Total 31+ Days Delinquent	$
Defaulted Receivables During the Month	$
Note Principal Balances —	
Class A Note Principal Balance	$
Class B Note Principal Balance	$
Class C Note Principal Balance	$
Initial Invested Amount	$
Investor Default Amount	$
Investor Charge-Offs	$

Series 2007-1

Floating Investor Percentage	%
Fixed Investor Percentage	%
Available Finance Charge Collections	$
Investor Default Amount	$
Monthly Servicing Fees	$
Available Principal Collections	$
Required Transferor Interest	$
Excess Finance Charge Collections	$
Shared Principal Collections	$

Application Of Collections —

Monthly Servicing Fee	$
Class A Monthly Interest	$
Class B Monthly Interest	$
Class C Monthly Interest	$
Investor Default Amount	$
Investor Charge Offs and Reallocated Principal Collections not previously reimbursed	$
Amounts To Be Deposited In The Reserve Account	$
Reserve Account Draw Amount	$

Excess Finance Charges Collections

Total Excess Finance Charge Collections for all allocation series	$

Yield And Base Rate — Base Rate (Current Month)	%
Base Rate (Prior Month)	%
Base Rate (Two Months Ago)	%
Three Month Average Base Rate	%
Portfolio Yield (Current Month)	%
Portfolio Yield (Prior Month)	%
Portfolio Yield (Two Months Ago)	%
Three Month Average Portfolio Adjusted Yield	%

Principal Collections —

Principal Funding Account Balance at Month End

Series 2007-1 Principal Shortfall	$
Shared Principal Collections Allocable from other Principal Sharing Series	$

Investor Charge Offs and Reductions

Investor Charge Offs	$
Reductions in Invested Amount (other than by Principal Payments)	$
Previous Reductions In Invested Amount Reimbursed	$

NORDSTROM fsb,
as Servicer

By: _____
Name:
Title:

EXHIBIT D

FORM OF MONTHLY SERVICER'S CERTIFICATE

NORDSTROM CREDIT CARD MASTER NOTE TRUST II
SERIES 2007-1

The undersigned, a duly authorized representative of Nordstrom fsb, as Servicer (the "Servicer") pursuant to the Amended and Restated Transfer and Servicing Agreement, dated as of May ___, 2007 (the "Transfer and Servicing Agreement"), among the Servicer, Nordstrom Credit Card Receivables II LLC, as Transferor, Nordstrom Credit Card Master Note Trust II (the "Trust") and Wells Fargo Bank, National Association, as Indenture Trustee (the "Indenture Trustee"), does hereby certify as follows:

1. Capitalized terms used in this Certificate have their respective meanings set forth in the Transfer and Servicing Agreement or the Amended and Restated Master Indenture, dated as of May 1, 2007 (as amended or supplemented, the "Master Indenture"), between the Trust and the Indenture Trustee as supplemented by the Series 2007-1 Indenture Supplement, dated as of May 1, 2007, between the Trust and the Indenture Trustee (the "Series 2007-1 Indenture Supplement" and together with the Master Indenture, the "Indenture"), as applicable.

2. Nordstrom fsb is, as of the date hereof, the Servicer under the Transfer and Servicing Agreement.

3. The undersigned is an Authorized Officer of the Servicer. This Certificate relates to the Distribution Date occurring on ___, 200. As of the date hereof, to the best knowledge of the undersigned, the Servicer has performed in all material respects all its obligations under the Transfer and Servicing Agreement and the Master Indenture through the Monthly Period preceding such Distribution Date [or, if there has been a default in the performance of any such obligation, set forth in detail the (i) nature of such default, (ii) the action taken by the Servicer, if any, to remedy such default and (iii) the current status of each such default]; if applicable, insert "None."

4. As of the date hereof, to the best knowledge of the undersigned, no Pay Out Event occurred on or prior to such Distribution Date.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate this ___ day of ___, ___.

NORDSTROM fsb,
as Servicer

By: _____
Name:
Title:

EXHIBIT E

FORM OF INVESTMENT LETTER
(Transfer pursuant to §2.03(e) of the Series 2007-1 Indenture Supplement)

_____, ____

Wells Fargo Bank, National Association,
as Indenture Trustee
625 Marquette Avenue
MAC N9311-161
Minneapolis, Minnesota 55479
Attn: Corporate Trust Services-Asset Backed Administration

Attention: _____

Re: Nordstrom Credit Card Master Note Trust II, Series 2007-1 Asset-Backed Notes

Dear Sirs:

This letter is delivered by the undersigned (the "Transferee") pursuant to Section 2.03(e) of the Series 2007-1 Indenture Supplement (the "2007-1 Indenture Supplement"), dated as of May 1, 2007, among Nordstrom Credit Card Master Note Trust II, as issuer (the "Trust") and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee"), in connection with our proposed purchase of $___aggregate principal amount of Asset-Backed Notes, Class A (the "Class A Notes"), $___aggregate principal amount of Asset-Backed Notes, Class B (the "Class B Notes") and $___aggregate principal amount of Asset-Backed Notes, Class C (the "Class C Notes", and together with the Class A Notes and Class B Notes, the "Offered Notes"), representing obligations of the Nordstrom Credit Card Master Note Trust II (the "Trust"). Capitalized terms used herein without definition shall have the meanings set forth in the 2007-2 Indenture Supplement. The investor on whose behalf the undersigned is executing this letter (the "Transferee") confirms that:

1. Reference is made to the offering circular, as supplemented by the offering circular supplement, each dated as of April 25, 2007 (collectively the "Offering Circular"), relating to the Offered Notes. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Offering Circular. The Transferee has received a copy of the Offering Circular and such other information as the Transferee deems necessary in order to make its investment decision and the Transferee has been provided the opportunity to ask questions of, and receive answers from, the Servicer and Nordstrom Credit Card Receivables II LLC, as Transferor, concerning the Servicer, the Transferor and the terms and conditions of the offering described in the Offering Circular. The Transferee has received and understands the above, and understands that substantial risks are involved in an investment in the Offered Notes.

2. The Transferee is aware that the sale of such Offered Notes to it is being made in reliance on Rule 144 A.

3. The Transferee is (i) a "Qualified Institutional Buyer" (as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act")) ("QIB") and (ii) acquiring the Offered Notes for its own account or for the account of an investor of the type described in clause (i)(a) above as to each of which the Transferee exercises sole investment discretion. The Transferee is purchasing the Offered Notes for investment purposes and not with a view to, or for, the offer or sale in connection with, a public distribution or in any other manner that would violate the Securities Act or the securities laws of any State.

4. The Transferee understands that (i) the Offered Notes have not been and will not be registered under the Securities Act or any State securities laws, and may not be reoffered, resold, pledged or otherwise transferred except (a) to a person whom the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A or (b) in a transaction complying with the provisions of Rule 903 or 904 under the Securities Act, in each case, in accordance with any applicable securities laws of any State of the United States or any other applicable jurisdictions, and that (ii) the Transferee will, and each subsequent holder is required to, notify any subsequent Transferee of such Offered Notes from it of the resale restrictions referred to in (i) above.

5. The Transferee agrees that if in the future it should offer, sell or otherwise transfer such Offered Note, it will do so only pursuant to Rule 144A to a person who the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, purchasing for its own account or for the account of a QIB, whom the holder has informed that such offer, sale or other transfer is being made in reliance on Rule 144A.

6. The Transferee acknowledges that the Offered Notes offered in reliance on Rule 144A will be represented by a Rule 144A Global Note.

7. Each Offered Note will bear a legend to the following effect, unless the Transferor and the Indenture Trustee determine otherwise in accordance with applicable law:

> "THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES THAT THIS NOTE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (I) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB"), PURCHASING FOR ITS OWN ACCOUNT OR A QIB PURCHASING FOR THE ACCOUNT OF A QIB, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTIONS.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUST OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

NO RESALE OR OTHER TRANSFER OF ANY NOTE SHALL BE MADE TO ANY TRANSFEREE UNLESS: (A) SUCH TRANSFEREE IS NOT, AND WILL NOT ACQUIRE THE NOTE ON BEHALF OR WITH PLAN ASSETS OF, AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), THAT IS SUBJECT TO ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OR ANY ENTITY DEEMED TO HOLD PLAN ASSETS OF ANY OF THE FOREGOING BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY (EACH, A "BENEFIT PLAN") OR (B) THE ACQUISITION AND HOLDING OF THE NOTE BY SUCH TRANSFEREE ARE ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 OR A SIMILAR EXEMPTION. EACH PURCHASER OR TRANSFEREE OF A NOTE, BY ITS ACCEPTANCE OF SUCH NOTE, WILL BE DEEMED TO HAVE MADE THE REPRESENTATION SET FORTH IN CLAUSE (A) OR (B) ABOVE.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

TRANSFERS OF THE NOTES MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE MASTER INDENTURE.

THE HOLDER, BY ACCEPTANCE OF THIS NOTE, SHALL BE DEEMED TO HAVE AGREED TO TREAT THE NOTE AS DEBT SOLELY OF THE TRUST FOR UNITED STATES FEDERAL, STATE AND LOCAL INCOME, SINGLE BUSINESS AND FRANCHISE TAX PURPOSES."

8. (a) The Transferee is not acquiring and will not acquire the Offered Notes on behalf of or with plan assets of any "employee benefit plan", as defined in Section 3(3) of ERISA, that is subject to the requirements of Title I of ERISA or any other "plan" as defined in Section 4975(e)(1) of the Internal Revenue Code that is subject to Section 4975 of the Internal Revenue Code or any entity deemed to hold plan assets of any of the foregoing by reason of an employee benefit plan's or plan's investment in the entity (each, a "Benefit Plan") or (b) its acquisition and holding of the Offered Note are eligible for the exemptive relief available under PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 or a similar exemption. By its acceptance of an Offered Note each Transferee will be deemed to have made the representation set forth in clause (i) or (ii).

9. The Transferee agrees that if at some time in the future it wishes to transfer or exchange any of the Offered Notes, it will not transfer or exchange any of the Offered Notes unless such transfer or exchange is in accordance with the Master Indenture and the Indenture Supplement. The Transferee understands that any purported transfer of any Offered Note (or any interest therein) in contravention of any of the restrictions and conditions in the Master Indenture and the Indenture Supplement shall be void, and the purported transferee in such transfer shall not be recognized by the Trust or any other Person as an Offered Noteholder for any purpose.

The Transferee hereby irrevocably requests for you to arrange for Offered Notes to be purchased by the Transferee and to be recorded on the books of the Indenture Trustee as follows:

Principal Amount of Offered Notes	**Recorded in Name of:**

9. You and the Indenture Trustee are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

By: _____

Name:
Title:

EXHIBIT F

FORM OF TRANSFER CERTIFICATE
FOR INITIAL AND SUBSEQUENT TRANSFER OF A CLASS C NOTE
(Transfer pursuant to §2.03(e) of the Indenture Supplement)

_____, ____

Wells Fargo Bank, National Association,
as Indenture Trustee
625 Marquette Avenue
MAC N9311-161
Minneapolis, Minnesota 55479
Attn: Corporate Trust Services-Asset Backed Administration

Attention: _____

Re: Nordstrom Credit Card Master Note Trust II, Series 2007-1, Class C Notes

Dear Sirs:

In connection with our proposed purchase of $___aggregate principal amount of Asset Backed Notes, Class C (the "Class C Notes"), representing obligations of the Nordstrom Credit Card Master Note Trust II (the "Trust"), the investor on whose behalf the undersigned is executing this letter (the "Transferee") confirms that:

1. Reference is made to the amended and restated master indenture, as supplemented by the indenture supplement, each dated as of May 1, 2007, as the same may be amended, supplemented or otherwise modified from time to time (collectively, the "Indenture"), relating to the Class C Notes. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Master Indenture. The Transferee has received a copy of the Master Indenture and such other information as the Transferee deems necessary in order to make its investment decision and the Transferee has been provided the opportunity to ask questions of, and receive answers from, the Servicer and Nordstrom Credit Card Receivables II LLC, as Transferor, concerning the Servicer, the Transferor and the terms and conditions of the offering described in the Master Indenture. The Transferee has received and understands the above, and understands that substantial risks are involved in an investment in the Class C Notes. The Transferee represents that in making its investment decision to acquire the Class C Notes, the Transferee has not relied on representations, warranties, opinions, projections, financial or other information or analysis, if any, supplied to it by any person, including you, the Transferor, the Servicer or the Owner Trustee or any of your or their affiliates, except as expressly contained in the Master Indenture and in the other written information, if any, discussed above. The Transferee has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Class C Notes, and the Transferee is able to bear the substantial economic risks of such an investment. The Transferee has relied upon its own tax, legal and financial advisors in connection with its decision to purchase the Class C Notes.

2. The Transferee is (a) a "Qualified Institutional Buyer" (as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act")) and (b) acquiring the Class C Notes for its own account or for the account of an investor of the type described in clause (a) above as to each of which the Transferee exercises sole investment discretion or. The Transferee is purchasing the Class C Notes for investment purposes and not with a view to, or for, the offer or sale in connection with, a public distribution or in any other manner that would violate the Securities Act or the securities laws of any State.

3. The Transferee understands that (i) the Class C Notes have not been and will not be registered under the Securities Act or any State securities law, and may not be reoffered, resold, pledged or otherwise transferred except (a) to a person whom the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (b) in a transaction complying with the provisions of Rule 903 or 904 under the Securities Act, in each case, in accordance with any applicable securities laws of any State of the United States or any other applicable jurisdictions, and that (ii) the Transferee will, and each subsequent holder is required to, notify any subsequent Transferee of such Class C Notes from it of the resale restrictions referred to in (i) above.

4. The Transferee agrees that if in the future it should offer, sell or otherwise transfer such Class C Note, it will do so only pursuant to Rule 144A to a person who the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, purchasing for its own account or for the account of a QIB, whom the holder has informed that such offer, sale or other transfer is being made in reliance on Rule 144A.

5. The Transferee, if it is a QIB, it acknowledges that the Class C Notes offered in reliance on Rule 144A will be represented by a Rule 144A Global Note.

6. Each Class C Note will bear a legend to the following effect, unless the Transferor and the Indenture Trustee determine otherwise in accordance with applicable law:

> "NO CLASS C NOTE MAY BE SOLD, TRANSFERRED, ASSIGNED OR CONVEYED (EACH A "TRANSFER") UNLESS THE INDENTURE TRUSTEE AND THE TRANSFEROR ARE PROVIDED WITH AN OPINION OF COUNSEL THAT SUCH TRANSFER WILL NOT CAUSE THE TRUST TO BE TREATED AS AN ASSOCIATION OR PUBLICLY TRADED PARTNERSHIP TAXABLE AS A CORPORATION FOR FEDERAL INCOME TAX PURPOSES.
>
> THIS CLASS C NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS CLASS C NOTE, AGREES THAT THIS CLASS C NOTE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE

TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (I) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB"), PURCHASING FOR ITS OWN ACCOUNT OR A QIB PURCHASING FOR THE ACCOUNT OF A QIB, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTIONS.

UNLESS THIS CLASS C NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUST OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CLASS C NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CLASS C NOTE MAY NOT BE PURCHASED BY OR TRANSFERRED TO ANY "EMPLOYEE BENEFIT PLAN" WITHIN THE MEANING OF SECTION 3(3) OF ERISA (WHETHER OR NOT SUBJECT TO ERISA, AND INCLUDING, WITHOUT LIMITATION, FOREIGN AND GOVERNMENTAL PLANS) OR ANY "PLAN" DESCRIBED IN SECTION 4975(E)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" OF ANY OF THE FOREGOING BY REASON OF A PLAN'S INVESTMENT IN SUCH ENTITY.

THE PRINCIPAL OF THIS CLASS C NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS CLASS C NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

TRANSFERS OF THE CLASS C NOTES MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE MASTER INDENTURE.

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF COVENANTS AND AGREES THAT IT WILL NOT AT ANY TIME INSTITUTE AGAINST THE ISSUER OR THE TRANSFEROR, OR JOIN IN INSTITUTING AGAINST THE ISSUER OR THE TRANSFEROR, ANY BANKRUPTCY, REORGANIZATION, ARRANGEMENT, INSOLVENCY OR LIQUIDATION PROCEEDINGS, OR OTHER PROCEEDINGS UNDER ANY UNITED STATES FEDERAL OR STATE BANKRUPTCY OR SIMILAR LAW.**"**

7. The Transferee is not acquiring and will not acquire the Class C Notes on behalf of or with plan assets of any "employee benefit plan", as defined in Section 3(3) of ERISA, whether or not subject to ERISA (including, without limitation, foreign and governmental plans), any "plan" of the Internal Revenue Code or any entity deemed to include plan assets of any of the foregoing by reason of an employee benefit plan's or plan's investment in the entity (each, a "Benefit Plan").

8. The Transferee agrees that if at some time in the future it wishes to transfer or exchange any of the Class C Notes, it will not transfer or exchange any of the Class C Notes unless such transfer or exchange is in accordance with the Master Indenture and the Indenture Supplement. The Transferee understands that any purported transfer of any Class C Note (or any interest therein) in contravention of any of the restrictions and conditions in the Master Indenture and the Indenture Supplement shall be void, and the purported transferee in such transfer shall not be recognized by the Trust or any other Person as a Class C Noteholder for any purpose.

The Transferee hereby irrevocably requests for you to arrange for Class C Notes to be purchased by the Transferee and to be recorded on the books of the Indenture Trustee as follows:

Principal Amount of Class C Notes	**Recorded in Name of:**

9. You and the Indenture Trustee are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

By: _____
Name:
Title:

[Exhibit 4.3]

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Issuer
and
WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Indenture Trustee

SERIES 2007-2 INDENTURE SUPPLEMENT
Dated as of May 1, 2007

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EXHIBITS

SERIES 2007-2 INDENTURE SUPPLEMENT

This Series 2007-2 Indenture Supplement, dated as of May 1, 2007 (the "2007-2 Indenture Supplement"), is between Nordstrom Credit Card Master Note Trust II (formerly known as Nordstrom Private Label Credit Card Master Note Trust), a statutory trust organized and existing under the laws of the State of Delaware (the "Issuer" or the "Trust"), and Wells Fargo Bank, National Association, a national banking association, not in its individual capacity, but solely as indenture trustee under the Master Indenture (together with its successors in the trusts thereunder as provided in the Amended and Restated Master Indenture, dated as of May 1, 2007 (the "Master Indenture"), between the Issuer and Wells Fargo Bank, National Association, the "Indenture Trustee").

RECITALS

Section 2.12 of the Master Indenture provides that the Issuer may, pursuant to one or more Indenture Supplements, direct the Indenture Trustee, on behalf of the Issuer, to issue one or more Series of Notes and to set forth the Principal Terms of such Series; and

WHEREAS, pursuant to this Series 2007-2 Indenture Supplement, the Issuer and the Indenture Trustee shall create a new Series of Notes and specify the Principal Terms thereof.

ARTICLE ONE

DEFINITIONS

Section 1.01. Definitions. Whenever used in this Indenture Supplement, the following words and phrases shall have the following meanings:

"Accumulation Period Factor" means, with respect to any Monthly Period, a fraction, the numerator of which is equal to the sum of the initial invested amounts of all outstanding Series, and the denominator of which is equal to the sum of (i) the Initial Invested Amount, (ii) the initial invested amounts of all outstanding Series (other than Series 2007-2) which are not expected to be in their revolving period, and (iii) the initial invested amounts of all other outstanding Series which are not allocating Shared Principal Collections to other Series and are in their revolving periods; provided, however, that this definition may be changed at any time if the Rating Agency Condition is satisfied.

"Accumulation Period Length" has the meaning set forth in Section 4.03(f).

"Accumulation Shortfall" means, with respect to (i) a Distribution Date prior to the Controlled Accumulation Period, zero (ii) the first Distribution Date during the Controlled Accumulation Period, the excess, if any, of the Controlled Accumulation Amount over the amount deposited in the Principal Funding Account on that Distribution Date and (iii) each subsequent Distribution Date during the Controlled Accumulation Period, the excess, if any, of the Controlled Deposit Amount for the prior Distribution Date over the amount deposited in the Principal Funding Account pursuant to Section 4.03(c) on such Distribution Date.

"Additional Interest" means, with respect to any Distribution Date, Class A Additional Interest, Class B Additional Interest and Class C Additional Interest.

"Adjusted Invested Amount" means, for any Determination Date, an amount equal to the Invested Amount, minus the amount on deposit in the Principal Funding Account, in each case as of the Determination Date.

"Available Finance Charge Collections" means, with respect to any Monthly Period and the related Distribution Date, an amount equal to the sum of (i) the Investor Finance Charge Collections, (ii) the Excess Finance Charge Collections allocated to Series 2007-2, (iii) the Reserve Account Draw Amount and (iv) Principal Funding Investment Proceeds, if any.

"Available Principal Collections" means, with respect to any Monthly Period and the related Distribution Date, an amount equal to the (i) Investor Principal Collections minus (ii) the amount of Reallocated Principal Collections which pursuant to Section 4.05 are required to be applied on such Distribution Date, plus (iii) any Shared Principal Collections that are allocated to Series 2007-2 in accordance with Section 8.05 of the Master Indenture and Section 4.07 hereof, plus (iv) the aggregate amount to be treated as Available Principal Collections pursuant to Sections 4.03(a)(v), (vi) and to the extent applicable (vii) for such Distribution Date.

"Base Rate" means, with respect to any Monthly Period, the sum of (i) the Servicing Fee Rates and (ii) the weighted average of the Class A Note Interest Rate and the Class B Note Interest Rate.

"Benefit Plan" means an employee benefit plan, as defined in Section 3(3) of ERISA, that is subject to Title I of ERISA, a plan, as defined in Section 4975(e)(1) of the Code, that is subject to Section 4975 of the Code, and any entity deemed to hold plan assets of any of the foregoing by reason of an employee benefit plan's or plan's investment in the entity or otherwise under ERISA.

"Benefit Plan Investor" has the meaning set forth in Section 2.03(f)(i).

"Class" means the Class A Notes, Class B Notes or Class C Notes, as applicable.

"Class A Additional Interest" means, with respect to any Distribution Date, an amount equal to the product of (i) a fraction, the numerator of which is the actual number of days in such Interest Period, and the denominator of which is 360, (ii) the Class A Note Interest Rate in effect with respect to the related Interest Period and (iii) the Class A Interest Shortfall for the preceding Distribution Date (which shall be zero in the case of the first Distribution Date). Notwithstanding anything to the contrary herein, Class A Additional Interest shall be payable or distributed to the Class A Noteholders only to the extent permitted by applicable law.

"Class A Covered Amount" equals for any Distribution Date, the product of (i) the Class A Note Interest Rate for the related Interest Period, (ii) a fraction, the numerator of which is the actual number of days in such Interest Period, and the denominator of which is 360 and (iii) the balance on deposit in the Principal Funding Account on the first day of such Interest Period, up to the Class A Note Principal Balance as of the related Record Date.

"Class A Interest Shortfall" means, with respect to any Distribution Date, the excess, if any, as determined by the Servicer, of (i) the amount described in Section 4.03(a)(ii) over (ii) the sum of (a) the aggregate amount of Available Finance Charge Collections allocated and paid for such amounts on such Distribution Date and (b) the Reallocated Principal Amount applied to fund a deficiency in the amount distributed pursuant to Section 4.03(a)(ii) on such Distribution Date.

"Class A Monthly Interest" means, with respect to any Distribution Date, an amount of monthly interest distributable from the Collection Account with respect to the Class A Notes on such Distribution Date equal to the product of (i) a fraction, the numerator of which is the actual number of days in the related Interest Period and the denominator of which is 360, (ii) the Class A Note Interest Rate and (iii) the Class A Note Principal Balance as of the close of business on the last day of the related Monthly Period (or, with respect to the initial Distribution Date, the Class A Note Initial Principal Balance).

"Class A Note Initial Principal Balance" means $453,800,000.

"Class A Note Interest Rate" means One-Month LIBOR plus 0.06% per annum.

"Class A Note Principal Balance" means, on any date of determination, an amount equal to (i) the Class A Note Initial Principal Balance, minus (ii) the aggregate amount of principal payments made to the Class A Noteholders on or prior to such date.

"Class A Noteholder" means the Person in whose name a Class A Note is registered in the Note Register.

"Class A Notes" means any one of the Notes executed by the Issuer and authenticated by or on behalf of the Indenture Trustee, substantially in the form of Exhibit A-1.

"Class A Reallocated Principal Amount" means, with respect to any Distribution Date, the lesser of:

(i) the excess of the amounts described in Sections 4.03(a)(i) and (ii) over the amount actually distributed pursuant to such Sections; and

(ii) the greater of (a)(1) the product of (A) 16.50% and (B) the Initial Invested Amount minus (b) the amount of unreimbursed Investor Charge-Offs (after giving effect to Investor Charge-Offs for the related Monthly Period) and unreimbursed Reallocated Principal Collections (as of the preceding Distribution Date or $0, in the case of the first Distribution Date) and (ii) zero.

"Class B Additional Interest" means, with respect to any Distribution Date, an amount equal to the product of (i) a fraction, the numerator of which is the actual number of days in such Interest Period and the denominator of which is 360, (ii) the Class B Note Interest Rate in effect with respect to the related Interest Period and (iii) the Class B Interest Shortfall for the preceding Distribution Date (which shall be zero in the case of the first Distribution Date). Notwithstanding anything to the contrary herein, Class B Additional Interest shall be payable or distributed to the Class B Noteholders only to the extent permitted by applicable law.

"Class B Covered Amount" equals for any Distribution Date, the product of (i) the Class B Interest Rate for the related Interest Period, (ii) a fraction, the numerator of which is the actual number of days for such Interest Period, and whose denominator is 360 and (iii) the balance of the Principal Funding Account on the first day of the related Interest Period in excess of the Class A Note Principal Balance as of the related Record Date, up to the Class B Note Principal Balance as of the related Record Date.

"Class B Interest Shortfall" means, with respect to any Distribution Date, the excess, if any, as determined by the Servicer, of (i) the amount described in Section 4.03(a)(iii) over (ii) the sum of (a) the aggregate amount of Available Finance Charge Collections allocated and paid for such amounts on such Distribution Date and (b) the Reallocated Principal Amount applied to fund a deficiency in the amount distributed pursuant to Section 4.03(a)(iii) on such Distribution Date.

"Class B Monthly Interest" means, with respect to any Distribution Date, the amount of monthly interest distributable from the Collection Account with respect to the Class B Notes on such Distribution Date and which shall be an amount equal to the product of (i) a fraction, the numerator of which is 30, the actual number of days in such Interest Period, and the denominator of which is 360, (ii) the Class B Note Interest Rate in effect with respect to the related Interest Period and (iii) the Class B Note Principal Balance as of the close of business on the last day of the preceding Monthly Period (or, with respect to the initial Distribution Date, the Class B Note Initial Principal Balance).

"Class B Note Initial Principal Balance" means $46,200,000.

"Class B Note Interest Rate" means One-Month LIBOR plus 0.18% per annum.

"Class B Note Principal Balance" means, on any date of determination, an amount equal to (i) the Class B Note Initial Principal Balance, minus (ii) the aggregate amount of principal payments made to the Class B Noteholders on or prior to such date.

"Class B Noteholder" means the Person in whose name a Class B Note is registered in the Note Register.

"Class B Notes" means any one of the Notes executed by the Issuer and authenticated by or on behalf of the Indenture Trustee, substantially in the form of Exhibit A-2.

"Class B Reallocated Principal Amount" means, with respect to any Distribution Date, the lesser of:

(i) the excess of the amount described in Section 4.03(a)(iii) over the amount actually distributed pursuant to such Section; and

(ii) the greater of (a)(1) the product of (A) 8.0% and (B) the Initial Invested Amount minus (b) the amount of unreimbursed Investor Charge-Offs (after giving effect to Investor Charge-Offs for the related Monthly Period) and unreimbursed Reallocated Principal Collections (as of the preceding Distribution Date or $0 in the case of the first Distribution Date) and (ii) zero.

"Class C Additional Interest" means, with respect to any Distribution Date, an amount equal to the product of (i) a fraction, the numerator of which is the actual number of days in such Interest Period, and the denominator of which is 360, (ii) the Class C Note Interest Rate in effect with respect to such Interest Period and (iii) the Class C Interest Shortfall for the preceding Distribution Date. Notwithstanding anything to the contrary herein, Class C Additional Interest shall be payable or distributed to the Class C Noteholders only to the extent permitted by applicable law.

"Class C Interest Shortfall" means, with respect to any Distribution Date, the excess, if any, as determined by the Servicer, of (i) the amount described in Section 4.03(a)(iv) over (ii) the aggregate amount of Available Finance Charge Collections allocated and paid for such amounts on such Distribution Date.

"Class C Monthly Interest" means, with respect to any Distribution Date, the amount of monthly interest distributable from the Collection Account with respect to the Class C Notes on such Distribution Date and which shall be an amount equal to the product of (i) a fraction, the numerator of which is the actual number of days in the related Interest Period, and the denominator of which is 360, times (ii) the Class C Note Interest Rate in effect with respect to the related Interest Period and (iii) the Class C Note Principal Balance as of the close of business on the last day of the related Monthly Period (or, with respect to the initial Distribution Date, the Class C Note Initial Principal Balance).

"Class C Note Initial Principal Balance" means $43,500,000.

"Class C Note Interest Rate" means a per annum rate of 0.00% or the rate specified by the Transferor pursuant to Section 4.02(b).

"Class C Note Principal Balance" means on any date of determination, an amount equal to (i) the Class C Note Initial Principal Balance, minus (ii) the aggregate amount of principal payments made to the Class C Noteholders on or prior to such date.

"Class C Noteholder" means the Person in whose name a Class C Note is registered in the Note Register.

"Class C Notes" means any one of the Notes executed by the Issuer and authenticated by or on behalf of the Indenture Trustee, substantially in the form of Exhibit A-3.

"Closing Date" means May 1, 2007.

"Controlled Accumulation Amount" means, for any Distribution Date with respect to the Controlled Accumulation Period, $62,500,000; provided, however, that if the Accumulation Period Length is determined to be less than eight months pursuant to Section 4.03(f), the Controlled Accumulation Amount for each Distribution Date with respect to the Controlled Accumulation Period will be equal to (i) the product of (a) the Offered Note Initial Principal Balance and (b) the Accumulation Period Factor for such Monthly Period divided by (ii) the Required Accumulation Factor Number.

"Controlled Accumulation Period" means, unless a Pay Out Event shall have occurred prior thereto, the period commencing at the close of business on August 1, 2011 or such later date as is determined in accordance with Section 4.03(f), and ending on the first to occur of (i) the commencement of the Early Amortization Period, (ii) the payment in full of the Offered Notes and (iii) the Expected Principal Payment Date.

"Controlled Deposit Amount" means, for any Distribution Date with respect to the Controlled Accumulation Period, an amount equal to the sum of the Controlled Accumulation Amount and any existing Accumulation Shortfall.

"Defaulted Amount" means, with respect to a Distribution Date, the total amount of Defaulted Receivables for the related Monthly Period.

"Determination Date" means, for each series of Notes, the fifth Business Day preceding the Distribution Date.

"Dilution Amount" means the amount of the required reduction in the amount of Principal Receivables used in the calculation of the Transferor Interest described in the first two sentences of Section 3.09(a) of the Transfer and Servicing Agreement.

"Disqualified Transferee" has the meaning set forth in Section 2.03(k).

"Distribution Date" means June 15, 2007 and the fifteenth day of each calendar month thereafter, or if such fifteenth day is not a Business Day, the next succeeding Business Day, and with respect to the Series 2007-2 Final Maturity Date, May 15, 2015

"Early Amortization Period" means the period commencing on the Business Day immediately preceding the day on which a Pay Out Event with respect to Series 2007-2 is deemed to have occurred, and ending on the first to occur of (i) the payment in full of the Note Principal Balance and (ii) the Series 2007-2 Final Maturity Date.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Excess Reserve Account Investment Earnings" means, as of any Distribution Date, interest and other investment income, net of losses and investment expenses, earned on amounts on deposit in the Reserve Account less the amount, if any, required to be retained in the Reserve Account so that the amount therein equals the Required Reserve Account Amount.

"Expected Final Principal Payment Date" means the April 16, 2012 Distribution Date.

"Finance Charge Shortfall" means, with respect to any Distribution Date and the related Monthly Period, an amount equal to the excess, if any, of (i) the full amount required to be paid, without duplication, pursuant to Sections 4.03(a)(i) through (ix) on such Distribution Date over (ii) the Investor Finance Charge Collections.

"Fixed Investor Percentage" means, with respect to any day during a Monthly Period, the percentage equivalent (which percentage shall never exceed 100%) of a fraction, (i) the numerator of which is the Invested Amount as of the close of business on the last day of the

Revolving Period unless the numerator is reset as described in the proviso below and (ii) the denominator of which is calculated each Reset Date and which is equal to the greater of (a) the total amount of Principal Receivables in the Trust as of the close of business on the Reset Date and (b) the sum of the numerators used to calculate the investor percentages for allocations with respect to Principal Receivables for all Series outstanding as of such Reset Date; provided, however, that if, after the commencement of the Controlled Accumulation Period or the Early Amortization Period, a Pay Out Event occurs with respect to another Series that was designated in the Indenture Supplement therefor as a Series that is a "Paired Series" with respect to Series 2007-2, the Transferor may, by written notice delivered to the Indenture Trustee and the Servicer, designate a different numerator for the foregoing fraction, provided that (1) such numerator is not less than the Adjusted Invested Amount as of the last day of the Revolving Period for such Paired Series, (2) such action shall be taken only upon satisfaction of the Rating Agency Condition and (3) the Transferor shall have delivered to the Indenture Trustee an Officer's Certificate to the effect that, based on the facts known to such officer at that time, in the reasonable belief of the Transferor, such designation will not cause a Pay Out Event or an event that, after the giving of notice or the lapse of time, would constitute a Pay Out Event, to occur with respect to Series 2007-2.

"Floating Investor Percentage" means, with respect to any day during a Monthly Period, the percentage equivalent (which percentage shall never exceed 100%) of a fraction, (i) the numerator of which is equal to the Adjusted Invested Amount as of the close of business on the last day of the preceding Monthly Period (or with respect to the first Monthly Period, the Initial Invested Amount) and (ii) the denominator of which is calculated each Reset Date and which is equal to (a) with respect to allocations of Uncovered Dilution Amounts only, the sum of the numerators used to calculate the Investor Percentage for allocating the Uncovered Dilution Amount on the Reset Date or (ii) for all other purposes, the greater of (a) the aggregate amount of Principal Receivables in the Trust as of the close of business on such Reset Date and (b) the sum of the numerators used to calculate the Investor Percentages for allocations with respect to Finance Charge Receivables, Defaulted Amounts or Principal Receivables, as applicable, for all Series outstanding as of the Reset Date.

"Group One" means Series 2007-2 and each other Series hereafter specified in the related Indenture Supplement to be included in Group One.

"Indenture" means the Master Indenture, as supplemented by this Series 2007-2 Indenture Supplement, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Indenture Supplement" has the meaning specified in the Master Indenture.

"Initial Invested Amount" means $543,500,000.

"Interest Period" means, with respect to any Distribution Date, the period from and including the preceding Distribution Date (or, in the case of the first Distribution Date, from and including the Closing Date) to but excluding the current Distribution Date.

"Invested Amount" means, as of any date of determination, an amount equal to the initial principal amount of the Series 2007-2 Notes minus the sum of (i) amount of principal previously paid to the Series 2007-2 Noteholders and (ii) the excess, if any, of the aggregate amount of Investor Charge-Offs and Reallocated Principal Collections over the reimbursements of such amounts pursuant to Section 4.03(a)(vi) prior to such date.

"Investor Charge-Off" has the meaning set forth in Section 4.04.

"Investor Default Amount" means, with respect to any Distribution Date, an amount equal to the product of the Defaulted Amount for the related Monthly Period and the Floating Investor Percentage.

"Investor Finance Charge Collections" means, with respect to any Monthly Period, an amount equal to the Investor Percentage for such Monthly Period of Collections of Finance Charge Receivables (including Recoveries, any Excess Reserve Account Investment Earnings and Interchange treated as Collections of Finance Charge Receivables) deposited in the Collection Account for such Monthly Period pursuant to Section 8.04 of the Master Indenture.

"Investor Percentage" means, for any Monthly Period, with respect to (i) Finance Charge Receivables, Defaulted Amounts and Uncovered Dilution Amounts at any time and Principal Receivables during the Revolving Period, the Floating Investor Percentage for such Monthly Period and (ii) Principal Receivables during the Controlled Accumulation Period or the Early Amortization Period, the Fixed Investor Percentage for such Monthly Period.

"Investor Principal Collections" means, with respect to any Monthly Period, the aggregate amount retained in the Collection Account for Series 2007-2 Noteholders pursuant to Section 4.01(c)(ii) for such Monthly Period.

"Investor Uncovered Dilution Amount" means, with respect to any Monthly Period, an amount equal to the product of the weighted average Floating Investor Percentage for such Monthly Period and the Uncovered Dilution Amount.

"LIBOR Determination Date" means two London Business Days prior to the Closing Date with respect to the first Distribution Date and, as to each subsequent Distribution Date, two London Business Days prior to the immediately preceding Distribution Date.

"London Business Day" means any day other than a Saturday, Sunday or a day on which banking institutions in London, England, are authorized or obligated by law or government decree to be closed.

"Master Indenture" means the Amended and Restated Master Indenture, dated as of May 1, 2007, between the Trust and the Indenture Trustee, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Monthly Interest" means, with respect to any Distribution Date, the sum of the Class A Monthly Interest, the Class B Monthly Interest and the Class C Monthly Interest.

"Monthly Period" has the meaning set forth in the Master Indenture; provided, however, that the initial Monthly Period will commence on the Closing Date and end on the last day of calendar month preceding the first Distribution Date; provided, however, that for the purposes of calculating Portfolio Yield which includes the month of May 2007, the Monthly Period will be the period from and including the Closing Date to and including May 31, 2007.

"Monthly Principal" means, with respect to any Distribution Date, an amount equal to the least of (i) the Available Principal Collections on deposit in the Collection Account with respect to such Distribution Date, (ii) for each Distribution Date with respect to the Controlled Accumulation Period, the Controlled Deposit Amount for such Distribution Date, (iii) the excess of the Offered Note Initial Principal Balance over the amount on deposit in the Principal Funding Account without taking into account deposits thereto on such Distribution Date and (iv) the Adjusted Invested Amount (after taking into account any adjustments to be made on such Distribution Date) prior to any deposit into the Principal Funding Account on such Distribution Date.

"Monthly Principal Reallocation Amount" means, with respect to any Monthly Period, an amount equal to the sum of the Class A Reallocated Principal Amount and the Class B Reallocated Principal Amount.

"Monthly Servicing Fee" has the meaning set forth in Section 3.01(a).

"Note Principal Balance" means, on any date of determination, an amount equal to the sum of the Class A Note Principal Balance, the Class B Note Principal Balance and the Class C Note Principal Balance.

"Noteholders" means the holders of Class A Notes, Class B Notes and the Class C Notes.

"Offered Note Initial Principal Balance" means, as of any date, the sum of the Class A Note Initial Principal Balance and the Class B Note Initial Principal Balance.

"Offered Note Principal Balance" means, as of any date, the sum of the Class A Note Principal Balance and the Class B Note Principal Balance.

"Offered Notes" means the Class A Notes and the Class B Notes.

"One-Month LIBOR" means, with respect to any Interest Period, the rate determined by the Indenture Trustee by reference to the British Bankers' Association Interest Settlement Rate for deposits in Dollars, with a maturity of one month commencing on the related LIBOR Determination Date, appearing on Reuters LIBOR01 (or any successor to or substitute for such service, providing rate quotations comparable to those currently provided by such service, as determined by the Indenture Trustee from time to time for purposes of providing quotations of interest rates applicable to deposits in Dollars in the London interbank market) at approximately 11:00 a.m., London time, on the second London Business Day before the first day of such Interest Period. In the event that such rate is not available at such time for any reason, then the "One-Month LIBOR" shall be the rate at which deposits in Dollars in a principal amount of not less than $1,000,000 and for a maturity comparable to such Interest Period are offered by the Indenture Trustee in immediately available funds in the London interbank market at

approximately 11:00 a.m., London time, on the second London Business Day before (and for value on) the first day of such Interest Period.

"Portfolio Adjusted Yield" means, with respect to any Monthly Period, the Portfolio Yield minus the Base Rate.

"Portfolio Yield" means, with respect to any Monthly Period, the annualized percentage equivalent of a fraction, (i) the numerator of which is equal to the sum of (a) Investor Finance Charge Collections with respect to such Monthly Period and (b) the Principal Funding Investment Proceeds and any Reserve Account Draw Amount deposited into the Collection Account on the related Distribution Date, such sum to be calculated on a cash basis after subtracting the Investor Default Amount and the Investor Uncovered Dilution Amount, and (ii) the denominator of which is the Note Principal Balance as of the first day of such Monthly Period; provided, however, that Excess Finance Charge Collections that are allocated to Series 2007-2 with respect to such Monthly Period may be added to the numerator if the Transferor shall have provided ten Business Days' prior written notice of such action to each Rating Agency and the Transferor, the Servicer and the Indenture Trustee has not received notification in writing that such action will not result in any such Rating Agency reducing or withdrawing its then-existing rating of the Class A Notes or any outstanding Series or Class; provided further that the Portfolio Yield for the month of March 2007 shall equal ___%.

"Principal Funding Account" has the meaning set forth in Section 4.08(a).

"Principal Funding Account Balance" means, with respect to any date of determination, the principal amount, if any, on deposit in the Principal Funding Account on such date.

"Principal Funding Investment Proceeds" means, with respect to any Distribution Date, the investment earnings on funds in the Principal Funding Account (net of investment expenses and losses) for the related Interest Period.

"Principal Funding Investment Shortfall" means, with respect to any Distribution Date, the excess of the Class A Covered Amount and the Class B Covered Amount over the Principal Funding Investment Proceeds.

"QIB" means a Qualified Institutional Buyer under Rule 144A.

"Rating Agency" means each of Standard & Poor's and Moody's.

"Reallocated Principal Collections" means, with respect to any Distribution Date, Investor Principal Collections applied in accordance with Section 4.05 in an amount not to exceed the Monthly Principal Reallocation Amount for the related Monthly Period.

"Reassignment Amount" means, with respect to any Distribution Date, after giving effect to any deposits and distributions otherwise to be made on such Distribution Date, the sum of (i) the Note Principal Balance on such Distribution Date, (ii) Monthly Interest and any Monthly Interest due on one or more prior Distribution Dates but not distributed to the Series 2007-2 Noteholders on one or more prior Distribution Dates, and (iii) the amount of Additional Interest

and any Additional Interest due but not distributed to the Series 2007-2 Noteholders on one or more prior Distribution Dates.

"Required Accumulation Factor Number" means a fraction, rounded upwards to the nearest whole number, the numerator of which is one and the denominator of which is equal to the lowest monthly principal payment rate on the Accounts, expressed as a decimal, for the 12 months preceding the date of such calculation; provided, however, that this definition may be changed at any time if the Rating Agency Condition is satisfied.

"Required Reserve Account Amount" means zero or, for any Distribution Date on or after the Reserve Account Funding Date, an amount equal to (i) 0.50% of the Offered Note Principal Balance or (ii) any other amount designated by the Servicer; provided, however, the Servicer may only designate a lesser amount if the Rating Agency Condition remains satisfied and the Servicer certifies to the Indenture Trustee that, based on the facts known to the certifying officer at the time, in its reasonable belief, such designation will not cause a Pay Out Event to occur for the Series 2007-2 Notes.

"Reserve Account" means the account established pursuant to Section 4.09.

"Reserve Account Draw Amount" means, with respect to any Distribution Date, an amount equal to the lesser of (i) the amount then on deposit in the Reserve Account with respect to such Distribution Date and (ii) the Principal Funding Investment Shortfall.

"Reserve Account Funding Date" means the Distribution Date with respect to the Monthly Period which commences no later than four months prior to the Controlled Accumulation Period, provided that the Reserve Account Funding Date shall be accelerated to (i) the Distribution Date with respect to the Monthly Period which commences no later than four months prior to the Controlled Accumulation Period if the average of the Portfolio Adjusted Yields for any three consecutive Monthly Periods shall be less than 6.00%; (ii) the Distribution Date with respect to the Monthly Period which commences no later than six months prior to the Controlled Accumulation Period if the average of the Portfolio Adjusted Yield for any three consecutive Monthly Periods shall be less than 3.00%; or (iii) the Distribution Date which commences no later than nine months prior to the Controlled Accumulation Period if the average of the Portfolio Adjusted Yields for any three consecutive Monthly Periods shall be less than 2.00%.

"Reset Date" means (i) the close of business on the last day of each calendar month, (ii) each Removal Date, (iii) each date the Trust issues a new series of Notes or class of Notes relating to a multiple issuance series, (iv) each date there is an increase in the invested amount with respect to any series of Notes issued by the Trust and (v) each Addition Date that Supplemental Accounts are designated to the Trust.

"Revolving Period" means the period beginning on the Closing Date and ending on the earlier of the close of business on the day immediately preceding the day the Controlled Accumulation Period commences or the Early Amortization Period commences.

"Rule 144A" means Rule 144A under the Securities Act.

"Rule 144A Global Note" has the meaning set forth in Section 2.02.

"Series 2007-2" means the Series of Notes the terms of which are specified in this Series 2007-2 Indenture Supplement.

"Series 2007-2 Final Maturity Date" means the earlier to occur of (i) the Distribution Date on which the Note Principal Balance is paid in full and (ii) the May 2015 Distribution Date.

"Series 2007-2 Indenture Supplement" means this Series 2007-2 Indenture Supplement, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Series 2007-2 Note" means a Class A Note, a Class B Note or a Class C Note.

"Series 2007-2 Noteholder" means a Class A Noteholder, a Class B Noteholder or a Class C Noteholder.

"Series 2007-2 Pay Out Event" has the meaning set forth in Section 6.01.

"Series 2007-2 Principal Shortfall" means an amount equal to, with respect to any Distribution Date during (i) the Revolving Period, zero, (ii) the Controlled Accumulation Period, the excess, if any, of the Controlled Deposit Amount with respect to such Distribution Date over the amount of Available Principal Collections for such Distribution Date (excluding any portion thereof attributable to Shared Principal Collections), and (iii) the Early Amortization Period, the excess, if any, of the Adjusted Invested Amount over the amount of Available Principal Collections for such Distribution Date (excluding any portion thereof attributable to Shared Principal Collections).

"Servicing Fee" has the meaning set forth in the Transfer and Servicing Agreement.

"Servicing Fee Rate" means 2.0% per annum.

"Successor Servicer" has the meaning set forth in the Transfer and Servicing Agreement.

"Transfer and Servicing Agreement" means the Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007, among the Bank, the Purchaser and the Trust, as amended, supplemented, restated or otherwise modified from time to time.

"Transferor Certificate" has the meaning set forth in the Trust Agreement.

"Transferor Percentage" has the meaning set forth in the Master Indenture.

"Transition Expenses" means any documented expenses and costs reasonably incurred by a Successor Servicer in connection with the transition of servicing duties under the Transaction Documents relating to Series 2007-2 to the Successor Servicer. The aggregate amount of Transition Expenses shall not exceed $100,000.

"Trust Agreement" means the Second Amended and Restated Trust Agreement, dated as of May 1, 2007, between the Owner Trustee and the Transferor, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Uncovered Dilution Amount" means, with respect to any Distribution Date, that portion of the Dilution Amount for the related Monthly Period which would cause the Transferor Interest to fall below the Required Transferor Interest after giving effect to any deposits to the Special Funding Account by the Transferor or addition of Principal Receivables transferred to the Trust by the Transferor.

Section 1.02. Other Definitional Provisions.

(a) Each capitalized term defined herein shall relate to the Series 2007-2 Notes and no other Series of Notes issued by the Trust, unless the context otherwise requires. All capitalized terms used herein and not otherwise defined herein have the meanings ascribed to them in the Trust Agreement, the Master Indenture or the Transfer and Servicing Agreement. In the event that any term or provision contained herein shall conflict with or be inconsistent with any term or provision contained in the Trust Agreement, the Master Indenture or the Transfer and Servicing Agreement, the terms and provisions of this Series 2007-2 Indenture Supplement shall govern.

(b) As used in this Series 2007-2 Indenture Supplement and in any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in this Series 2007-2 Indenture Supplement or in any such certificate or other document, and accounting terms partly defined in this Series 2007-2 Indenture Supplement or in any such certificate or other document to the extent not defined, shall have the respective meanings given to them under GAAP. To the extent that the definitions of accounting terms in this Series 2007-2 Indenture Supplement or in any such certificate or other document are inconsistent with the meanings of such terms under GAAP, the definitions contained in this Master Indenture or in any such certificate or other document shall control.

(c) Unless otherwise specified, references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day.

(d) The words "hereof," "herein," "hereunder" and words of similar import when used in this Series 2007-2 Indenture Supplement shall refer to this Series 2007-2 Indenture Supplement as a whole and not to any particular provision of this Series 2007-2 Indenture Supplement; references to any Article, subsection, Section, Schedule or Exhibit are references to Articles, subsections, Sections, Schedules and Exhibits in or to this Series 2007-2 Indenture Supplement unless otherwise specified; and the term "including" means "including without limitation."

ARTICLE TWO

CREATION OF THE SERIES 2007-2 NOTES

Section 2.01. Designation.

(a) There is hereby created and designated a Series of Notes to be issued pursuant to the Master Indenture and this Series 2007-2 Indenture Supplement to be known as "Nordstrom Credit Card Master Note Trust Asset Backed Notes, Series 2007-2" or the "Series 2007-2 Notes." The Series 2007-2 Notes shall be issued in three Classes, the first of which shall be known as the "Series 2007-2 Floating Rate Asset Backed Notes, Class A", the second of which shall be known as the "Series 2007-2 Floating Rate Asset Backed Notes, Class B", and the third of which shall be known as the "Series 2007-2 Asset Backed Notes, Class C". The Series 2007-2 Notes shall be due and payable on the Series 2007-2 Final Maturity Date.

(b) Series 2007-2 shall be included in Group One and shall be a Principal Sharing Series with respect to Group One only. Series 2007-2 shall be an Excess Allocation Series with respect to Group One only. Series 2007-2 shall not be subordinated to any other Series.

(c) In the event that any term or provision contained herein shall conflict with or be inconsistent with any term or provision contained in the Master Indenture, the terms and provisions of this Series 2007-2 Indenture Supplement shall be controlling.

Section 2.02. Forms of Series 2007-2 Notes.

(a) The form of each of the Class A Notes, the Class B Notes and the Class C Notes shall be substantially as set forth in Exhibits A-1, A-2 and A-3 hereto.

(b) The Offered Notes offered and sold in reliance on the exemption from registration under Rule 144A (except for any sale directly from the Issuer) shall be issued initially in the form of one or more permanent global notes in definitive, fully registered form without interest coupons with the applicable legend set forth in Exhibit A-1, Exhibit A-2 and Exhibit A-3 hereto, added to the form of the Class A Notes ("Class-A Rule 144A Global Notes"), the Class B Notes ("Class-B Rule 144A Global Notes") and the Class C Notes (the "Class-C Rule 144A Global Notes" and, together with the Class-A Rule 144A Global Notes and the Class-B Rule 144A Global Notes, the "Rule 144A Global Notes"). The Offered Notes, each shall be registered in the name of the nominee of DTC and deposited with the Indenture Trustee, at its Corporate Trust Office, as custodian for DTC, duly executed by the Issuer and authenticated by the Indenture Trustee as hereinafter provided. The Class C Notes will not be registered with the DTC and will be retained by the Transferor. The aggregate principal amount of the Class A Rule 144A Global Note and the Class B Rule 144A Global Notes may from time to time be increased or decreased by adjustments made on the records of the Indenture Trustee or DTC or its nominee, as the case may be, as hereinafter provided.

Section 2.03. Registration; Registration of Transfer and Exchange.

(a) No Series 2007-2 Note may be sold or transferred (including by pledge or hypothecation) unless such sale or transfer is exempt from the registration requirements of the

Securities Act and is exempt from the registration requirements under applicable State securities laws and the representations deemed to be made by the transferee pursuant to Section 2.03(g) are true and correct.

(b) No Offered Note may be offered, sold, resold or delivered, within the United States except in accordance with Section 2.03(e) and in accordance with Rule 144A to QIBs purchasing for their own account or for the accounts of one or more QIBs, for which the purchaser is acting as fiduciary or agent.

(c) Upon final payment due on a Series 2007-2 Note, the Holder thereof shall present and surrender such Series 2007-2 Note at the Corporate Trust Office or at the office of the Paying Agent.

(d) Notwithstanding any provision to the contrary herein, so long as a Global Note remains outstanding and is held by or on behalf of DTC, transfers of a Global Note, in whole or in part, shall only be made in accordance with this Section 2.03(e).

(i) Subject to clauses (ii) through (iv) of this Section 2.03(e), a transfer of a Global Note shall be limited to transfers of such Global Note in whole, but not in part, to nominees of DTC or to a successor of DTC or such successor's nominee.

(ii) In the event that a Global Note is exchanged for a Note of the same Class in definitive form, such Offered Notes may be exchanged for one another only in accordance with such procedures as are substantially consistent with the provisions above (including certification requirements intended to ensure that such transfers are to a QIB, or otherwise comply with Rule 144A) and as may be from time to time adopted by the Issuer and the Indenture Trustee.

(e) Each transferee of an Offered Note shall deliver to the Indenture Trustee an Investment Letter substantially in the form of Exhibit E, in the case of the Class A Notes or Class B Notes or Exhibit F, in the case of the Class C Notes, and shall be deemed to represent and agree as follows:

(i) The transferee is aware that the sale of such Offered Notes to it is being made in reliance on Rule 144A.

(ii) The transferee understands that (A) the Offered Notes have not been and will not be registered under the Securities Act or any State securities laws, and may not be reoffered, resold, pledged or otherwise transferred except (1) to a Person whom the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A or (2) in a transaction complying with the provisions of Rule 903 or 904 under the Securities Act, in accordance with any applicable securities laws of any State of the United States or any other applicable jurisdictions and that (B) the transferee will, and each subsequent holder is required to, notify any subsequent purchaser of such Offered Notes from it of the resale restrictions referred to in (A) above.

(iii) The transferee agrees that if in the future it should offer, sell or otherwise transfer such Offered Note, it will do so only pursuant to Rule 144A to a Person who the

seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, purchasing for its own account or for the account of a QIB, whom the holder has informed that such offer, sale or other transfer is being made in reliance on Rule 144A.

(iv) Each Offered Note will bear a legend to the following effect, unless the Transferor and the Indenture Trustee determine otherwise in accordance with applicable law:

"THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES THAT THIS NOTE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (I) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB"), PURCHASING FOR ITS OWN ACCOUNT OR A QIB PURCHASING FOR THE ACCOUNT OF A QIB, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTIONS.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUST OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

NO RESALE OR OTHER TRANSFER OF ANY NOTE SHALL BE MADE TO ANY TRANSFEREE UNLESS: (A) SUCH TRANSFEREE IS NOT, AND WILL NOT ACQUIRE THE NOTE ON BEHALF OR WITH PLAN ASSETS OF, AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), THAT IS SUBJECT TO ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OR ANY ENTITY DEEMED TO HOLD PLAN ASSETS OF ANY OF THE FOREGOING BY REASON OF AN EMPLOYEE

BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY (EACH, A "BENEFIT PLAN") OR (B) THE ACQUISITION AND HOLDING OF THE NOTE BY SUCH TRANSFEREE ARE ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 OR A SIMILAR EXEMPTION. EACH PURCHASER OR TRANSFEREE OF A NOTE, BY ITS ACCEPTANCE OF SUCH NOTE, WILL BE DEEMED TO HAVE MADE THE REPRESENTATION SET FORTH IN CLAUSE (A) OR (B) ABOVE.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

TRANSFERS OF THE NOTES MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE MASTER INDENTURE.

THE HOLDER, BY ACCEPTANCE OF THIS NOTE, SHALL BE DEEMED TO HAVE AGREED TO TREAT THIS NOTE AS DEBT SOLELY OF THE TRUST FOR UNITED STATES FEDERAL, STATE AND LOCAL INCOME, SINGLE BUSINESS AND FRANCHISE TAX PURPOSES."

(v) If the transferee is acquiring any Offered Note, or any interest or participation therein, as a fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the acknowledgments, representations and agreements contained herein on behalf of such account.

(vi) (A) The transferee is not acquiring and will not acquire the Offered Notes on behalf of or with plan assets of any Benefit Plan or (B) its acquisition and holding of the Offered Note are eligible for the exemptive relief available under PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 or a similar exemption. By its acceptance of a Offered Note each transferee will be deemed to have made the representation set forth in clause (A) or (B).

(vii) The transferee agrees that if at some time in the future it wishes to transfer or exchange any of the Offered Notes, it will not transfer or exchange any of the Offered Notes unless such transfer or exchange is in accordance with the Master Indenture. The purchaser understands that any purported transfer of any Offered Note (or any interest therein) in contravention of any of the restrictions and conditions in the Master Indenture shall be void, and the purported transferee in such transfer shall not be recognized by the Trust or any other Person as a Noteholder for any purpose.

(f) Any purported transfer of a Series 2007-2 Note not in accordance with this Section 2.03 or Section 2.05 of the Master Indenture shall be null and void and shall not be given effect for any purpose hereunder or under the Master Indenture.

(g) If the Indenture Trustee determines or is notified by the Issuer, the Transferor or the Servicer that (i) a transfer or attempted or purported transfer of any interest in any Series 2007-2 Note was consummated in compliance with the provisions of this Section on the basis of a materially incorrect certification from the transferee or purported transferee, (ii) a transferee failed to deliver to the Indenture Trustee any certification required to be delivered hereunder or (iii) the holder of any interest in a Series 2007-2 Note is in breach of any representation or agreement set forth in any certification or any deemed representation or agreement of such holder, the Indenture Trustee shall not register such attempted or purported transfer and if a transfer has been registered, such transfer shall be absolutely null and void ab initio and shall vest no rights in the purported transferee (such purported transferee, a "Disqualified Transferee") and the last preceding holder of such interest in such Series 2007-2 Note that was not a Disqualified Transferee shall be restored to all rights as a Holder thereof retroactively to the date of transfer of such Series 2007-2 Note by such Holder.

ARTICLE THREE

SERVICING FEE

Section 3.01. Servicing Fee.

(a) Servicing Compensation. The share of the Servicing Fee allocable to the Series 2007-2 Noteholders with respect to any Distribution Date (the "Monthly Servicing Fee") shall be equal to one-twelfth of the product of (1) the Servicing Fee Rate and (2) (i) the Adjusted Invested Amount for the related Monthly Period, minus (ii) the product of the average daily amount, if any, on deposit in the Special Funding Account during the Monthly Period and the Investor Percentage with respect to such Monthly Period. The remainder of the Servicing Fee shall be paid by the Holders of the Transferor Certificates or the Noteholders of other Series (as provided in the related Indenture Supplements) and in no event shall the Trust, the Indenture Trustee or the Series 2007-2 Noteholders be liable for the share of the Servicing Fee to be paid by the Holders of the Transferor Certificates or the Noteholders of any other Series. To the extent that the Monthly Servicing Fee is not paid in full pursuant to the preceding provisions of this Section and Section 4.03, it shall be paid by the Holders of the Transferor Certificates.

(b) Interchange. On or before each Determination Date, the Servicer shall notify the Transferor of the amount of Interchange to be included as Investor Finance Charge Collections with respect to the preceding Monthly Period as determined pursuant to this Section. Such amount of Interchange shall be equal to the product of (i) the amount of Interchange attributable to the Accounts, as reasonably estimated by the Servicer, and (ii) the Investor Percentage with regard to Finance Charge Receivables. On each Transfer Date, the Transferor shall deposit into the Collection Account, in immediately available funds, the amount of Interchange to be so included as Investor Finance Charge Collections with respect to the preceding Monthly Period and such Interchange shall be treated as a portion of Investor Finance Charge Collections for all purposes of this Series 2007-2 Indenture Supplement, the Master Indenture and the Transfer and Servicing Agreement.

ARTICLE FOUR

RIGHTS OF SERIES 2007-2 NOTEHOLDERS
AND ALLOCATION AND APPLICATION OF COLLECTIONS

Section 4.01. Collections and Allocations.

(a) Allocations. Collections of Finance Charge Receivables, Principal Receivables and Defaulted Receivables allocated to Series 2007-2 pursuant to Article Eight of the Master Indenture shall be allocated and distributed as set forth in this Article.

(b) Payments to the Transferor. The Servicer shall on each Deposit Date direct the Indenture Trustee to withdraw from the Collection Account and pay to the Holders of the Transferor Certificates (or to the Successor Servicer to the extent that the Successor Servicer is owed Transition Expenses pursuant to Section 4.03(a)(ix)) the following amounts:

(i) an amount equal to the Transferor Percentage for the related Monthly Period of Collections of Finance Charge Receivables; and

(ii) an amount equal to the Transferor Percentage for the related Monthly Period of Collections of Principal Receivables deposited in the Collection Account, if the Transferor Interest (determined after giving effect to any Principal Receivables transferred to the Trust on such Deposit Date) exceeds the Required Transferor Interest.

; provided, that, during the Revolving Period, the amount of Reallocated Principal Collections payable with respect to interest on the Series 2007-2 Notes on any Distribution Date will be paid by the Servicer from the amount of Collections of Receivables otherwise payable to the Transferor.

The withdrawals to be made from the Collection Account pursuant to this Section do not apply to deposits into the Collection Account that do not represent Collections, including payment of the purchase price for the Receivables or the Notes pursuant to, respectively, Section 2.06 or 7.01 of the Transfer and Servicing Agreement or Section 11.04 of the Master Indenture and payment of the purchase price for the Series 2007-2 Notes pursuant to Section 7.01 of this Series 2007-2 Indenture Supplement.

(c) Allocations to the Series 2007-2 Noteholders. The Servicer shall, prior to the close of business on any Deposit Date, allocate to the Series 2007-2 Noteholders the following amounts:

(i) Allocations of Finance Charge Collections. The Servicer shall allocate to the Series 2007-2 Noteholders and retain in the Collection Account for application as provided herein an amount equal to the product of (A) the Investor Percentage and (B) the aggregate amount of Collections of Finance Charge Receivables deposited in the Collection Account.

(ii) Allocations of Principal Collections. The Servicer shall allocate to the Series 2007-2 Noteholders the following amounts:

(A) Allocations During the Revolving Period. During the Revolving Period, an amount equal to the product of (1) the Investor Percentage and (2) the aggregate amount of Collections of Principal Receivables deposited in the Collection Account on such Deposit Date shall be allocated to the Series 2007-2 Noteholders and shall be first, if any other Principal Sharing Series in Group One is outstanding and in its amortization period or accumulation period, retained in the Collection Account for application, to the extent necessary, as Shared Principal Collections to other Series in Group One on the related Distribution Date, and second paid to the Holders of the Transferor Certificates if the Transferor Interest on such Deposit Date is greater than the Required Transferor Interest (after giving effect to all Principal Receivables transferred to the Trust on such day) and otherwise shall be deposited in the Special Funding Account.

(B) Allocations During the Controlled Accumulation Period. During the Controlled Accumulation Period, an amount equal to the product of (1) the Investor Percentage and (2) the aggregate amount of Collections of Principal Receivables deposited in the Collection Account on such Deposit Date shall be allocated to the Series 2007-2 Noteholders and deposited in the Principal Funding Account until applied as provided herein; provided, however, that if such amount, along with all other allocations to the Series 2007-2 Noteholders of Principal Receivables during the related Monthly Period exceeds the Controlled Deposit Amount for the related Distribution Date, then such excess shall be first, if any other Principal Sharing Series in Group One is outstanding and in its amortization period or accumulation period, retained in the Collection Account for application, to the extent necessary, as Shared Principal Collections to other Series in Group One on the related Distribution Date, and second paid to the Holders of the Transferor Certificates if the Transferor Interest on such Deposit Date is greater than the Required Transferor Interest (after giving effect to all Principal Receivables transferred to the Trust on such day) and otherwise shall be deposited in the Special Funding Account.

(C) Allocations During the Early Amortization Period. During the Early Amortization Period, an amount equal to the product of (1) the Investor Percentage and (2) the aggregate amount of Collections of Principal Receivables deposited in the Collection Account on such Deposit Date shall be allocated to the Series 2007-2 Noteholders and retained in the Collection Account until applied as provided herein; provided, however, that after the date on which an amount of such Collections equal to the Adjusted Invested Amount has been deposited into the Collection Account and allocated to the Series 2007-2 Noteholders, such amount shall be first, if any other Principal Sharing Series in Group One is outstanding and in its amortization period or accumulation period, retained in the Collection Account for application, to the extent necessary, as Shared Principal Collections to other Series in Group One on the related Distribution Date, and second paid to the Holders of the Transferor Certificates only if the Transferor

Interest on such date is greater than the Required Transferor Interest (after giving effect to all Principal Receivables transferred to the Trust on such day) and otherwise shall be deposited in the Special Funding Account.

Section 4.02. Determination of Monthly Interest, Monthly Principal and Interest Rate.

(a) On each Determination Date, the Servicer shall calculate all amounts necessary to make the required distributions to the Series 2007-2 Noteholders on the related Distribution Date, including the following amounts in respect of such Distribution Date and the related Monthly Period (i) the Class A Monthly Interest; (ii) the Class A Interest Shortfall; (iii) the Class A Additional Interest; (iv) the Class B Monthly Interest; (v) the Class B Interest Shortfall; (vi) the Class B Additional Interest; (vii) the Class C Monthly Interest; (viii) the Class C Interest Shortfall; (ix) the Class C Additional Interest; and (x) the Monthly Principal.

(b) The Class C Note Interest Rate may be increased by the Issuer upon satisfaction of the Rating Agency Condition. The Issuer will give the Rating Agencies 30 days' prior written notice of the proposed increase to the Class C Note Interest Rate.

Section 4.03. Application of Available Finance Charge Collections and Available Principal Collections. The Servicer shall apply, or shall cause the Indenture Trustee to apply by written instruction to the Indenture Trustee in the form of Exhibit B attached hereto, on each Distribution Date, Available Finance Charge Collections and Available Principal Collections, as the case may be, on deposit in the Collection Account with respect to the related Monthly Period or such Distribution Date to make the following distributions:

(a) On each Distribution Date, an amount equal to the Available Finance Charge Collections will be distributed or deposited in the following amounts and priority:

(i) an amount equal to the Monthly Servicing Fee, plus the amount of any Monthly Servicing Fee previously due but not distributed to the Servicer on one or more prior Distribution Dates, shall be distributed to the Servicer (unless such amount has been netted against deposits to the Collection Account in accordance with Section 8.04 of the Master Indenture);

(ii) an amount equal to the Class A Monthly Interest for such Distribution Date, plus the amount of any Class A Monthly Interest previously due but not distributed to Class A Noteholders on one or more prior Distribution Dates, plus the amount of any Class A Additional Interest for such Distribution Dates, plus the amount of any Class A Additional Interest previously due but not distributed to Class A Noteholders on one or more prior Distribution Dates, shall be distributed to the Paying Agent for payment to Class A Noteholders on such Distribution Date;

(iii) an amount equal to the Class B Monthly Interest for such Distribution Date, plus the amount of any Class B Monthly Interest previously due but not distributed to Class B Noteholders on one or more prior Distribution Dates, plus the amount of any Class B Additional Interest for such Distribution Dates, plus the amount of any Class B Additional Interest previously due but not distributed to Class B Noteholders on one or

more prior Distribution Dates, shall be distributed to the Paying Agent for payment to Class B Noteholders on such Distribution Date;

(iv) an amount equal to the Class C Monthly Interest for such Distribution Date, plus the amount of any Class C Monthly Interest previously due but not distributed to the Class C Noteholders on one or more prior Distribution Dates, plus the amount of any Class C Additional Interest for such Distribution Dates, plus the amount of any Class C Additional Interest previously due but not distributed to the Class C Noteholders on one or more prior Distribution Dates shall be distributed to the Paying Agent for payment to the Class C Noteholders on such Distribution Date;

(v) an amount equal to the Investor Default Amount and the Investor Uncovered Dilution Amount, if any, for such Distribution Date shall be treated as a portion of Available Principal Collections for such Distribution Date;

(vi) an amount equal to the sum of the aggregate amount of Investor Charge-Offs and the amount of Reallocated Principal Collections which have not been previously reimbursed pursuant to this subparagraph shall be treated as a portion of Available Principal Collections for such Distribution Date;

(vii) upon the occurrence of an Event of Default with respect to Series 2007-2 and acceleration of the maturity of the Series 2007-2 Notes, the balance, if any, up to the outstanding principal amount of the Series 2007-2 Notes will be treated as Available Principal Collections for that Distribution Date for distribution to the Series 2007-2 Noteholders;

(viii) on each Distribution Date from and after the Reserve Account Funding Date, but prior to the date on which the Reserve Account terminates pursuant to Section 4.09(e), an amount up to the excess, if any, of the Required Reserve Account Amount over the amount then on deposit in the Reserve Account will be deposited into the Reserve Account;

(ix) an amount equal to any Transition Expenses and other amounts the Trust may be liable for from time to time that are not otherwise provided for above will be applied by the Indenture Trustee as directed by the Servicer; and

(x) the balance, if any, will constitute a portion of Excess Finance Charge Collections for such Distribution Date and will be available for allocation to other Series in Group One or to the Holder of the Transferor Certificates as described in Section 8.07 of the Master Indenture and Section 4.01.

(b) On each Distribution Date with respect to the Revolving Period, an amount equal to the Available Principal Collections shall be treated as Shared Principal Collections and applied in accordance with Section 8.05 of the Master Indenture.

(c) On each Distribution Date with respect to the Controlled Accumulation Period, Available Principal Collections deposited in the Collection Account for the related Monthly Period shall be deposited in an amount up to the Monthly Principal for

such Distribution Date into the Principal Funding Account and any Available Principal Collections remaining after the deposit of the Monthly Principal into the Principal Funding Account shall be treated as Shared Principal Collections and applied in accordance with Section 8.05 of the Master Indenture.

(d) On each Distribution Date with respect to the Early Amortization Period, an amount equal to the Available Principal Collections deposited in the Collection Account for the related Monthly Period shall be distributed or deposited in the following order of priority:

(i) an amount equal to the Available Principal Collections for such Distribution Date shall be distributed to the Paying Agent for payment to the Class A Noteholders on such Distribution Date and on each subsequent Distribution Date until the Class A Note Principal Balance has been reduced to zero;

(ii) after giving effect to the distribution referred to in clause (i) above, an amount equal to any remaining Available Principal Collections shall be distributed to the Paying Agent for payment to the Class B Noteholders on such Distribution Date and on each subsequent Distribution Date until the Class B Note Principal Balance has been reduced to zero;

(iii) after giving effect to the distributions referred to in clauses (i) and (ii) above, an amount equal to any remaining Available Principal Collections shall be distributed to the Paying Agent for payment to the Class C Noteholders on such Distribution Date and on each subsequent Distribution Date until the Class C Note Principal Balance has been reduced to zero; and

(iv) the balance of such Available Principal Collections remaining after application in accordance with clauses (i) through (iii) above shall be treated as Shared Principal Collections and applied in accordance with Section 8.05 of the Master Indenture.

(e) On the earlier to occur of (i) the first Distribution Date with respect to the Early Amortization Period and (ii) the Expected Final Principal Payment Date, the Indenture Trustee, acting in accordance with instructions from the Servicer, shall withdraw from the Principal Funding Account and distribute to the Paying Agent for payment to the (i) Class A Noteholders, the amounts deposited into the Principal Funding Account pursuant to Section 4.03(d)(i) until the Class A Notes are paid in full and then (ii) Class B Noteholders, any remaining amounts deposited into the Principal Funding Account pursuant to Section 4.03(d)(ii) until the Class B Notes are paid in full.

(f) The Controlled Accumulation Period is scheduled to commence on August 1, 2011; provided, however, that, if the Accumulation Period Length (determined as described below) is less than eight months, the date on which the Controlled Accumulation Period actually commences will be delayed to the first Business Day of the month that is the number of whole months prior to the Expected Final Principal Payment Date at least equal to the Accumulation Period Length and, as a result, the number of

Monthly Periods in the Controlled Accumulation Period will at least equal the Accumulation Period Length. On the Determination Date immediately preceding the July 2011 Distribution Date, and each Determination Date thereafter until the Controlled Accumulation Period begins, the Servicer will determine the "Accumulation Period Length", which will equal the number of whole months such that the sum of the Accumulation Period Factors for each month during such period will be equal to or greater than the Required Accumulation Factor Number; provided, however, that the Accumulation Period Length will not be determined to be less than one month; provided further, however, that the determination of the Accumulation Period Length may be changed at any time if the Rating Agency Condition is satisfied.

Section 4.04. Investor Charge-Offs and Investor Uncovered Dilution. On each Determination Date, the Servicer shall calculate the Investor Default Amount and the Investor Uncovered Dilution Amount, if any, for the related Distribution Date. If the Investor Default Amount exceeds the amount of Available Finance Charge Collections allocated with respect thereto pursuant to Section 4.03(a)(v) with respect to such Distribution Date, then the Invested Amount will be reduced by the amount of the excess as an Investor Charge-Off. If the Investor Uncovered Dilution Amount exceeds the amount of Available Finance Charge Collections allocated with respect thereto pursuant to Section 4.03(a)(v) (after giving effect to the allocation to cover the Investor Default Amount) with respect to such Distribution Date, and the Transferor Interest is zero, then the Invested Amount will be reduced by the amount by which the Transferor Interest would fall below zero if the Investor Uncovered Dilution Amount was deducted from the Transferor Interest. In no event, however, will the Invested Amount be reduced below zero.

Section 4.05. Reallocated Principal Collections. On each Distribution Date, the Servicer shall apply, or shall cause the Indenture Trustee to apply, Reallocated Principal Collections with respect to such Distribution Date, to fund any deficiency pursuant to and in the priority set forth in Sections 4.03(a)(i) through (iii). On each Distribution Date following the termination of the Revolving Period, the Invested Amount shall be reduced by the amount of Reallocated Principal Collections for such Distribution Date.

Section 4.06. Excess Finance Charge Collections. Series 2007-2 shall be an Excess Allocation Series with respect to Group One only. Subject to Section 8.07 of the Master Indenture, Excess Finance Charge Collections with respect to the Excess Allocation Series in Group One for any Distribution Date will be allocated to Series 2007-2 in an amount equal to the product of (i) the aggregate amount of Excess Finance Charge Collections with respect to all the Excess Allocation Series in Group One for such Distribution Date and (ii) a fraction, the numerator of which is the Finance Charge Shortfall for Series 2007-2 for such Distribution Date and the denominator of which is the aggregate amount of Finance Charge Shortfalls for all the Excess Allocation Series in Group One for such Distribution Date.

Section 4.07. Shared Principal Collections. Subject to Section 8.05 of the Master Indenture, Shared Principal Collections with respect to the Series in Group One for any Distribution Date will be allocated to Series 2007-2 in an amount equal to the product of (i) the aggregate amount of Shared Principal Collections with respect to all Principal Sharing Series in Group One for such Distribution Date and (ii) a fraction, the numerator of which is the Series

2007-2 Principal Shortfall for such Distribution Date and the denominator of which is the aggregate amount of Principal Shortfalls for all the Series which are Principal Sharing Series in Group One for such Distribution Date.

Section 4.08. Principal Funding Account.

(a) The Indenture Trustee shall establish and maintain with an Eligible Institution (which may be the Indenture Trustee) in the name of the Trust, for the benefit of the Series 2007-2 Noteholders, a segregated trust account with the corporate trust department of such Eligible Institution (the "Principal Funding Account"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Series 2007-2 Noteholders. The Indenture Trustee shall possess all right, title and interest in all funds on deposit from time to time in the Principal Funding Account and in all proceeds thereof. The Principal Funding Account shall be under the sole dominion and control of the Indenture Trustee for the benefit of the Series 2007-2 Noteholders. If at any time the institution holding the Principal Funding Account ceases to be an Eligible Institution, the Transferor shall notify the Indenture Trustee, and the Indenture Trustee upon being notified (or the Transferor on its behalf) shall, within ten Business Days, establish a new Principal Funding Account meeting the conditions specified above with an Eligible Institution, and shall transfer any cash or any investments to such new Principal Funding Account. The Indenture Trustee, at the direction of the Servicer, shall (i) make withdrawals from the Principal Funding Account from time to time, in the amounts and for the purposes set forth in this Series 2007-2 Indenture Supplement, and (ii) on each Distribution Date (from and after the commencement of the Controlled Accumulation Period) prior to the termination of the Principal Funding Account, make deposits into the Principal Funding Account in the amounts specified in, and otherwise in accordance with, Section 4.03(c).

(b) Funds on deposit in the Principal Funding Account shall be invested at the direction of the Servicer by the Indenture Trustee in Eligible Investments. Funds on deposit in the Principal Funding Account on any Distribution Date, after giving effect to any withdrawals from the Principal Funding Account on such Distribution Date, shall be invested in such investments that will mature so that such funds will be available for withdrawal prior to the following Distribution Date.

On each Distribution Date with respect to the Controlled Accumulation Period and on the first Distribution Date with respect to the Early Amortization Period, the Indenture Trustee, acting at the Servicer's direction given on or before such Distribution Date, shall transfer from (i) the Principal Funding Account to the Collection Account the Principal Funding Investment Proceeds on deposit in the Principal Funding Account and (ii) from the Reserve Account any Reserve Account Draw Amount for application as Available Finance Charge Collections in accordance with Section 4.03.

Principal Funding Investment Proceeds (including reinvested interest) shall not be considered part of the amounts on deposit in the Principal Funding Account for purposes of this Series 2007-2 Indenture Supplement.

Section 4.09. Reserve Account.

(a) On or before the Reserve Account Funding Date, the Indenture Trustee shall establish and maintain with an Eligible Institution (which may be the Indenture Trustee) in the name of the Trust, for the benefit of the Noteholders, a segregated trust account with the corporate trust department of such Eligible Institution (the "Reserve Account"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Noteholders. The Indenture Trustee shall possess all right, title and interest in all funds on deposit from time to time in the Reserve Account and in all proceeds thereof. The Reserve Account shall be under the sole dominion and control of the Indenture Trustee for the benefit of the Noteholders. If at any time the institution holding the Reserve Account ceases to be an Eligible Institution, the Servicer shall notify the Indenture Trustee, and the Indenture Trustee upon being notified (or the Servicer on its behalf) shall, within ten Business Days, establish a new Reserve Account meeting the conditions specified above with an Eligible Institution, and shall transfer any cash or any investments to such new Reserve Account. The Indenture Trustee, at the direction of the Servicer, shall (i) make withdrawals from the Reserve Account from time to time in an amount up to the Available Reserve Account Amount at such time, for the purposes set forth in this Series 2007-2 Indenture Supplement, and (ii) on each Distribution Date (from and after the Reserve Account Funding Date) prior to termination of the Reserve Account, make a deposit into the Reserve Account in the amount specified in, and otherwise in accordance with, Section 4.03(a)(viii).

(b) Funds on deposit in the Reserve Account shall be invested at the direction of the Servicer by the Indenture Trustee in Eligible Investments. Funds on deposit in the Reserve Account on any Distribution Date, after giving effect to any withdrawals from the Reserve Account on such Distribution Date, shall be invested in such investments that will mature so that such funds will be available for withdrawal prior to the following Distribution Date.

On each Distribution Date, all interest and earnings (net of losses and investment expenses) accrued since the preceding Distribution Date on funds on deposit in the Reserve Account shall be retained in the Reserve Account (to the extent that the amount on deposit in the Reserve Account is less than the Required Reserve Account Amount) and the balance, if any, shall be deposited into the Collection Account and included in Available Finance Charge Collections for such Distribution Date. For purposes of determining the availability of funds or the balance in the Reserve Account for any reason under this Series 2007-2 Indenture Supplement, except as otherwise provided in the preceding sentence, investment earnings on such funds shall be deemed not to be available or on deposit.

(c) In the event that on any Distribution Date the Reserve Account Draw Amount is greater than zero, the Reserve Account Draw Amount shall be withdrawn from the Reserve Account by the Indenture Trustee (acting in accordance with the instructions of the Servicer) and deposited into the Collection Account for application as Available Finance Charge Collections for such Distribution Date.

(d) In the event that the amount on deposit in the Reserve Account on any Distribution Date, after giving effect to all deposits to and withdrawals from the Reserve Account with respect to such Distribution Date, is greater than the Required Reserve Account

Amount, the Indenture Trustee, acting in accordance with the instructions of the Servicer, shall withdraw from the Reserve Account an amount equal to the excess of the amount on deposit in the Reserve Account over the Required Reserve Account Amount, and distribute such excess to the holders of the Transferor Certificates.

(e) Upon the earliest to occur of (i) the termination of the Trust pursuant to the Trust Agreement, (ii) the first Distribution Date relating to the Early Amortization Period and (iii) the Expected Final Principal Payment Date, the Indenture Trustee, acting in accordance with the instructions of the Servicer, after the prior payment of all amounts owing to the Noteholders that are payable from the Reserve Account as provided herein, shall withdraw from the Reserve Account all amounts, if any, on deposit in the Reserve Account and distribute any such amounts remaining to the holders of the Transferor Certificates. The Reserve Account shall thereafter be deemed to have terminated for purposes of this Series 2007-2 Indenture Supplement.

Section 4.10. Eligible Investments.

(a) The Indenture Trustee shall hold funds on deposit in the Principal Funding Account and the Reserve Account invested pursuant to Sections 4.08(b) and 4.09(b), respectively, in Eligible Investments. The Indenture Trustee shall hold such of the Eligible Investments as constitutes investment property through a securities intermediary, which securities intermediary shall agree with the Indenture Trustee that (i) such investment property shall at all times be credited to a securities account of the Indenture Trustee, (ii) such securities intermediary shall treat the Indenture Trustee as entitled to exercise the rights that comprise each financial asset credited to such securities account, (iii) all property credited to such securities account shall be treated as a financial asset, (iv) such securities intermediary shall comply with entitlement orders originated by the Indenture Trustee without the further consent of any other person or entity, (v) such securities intermediary will not agree with any Person or entity other than the Indenture Trustee to comply with entitlement orders originated by such other Person or entity, (vi) such securities accounts and the property credited thereto shall not be subject to any lien, security interest or right of set-off in favor of such securities intermediary or anyone claiming through it (other than the Indenture Trustee) and (vii) such agreement shall be governed by the laws of the State of New York. Terms used in the preceding sentence that are defined in the New York UCC and not otherwise defined herein has the meaning set forth in the New York UCC.

(b) Any investment instructions required to be given to the Indenture Trustee pursuant to the terms hereof must be given to the Indenture Trustee no later than 11:00 a.m., New York City time, on the date such investment is to be made. In the event the Indenture Trustee receives such investment instruction later than such time, the Indenture Trustee may, but shall have no obligation to, make such investment. In the event the Indenture Trustee is unable to make an investment required in an investment instruction received by the Indenture Trustee after 11:00 a.m., New York City time, on such day, such investment shall be made by the Indenture Trustee on the next succeeding Business Day. In no event shall the Indenture Trustee be liable for any investment not made pursuant to investment instructions received after 11:00 a.m., New York City time, on the day such investment is requested to be made.

ARTICLE FIVE

DELIVERY OF SERIES 2007-2 NOTES;
DISTRIBUTIONS; REPORTS TO SERIES 2007-2 NOTEHOLDERS

Section 5.01. Delivery and Payment for the Series 2007-2 Notes. The Issuer shall execute and issue, and the Indenture Trustee shall authenticate, the Series 2007-2 Notes in accordance with Section 2.03 of the Master Indenture. The Indenture Trustee shall deliver the Series 2007-2 Notes to or upon the order of the Trust when so authenticated.

Section 5.02. Distributions.

(a) On each Distribution Date, the Paying Agent shall distribute to each Class A Noteholder of record on the related Record Date (other than as provided in Section 11.02 of the Master Indenture) such Class A Noteholder's pro rata share of the amounts held by the Paying Agent that are allocated and available on such Distribution Date to pay interest and principal on the Class A Notes pursuant to this Series 2007-2 Indenture Supplement.

(b) On each Distribution Date, the Paying Agent shall distribute to each Class B Noteholder of record on the related Record Date (other than as provided in Section 11.02 of the Master Indenture) such Class B Noteholder's pro rata share of the amounts held by the Paying Agent that are allocated and available on such Distribution Date to pay interest and principal on the Class B Notes pursuant to this Series 2007-2 Indenture Supplement.

(c) On each Distribution Date, the Paying Agent shall distribute to each Class C Noteholder of record on the related Record Date (other than as provided in Section 11.02 of the Master Indenture) such Class C Noteholder's pro rata share of the amounts held by the Paying Agent that are allocated and available on such Distribution Date to pay interest and principal on the Class C Notes pursuant to this Series 2007-2 Indenture Supplement.

(d) The distributions to be made pursuant to this Section are subject to the provisions of Sections 2.06, 6.01 and 7.01 of the Transfer and Servicing Agreement, Section 11.02 of the Master Indenture and Section 7.01 of this Series 2007-2 Indenture Supplement.

(e) Except as provided in Section 11.02 of the Master Indenture with respect to a final distribution, distributions to Series 2007-2 Noteholders hereunder shall be made by (i) check mailed to each Series 2007-2 Noteholder (at such Noteholder's address as it appears in the Note Register), except that with respect to any Series 2007-2 Notes registered in the name of the nominee of a Clearing Agency, such distribution shall be made in immediately available funds and (ii) without presentation or surrender of any Series 2007-2 Note or the making of any notation thereon.

Section 5.03. Reports and Statements to Series 2007-2 Noteholders.

(a) On each Distribution Date, the Paying Agent, on behalf of the Indenture Trustee, shall forward to each Series 2007-2 Noteholder a statement substantially in the form of Exhibit C prepared by the Servicer.

(b) Not later than the Determination Date preceding each Distribution Date, the Servicer shall deliver to the Owner Trustee, the Indenture Trustee, the Paying Agent and each Rating Agency (i) a statement substantially in the form of Exhibit C prepared by the Servicer and (ii) a certificate of an Authorized Officer substantially in the form of Exhibit D; provided that the Servicer may amend the form of Exhibit C and Exhibit D, from time to time, with the consent of the Indenture Trustee.

(c) A copy of this Series 2007-2 Indenture Supplement, as well as each statement or certificate provided pursuant to Section 5.03(a) or (b), the Transfer and Servicing Agreement and the Trust Agreement may be obtained by any Series 2007-2 Noteholder by a request in writing to the Servicer.

(d) On or before January 31 of each calendar year, beginning with calendar year 2008, the Paying Agent, on behalf of the Indenture Trustee, shall furnish or cause to be furnished to each Person who at any time during the preceding calendar year was a Series 2007-2 Noteholder, a statement prepared by the Servicer containing the information which is required to be contained in the statement to Series 2007-2 Noteholders, as set forth in Section 5.03(a), aggregated for such calendar year or the applicable portion thereof during which such Person was a Series 2007-2 Noteholder, together with other information as is required to be provided by an issuer of indebtedness under the Code. Such obligation of the Paying Agent shall be deemed to have been satisfied to the extent that substantially comparable information shall be provided by the Paying Agent pursuant to any requirements of the Code as from time to time in effect.

(e) The Paying Agent on behalf of the Indenture Trustee, may make available, via the Paying Agent's internet website, any statement required to be forwarded to the Series 2007-2 Noteholders under Section 5.03(a) and the statement required to be forwarded to the Series 2007-2 Noteholders under Section 5.03(d) and, with the consent or at the direction of the Servicer, such other information regarding the Notes or the Receivables as the Paying Agent may have in its possession, but only with the use of a password provided by the Paying Agent or its agent to such Person. Neither the Paying Agent nor the Indenture Trustee will make any representation or warranties as to the accuracy or completeness of such documents and will assume no responsibility therefor.

The Paying Agent's internet website shall be initially located at "www.CTSLink.com" or at such other address as shall be specified by the Indenture Trustee from time to time in writing to the Series 2007-2 Noteholders. In connection with providing access to the Paying Agent's internet website, the Indenture Trustee may require registration and the acceptance of a disclaimer. Neither the Paying Agent nor the Indenture Trustee shall be liable for the dissemination of information in accordance with this Series 2007-2 Indenture Supplement.

ARTICLE SIX

SERIES 2007-2 PAY OUT EVENTS

Section 6.01. Series 2007-2 Pay Out Events. If any one of the following events shall occur with respect to the Series 2007-2 Notes:

(a) failure on the part of the Transferor (i) to make any payment or deposit required to be made by the Transferor by the terms of the Transfer and Servicing Agreement, the Master Indenture or this Series 2007-2 Indenture Supplement on or before the date occurring five Business Days after the date such payment or deposit is required to be made therein or herein or (ii) duly to observe or perform any other covenants or agreements of the Transferor set forth in the Transfer and Servicing Agreement, the Master Indenture or this Series 2007-2 Indenture Supplement, which failure has a material adverse effect on the Series 2007-2 Noteholders and which continues unremedied for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Transferor by the Indenture Trustee, or to the Transferor and the Indenture Trustee by any Holder of the Series 2007-2 Notes;

(b) any representation or warranty made by the Transferor in the Transfer and Servicing Agreement, or any information contained in a computer file or microfiche list required to be delivered by the Transferor pursuant to Section 2.01 or Section 2.09 of the Transfer and Servicing Agreement shall prove to have been incorrect in any material respect when made or when delivered, which continues to be incorrect in any material respect for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Transferor by the Indenture Trustee, or to the Transferor and the Indenture Trustee by any Holder of the Series 2007-2 Notes and as a result of which the interests of the Series 2007-2 Noteholders are materially and adversely affected for such period; provided, however, that a Series 2007-2 Pay Out Event pursuant to this Subsection shall not be deemed to have occurred hereunder if the Transferor has accepted reassignment of the related Receivable, or all of such Receivables, if applicable, during such period in accordance with the provisions of the Transfer and Servicing Agreement;

(c) a failure by the Transferor to convey Receivables in Supplemental Accounts or Participation Interests to the Trust within five Business Days after the day on which it is required to convey such Receivables pursuant to Section 2.09(a) of the Transfer and Servicing Agreement (including the failure of the Account Owner to transfer the Receivables);

(d) any Servicer Default shall occur;

(e) the average Portfolio Adjusted Yield for any three consecutive Monthly Periods is less than zero;

(f) the Offered Note Principal Balance shall not be paid in full on the Expected Final Principal Payment Date;

(g) an Insolvency Event occurs with respect to the Transferor (including any additional Transferor), the Bank, the Seller, any other Account Owner or the Servicer;

(h) the Transferor is unable for any reason to transfer Receivables to the Trust in accordance with the Transfer and Servicing Agreement or the Seller is unable for any reason to transfer Receivables to the Transferor in accordance with the Receivables Purchase Agreement;

(i) the Trust becomes required to register as an "investment company" under the Investment Company Act; or

(j) without limiting the foregoing, the occurrence of an Event of Default with respect to Series 2007-2 and acceleration of the maturity of the Series 2007-2 Notes pursuant to Section 5.03 of the Master Indenture;

then, in the case of any event described in subparagraph (a), (b) or (d), after the applicable grace period, if any, set forth in such subparagraphs, either the Indenture Trustee or the Holders of Series 2007-2 Notes evidencing at least 25% of the aggregate unpaid principal amount of Series 2007-2 Notes by notice then given in writing to the Transferor and the Servicer (and to the Indenture Trustee if given by the Series 2007-2 Noteholders) may declare that a "Series Pay Out Event" with respect to Series 2007-2 (a "Series 2007-2 Pay Out Event") has occurred as of the date of such notice, and, in the case of any event described in subparagraph (c), (e), (f), (g), (h), (i) or (j), a Series 2007-2 Pay Out Event shall occur without any notice or other action on the part of the Indenture Trustee or the Series 2007-2 Noteholders immediately upon the occurrence of such event.

ARTICLE SEVEN

REDEMPTION OF SERIES 2007-2 NOTES; FINAL DISTRIBUTIONS; SERIES TERMINATION

Section 7.01. Optional Redemption of Series 2007-2 Notes; Final Distributions.

(a) On any day occurring on or after the date on which the outstanding principal balance of the Series 2007-2 Notes is reduced to 10% or less of the initial Note Principal Balance, the Servicer shall have the option to redeem the Series 2007-2 Notes if it has determined, in its sole estimation, that the cost of servicing the related Receivables is unduly burdensome in relation to the benefit, at a purchase price equal to (i) if such day is a Distribution Date, the Reassignment Amount for such Distribution Date or (ii) if such day is not a Distribution Date, the Reassignment Amount for the Distribution Date following such day.

(b) The Servicer shall give the Indenture Trustee at least 30 days' prior written notice of the date on which the Servicer intends to exercise such redemption option. Not later than 12:00 noon, New York City time, on such date the Servicer shall deposit into the Collection Account in immediately available funds the excess of the Reassignment Amount over the amount, if any, on deposit in the Principal Funding Account. Such redemption option is subject to payment in full of the Reassignment Amount. Following such deposit into the Collection Account in accordance with the foregoing, the Invested Amount for Series 2007-2 shall be reduced to zero and the Series 2007-2 Noteholders shall have no further security interest in the Receivables. The Reassignment Amount shall be distributed as set forth in Section 7.02(b).

Section 7.02. Sale of the Receivables or Redemption of the Notes pursuant to Section 2.06 or 7.01 of the Transfer and Servicing Agreement and Section 5.05 and 5.16 of the Master Indenture and Section 7.01.

(a) (i) The amount to be paid by the Transferor with respect to Series 2007-2 in connection with a reassignment of Receivables to the Transferor pursuant to Section 2.06 of the Transfer and Servicing Agreement shall equal the Reassignment Amount for the first Distribution Date following the Monthly Period in which the reassignment obligation arises under the Transfer and Servicing Agreement.

(ii) The amount to be paid by the Transferor with respect to Series 2007-2 in connection with a purchase of the Notes pursuant to Section 7.01 of the Transfer and Servicing Agreement shall equal the Reassignment Amount for the Distribution Date of such repurchase.

(b) With respect to the Reassignment Amount deposited into the Collection Account pursuant to Section 7.01 or any amounts allocable to the Series 2007-2 Notes deposited into the Collection Account pursuant to Section 5.05 and 5.16 of the Master Indenture, the Indenture Trustee shall, in accordance with the written direction of the Servicer, not later than 12:00 noon, New York City time, on the related Distribution Date, make deposits or distributions of the following amounts (in the priority set forth below and, in each case, after giving effect to any deposits and distributions otherwise to be made on such date) in immediately available funds:

(i) (A) the Class A Note Principal Balance on such Distribution Date will be distributed to the Paying Agent for payment to the Class A Noteholders and (B) an amount equal to the sum of (1) Class A Monthly Interest for such Distribution Date, (2) any Class A Monthly Interest previously due but not distributed to the Class A Noteholders on a prior Distribution Date and (3) the amount of Class A Additional Interest, if any, for such Distribution Date and any Class A Additional Interest previously due but not distributed to the Class A Noteholders on any prior Distribution Date, will be distributed to the Paying Agent for payment to the Class A Noteholders, (ii) (A) the Class B Note Principal Balance on such Distribution Date will be distributed to the Paying Agent for payment to the Class B Noteholders and (B) an amount equal to the sum of (1) Class B Monthly Interest for such Distribution Date, (2) any Class B Monthly Interest previously due but not distributed to the Class B Noteholders on a prior Distribution Date and (3) the amount of Class B Additional Interest, if any, for such Distribution Date and any Class B Additional Interest previously due but not distributed to the Class B Noteholders on any prior Distribution Date, will be distributed to the Paying Agent for payment to the Class B Noteholders, (iii) (A) the Class C Note Principal Balance on such Distribution Date will be distributed to the Paying Agent for payment to the Class C Noteholders and (B) an amount equal to the sum of (1) Class C Monthly Interest for such Distribution Date, (2) any Class C Monthly Interest previously due but not distributed to the Class C Noteholders on a prior Distribution Date and (3) the amount of Class C Additional Interest, if any, for such Distribution Date and any Class C Additional Interest previously due but not distributed to the Class C Noteholders on any prior Distribution Date, will be distributed to the Paying Agent for payment to the Class C Noteholders and (iv) any excess shall be released to the Transferor.

(c) Notwithstanding anything to the contrary in this Series 2007-2 Indenture Supplement, the Master Indenture or the Transfer and Servicing Agreement, all amounts distributed to the Paying Agent pursuant to Section 7.01(d) for payment to the Series 2007-2 Noteholders shall be deemed distributed in full to the Series 2007-2 Noteholders on the date on which such funds are distributed to the Paying Agent pursuant to this Section and shall be deemed to be a final distribution pursuant to Section 11.02 of the Master Indenture.

Section 7.03. Series Termination. On the Series 2007-2 Final Maturity Date, the right of the Series 2007-2 Noteholders to receive payments from the Issuer will be limited solely to the right to receive payments pursuant to Section 5.05 of the Master Indenture.

ARTICLE EIGHT

MISCELLANEOUS PROVISIONS

Section 8.01. Ratification of Master Indenture; Amendments. As supplemented by this Series 2007-2 Indenture Supplement, the Master Indenture is in all respects ratified and confirmed and the Master Indenture as so supplemented by this Series 2007-2 Indenture Supplement shall be read, taken and construed as one and the same instrument. This Series 2007-2 Indenture Supplement may be amended only by an Indenture Supplement entered into in accordance with the terms of Section 10.01 or 10.02 of the Master Indenture. For purpose of the application of Section 10.02 to any amendment of this Series 2007-2 Indenture Supplement, the Series 2007-2 Noteholders shall be the only Noteholders whose vote shall be required. Notwithstanding the foregoing, upon satisfaction of the Rating Agency Condition, the provisions of this Series 2007-2 Indenture Supplement may be amended by the parties hereto without consent of Class A Noteholders if the amendment is to restrict the Transfer of Class B and/or Class C Notes and such amendment is in the Opinion of Counsel necessary to ensure that the Trust would not be treated as an association or publicly traded partnership taxable as a corporation.

Section 8.02. Counterparts. This Series 2007-2 Indenture Supplement may be executed in two or more counterparts, and by different parties on separate counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

Section 8.03. GOVERNING LAW. THIS SERIES 2007-2 INDENTURE SUPPLEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 8.04. Limitation of Liability. Notwithstanding any other provision herein or elsewhere, this Series 2007-2 Indenture Supplement has been executed and delivered by Wilmington Trust Company, not in its individual capacity, but solely in its capacity as Owner Trustee of the Trust, in no event shall Owner Trustee in its individual capacity have any liability in respect of the representations, warranties, or obligations of the Trust hereunder or under any other document, as to all of which recourse shall be had solely to the assets of the Trust, and for all purposes of this Series 2007-2 Indenture Supplement and each other document, the Owner Trustee (as such or in its individual capacity) shall be subject to, and entitled to the benefits of, the terms and provisions of the Trust Agreement.

IN WITNESS WHEREOF, the undersigned have caused this Series 2007-2 Indenture Supplement to be duly executed and delivered by their respective duly authorized officers on the day and year first above written.

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Issuer

By: WILMINGTON TRUST COMPANY,

not in its individual capacity

but solely as Owner Trustee

By: /s/ James P. Lawler

James P. Lawler
Vice President

Wells Fargo Bank, N.A.,
as Indenture Trustee

By: /s/ Melissa K. Philibert

Melissa K. Philibert
Vice President

Acknowledged and Accepted:

NORDSTROM CREDIT CARD RECEIVABLES II LLC,
as Transferor

By: /s/ Marc A. Anacker

Marc A. Anacker
Treasurer

NORDSTROM fsb,
as Servicer

By: /s/ Kevin T. Knight

Kevin T. Knight

Chairman and CEO

FORM OF SERIES 2007-2 FLOATING RATE
ASSET BACKED NOTE, CLASS A
RULE 144A GLOBAL NOTE

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES THAT THIS NOTE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (I) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB"), PURCHASING FOR ITS OWN ACCOUNT OR A QIB PURCHASING FOR THE ACCOUNT OF A QIB, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A OF THE SECURITIES ACT AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTIONS.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUST OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

NO RESALE OR OTHER TRANSFER OF ANY NOTE SHALL BE MADE TO ANY TRANSFEREE UNLESS: (A) SUCH TRANSFEREE IS NOT, AND WILL NOT ACQUIRE THE NOTE ON BEHALF OR WITH PLAN ASSETS OF, AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), THAT IS SUBJECT TO ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OR ANY ENTITY DEEMED TO HOLD PLAN ASSETS OF ANY OF THE FOREGOING BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY (EACH, A "BENEFIT PLAN") OR (B) THE ACQUISITION AND HOLDING OF THE NOTE BY SUCH TRANSFEREE ARE ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 OR A SIMILAR

EXEMPTION. EACH PURCHASER OR TRANSFEREE OF A NOTE, BY ITS ACCEPTANCE OF SUCH NOTE, WILL BE DEEMED TO HAVE MADE THE REPRESENTATION SET FORTH IN CLAUSE (A) OR (B) ABOVE.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

TRANSFERS OF THE NOTES MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE MASTER INDENTURE.

THE HOLDER, BY ACCEPTANCE OF THIS NOTE, SHALL BE DEEMED TO HAVE AGREED TO TREAT THE NOTES AS DEBT SOLELY OF THE TRUST FOR UNITED STATES FEDERAL, STATE AND LOCAL INCOME, SINGLE BUSINESS AND FRANCHISE TAX PURPOSES."

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF COVENANTS AND AGREES THAT IT WILL NOT AT ANY TIME INSTITUTE AGAINST THE TRUST OR THE TRANSFEROR, OR JOIN IN INSTITUTING AGAINST THE TRUST OR THE TRANSFEROR, ANY BANKRUPTCY, REORGANIZATION, ARRANGEMENT, INSOLVENCY OR LIQUIDATION PROCEEDINGS, OR OTHER PROCEEDINGS UNDER ANY UNITED STATES FEDERAL OR STATE BANKRUPTCY OR SIMILAR LAW.

No. 144A/R-1 Up to $453,800,000

CUSIP NO. 65566VAC4

Class A Note Rate: One-Month LIBOR plus 0.06%

NORDSTROM CREDIT CARD MASTER NOTE TRUST II
SERIES 2007-2 FLOATING RATE ASSET BACKED NOTE, CLASS A

Nordstrom Credit Card Master Note Trust II (herein referred to as the "Trust"), a Delaware statutory trust governed by a Second Amended and Restated Trust Agreement, dated as of May 1, 2007 (the "Trust Agreement"), between Nordstrom Credit Card Receivables II LLC, as transferor (the "Transferor"), and Wilmington Trust Company, as owner trustee (the "Owner Trustee"), for value received, hereby promises to pay to DTC, or its registered assigns, subject to the following provisions, the principal sum of___, or such greater or lesser amount as determined in accordance with the Master Indenture, referred to herein, on the Series 2007-2 Final Maturity Date (which is the earlier to occur of (a) the Distribution Date on which the Note Principal Balance is paid in full and (b) the May 15, 2015 Distribution Date), except as otherwise provided below or in the Master Indenture. The Trust will pay interest on the unpaid principal amount of this Note at One-Month LIBOR plus 0.06% on each Distribution Date until the principal amount of this Note is paid in full. Interest on this Note will accrue for each Distribution Date from and including the preceding Distribution Date

(or in the case of the initial Distribution Date, from and including the Closing Date) to but excluding the current Distribution Date. Interest will be computed on the basis of the actual number of days in such Interest Period and a 360-day year. Principal of this Note shall be paid in the manner specified on the reverse hereof.

The principal of and interest on this Note are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth on the face of this Note.

Unless the certificate of authentication hereon has been executed by or on behalf of the Indenture Trustee, by manual signature, this Note shall not be entitled to any benefit under the Master Indenture or the Series 2007-2 Indenture Supplement referred to on the reverse hereof, or be valid for any purpose.

IN WITNESS WHEREOF, the Trust has caused this Class A Note to be duly executed.

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,

as Trust
By: WILMINGTON TRUST COMPANY,

not in its individual capacity but solely as Owner Trustee under the Trust Agreement

By:

Name:
Title:

Dated: ___, ___

INDENTURE TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Class A Notes described in the within-mentioned Master Indenture.

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Indenture Trustee

By:

Authorized Signatory

NORDSTROM CREDIT CARD MASTER NOTE TRUST II
SERIES 2007-2 FLOATING RATE ASSET BACKED NOTE, CLASS A
Summary of Terms and Conditions

This Class A Note is one of a duly authorized issue of Notes of the Trust, designated as Nordstrom Credit Card Master Note Trust II, Series 2007-2 (the "Series 2007-2 Notes"), issued under an Amended and Restated Master Indenture, dated as of May ___, 2007 (the "Master Indenture") between the Trust and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee"), as supplemented by the Series 2007-2 Indenture Supplement, dated as of May 1, 2007 (the "Series 2007-2 Indenture Supplement" and, together with the Master Indenture, the "Master Indenture"), between the Trust and the Indenture Trustee, and representing the right to receive certain payments from the Trust. The Notes are subject to all of the terms of the Master Indenture. All terms used in this Note that are defined in the Master Indenture has the meanings assigned to them in or pursuant to the Master Indenture. In the event of any conflict or inconsistency between the Master Indenture and this Note, the Master Indenture shall control. This Class A Note does not purport to summarize the Master Indenture and reference is made to the Master Indenture for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Indenture Trustee.

The Class B Notes and the Class C Notes will also be issued under the Master Indenture.

The Noteholder, by its acceptance of this Class A Note, agrees that it will look solely to the property of the Trust allocated to the payment of this Class A Note for payment hereunder and that the Indenture Trustee is not liable to the Noteholders for any amount payable under the Note or the Master Indenture or, except as expressly provided in the Master Indenture, subject to any liability under the Master Indenture.

The Expected Final Principal Payment Date is the April 16, 2012 Distribution Date, but principal with respect to the Class A Notes may be paid earlier or later under certain circumstances described in the Master Indenture. If for one or more months during the Controlled Accumulation Period there are not sufficient funds to deposit into the Principal Funding Account the Controlled Deposit Amount, then to the extent that excess funds are not available on subsequent Distribution Dates with respect to the Controlled Accumulation Period to make up for such shortfalls, the final payment of principal of the Notes will occur later than the Expected Final Principal Payment Date. Payments of principal of the Notes shall be payable in accordance with the provisions of the Master Indenture.

Subject to the terms and conditions of the Master Indenture, the Transferor may, from time to time, direct the Owner Trustee, on behalf of the Trust, to issue one or more new Series of Notes.

On each Distribution Date, the Paying Agent shall distribute to each Class A Noteholder of record on the related Record Date (except for the final distribution in respect of this Class A Note) such Class A Noteholder's pro rata share of the amounts held by the Paying Agent that are allocated and available on such Distribution Date to pay interest and principal on the Class A Notes pursuant to the Series 2007-2 Indenture Supplement. Except as provided in the Master

Indenture with respect to a final distribution, distributions to Series 2007-2 Noteholders shall be made by (i) check mailed to each Series 2007-2 Noteholder (at such Noteholder's address as it appears in the Note Register), except that with respect to any Series 2007-2 Notes registered in the name of the nominee of a Clearing Agency, such distribution shall be made in immediately available funds and (ii) without presentation or surrender of any Series 2007-2 Note or the making of any notation thereon. Final payment of this Class A Note will be made only upon presentation and surrender of this Class A Note at the office or agency specified in the notice of final distribution delivered by the Indenture Trustee to the Series 2007-2 Noteholders in accordance with the Master Indenture.

On any day occurring on or after the date on which the outstanding principal balance of the Series 2007-2 Notes is reduced to 10% or less of the initial Note Principal Balance, the Servicer shall have the option to redeem the Series 2007-2 Notes, at a purchase price equal to, if such day (i) is a Distribution Date, the Reassignment Amount for such Distribution Date or (ii) is not a Distribution Date, the Reassignment Amount for the Distribution Date following such day.

THIS CLASS A NOTE DOES NOT REPRESENT AN OBLIGATION OF, OR AN INTEREST IN, THE TRANSFEROR, NORDSTROM FSB OR ANY AFFILIATE OF ANY OF THEM AND IS NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY.

Each Noteholder, by accepting a Note, hereby covenants and agrees that it will not at any time institute against the Trust or the Transferor, or join in instituting against the Trust or the Transferor, prior to the date which is one year and one day after the termination of this Master Indenture, acquiesce, petition or otherwise invoke or cause the Trust or the Transferor to invoke the process of any Governmental Authority for the purpose of commencing or sustaining a case against the Trust or the Transferor under any Debtor Relief Law or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Trust or Transferor or any substantial part of its property or ordering the winding-up or liquidation of the affairs of the Trust or Transferor.

Except as otherwise provided in the Indenture Supplement, the Class A Notes are issuable only in minimum denominations of $100,000 and integral multiples of $1,000. The transfer of this Class A Note shall be registered in the Note Register upon surrender of this Class A Note for registration of transfer at any office or agency maintained by the Transfer Agent and Registrar accompanied by a written instrument of transfer, in a form satisfactory to the Indenture Trustee or the Transfer Agent and Registrar, duly executed by the Class A Noteholder or such Class A Noteholder's attorney, and duly authorized in writing with such signature guaranteed, and thereupon one or more new Class A Notes in any authorized denominations of like aggregate principal amount will be issued to the designated transferee or transferees.

As provided in the Master Indenture and subject to certain limitations therein set forth, Class A Notes are exchangeable for new Class A Notes in any authorized denominations and of like aggregate principal amount, upon surrender of such Notes to be exchanged at the office or agency of the Transfer Agent and Registrar. No service charge may be imposed for any such

exchange but the Trust or Transfer Agent and Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith.

The Trust, the Transferor, the Indenture Trustee and any agent of the Trust, Transferor or the Indenture Trustee shall treat the person in whose name this Class A Note is registered as the owner hereof for all purposes, and neither the Trust, the Transferor, the Indenture Trustee nor any agent of the Trust, Transferor or the Indenture Trustee shall be affected by notice to the contrary.

THIS CLASS A NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

ASSIGNMENT

Social Security or other identifying number of assignee

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(name and address of assignee)

the within certificate and all rights thereunder, and hereby irrevocably constitutes and appoints ___, attorney, to transfer said certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: [1]

Signature Guaranteed:

[1]NOTE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular, without alteration, enlargement or any change whatsoever.

SCHEDULE OF EXCHANGES IN GLOBAL SECURITY

The following exchanges of a part of this Global Security have been made:

Date of Exchange	Amount of Decrease in Principal Amount of this Global Security	Amount of Increase in Principal Amount of this Global Security	Principal Amount of this Global Security following such decrease (or increase)	Signature of authorized officer of Trustee or securities Custodian

FORM OF SERIES 2007-2 FLOATING RATE
ASSET BACKED NOTE, CLASS B
RULE 144A GLOBAL NOTE

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES THAT THIS NOTE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (I) (A) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB"), PURCHASING FOR ITS OWN ACCOUNT OR A QIB PURCHASING FOR THE ACCOUNT OF A QIB, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A OF THE SECURITIES ACT AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTIONS.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUST OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

NO RESALE OR OTHER TRANSFER OF ANY NOTE SHALL BE MADE TO ANY TRANSFEREE UNLESS: (A) SUCH TRANSFEREE IS NOT, AND WILL NOT ACQUIRE THE NOTE ON BEHALF OR WITH PLAN ASSETS OF, AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), THAT IS SUBJECT TO ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OR ANY ENTITY DEEMED TO HOLD PLAN ASSETS OF ANY OF THE FOREGOING BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY (EACH, A "BENEFIT PLAN") OR (B) THE ACQUISITION AND HOLDING OF THE NOTE BY SUCH TRANSFEREE ARE ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 OR A SIMILAR

EXEMPTION. EACH PURCHASER OR TRANSFEREE OF A NOTE, BY ITS ACCEPTANCE OF SUCH NOTE, WILL BE DEEMED TO HAVE MADE THE REPRESENTATION SET FORTH IN CLAUSE (A) OR (B) ABOVE.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

TRANSFERS OF THE NOTES MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE MASTER INDENTURE.

THE HOLDER, BY ACCEPTANCE OF THIS NOTE, SHALL BE DEEMED TO HAVE AGREED TO TREAT THE NOTES AS DEBT SOLELY OF THE TRUST FOR UNITED STATES FEDERAL, STATE AND LOCAL INCOME, SINGLE BUSINESS AND FRANCHISE TAX PURPOSES."

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF COVENANTS AND AGREES THAT IT WILL NOT AT ANY TIME INSTITUTE AGAINST THE TRUST OR THE TRANSFEROR, OR JOIN IN INSTITUTING AGAINST THE TRUST OR THE TRANSFEROR, ANY BANKRUPTCY, REORGANIZATION, ARRANGEMENT, INSOLVENCY OR LIQUIDATION PROCEEDINGS, OR OTHER PROCEEDINGS UNDER ANY UNITED STATES FEDERAL OR STATE BANKRUPTCY OR SIMILAR LAW.

No. 144A/R-1 Up to $46,200,000

CUSIP NO. 65566VAD2

Class B Note Rate: One-Month LIBOR plus 0.18%

NORDSTROM CREDIT CARD MASTER NOTE TRUST II
SERIES 2007-2 FLOATING RATE ASSET BACKED NOTE, CLASS B

Nordstrom Credit Card Master Note Trust II (herein referred to as the "Trust"), a Delaware statutory trust governed by a Second Amended and Restated Trust Agreement, dated as of May 1, 2007 (the "Trust Agreement"), between Nordstrom Credit Card Receivables II LLC, as transferor (the "Transferor"), and Wilmington Trust Company, as owner trustee (the "Owner Trustee"), for value received, hereby promises to pay to DTC, or its registered assigns, subject to the following provisions, the principal sum of ___, or such greater or lesser amount as determined in accordance with the Master Indenture, on the Series 2007-2 Final Maturity Date (which is the earlier to occur of (a) the Distribution Date on which the Note Principal Balance is paid in full and (b) the May 15, 2015 Distribution Date), except as otherwise provided below or in the Master Indenture. The Trust will pay interest on the unpaid principal amount of this Note at One-Month LIBOR plus 0.18% on each Distribution Date until the principal amount of this Note is paid in full. Interest on this Note will accrue for each Distribution Date from and including the preceding Distribution Date (or in the case of the initial Distribution Date, from and including the Closing Date) to but excluding the current Distribution

Date. Interest will be computed on the basis of the actual number of days in such Interest Period and a 360-day year. Principal of this Note shall be paid in the manner specified on the reverse hereof.

"LIBOR Determination Date" means two London Business Day prior to the Closing Date with respect to the first Distribution Date and, as to each subsequent Distribution Date, two London Business Days prior to the immediately preceding Distribution Date.

"London Business Day" means any day other than a Saturday, Sunday or a day on which banking institutions in London, England, are authorized or obligated by law or government decree to be closed.

"One-Month LIBOR" means, with respect to any Interest Period, the rate determined by the Indenture Trustee by reference to the British Bankers' Association Interest Settlement Rate for deposits in Dollars, with a maturity of one month commencing on the related LIBOR Determination Date, appearing on page 3750 of the Telerate Service (or any such page as may replace page 3750 on such service or any successor to or substitute for such service, providing rate quotations comparable to those currently provided by such service, as determined by the Indenture Trustee from time to time for purposes of providing quotations of interest rates applicable to deposits in Dollars in the London interbank market) at approximately 11:00 a.m., London time, on the second Business Day before the first day of such Interest Period. In the event that such rate is not available at such time for any reason, then the "One-Month LIBOR" shall be the rate at which deposits in Dollars in a principal amount of not less than $1,000,000 and for a maturity comparable to such Interest Period are offered by the [Wells Fargo Bank, National Association] in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, on the second Business Day before (and for value on) the first day of such Interest Period.

The principal of and interest on this Note are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth on the face of this Note.

Unless the certificate of authentication hereon has been executed by or on behalf of the Indenture Trustee, by manual signature, this Note shall not be entitled to any benefit under the Master Indenture or the Series 2007-2 Indenture Supplement referred to on the reverse hereof, or be valid for any purpose.

THIS CLASS B NOTE IS SUBORDINATED TO THE EXTENT NECESSARY TO FUND PAYMENT ON THE CLASS A NOTES TO THE EXTENT SPECIFIED IN THE SERIES 2007-2 INDENTURE SUPPLEMENT.

IN WITNESS WHEREOF, the Trust has caused this Class B Note to be duly executed.

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,

as Trust
BY: WILMINGTON TRUST COMPANY,

not in its individual capacity but solely as Owner Trustee under the Trust Agreement

By:

Name:
Title:

Dated: ___, ___

MASTER INDENTURE TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Class B Notes described in the within-mentioned Master Indenture.

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Indenture Trustee

By:

Authorized Signatory

NORDSTROM CREDIT CARD MASTER NOTE TRUST II
SERIES 2007-2 FLOATING RATE ASSET BACKED NOTE, CLASS B
Summary of Terms and Conditions

This Class B Note is one of a duly authorized issue of Notes of the Trust, designated as Nordstrom Credit Card Master Note Trust II, Series 2007-2 (the "Series 2007-2 Notes"), issued under an Amended and Restated Master Indenture, dated as of May 1, 2007 (the "Master Indenture"), between the Trust and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee"), as supplemented by the Series 2007-2 Indenture Supplement, dated as of May 1, 2007 (the "Series 2007-2 Indenture Supplement"), between the Trust and the Indenture Trustee, and representing the right to receive certain payments from the Trust. The term "Master Indenture," unless the context otherwise requires, refers to the Master Indenture as supplemented by the Series 2007-2 Indenture Supplement. The Notes are subject to all of the terms of the Master Indenture. All terms used in this Note that are defined in the Master Indenture has the meanings assigned to them in or pursuant to the Master Indenture. In the event of any conflict or inconsistency between the Master Indenture and this Note, the Master Indenture shall control.

The Class A Notes and the Class C Notes will also be issued under the Master Indenture.

The Noteholder, by its acceptance of this Note, agrees that it will look solely to the property of the Trust allocated to the payment of this Note for payment hereunder and that the Master Indenture Trustee is not liable to the Noteholders for any amount payable under the Note or the Master Indenture or, except as expressly provided in the Master Indenture, subject to any liability under the Master Indenture.

This Class B Note does not purport to summarize the Master Indenture and reference is made to the Master Indenture for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Indenture Trustee.

The Class B Note Initial Principal Balance is $46,200,000. The Class B Note Principal Balance on any date of determination will be an amount equal to (a) the Class B Note Initial Principal Balance, minus (b) the aggregate amount of principal payments made to the Class B Noteholders on or prior to such date.

The Expected Final Principal Payment Date is the April 16, 2012 Distribution Date, but principal with respect to the Class B Notes may be paid earlier or later under certain circumstances described in the Master Indenture. If for one or more months during the Controlled Accumulation Period there are not sufficient funds to deposit into the Principal Funding Account the Controlled Deposit Amount, then to the extent that excess funds are not available on subsequent Distribution Dates with respect to the Controlled Accumulation Period to make up for such shortfalls, the final payment of principal of the Class B Notes will occur later than the Expected Final Principal Payment Date. Payments of principal of the Class B Notes shall be payable in accordance with the provisions of the Master Indenture.

Subject to the terms and conditions of the Master Indenture, the Transferor may, from time to time, direct the Owner Trustee, on behalf of the Trust, to issue one or more new Series of Notes.

On each Distribution Date, the Paying Agent shall distribute to each Class B Noteholder of record on the related Record Date (except for the final distribution in respect of this Class B Note) such Class B Noteholder's pro rata share of the amounts held by the Paying Agent that are allocated and available on such Distribution Date to pay interest and principal on the Class B Notes pursuant to the Indenture Supplement. Except as provided in the Master Indenture with respect to a final distribution, distributions to Series 2007-2 Noteholders shall be made by (i) check mailed to each Series 2007-2 Noteholder (at such Noteholder's address as it appears in the Note Register), except that with respect to any Series 2007-2 Notes registered in the name of the nominee of a Clearing Agency, such distribution shall be made in immediately available funds and (ii) without presentation or surrender of any Series 2007-2 Note or the making of any notation thereon. Final payment of this Class B Note will be made only upon presentation and surrender of this Class B Note at the office or agency specified in the notice of final distribution delivered by the Indenture Trustee to the Series 2007-2 Noteholders in accordance with the Master Indenture.

On any day occurring on or after the date on which the outstanding principal balance of the Series 2007-2 Notes is reduced to 10% or less of the initial Note Principal Balance, the Servicer shall have the option to redeem the Series 2007-2 Notes, at a purchase price equal to if such day (i) is a Distribution Date, the Reassignment Amount for such Distribution Date or (ii) is not a Distribution Date, the Reassignment Amount for the Distribution Date following such day.

THIS CLASS B NOTE DOES NOT REPRESENT AN OBLIGATION OF, OR AN INTEREST IN, THE TRANSFEROR, NORDSTROM FSB OR ANY AFFILIATE OF ANY OF THEM AND IS NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY.

Each Noteholder, by accepting a Note, hereby covenants and agrees that it will not at any time institute against the Trust or the Transferor, or join in instituting against the Trust or the Transferor, prior to the date which is one year and one day after the termination of this Master Indenture, acquiesce, petition or otherwise invoke or cause the Trust or the Transferor to invoke the process of any Governmental Authority for the purpose of commencing or sustaining a case against the Trust or the Transferor under any Debtor Relief Law or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Trust or Transferor or any substantial part of its property or ordering the winding up or liquidation of the affairs of the Trust or Transferor.

Except as otherwise provided in the Indenture Supplement, the Class B Notes are issuable only in minimum denominations of $100,000 and integral multiples of $1,000. The transfer of this Class B Note shall be registered in the Note Register upon surrender of this Class B Note for registration of transfer at any office or agency maintained by the Transfer Agent and Registrar accompanied by a written instrument of transfer, in a form satisfactory to the Indenture Trustee or the Transfer Agent and Registrar, duly executed by the Class B Noteholder or such Class B

Noteholder's attorney, and duly authorized in writing with such signature guaranteed, and thereupon one or more new Class B Notes in any authorized denominations of like aggregate principal amount will be issued to the designated transferee or transferees.

As provided in the Master Indenture and subject to certain limitations therein set forth, Class B Notes are exchangeable for new Class B Notes in any authorized denominations and of like aggregate principal amount, upon surrender of such Notes to be exchanged at the office or agency of the Transfer Agent and Registrar. No service charge may be imposed for any such exchange but the Trust or Transfer Agent and Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith.

The Trust, the Transferor, the Indenture Trustee and any agent of the Trust, Transferor or the Indenture Trustee shall treat the person in whose name this Class B Note is registered as the owner hereof for all purposes, and neither the Trust, the Transferor, the Indenture Trustee nor any agent of the Trust, Transferor or the Indenture Trustee shall be affected by notice to the contrary.

THIS CLASS B NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

ASSIGNMENT

Social Security or other identifying number of assignee

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(name and address of assignee)

the within certificate and all rights thereunder, and hereby irrevocably constitutes and appoints ___, attorney, to transfer said certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: [2]

Signature Guaranteed:

[2]NOTE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular, without alteration, enlargement or any change whatsoever.

SCHEDULE OF EXCHANGES IN GLOBAL SECURITY

The following exchanges of a part of this Global Security have been made:

Date of Exchange	Amount of Decrease in Principal Amount of this Global Security	Amount of Increase in Principal Amount of this Global Security	Principal Amount of this Global Security following such decrease (or increase)	Signature of authorized officer of Trustee or securities Custodian

FORM OF SERIES 2007-2 FLOATING RATE
ASSET BACKED NOTE, CLASS C
RULE 144A GLOBAL NOTE

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES THAT THIS NOTE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (I) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB"), PURCHASING FOR ITS OWN ACCOUNT OR A QIB PURCHASING FOR THE ACCOUNT OF A QIB, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A OF THE SECURITIES ACT AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTIONS.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUST OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

NO RESALE OR OTHER TRANSFER OF ANY NOTE SHALL BE MADE TO ANY TRANSFEREE UNLESS: (A) SUCH TRANSFEREE IS NOT, AND WILL NOT ACQUIRE THE NOTE ON BEHALF OR WITH PLAN ASSETS OF, AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), THAT IS SUBJECT TO ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OR ANY ENTITY DEEMED TO HOLD PLAN ASSETS OF ANY OF THE FOREGOING BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY (EACH, A "BENEFIT PLAN") OR (B) THE ACQUISITION AND HOLDING OF THE NOTE BY SUCH TRANSFEREE ARE ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 OR A SIMILAR

EXEMPTION. EACH PURCHASER OR TRANSFEREE OF A NOTE, BY ITS ACCEPTANCE OF SUCH NOTE, WILL BE DEEMED TO HAVE MADE THE REPRESENTATION SET FORTH IN CLAUSE (A) OR (B) ABOVE.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

TRANSFERS OF THE NOTES MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE MASTER INDENTURE.

THE HOLDER, BY ACCEPTANCE OF THIS NOTE, SHALL BE DEEMED TO HAVE AGREED TO TREAT THE NOTES AS DEBT SOLELY OF THE TRUST FOR UNITED STATES FEDERAL, STATE AND LOCAL INCOME, SINGLE BUSINESS AND FRANCHISE TAX PURPOSES."

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF COVENANTS AND AGREES THAT IT WILL NOT AT ANY TIME INSTITUTE AGAINST THE TRUST OR THE TRANSFEROR, OR JOIN IN INSTITUTING AGAINST THE TRUST OR THE TRANSFEROR, ANY BANKRUPTCY, REORGANIZATION, ARRANGEMENT, INSOLVENCY OR LIQUIDATION PROCEEDINGS, OR OTHER PROCEEDINGS UNDER ANY UNITED STATES FEDERAL OR STATE BANKRUPTCY OR SIMILAR LAW.

No. 144A/R-1 Up to $43,500,000

Class C Note Rate: One-Month LIBOR plus 0.00%

NORDSTROM CREDIT CARD MASTER NOTE II TRUST
SERIES 2007-2 ASSET BACKED NOTE, CLASS C

Nordstrom Credit Card Master Note Trust II (herein referred to as the "Trust"), a Delaware statutory trust governed by a Second Amended and Restated Trust Agreement, dated as May ___, 2007 (the "Trust Agreement"), between Nordstrom Credit Card Receivables II LLC, as transferor (the "Transferor"), and Wilmington Trust Company, as owner trustee, (the "Owner Trustee"), for value received, hereby promises to pay to Nordstrom Credit Card Receivables II LLC, or registered assigns, subject to the following provisions, the principal sum of ___, or such greater or lesser amount as determined in accordance with the Master Indenture, on the Series 2007-2 Final Maturity Date (which is the earlier to occur of (a) the Distribution Date on which the Note Principal Balance is paid in full and (b) the May 15, 2015 Distribution Date), except as otherwise provided below or in the Master Indenture. The Trust will pay interest on the unpaid principal amount of this Note at the Class C Note Interest Rate on each Distribution Date until the principal amount of this Note is paid in full. Interest on this Note will accrue for each Distribution Date from and including the most recent Distribution Date on which interest has been paid to but excluding such Distribution Date or, for the initial Distribution Date, from and including the Closing Date to but excluding such Distribution Date.

Interest will be computed on the basis of the actual number of days in such Interest Period and a 360-day year. Principal of this Note shall be paid in the manner specified on the reverse hereof.

"Class C Note Interest Rate" means a per annum rate of 0.00% or the rate specified by the Transferor pursuant to Section 4.02(b) of the Series 2007-2 Indenture Supplement.

The principal of and interest on this Note are payable in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is made to the further provisions of this Note set forth on the reverse hereof, which shall have the same effect as though fully set forth on the face of this Note.

Unless the certificate of authentication hereon has been executed by or on behalf of the Indenture Trustee, by manual signature, this Note shall not be entitled to any benefit under the Master Indenture or the Series 2007-2 Indenture Supplement referred to on the reverse hereof, or be valid for any purpose.

THIS CLASS C NOTE IS SUBORDINATED TO THE EXTENT NECESSARY TO FUND PAYMENTS ON THE CLASS A NOTES AND THE CLASS B NOTES TO THE EXTENT SPECIFIED IN THE SERIES 2007-2 INDENTURE SUPPLEMENT.

IN WITNESS WHEREOF, the Trust has caused this Class C Note to be duly executed.

NORDSTROM CREDIT CARD MASTER NOTE II TRUST,

as Trust
By: WILMINGTON TRUST COMPANY,

not in its individual capacity but solely as Owner Trustee under the Trust Agreement

By:

Name:
Title:

Dated: ___, ___

MASTER INDENTURE TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Class C Notes described in the within-mentioned Master Indenture.

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Indenture Trustee

By:

Authorized Signatory

NORDSTROM CREDIT CARD MASTER NOTE TRUST II
SERIES 2007-2 ASSET BACKED NOTE, CLASS C
Summary of Terms and Conditions

This Class C Note is one of a duly authorized issue of Notes of the Trust, designated as Nordstrom Credit Card Master Note Trust II, Series 2007-2 (the "Series 2007-2 Notes"), issued under an Amended and Restated Master Indenture, dated as of May 1, 2007 (the "Master Indenture"), between the Trust and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee"), as supplemented by the Series 2007-2 Indenture Supplement, dated as of May 1, 2007 (the "Series 2007-2 Indenture Supplement"), between the Trust and the Indenture Trustee, and representing the right to receive certain payments from the Trust. The term "Master Indenture," unless the context otherwise requires, refers to the Master Indenture as supplemented by the Series 2007-2 Indenture Supplement. The Notes are subject to all of the terms of the Master Indenture. All terms used in this Note that are defined in the Master Indenture has the meanings assigned to them in or pursuant to the Master Indenture. In the event of any conflict or inconsistency between the Master Indenture and this Note, the Master Indenture shall control.

The Class A Notes and the Class B Notes will also be issued under the Master Indenture.

The Noteholder, by its acceptance of this Note, agrees that it will look solely to the property of the Trust allocated to the payment of this Note for payment hereunder and that the Master Indenture Trustee is not liable to the Noteholders for any amount payable under the Note or the Master Indenture or, except as expressly provided in the Master Indenture, subject to any liability under the Master Indenture.

This Note does not purport to summarize the Master Indenture and reference is made to the Master Indenture for the interests, rights and limitations of rights, benefits, obligations and duties evidenced thereby, and the rights, duties and immunities of the Indenture Trustee.

The Class C Note Initial Principal Balance is $43,500,000. The Class C Note Principal Balance on any date of determination will be an amount equal to (a) the Class C Note Initial Principal Balance minus (b) the aggregate amount of principal payments made to the Class C Noteholders on or prior to such date.

Subject to the terms and conditions of the Master Indenture, the Transferor may, from time to time, direct the Owner Trustee, on behalf of the Trust, to issue one or more new Series of Notes.

On each Distribution Date, the Paying Agent shall distribute to each Class C Noteholder of record on the related Record Date (except for the final distribution in respect of this Class C Note) such Class C Noteholder's pro rata share of the amounts held by the Paying Agent that are allocated and available on such Distribution Date to pay interest and principal on the Class C Notes pursuant to the Indenture Supplement. Except as provided in the Master Indenture with respect to a final distribution, distributions to Series 2007-2 Noteholders shall be made by (i) check mailed to each Series 2007-2 Noteholder (at such Noteholder's address as it appears in the Note Register), except that with respect to any Series 2007-2 Notes registered in the name of

the nominee of a Clearing Agency, such distribution shall be made in immediately available funds and (ii) without presentation or surrender of any Series 2007-2 Note or the making of any notation thereon. Final payment of this Class C Note will be made only upon presentation and surrender of this Class C Note at the office or agency specified in the notice of final distribution delivered by the Indenture Trustee to the Series 2007-2 Noteholders in accordance with the Master Indenture.

On any day occurring on or after the date on which the outstanding principal balance of the Series 2007-2 Notes is reduced to 10% or less of the initial Note Principal Balance, the Servicer shall have the option to redeem the Series 2007-2 Notes, at a purchase price equal to if such day (i) is a Distribution Date, the Reassignment Amount for such Distribution Date or (ii) is not a Distribution Date, the Reassignment Amount for the Distribution Date following such day.

THIS NOTE DOES NOT REPRESENT AN OBLIGATION OF, OR AN INTEREST IN, THE TRANSFEROR, NORDSTROM FSB OR ANY AFFILIATE OF ANY OF THEM AND IS NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY OR INSTRUMENTALITY.

Each Noteholder, by accepting a Note, hereby covenants and agrees that it will not at any time institute against the Trust or the Transferor, or join in instituting against the Trust or the Transferor, prior to the date which is one year and one day after the termination of this Master Indenture, acquiesce, petition or otherwise invoke or cause the Trust or the Transferor to invoke the process of any Governmental Authority for the purpose of commencing or sustaining a case against the Trust or the Transferor under any Debtor Relief Law or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Trust or Transferor or any substantial part of its property or ordering the winding up or liquidation of the affairs of the Trust or Transferor.

Except as otherwise provided in the Indenture Supplement, the Class C Notes are issuable only in minimum denominations of $100,000 and integral multiples of $1,000. The transfer of this Class C Note shall be registered in the Note Register upon surrender of this Class C Note for registration of transfer at any office or agency maintained by the Transfer Agent and Registrar accompanied by a written instrument of transfer, in a form satisfactory to the Indenture Trustee or the Transfer Agent and Registrar, duly executed by the Class C Noteholder or such Class C Noteholder’s attorney, and duly authorized in writing with such signature guaranteed, and thereupon one or more new Class C Notes in any authorized denominations of like aggregate principal amount will be issued to the designated transferee or transferees.

As provided in the Master Indenture and subject to certain limitations therein set forth, Class C Notes are exchangeable for new Class C Notes in any authorized denominations and of like aggregate principal amount, upon surrender of such Notes to be exchanged at the office or agency of the Transfer Agent and Registrar. No service charge may be imposed for any such exchange but the Trust or Transfer Agent and Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith.

The Trust, the Transferor, the Indenture Trustee and any agent of the Trust, the Transferor or the Indenture Trustee shall treat the person in whose name this Class C Note is registered as the owner hereof for all purposes, and neither the Trust, the Transferor, the Indenture Trustee nor any agent of the Trust, the Transferor or the Indenture Trustee shall be affected by notice to the contrary.

THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

ASSIGNMENT

Social Security or other identifying number of assignee

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(name and address of assignee)

the within certificate and all rights thereunder, and hereby irrevocably constitutes and appoints ___, attorney, to transfer said certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: [3]

Signature Guaranteed:

[3]NOTE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular, without alteration, enlargement or any change whatsoever.

EXHIBIT B

FORM OF MONTHLY PAYMENT INSTRUCTIONS AND
NOTIFICATION TO THE INDENTURE TRUSTEE
NORDSTROM CREDIT CARD MASTER NOTE TRUST II
SERIES 2007-2

The undersigned, a duly authorized representative of Nordstrom fsb, as Servicer (the "Servicer") pursuant to the Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007 (the "Transfer and Servicing Agreement"), among the Servicer, Nordstrom Credit Card Receivables II LLC, as Transferor, Nordstrom Credit Card Master Note Trust II (the "Trust"), as issuer, and Wells Fargo Bank, National Association, as Indenture Trustee, does hereby certify as follows:

1. Capitalized terms used in this Certificate have their respective meanings set forth in the Transfer and Servicing Agreement or the Amended and Restated Master Indenture, dated as of May ___, 2007 (the "Master Indenture"), between the Trust and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee"), as supplemented by the Series 2007-2 Indenture Supplement, dated as of May 1, 2007, between the Trust and the Indenture Trustee (as amended and supplemented, the "Series 2007-2 Indenture Supplement"), as applicable.

2. Nordstrom fsb is the Servicer.

3. The undersigned is an Authorized Officer of the Servicer.

I. Instruction to Make a Withdrawal

Pursuant to Section 4.03 of the Series 2007-2 Indenture Supplement, the Servicer does hereby instruct the Indenture Trustee (i) to make withdrawals from the Collection Account on ___, ___, which date is a Distribution Date under the Series 2007-2 Indenture Supplement, in the aggregate amounts as set forth below in respect of the following amounts and (ii) to apply the proceeds of such withdrawals in accordance with Sections 3.01(a) and 4.03(a):

(A) Pursuant to Section 4.03(a)(i):		
(1) The Monthly Servicing Fee for such Distribution Date	$	—
(2) Accrued and unpaid Monthly Servicing Fees	$	—
(B) Pursuant to Section 4.03(a)(ii):		
(1) Interest at the Class A Note Interest Rate for the related Interest Period on the outstanding principal balance of the Class A Notes	$	—

(2) Class A Monthly Interest previously due but not paid	$	—
(3) Class A Additional Interest and any Class A Additional Interest previously due but not paid	$	—
(C) Pursuant to Section 4.03(a)(iii):		
(1) Interest at the Class B Note Interest Rate for the related Interest Period on the outstanding principal balance of the Class B Notes	$	—
(2) Class B Monthly Interest previously due but not paid	$	—
(3) Class B Additional Interest and any Class B Additional Interest previously due but not paid	$	—
(D) Pursuant to Section 4.03(a)(iv):		
(1) Interest at the Class C Note Interest Rate for the related Interest Period on the outstanding principal balance of the Class C Notes	$	—
(2) Class C Monthly Interest previously due but not paid	$	—
(3) Class C Additional Interest and any Class C Additional Interest previously due but not paid	$	—
(E) Pursuant to Section 4.03(a)(v):		
(1) Investor Default Amount and Investor Uncovered Dilution Amount for such Distribution Date to be treated as Available Principal Collections	$	—
(F) Pursuant to Section 4.03(a)(vi):		
(1) Aggregate amount of Investor Charge-Offs and Reallocated Principal Collections not previously reimbursed to be treated as Available Principal Collections	$	—
(G) Pursuant to Section 4.03(a)(vii):		
(1) Balance, if any, up to the outstanding principal amount of the Series 2007-2 Notes to be treated as Available Principal Collections	$	—

(H) Pursuant to Section 4.03(a)(viii):		
(1) An amount equal to the amount to be deposited in the Reserve Account	$	—
(I) Pursuant to Section 4.03(a)(ix):		
(1) An amount equal to the Transition Expenses	$	—
(J) Pursuant to Section 4.03(a)(x):		
(1) Balance, if any, to constitute a portion of Excess Finance Charge Collections and to be available for allocation to other Series in Group One or to the Holder of the Transferor Certificates	$	—

Pursuant to Sections 4.03(b), (c) and (d), the Servicer hereby instructs the Indenture Trustee (i) to make withdrawals from the Collection Account on ___, which date is a Distribution Date under the Series 2007-2 Indenture Supplement, in the aggregate amounts (equal to the Available Principal Collections) as set forth below in respect of the following amounts and (ii) to apply the proceeds of such withdrawals in accordance with Sections 4.03(b), (c) and (d):

(A) Pursuant to Section 4.03(b):		
(1) During the Revolving Period, amount equal to Available Principal Collections to be treated as Shared Principal Collections	$	—
(B) Pursuant to Section 4.03(c):		
(1) During Controlled Accumulation Period, Available Principal Collections deposited in the Collection Account for the related Monthly Period deposited in an amount up to the Monthly Principal for such Distribution Date into the Principal Funding Account	$	—
(C) Pursuant to Section 4.03(d)(i):		
(1) During Early Amortization Period, Available Principal Collections for such Distribution Date to Class A Notes until Class A Notes paid in full	$	—
(D) Pursuant to Section 4.03(d)(ii):		

(1) After giving effect to clause (C) above, during Early Amortization Period, if any remaining Available Principal Collections, to Class B Notes until Class B Notes paid in full	$	—
(E) Pursuant to Section 4.03(d)(iii):		
(1) After giving effect to clauses (C) and (D) above, during Early Amortization Period, if any remaining Available Principal Collections, to Class C Notes until Class C Notes paid in full	$	—
(F) Pursuant to Section 4.03(d)(iv):		
(1) Amount, if any, remaining after giving effect to clauses (C), (D) and (E) above, to be treated as Shared Principal Collections	$	—
(G) Pursuant to Section 4.03(e):		
(1) Amount to be withdrawn from the Principal Funding Account and distributed to the Paying Agent for payment to the (i) Class A Noteholders and then (ii) Class B Noteholders	$	—

Pursuant to Section 4.05, the Servicer does hereby instruct the Indenture Trustee to apply on ___, which is a Distribution Date under the Series 2007-2 Indenture Supplement, any Reallocated Principal Collections for such Distribution Date in amount equal to $___.

INSTRUCTION TO MAKE CERTAIN PAYMENTS

Pursuant to Section 5.02, the Servicer does hereby instruct the Indenture Trustee or the Paying Agent, as the case may be, to pay in accordance with Section 5.02 from the Collection Account or the Principal Funding Account, as applicable, on ___, which date is a Distribution Date under the Series 2007-2 Indenture Supplement, the following amounts as set forth below:

(A) Pursuant to Section 5.02(a):		
Interest to be distributed to Class A Noteholders	$	—
(B) Pursuant to Section 5.02(a):		
Principal to be distributed to Class A Noteholders	$	—
(C) Pursuant to Section 5.02(b):		
Interest to be distributed to Class B Noteholders	$	—
(D) Pursuant to Section 5.02(b):		
Principal to be distributed to Class B Noteholders	$	—

(E) Pursuant to Section 5.02(c):		
Interest to be distributed to Class C Noteholders	$	—
(F) Pursuant to Section 5.02(c):		
Principal to be distributed to Class C Noteholders	$	—

IN WITNESS WHEREOF, the undersigned has duly executed this Certificate this ___day of ___, ___.

NORDSTROM fsb,

as Servicer

By:

Name:
Title:

(1)

EXHIBIT C

FORM OF MONTHLY STATEMENT
NORDSTROM CREDIT CARD MASTER NOTE TRUST II
SERIES 2007-2

Pursuant to the Amended and Restated Master Indenture, dated as of May 1, 2007 (as amended, supplemented or modified from time to time, the "Master Indenture"), between Nordstrom Credit Card Master Note Trust II (the "Trust") and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee"), as supplemented by the Series 2007-2 Indenture Supplement, dated as of May ___, 2007 (the "Series 2007-2 Indenture Supplement"), between the Trust and the Indenture Trustee, Nordstrom fsb, as Servicer (the "Servicer") under the Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007 (the "Transfer and Servicing Agreement"), among Nordstrom Credit Card Receivables II LLC, as Transferor, the Servicer, the Trust and Wells Fargo Bank, National Association, as Indenture Trustee, is required to prepare certain information each month regarding current distributions to the Series 2007-2 Noteholders and the performance of the Trust during the previous month. The information which is required to be prepared with respect to the Distribution Date of ___, and with respect to the performance of the Trust during the month of ___is set forth below. Capitalized terms used in this Monthly Statement have their respective meanings set forth in the Master Indenture and the Series 2007-2 Indenture Supplement.

(A) Information regarding distributions in respect of the Class A Notes		
(1) The total amount of the distribution in respect of Class A Notes	$	—
(2) The amount of the distribution set forth in paragraph 1 above in respect of interest on the Class A Notes	$	—
(3) The amount of the distribution set forth in paragraph 1 above in respect of principal of the Class A Notes	$	—
(4) The amount of the distribution set forth in paragraph 1 above to be treated as Shared Principal Collections	$	—
(B) Information regarding distributions in respect of the Class B Notes		
(1) The total amount of the distribution in respect of Class B Notes	$	—

(2) The amount of the distribution set forth in paragraph 1 above in respect of interest on the Class B Notes	$	—
(3) The amount of the distribution set forth in paragraph 1 above in respect of principal of the Class B Notes	$	—
(4) The amount of the distribution set forth in paragraph 1 above to be treated as Shared Principal Collections	$	—
(C) Information regarding distributions in respect of the Class C Notes		
(1) The total amount of the distribution in respect of Class C Notes	$	—
(2) The amount of the distribution set forth in paragraph 1 above in respect of interest on the Class C Notes	$	—
(3) The amount of the distribution set forth in paragraph 1 above in respect of principal of the Class C Notes	$	—
(4) The amount of the distribution set forth in paragraph 1 above to be treated as Shared Principal Collections	$	—
(D) The Uncovered Dilution Amount	$	—

Receivables —

Beginning of the Month Principal Receivables:	$	—
Beginning of the Month Finance Charge Receivables:	$	—
Beginning of the Month Total Receivables:	$	—
Removed Principal Receivables:	$	—
Removed Finance Charge Receivables:	$	—
Removed Total Receivables:	$	—
Additional Principal Receivables:	$	—
Additional Finance Charge Receivables:	$	—
Additional Total Receivables:	$	—
Discounted Receivables Generated this Period:	$	—
Net Recoveries for month of _____, 200_	$	—
Interchange	$	—
End of the Month Principal Receivables:	$	—
End of the Month Finance Charge Receivables:	$	—
End of the Month Total Receivables:	$	—
Special Funding Account Balance:	$	—
End of the Month Transferor Interest:	$	—

Delinquencies And Losses —

End of the Month Delinquencies:	Receivables	
31-60 Days Delinquent	$	—
61-90 Days Delinquent	$	—
91+ Days Delinquent	$	—
Total 31+ Days Delinquent	$	—
Defaulted Receivables During the Month	$	—
Note Principal Balances —		
Class A Note Principal Balance	$	—
Class B Note Principal Balance	$	—
Class C Note Principal Balance	$	—
Initial Invested Amount	$	—
Investor Default Amount	$	—
Investor Charge-Offs	$	—

Series 2007-2		
Floating Investor Percentage		—%
Fixed Investor Percentage		—%
Available Finance Charge Collections	$	—
Investor Default Amount	$	—
Monthly Servicing Fees	$	—
Available Principal Collections	$	—
Required Transferor Interest	$	—
Excess Finance Charge Collections	$	—
Shared Principal Collections	$	—
Application Of Collections —		
Monthly Servicing Fee	$	—
Class A Monthly Interest	$	—
Class B Monthly Interest	$	—
Class C Monthly Interest	$	—
Investor Default Amount	$	—
Investor Charge Offs and Reallocated Principal Collections not previously reimbursed	$	—
Amounts To Be Deposited In The Reserve Account	$	—
Reserve Account Draw Amount	$	—
Excess Finance Charges Collections		
Total Excess Finance Charge Collections for all allocation series	$	—
Yield And Base Rate —		
Base Rate (Current Month)		—%
Base Rate (Prior Month)		—%
Base Rate (Two Months Ago)		—%
Three Month Average Base Rate		—%
Portfolio Yield (Current Month)		—%
Portfolio Yield (Prior Month)		—%
Portfolio Yield (Two Months Ago)		—%
Three Month Average Portfolio Adjusted Yield		—%
Principal Collections —		
Principal Funding Account Balance at Month End		
Series 2007-2 Principal Shortfall	$	—
Shared Principal Collections Allocable from other Principal	$	—
Sharing Series		

Investor Charge Offs and Reductions		
Investor Charge Offs	$	—
Reductions in Invested Amount (other than by Principal Payments)	$	—
Previous Reductions In Invested Amount Reimbursed	$	—

NORDSTROM fsb,

as Servicer

By:

Name:
Title:

FORM OF MONTHLY SERVICER'S CERTIFICATE
NORDSTROM CREDIT CARD MASTER NOTE TRUST II
SERIES 2007-2

The undersigned, a duly authorized representative of Nordstrom fsb, as Servicer (the "Servicer") pursuant to the Amended and Restated Transfer and Servicing Agreement, dated as of May ___, 2007 (the "Transfer and Servicing Agreement"), among the Servicer, Nordstrom Credit Card Receivables II LLC, as Transferor, Nordstrom Credit Card Master Note Trust II (the "Trust") and Wells Fargo Bank, National Association, as Indenture Trustee (the "Indenture Trustee"), does hereby certify as follows:

1. Capitalized terms used in this Certificate have their respective meanings set forth in the Transfer and Servicing Agreement or the Amended and Restated Master Indenture, dated as of May 1, 2007 (as amended or supplemented, the "Master Indenture"), between the Trust and the Indenture Trustee as supplemented by the Series 2007-2 Indenture Supplement, dated as of May 1, 2007, between the Trust and the Indenture Trustee (the "Series 2007-2 Indenture Supplement" and, together with the Master Indenture, the "Master Indenture"), as applicable.

2. Nordstrom fsb is, as of the date hereof, the Servicer under the Transfer and Servicing Agreement.

3. The undersigned is an Authorized Officer of the Servicer. This Certificate relates to the Distribution Date occurring on ___, 200_. As of the date hereof, to the best knowledge of the undersigned, the Servicer has performed in all material respects all its obligations under the Transfer and Servicing Agreement and the Master Indenture through the Monthly Period preceding such Distribution Date [or, if there has been a default in the performance of any such obligation, set forth in detail the (i) nature of such default, (ii) the action taken by the Servicer, if any, to remedy such default and (iii) the current status of each such default]; if applicable, insert "None."

4. As of the date hereof, to the best knowledge of the undersigned, no Pay Out Event occurred on or prior to such Distribution Date.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate this ___day of ___, ___.

NORDSTROM fsb,

as Servicer

By:

Name:

Title:

EXHIBIT E

FORM OF INVESTMENT LETTER
(Transfer pursuant to §2.03(e) of the Series 2007-2 Indenture Supplement)

_____, ____

Wells Fargo Bank, National Association,

as Indenture Trustee

625 Marquette Avenue
MAC N9311-161
Minneapolis, Minnesota 55479
Attn: Corporate Trust Services-Asset Backed Administration

Attention: ___

Re: Nordstrom Credit Card Master Note Trust II, Series 2007-2 Asset-Backed Notes

Dear Sirs:

This letter is delivered by the undersigned (the "Transferee") pursuant to Section 2.03(e) of the Series 2007-2 Indenture Supplement (the "2007-2 Indenture Supplement"), dated as of May 1, 2007, among Nordstrom Credit Card Master Note Trust II, as issuer (the "Trust") and Wells Fargo Bank, National Association, as indenture trustee (the "Indenture Trustee"), in connection with our proposed purchase of $___aggregate principal amount of Asset-Backed Notes, Class A (the "Class A Notes"), $___aggregate principal amount of Asset-Backed Notes, Class B (the "Class B Notes") and $___aggregate principal amount of Asset-Backed Notes, Class C (the "Class C Notes", and together with the Class A Notes and Class B Notes, the "Offered Notes"), representing obligations of the Nordstrom Credit Card Master Note Trust II (the "Trust"). Capitalized terms used herein without definition shall have the meanings set forth in the 2007-2 Indenture Supplement. The investor on whose behalf the undersigned is executing this letter (the "Transferee") confirms that:

1. Reference is made to the offering circular, as supplemented by the offering circular supplement, each dated as of April 25, 2007 (collectively the "Offering Circular"), relating to the Offered Notes. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Offering Circular. The Transferee has received a copy of the Offering Circular and such other information as the Transferee deems necessary in order to make its investment decision and the Transferee has been provided the opportunity to ask questions of, and receive answers from, the Servicer and Nordstrom Credit Card Receivables II LLC, as Transferor, concerning the Servicer, the Transferor and the terms and conditions of the offering described in the Offering Circular. The Transferee has received and understands the above, and understands that substantial risks are involved in an investment in the Offered Notes.

2. The Transferee is aware that the sale of such Offered Notes to it being made in reliance on Rule 144A.

3. The Transferee is (i) a "Qualified Institutional Buyer" (as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act")) ("QIB") and (ii) acquiring the Offered Notes for its own account or for the account of an investor of the type described in clause (i)(a) above as to each of which the Transferee exercises sole investment discretion. The Transferee is purchasing the Offered Notes for investment purposes and not with a view to, or for, the offer or sale in connection with, a public distribution or in any other manner that would violate the Securities Act or the securities laws of any State.

4. The Transferee understands that (i) the Offered Notes have not been and will not be registered under the Securities Act or any State securities laws, and may not be reoffered, resold, pledged or otherwise transferred except (a) to a person whom the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A or (b) in a transaction complying with the provisions of Rule 903 or 904 under the Securities Act, in each case, in accordance with any applicable securities laws of any State of the United States or any other applicable jurisdictions, and that (ii) the Transferee will, and each subsequent holder is required to, notify any subsequent Transferee of such Offered Notes from it of the resale restrictions referred to in (i) above.

5. The Transferee agrees that if in the future it should offer, sell or otherwise transfer such Offered Note, it will do so only pursuant to Rule 144A to a person who the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, purchasing for its own account or for the account of a QIB, whom the holder has informed that such offer, sale or other transfer is being made in reliance on Rule 144A.

6. The Transferee acknowledges that the Offered Notes offered in reliance on Rule 144A will be represented by a Rule 144A Global Note.

7. Each Offered Note will bear a legend to the following effect, unless the Transferor and the Indenture Trustee determine otherwise in accordance with applicable law:

> "THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (AS AMENDED, THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES THAT THIS NOTE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (I) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB"), PURCHASING FOR ITS OWN ACCOUNT OR A QIB PURCHASING FOR THE ACCOUNT OF A QIB, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER,

RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTIONS.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUST OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

NO RESALE OR OTHER TRANSFER OF ANY NOTE SHALL BE MADE TO ANY TRANSFEREE UNLESS: (A) SUCH TRANSFEREE IS NOT, AND WILL NOT ACQUIRE THE NOTE ON BEHALF OR WITH PLAN ASSETS OF, AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), THAT IS SUBJECT TO ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OR ANY ENTITY DEEMED TO HOLD PLAN ASSETS OF ANY OF THE FOREGOING BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY (EACH, A "BENEFIT PLAN") OR (B) THE ACQUISITION AND HOLDING OF THE NOTE BY SUCH TRANSFEREE ARE ELIGIBLE FOR THE EXEMPTIVE RELIEF AVAILABLE UNDER PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 OR A SIMILAR EXEMPTION. EACH PURCHASER OR TRANSFEREE OF A NOTE, BY ITS ACCEPTANCE OF SUCH NOTE, WILL BE DEEMED TO HAVE MADE THE REPRESENTATION SET FORTH IN CLAUSE (A) OR (B) ABOVE.

THE PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

TRANSFERS OF THE NOTES MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER

DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE MASTER INDENTURE.

THE HOLDER, BY ACCEPTANCE OF THIS NOTE, SHALL BE DEEMED TO HAVE AGREED TO TREAT THE NOTE AS DEBT SOLELY OF THE TRUST FOR UNITED STATES FEDERAL, STATE AND LOCAL INCOME, SINGLE BUSINESS AND FRANCHISE TAX PURPOSES."

8. (a) The Transferee is not acquiring and will not acquire the Offered Notes on behalf of or with plan assets of any "employee benefit plan", as defined in Section 3(3) of ERISA, that is subject to the requirements of Title I of ERISA or any other "plan" as defined in Section 4975(e)(1) of the Internal Revenue Code that is subject to Section 4975 of the Internal Revenue Code or any entity deemed to hold plan assets of any of the foregoing by reason of an employee benefit plan's or plan's investment in the entity (each, a "Benefit Plan") or (b) its acquisition and holding of the Offered Note are eligible for the exemptive relief available under PTCE 84-14, PTCE 90-1, PTCE 91-38, PTCE 95-60, PTCE 96-23 or a similar exemption. By its acceptance of an Offered Note each Transferee will be deemed to have made the representation set forth in clause (i) or (ii).

9. The Transferee agrees that if at some time in the future it wishes to transfer or exchange any of the Offered Notes, it will not transfer or exchange any of the Offered Notes unless such transfer or exchange is in accordance with the Master Indenture and the Indenture Supplement. The Transferee understands that any purported transfer of any Offered Note (or any interest therein) in contravention of any of the restrictions and conditions in the Master Indenture and the Indenture Supplement shall be void, and the purported transferee in such transfer shall not be recognized by the Trust or any other Person as an Offered Noteholder for any purpose.

The Transferee hereby irrevocably requests for you to arrange for Offered Notes to be purchased by the Transferee and to be recorded on the books of the Indenture Trustee as follows:

Principal Amount of Offered Notes	**Recorded in Name of:**

9. You and the Indenture Trustee are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

By:

Name:
Title:

EXHIBIT F

FORM OF TRANSFER CERTIFICATE
FOR INITIAL AND SUBSEQUENT TRANSFER OF A CLASS C NOTE
(Transfer pursuant to §2.03(e) of the Indenture Supplement)

_____, ____

Wells Fargo Bank, National Association, as Indenture Trustee 625 Marquette Avenue MAC N9311-161
Minneapolis, Minnesota 55479
Attn: Corporate Trust Services-Asset Backed Administration

Attention: _____ Re: Nordstrom Credit Card Master Note Trust II, Series 2007-2, Class C Notes

Dear Sirs:

In connection with our proposed purchase of $___aggregate principal amount of Asset Backed Notes, Class C (the "Class C Notes"), representing obligations of the Nordstrom Credit Card Master Note Trust II (the "Trust"), the investor on whose behalf the undersigned is executing this letter (the "Transferee") confirms that:

1. Reference is made to the amended and restated master indenture, as supplemented by the indenture supplement, each dated as of May ___, 2007, as the same may be amended, supplemented or otherwise modified from time to time (collectively, the "Master Indenture"), relating to the Class C Notes. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Master Indenture. The Transferee has received a copy of the Master Indenture and such other information as the Transferee deems necessary in order to make its investment decision and the Transferee has been provided the opportunity to ask questions of, and receive answers from, the Servicer and Nordstrom Credit Card Receivables II LLC, as Transferor, concerning the Servicer, the Transferor and the terms and conditions of the offering described in the Master Indenture. The Transferee has received and understands the above, and understands that substantial risks are involved in an investment in the Class C Notes. The Transferee represents that in making its investment decision to acquire the Class C Notes, the Transferee has not relied on representations, warranties, opinions, projections, financial or other information or analysis, if any, supplied to it by any person, including you, the Transferor, the Servicer or the Owner Trustee or any of your or their affiliates, except as expressly contained in the Master Indenture and in the other written information, if any, discussed above. The Transferee has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Class C Notes, and the Transferee is able to bear the substantial economic risks of such an investment. The Transferee has relied

upon its own tax, legal and financial advisors in connection with its decision to purchase the Class C Notes.

2. The Transferee is (a) a "Qualified Institutional Buyer" (as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act")) and (b) acquiring the Class C Notes for its own account or for the account of an investor of the type described in clause (i)(a) above as to each of which the Transferee exercises sole investment discretion. The Transferee is purchasing the Class C Notes for investment purposes and not with a view to, or for, the offer or sale in connection with, a public distribution or in any other manner that would violate the Securities Act or the securities laws of any State.

3. The Transferee understands that (i) the Class C Notes have not been and will not be registered under the Securities Act or any State securities law, and may not be reoffered, resold, pledged or otherwise transferred except (a) to a person whom the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (b) in a transaction complying with the provisions of Rule 903 or 904 under the Securities Act, in each case, in accordance with any applicable securities laws of any State of the United States or any other applicable jurisdictions, and that (ii) the Transferee will, and each subsequent holder is required to, notify any subsequent Transferee of such Class C Notes from it of the resale restrictions referred to in (i) above.

4. The Transferee agrees that if in the future it should offer, sell or otherwise transfer such Class C Note, it will do so only pursuant to Rule 144A to a person who the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, purchasing for its own account or for the account of a QIB, whom the holder has informed that such offer, sale or other transfer is being made in reliance on Rule 144A.

5. The Transferee is a QIB, it acknowledges that the Class C Notes offered in reliance on Rule 144A will be represented by a Rule 144A Global Note.

6. Each Class C Note will bear a legend to the following effect, unless the Transferor and the Indenture Trustee determine otherwise in accordance with applicable law:

> "NO CLASS C NOTE MAY BE SOLD, TRANSFERRED, ASSIGNED OR CONVEYED (EACH A "TRANSFER") UNLESS THE MASTER INDENTURE TRUSTEE AND THE TRANSFEROR ARE PROVIDED WITH AN OPINION OF COUNSEL THAT SUCH TRANSFER WILL NOT CAUSE THE TRUST TO BE TREATED AS AN ASSOCIATION OR PUBLICLY TRADED PARTNERSHIP TAXABLE AS A CORPORATION FOR FEDERAL INCOME TAX PURPOSES.
>
> THIS CLASS C NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING THIS CLASS C NOTE, AGREES THAT THIS CLASS C NOTE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE

TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (I) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB"), PURCHASING FOR ITS OWN ACCOUNT OR A QIB PURCHASING FOR THE ACCOUNT OF A QIB, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A AND (II) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTIONS.

UNLESS THIS CLASS C NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE TRUST OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CLASS C NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS CLASS C NOTE MAY NOT BE PURCHASED BY OR TRANSFERRED TO ANY "EMPLOYEE BENEFIT PLAN" WITHIN THE MEANING OF SECTION 3(3) OF ERISA (WHETHER OR NOT SUBJECT TO ERISA, AND INCLUDING, WITHOUT LIMITATION, FOREIGN AND GOVERNMENTAL PLANS) OR ANY "PLAN" DESCRIBED IN SECTION 4975(E)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" OF ANY OF THE FOREGOING BY REASON OF A PLAN'S INVESTMENT IN SUCH ENTITY.

THE PRINCIPAL OF THIS CLASS C NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS CLASS C NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF.

TRANSFERS OF THE CLASS C NOTES MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER

DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE MASTER INDENTURE.

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF COVENANTS AND AGREES THAT IT WILL NOT AT ANY TIME INSTITUTE AGAINST THE ISSUER OR THE TRANSFEROR, OR JOIN IN INSTITUTING AGAINST THE ISSUER OR THE TRANSFEROR, ANY BANKRUPTCY, REORGANIZATION, ARRANGEMENT, INSOLVENCY OR LIQUIDATION PROCEEDINGS, OR OTHER PROCEEDINGS UNDER ANY UNITED STATES FEDERAL OR STATE BANKRUPTCY OR SIMILAR LAW.**"**

7. The Transferee is not acquiring and will not acquire the Class C Notes on behalf of or with plan assets of any "employee benefit plan", as defined in Section 3(3) of ERISA, whether or not subject to ERISA (including, without limitation, foreign and governmental plans), any "plan" of the Internal Revenue Code or any entity deemed to include plan assets of any of the foregoing by reason of an employee benefit plan's or plan's investment in the entity (each, a "Benefit Plan").

8. The Transferee agrees that if at some time in the future it wishes to transfer or exchange any of the Class C Notes, it will not transfer or exchange any of the Class C Notes unless such transfer or exchange is in accordance with the Master Indenture and the Indenture Supplement. The Transferee understands that any purported transfer of any Class C Note (or any interest therein) in contravention of any of the restrictions and conditions in the Master Indenture and the Indenture Supplement shall be void, and the purported transferee in such transfer shall not be recognized by the Trust or any other Person as a Class C Noteholder for any purpose.

The Transferee hereby irrevocably requests for you to arrange for Class C Notes to be purchased by the Transferee and to be recorded on the books of the Indenture Trustee as follows:

Principal Amount of Class C Notes	**Recorded in Name of:**

9. You and the Indenture Trustee are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

By:

Name:
Title:

[Exhibit 99.1]

NORDSTROM fsb,
as Seller

and

NORDSTROM CREDIT, INC.,
as Purchaser

PARTICIPATION AGREEMENT

Dated as of May 1, 2007

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PARTICIPATION AGREEMENT

This Participation Agreement, dated as of May 1, 2007, is made between Nordstrom fsb, a federal savings bank (the "Bank"), as seller, and Nordstrom Credit, Inc., a Colorado corporation ("NCI"), as purchaser (the "Purchaser").

RECITALS

WHEREAS, the Purchaser desires to purchase, from time to time, and the Bank desires to sell to the Purchaser, without recourse, an undivided beneficial interest equal to the Participation Percentage (as defined herein) in and to, all of the Bank's right, title and interest in and to the Receivables (as defined herein) arising from time to time in the Accounts (as defined herein), including all related assets (the "Participation"); and

WHEREAS, it is contemplated that the Participation will be transferred by the Purchaser to NCCR II (as defined herein), and by NCCR II to the Issuer (as defined herein) in connection with the issuance of certain asset-backed notes.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE ONE

DEFINITIONS AND INTERPRETATIONS.

Section 1.01. Definitions. Whenever used in this Agreement, the following words and phrases shall have the following meanings:

"Account" means each account originated by it pursuant to a Credit Card Agreement including the (i) Initial Accounts and (ii) Additional Accounts (but only from and after the Addition Date with respect thereto).

"Account Schedule" means a computer file or microfiche list containing a true and complete list of Accounts, identified by bank identification number and by bank number specified on Schedule I and setting forth the aggregate amount of Principal Receivables outstanding in such Accounts as of (a) the Initial Purchase Date (for the Account Schedule delivered on the Initial Purchase Date) or (b) as of each Addition Date (for any Account Schedule relating to Additional Accounts).

"Addition Date" means with respect to Additional Accounts, the later of the date on which such accounts are created and the date upon which such account is designated as an Additional Account.

"Additional Account" means each VISA® consumer revolving credit card account established pursuant to a Credit Card Agreement between the Bank and any Person with respect to which one or more credit cards are issued to a cardholder, which credit card account is identified by the bank identification numbers and the bank numbers specified on Schedule I, as the same may be amended from time to time, which account comes into existence after the Initial Purchase Date.

"Agreement" means this Participation Agreement, and all amendments, supplements, modifications and restatements from time to time.

"Appointment Date" has the meaning set forth in Section 6.02.

"Bank Servicing Agreement" means the Servicing Agreement, dated as of May 1, 2007, between the Bank and NCI, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Business Day" means any day other than (i) a Saturday or Sunday or (ii) a day on which commercial banks in New York, New York are authorized or obligated by law or executive order to be closed.

"Cash Advance Fees" means cash advance transaction fees and cash advance late fees, if any, as specified in the Credit Card Agreement applicable to each Account.

"Claims" means all liabilities, claims and expenses (including reasonable legal and other professional fees and expenses).

"Class" means, with respect to any Series, any one of the classes of Notes of that Series.

"Collections" means all payments by or on behalf of Obligors (including Recoveries and Insurance Proceeds) received in respect of the Receivables, in the form of cash, checks, wire transfers, electronic transfers, ATM transfers or any other form of payment in accordance with the related Credit Card Agreements and all other amounts specified by this Agreement as constituting Collections.

"Conveyance" has the meaning set forth in Section 2.01(a).

"Conveyance Papers" means this Agreement, the Bank Servicing Agreement and any other document or instrument delivered pursuant hereto to which the Bank is a party.

"Credit Adjustment" has the meaning set forth in Section 3.02(a).

"Credit Card Agreement" means, with respect to a VISA® revolving credit card account, the agreements between the Bank and the Obligor governing the terms and conditions of such account, as such agreements may be amended, modified or otherwise changed from time to time and as distributed (including any amendments and revisions thereto) to holders of such account.

"Dollars" means United States Dollars.

"FDI Act" means Sections 11(d)(9), 11(n)(4)(I), and 13(e) of the Federal Deposit Insurance Act, as amended.

"Federal Reserve Act" means 12 U.S.C. 601 et seq. and 611 et seq., as amended.

"Finance Charge Receivables" means all amounts billed to the Obligors on any Account in respect of all (a) Periodic Rate Finance Charges, (b) Cash Advance Fees, (c) annual membership fees and annual service charges, (d) Late Fees, (e) Interchange, (f) returned check fees and (g) credit insurance proceeds. Finance Charge Receivables shall also include all Interchange and Recoveries with respect to Receivables previously charged off.

"Governmental Authority" means the United States, any State or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Indenture" means the Master Indenture, as supplemented by the related Indenture Supplement, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Indenture Supplement" means, with respect to any Series, a supplement to the Master Indenture, executed by the parties thereto and delivered in connection with the original issuance of the Notes of such Series pursuant to Section 10.01 of the Master Indenture, including all amendments thereof and supplements thereto.

"Indenture Trustee" means Wells Fargo Bank, National Association in its capacity as indenture trustee under the Indenture, and its successors in such capacity.

"Initial Account" means each VISA® consumer revolving credit card account existing on the Initial Purchase Date and established pursuant to a Credit Card Agreement between the Bank and any Person with respect to which one or more credit cards were issued to a cardholder, which account is identified by the bank identification numbers and the bank numbers specified on Schedule I pursuant to Section 2.01 on the Initial Purchase Date.

"Initial Purchase Date" means May 1, 2007.

"Insolvency Event" has the meaning set forth in Section 6.02.

"Insurance Proceeds" means any amounts received by the Bank pursuant to any credit insurance policies covering any Obligor with respect to Receivables under such Obligor's Account.

"Issuer" means Nordstrom Credit Card Master Note Trust II, a Delaware statutory trust, and its successors.

"Interchange" means, with respect to each Receivable, the fee paid by VISA International, Inc. in connection with the cardholder charges for goods and services with respect to the Accounts. Interchange shall not include amounts received by, or deemed received by, the Bank in relation to fees paid to the Bank by Nordstrom, Inc. for charges in connection with goods purchased by the Obligor at Nordstrom, Inc. stores or on-line or catalog sales.

"Late Fees" has the meaning specified in the Credit Card Agreement applicable to each Account for late fees or similar terms if such fees are provided for with respect to such Account.

"Lien" means any security interest, mortgage, deed of trust, pledge, hypothecation, assignment, deposit arrangement, equity interest, encumbrance, lien (statutory or other), preference, participation interest, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including any conditional sale or other title retention agreement, or any financing lease having substantially the same economic effect as any of the foregoing, and the filing of any financing statement under the UCC or comparable law of any jurisdiction to evidence any of the foregoing; provided, however, that the lien created by this Agreement and the Retained Interest in the Receivables by the Bank shall not be deemed to constitute a Lien.

"Master Indenture" means the Amended and Restated Master Indenture, dated as of May 1, 2007, between the Issuer and the Indenture Trustee including, with respect to any Series or Class, the related Indenture Supplement.

"NCCR II" means Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC), and its successors.

"Noteholders" means a Person in whose name a Note is registered.

"Notes" means all Series of Notes issued by the Issuer pursuant to the Master Indenture and the related Indenture Supplement.

"Obligor" means, with respect to any Account, the Person or Persons obligated to make payments with respect to such Account, including any guarantor thereof, but excluding any merchant.

"Origination Fee" means the origination fee payable to the Bank by the Purchaser for originating the Participated Receivables in an amount equal to 185 basis point and the amount of Participated Receivables (net of Credit Adjustments) being sold on each Purchase Date. The Origination Fee shall be retained by the Bank from the collections on the Participated Receivables.

"Owner Trustee" means Wilmington Trust Company, not in its individual capacity, but solely as owner trustee under the Trust Agreement, its successors in interest and any successor owner trustee under the Trust Agreement.

"Participated Receivables" means the Participation Interest in the Receivables transferred hereunder.

"Participation" has the meaning set forth in the Recitals.

"Participation Interest" means, individually, the undivided beneficial interest equal to the Participation Percentage in and to each Receivable and, collectively, an undivided beneficial interest equal to the Participation Percentage in and to the pool of Receivables originated by the Bank.

"Participation Percentage" means 90%, or such other percentage as may be specified by the Bank from time to time.

"Party" means the Purchaser or the Bank, as applicable.

"Periodic Rate Finance Charges" has the meaning specified in the Credit Card Agreement applicable to each Account for finance charges (due to periodic rate) or any similar term.

"Person" means any legal person, including any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, governmental entity or other entity of any nature.

"Principal Receivables" means all Receivables other than Finance Charge Receivables. In calculating the aggregate amount of Principal Receivables on any day, the amount of Principal Receivables shall be reduced by the aggregate amount of credit balances in the Accounts on such day. Any Receivables which the Bank is unable to transfer as provided in Section 6.02 shall not be included in calculating the amount of Principal Receivables.

"Purchase Date" means the Initial Purchase Date and each Addition Date.

"Purchase Price" means, with respect to the Participation Interest transferred to the Purchaser on (i) the Initial Purchase Date, an amount equal to $_____ and (ii) each Addition Date, an amount equal to the Settlement Amount.

"Purchased Assets" has the meaning set forth in Section 2.01(a).

"Purchaser's Account" means the Purchaser's deposit account as the Purchaser shall specify to the Bank in writing from time to time.

"Rating Agency" means, with respect to any outstanding Series, each rating agency, as specified in the applicable Indenture Supplement, which rate the Notes of such Series.

"Rating Agency Condition" means, with respect to any action, that each Rating Agency shall have notified the Transferor and the Indenture Trustee in writing that any such action will not result in a reduction or withdrawal of their current rating of any outstanding Series or Class with respect to which it is a Rating Agency or, with respect to any Series or Class not rated by any Rating Agency, the written consent of the Noteholders of each Series or Class specified in the Indenture Supplement for each Series.

"Receivables" means all amounts shown on the Bank's records as amounts payable by the Obligors on any Account from time to time, including amounts payable for Principal Receivables and Finance Charge Receivables.

"Receivables Purchase Agreement" means the Amended and Restated Receivables Purchase Agreement, dated as of May 1, 2007, between the Purchaser, as seller, and NCCR II, as purchaser, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Recoveries" means all amounts received with respect to Receivables which have been previously charged off.

"Requirements of Law" means any law, treaty, rule or regulation, or determination of an arbitrator or Governmental Authority, whether federal, State or local (including usury laws, the Federal Truth in Lending Act and Regulation B and Regulation Z of the Board of Governors of the Federal Reserve System), and, when used with respect to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person.

"Responsible Officer" means, with respect to any Person, any of the chairman, the president, any vice president, the treasurer, any assistant treasurer, the secretary or any assistant secretary of such Person.

"Retained Interest" means an undivided percentage interest to be retained by the Bank in all Receivables, which undivided percentage interest for any day shall be equal to 100% minus the Participation Percentage.

"Retained Interest Holder" means, with respect to the Retained Interest, the Bank or any Person to whom the Bank shall transfer the Retained Interest in compliance with the terms of this Agreement; provided, that a pledgee shall be entitled to exercise any or all of the rights or powers of a Retained Interest Holder, including receiving distributions, providing notices or giving consents, in each case to the extent such entitlement is set forth in the documents relating to such pledge.

"Seller" means Nordstrom fsb, and its successors.

"Series" means any Series of Notes issued pursuant to the Master Indenture and a related Indenture Supplement.

"Servicing Fee" means the fee, if any, payable to the Bank under the Bank Servicing Agreement for servicing the Participated Receivables owned by the Purchaser at the end of the related Accounting Period.

"Settlement Amount" means the aggregate balance of Principal Receivables in the related Accounts as of the Addition Date plus the aggregate Interchange in the related Accounts, if any.

"State" means any state of the United States and the District of Columbia.

"Transfer and Servicing Agreement" means the Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007, among the Transferor, the Bank, as servicer, the Indenture Trustee and the Issuer, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Transferor" means NCCR II or its successors and any other party which becomes a transferor under the Transfer and Servicing Agreement.

"Trust Agreement" means the Second Amended and Restated Trust Agreement, dated as of May 1, 2007, between NCCR II and the Owner Trustee, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"UCC" means the Uniform Commercial Code as in effect in the applicable jurisdiction.

"United States" means the United States of America.

Section 1.02. Interpretations. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, (i) terms used herein include, as appropriate, all genders and the plural as well as the singular, (ii) references to this Agreement include all Exhibits hereto, (iii) references to words such as "herein", "hereof" and the like shall refer to this Agreement as a whole and not to any particular part, Article or Section within this Agreement, (iv) references to an Article or Section such as "Article One" or "Section 1.01" and the like shall refer to the applicable Article or Section of this Agreement, (v) the term "include" and all variations thereof shall mean "include without limitation", (vi) the term "or" shall include "and/or" and (vii) the term "proceeds" shall have the meaning ascribed to such term in the UCC.

ARTICLE TWO

PURCHASE AND CONVEYANCE OF RECEIVABLES

Section 2.01. Purchase.

(a) By execution of this Agreement, the Bank does hereby sell, transfer, assign, set over and otherwise convey, to the Purchaser (collectively, the "Conveyance") on each Purchase Date, without recourse (except as provided herein) to the Bank, and the Purchaser hereby agrees to acquire, effective on each Purchase Date, against payment by the Purchaser of an amount equal to the Purchase Price, an undivided beneficial interest equal to the Participation Percentage in all of the Bank's right, title and interest in, to and under (i) the Receivables (other than the Retained Interest therein) existing on the Initial Purchase Date, in the case of Receivables arising in the Initial Accounts, and existing on each Addition Date in the case of Receivables arising in the Additional Accounts, and all Receivables thereafter created from time to time in the Initial Accounts and the Additional Accounts until the termination of this Agreement pursuant to Article Six, (ii) Collections allocable to the Purchaser and all monies due and or to become due and all amounts received with respect thereto (other than with respect to the Retained Interest therein), (iii) all money, accounts, general intangibles, chattel paper, instruments, documents, goods, investment property, deposit accounts, certificates of deposit, letters of credit and advices of credit consisting of, arising from, or related to the foregoing, (iv) all present and future claims, demands, causes and choses in action in respect of any or all of the foregoing and (v) any and all proceeds of the foregoing (collectively, the "Purchased Assets").

(b) In connection with such Conveyance, the Bank agrees (i) to cooperate with the Purchaser, and the Purchaser agrees to record and file, at the expense of the Purchaser, any financing statements (and amendments to such financing statements) with respect to the Participation Interest and any other Purchased Assets existing as of the Initial Purchase Date and thereafter created in the Initial Accounts, and existing as of the Addition Date and thereafter created in the Additional Accounts now existing and hereafter created, meeting the requirements of applicable law in such manner and in such jurisdictions as are necessary to perfect the first priority nature of the Purchaser's Participation Interest and the other Purchased Assets, and maintain perfection of, the Conveyance of such Purchased Assets from the Bank to the Purchaser and (ii) that such financing statements shall name the Bank, as seller/debtor, and the Purchaser, as purchaser/secured party, of the Participation Interest and the other Purchased Assets; and Purchaser agrees to deliver a file-stamped copy of such financing statements or other evidence of such filings to the Purchaser as soon as is practicable after filing. The Bank hereby authorizes and ratifies all such filings.

(c) In connection with such Conveyance, the Seller further agrees that it will, at its own expense, (i) on or prior to (A) the Initial Purchase Date, in the case of the Initial Accounts, and (B) the applicable Addition Date, in the case of the Additional Accounts, indicate in its computer files that, in the case of the Initial Accounts or the Additional Accounts, the Participation Interest created in connection with such Accounts have been conveyed to the Purchaser in accordance with this Agreement and have been conveyed by the Purchaser to the Issuer pursuant to the Transfer and Servicing Agreement and have been pledged by the Issuer to the Indenture Trustee pursuant to the Indenture for the benefit of the Noteholders by indicating in

such computer files the transfer of the Participation Interest to the Purchaser, and (ii) on or prior to (A) the Initial Purchase Date, in the case of the Initial Accounts, and (B) the applicable Addition Date, in the case of designation of Additional Accounts, deliver to the Purchaser a computer file or microfiche list containing a true and complete list of all such Accounts. Each such computer file or microfiche list, as supplemented from time to time to reflect Additional Accounts, shall be marked as Schedule I to this Agreement, shall be delivered to the Purchaser and is hereby incorporated into and made a part of this Agreement.

(d) The parties hereto intend that the Participation Interest will constitute (i) a "Participation" within the meaning of 12 C.F.R. § 360.6 and (ii) the conveyance is a true sale of the Purchased Assets (other than the Retained Interest) and not a loan, including for accounting purposes. In the event, however, that it were to be determined that the transactions evidenced hereby constitute a loan and not a purchase and sale, this Agreement shall constitute a security agreement under applicable law, and the Bank hereby grants to the Purchaser a first priority perfected security interest in all of its right, title and interest in all of the Bank's right, title and interest, whether now owned or hereafter acquired, in, to and under the Receivables (other than the Retained Interest) and the other Purchased Assets.

(e) The Participation Interest and the Retained Interest will rank pari passu without preference, priority or distinction, all in accordance with the terms and provisions of this Agreement.

ARTICLE THREE

CONSIDERATION AND PAYMENT

Section 3.01. Payment of the Purchase Price. The Purchase Price for the Participation Interest relating to (i) Initial Accounts as of the Initial Purchase Date and the related Purchased Assets conveyed to the Purchaser under this Agreement shall be payable on the Initial Purchase Date and (ii) Initial Accounts, Additional Accounts and the related Purchased Assets to be conveyed after the Initial Purchase Date to the Purchaser under this Agreement, shall be payable in cash on each day which the Participation Interest and the related Purchased Assets are conveyed by the Seller to the Purchaser.

Section 3.02. Adjustments to Purchase Price.

(a) If the Bank adjusts downward the amount of any Receivable because of a rebate, refund, unauthorized charge or billing error to a cardholder, or because such Receivable was created in respect of merchandise which was refused or returned by a cardholder, then, in any such case, the Bank will make a corresponding adjustment to the Purchaser's Participation Interest in such Receivable equal to the Participation Percentage multiplied by amount of the adjustment (a "Credit Adjustment"). Similarly, the Bank will make a corresponding adjustment to the Purchaser's Participation Interest equal to the Participation Percentage multiplied by amount of the adjustment in a Receivable which was discovered as having been created through a fraudulent or counterfeit charge. Any adjustment required pursuant to either of the two preceding sentences shall be made on the second Business Day after which such adjustment obligation arises.

(b) The Purchase Price shall be adjusted downwards on each Purchase Date by an amount equal to any outstanding Credit Adjustment. In the event that the Credit Adjustment pursuant to this Section causes the Purchase Price to be a negative number, the Seller agrees that, not later than 1:00 p.m., New York City time, on such Purchase Date, the Seller shall pay or cause to be paid to the Purchaser an amount equal to the amount by which the Credit Adjustment exceeds the Purchase Price.

ARTICLE FOUR

REPRESENTATIONS AND WARRANTIES

Section 4.01. Representations and Warranties of the Bank Relating to the Bank.

(a) The Bank hereby represents and warrants to, and agrees with, the Purchaser as of the Initial Closing Date and on each Addition Date, that:

(i) Organization. The Bank is a federal savings bank, validly existing under the laws of the United States, with power and authority to own its properties and conduct its business as such properties are currently owned and such business is presently conducted, and had at all relevant times, and has, power, authority and legal right to acquire, own and sell the Participation Interest.

(ii) Due Qualification. The Bank is duly qualified to do business and has obtained all necessary licenses and approvals in each jurisdiction in which the failure to so qualify or to obtain such licenses and approvals would, in the reasonable judgment of the Bank, materially and adversely affect the performance by the Bank of its obligations under this Agreement, or the validity or enforceability of this Agreement or the Receivables.

(iii) Power and Authority. The Bank has the power and authority to execute, deliver and perform its obligations under this Agreement and to carry out its terms; and the execution, delivery and performance of the Conveyance Papers and the sale of the Participation Interest has been duly authorized by it by all necessary corporate action.

(iv) No Violation. The execution, delivery and performance by the Bank of this Agreement and each Conveyance Paper and the sale of the Participation Interest, the consummation of the transactions contemplated hereby and the fulfillment of the terms hereof and thereof will not conflict with, result in a breach of any of the terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under, its charter or bylaws, or conflict with or breach any of the material terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under, any indenture, agreement or other instrument to which it is a party or by which it shall be bound; nor result in the creation or imposition of any Lien upon any of its properties pursuant to the terms of any such indenture, agreement or other instrument (other than this Agreement); nor violate any law or, to its knowledge, any order, rule or regulation applicable to it of any court or of any federal or State regulatory body, administrative agency or other governmental instrumentality having jurisdiction over it or its properties, which breach, default, conflict, Lien or violation would have a material adverse effect on the Bank’s earnings, business affairs or business prospects or the Receivables.

(v) No Proceedings. There are no proceedings or investigations pending, or to the best knowledge of the Bank, threatened against the Bank, before any court, regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Bank or its properties: (A) asserting the invalidity of this Agreement or any other Conveyance Papers, (B) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any other Conveyance Papers, (C) seeking any determination or ruling that might materially and adversely affect the performance by the Bank of its obligations under this Agreement or any other Conveyance Papers.

(vi) All Consents Required. All approvals, authorizations, consents, orders or other actions of any Person or any Governmental Authority required in connection with the execution and delivery by the Bank of this Agreement or any other Conveyance Papers and the performance of the transactions contemplated by this Agreement or any other Conveyance Papers by the Bank have been obtained.

(vii) Insolvency. The Bank is not insolvent and no Insolvency Event with respect to the Bank has occurred, and the transfer of the Participation Interest by the Bank to the Purchaser contemplated hereby has not been made in contemplation of such insolvency or Insolvency Event.

(b) Notice of Breach. The representations and warranties set forth in this Section shall survive the transfer and assignment of the Participation Interest to the Purchaser. Upon discovery by either the Bank or the Purchaser of a breach of any of the foregoing representations and warranties, the party discovering such breach shall give written notice to the other party within three Business Days following such discovery; provided that the failure to give notice within three Business Days does not preclude subsequent notice.

Section 4.02. Representations and Warranties of the Bank Relating to this Agreement and the Purchased Assets.

(a) Representations and Warranties. The Bank hereby represents and warrants to the Purchaser as of the date hereof that:

(i) Binding Obligation. This Agreement and any other Conveyance Papers each constitutes a legal, valid and binding obligation of the Bank enforceable against the Bank in accordance with its terms, except as such enforceability may be limited by applicable conservatorship, receivership, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and federal savings banks in particular from time to time in effect or general principles of equity.

(ii) List of Accounts. As of the Initial Purchase Date, with respect to the Initial Accounts (and the Participation Interest arising therein) and as of the related Addition Date with respect to Additional Accounts (and the Participation Interest arising therein), Schedule I to this Agreement, as supplemented to such date, is an accurate and complete listing in all material respects of all the Accounts relating to the Participation Interest in such Receivables as of the Initial Purchase Date or such Addition Date, as the case may be, and the information contained therein with respect to the identity of such Accounts and the Participation Interest in the Receivables existing thereunder is true and correct in all material respects as of the Initial Purchase Date or such applicable Addition Date, as the case may be.

(iii) No Liens. The Participation Interest in each Receivable and the other Purchased Assets have been conveyed to the Purchaser free and clear of any Lien arising through or under the Bank on such Purchased Assets and the Participation Interest in each Receivable is free and clear of any Lien arising by or through the Bank.

(iv) Consents. All authorizations, consents, orders or approvals of or registrations or declarations with any Governmental Authority required to be obtained, effected or given by the Bank in connection with the conveyance of the Purchased Assets to the Purchaser have been duly obtained, effected or given and are in full force and effect.

(v) Sale. This Agreement constitutes an absolute sale, transfer and assignment to the Purchaser of all right, title and interest of the Bank in the Purchased Assets, and the Bank will treat it as a sale on their books.

(b) Approval and Compliance. The Bank represents and warrants that it has filed a bulk sale application in relation to the sale of the Participation Interest with the OTS and has received approval from the OTS to sell the Participation Interest in the Receivables and the other Purchased Assets. The Bank represents and warrants that the transaction relating to the Participation Interest in the Receivables and the other Purchased Assets are and will be compliant with Sections 23A and 23B of the Federal Reserve Act and the regulations promulgated thereunder.

(c) Notice of Breach. Upon discovery by either the Bank or the Purchaser of a breach of any of the representations and warranties set forth in this Section, the party discovering such breach shall give written notice to the other party within three Business Days following such discovery; provided that the failure to give notice within three Business Days does not preclude subsequent notice.

Section 4.03. Representations and Warranties of the Purchaser.

(a) As of the Initial Purchase Date and each Addition Date, the Purchaser hereby represents and warrants to, and agrees with, the Seller that:

(i) Organization and Good Standing. The Purchaser has been duly formed and is validly existing as a corporation in good standing under the laws of the State of Colorado, with power and authority to own its properties and to conduct its business as such properties are currently owned and such business is presently conducted, and had at all relevant times, and has, power, authority and legal right to acquire, own and purchase the Participation Interest and the other Purchased Assets.

(ii) Due Qualification. The Purchaser is duly qualified to do business as a foreign corporation in good standing and has obtained all necessary licenses and approvals in each jurisdiction in which the failure to so qualify or to obtain such licenses and approvals would, in the reasonable judgment of the Purchaser, materially and adversely affect the performance by the Purchaser of its obligations under, or the validity or enforceability of, this Agreement.

(iii) Power and Authority. The Purchaser has the power and authority to execute, deliver and perform its obligations under this Agreement and to carry out its terms; and the execution, delivery and performance of this Agreement and any other Conveyance Papers has been duly authorized by the Purchaser by all necessary corporate action.

(iv) No Violation. The execution, delivery and performance by the Purchaser of this Agreement and any other Conveyance Papers and of the purchase of the Participation Interest and the consummation of the transactions contemplated hereby and by any other Conveyance Papers and the fulfillment of the terms hereof and thereof does not conflict with, result in any breach of any of the terms and provisions of, nor constitute (with or without notice or lapse of time or both) a default under, the limited liability company agreement of the Purchaser, nor conflict with or violate any of the material terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under, any indenture, agreement or other instrument to which the Purchaser is a party or by which it shall be bound; nor result in the creation or imposition of any Lien upon any of its properties pursuant to the terms of any such indenture, agreement or other instrument (other than this Agreement); nor violate any law or any order, rule or regulation applicable to the Purchaser of any court or of any federal or State regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Purchaser or its properties, which breach, default, conflict, Lien or violation would have a material adverse effect on the earnings, business affairs or business prospects of the Purchaser or on the ability of the Purchaser to perform its obligations under this Agreement.

(v) No Proceedings. There are no proceedings or investigations pending, or to the best knowledge of the Purchaser, threatened against the Purchaser, before any Governmental Authority having jurisdiction over the Purchaser or its properties: (A) asserting the invalidity of this Agreement or any other Conveyance Papers, (B) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any other Conveyance Paper, or (C) seeking any determination or ruling that might materially and adversely affect the performance by the Purchaser of its obligations under this Agreement or any other Conveyance Papers.

(vi) All Consents Required. All approvals, authorizations, consents, orders or other actions of any Person or any Governmental Authority required in connection with the execution and delivery by the Purchaser of this Agreement or any other Conveyance Papers and the performance of the transactions contemplated by this Agreement or any other Conveyance Papers by the Purchaser have been obtained, effected or given and are in full force and effect.

(b) Notice of Breach. Upon discovery by the Purchaser or the Bank of a breach of any of the foregoing representations and warranties, the party discovering such breach shall give written notice within three Business Days to the other party following such discovery; provided that the failure to give notice within three Business Days does not preclude subsequent notice.

ARTICLE FIVE

COVENANTS

Section 5.01. Covenants of Bank.

(a) The Bank hereby covenants and agrees with the Purchaser as follows:

(i) Receivables Not Evidenced by Promissory Notes. Except in connection with its enforcement or collection of any Receivable, the Bank will not take any action to cause any Receivable conveyed by it to the Purchaser to be evidenced by an instrument or chattel paper (each as defined in the UCC).

(ii) Security Interests. Except for the conveyances hereunder, the Bank will not sell, pledge, assign or transfer to any other Person, or take any other action inconsistent with the Participation Interest and the other Purchased Assets, or grant, create, incur, assume or suffer to exist any Lien (arising through or under Bank) on the Participation Interest in any Receivables or any other Purchased Assets, whether now existing or hereafter created, or any interest therein, and Bank shall not claim any ownership interest in the Receivables (except for its Retained Interest in the Receivables) and the other Purchased Assets and shall defend the right, title and interest of Purchaser in, to and under the Participation Interest and the other Purchased Assets, whether now existing or hereafter created, against all claims of third parties claiming through or under Bank.

(iii) Account Allocations; Payment of Origination Fee and Servicing Fee.

(A) Allocations between the Participation Interest and the Retained Interest in the Receivables and the other Purchased Assets shall be made on a pro rata basis. In the event that the Bank is unable for any reason to transfer the Participation Interest to the Purchaser in accordance with the provisions of this Agreement (including, by reason of the application of the provisions of Section 6.02 or any order of any Governmental Authority), then, in any such event, the Bank agrees (except as prohibited by any such order) to allocate and pay to the Purchaser, after the date of such inability, all Collections with respect to the Participation Interest and the other Purchased Assets, including Collections in respect of the Participation Interest and the other Purchased Assets transferred to the Purchaser prior to the occurrence of such event, and all amounts which would have constituted Collections but for the Bank's inability to transfer the Participation Interest and the other Purchased Assets (up to an aggregate amount equal to the amount of the Participation Percentage in the outstanding Receivables transferred to the Purchaser prior to such date). If the Bank and the Purchaser are unable pursuant to any Requirements of Law to allocate Collections as described above, the Bank and the Purchaser agree that, after the occurrence of such event, payments on each Account with respect to the principal balance of such Account shall be allocated first to the oldest principal balance of such Account and shall have such payments applied as Collections in respect thereof in accordance with

the terms of this Agreement. The parties hereto agree that Collections with respect to the Finance Charge Receivables, whenever created, accrued in respect of Principal Receivables, the Participation Interest in which have been conveyed to the Purchaser, shall continue to be property of the Purchaser to the extent of the Participation Interest therein notwithstanding any cessation of the transfer of additional Participation Interests in Principal Receivables to the Purchaser, and Collections with respect thereto shall continue to be allocated and paid in accordance with this Agreement.

(B) The Bank shall be entitled to deduct from any amounts payable to the Purchaser on any Purchase Date the Origination Fee and the Servicing Fee, if any, payable on such Purchase Date.

(C) The Bank shall pay to or at the direction of the holder of the Retained Interest all Collections with respect to the Retained Interest in the Receivables.

(iv) Delivery of Collections or Recoveries. In the event that Bank receives Collections, the Bank agrees to pay to the (i) Purchaser, the Participation Interest in respect of such Collections as soon as practicable after receipt thereof and (ii) the Retained Interest Holder, the Retained Interest in respect of such Collections.

(v) Official Records. The Bank shall maintain this Agreement as a part of its official records in accordance with the requirements of the FDI Act.

(vi) Compliance with Law. The Bank will comply in all material respects with all Requirements of Law applicable to it, its business and properties and the Receivables and related Accounts.

(vii) Keeping of Records and Books of Account. The Bank will maintain and implement administrative and operating procedures (including the ability to recreate records evidencing the Receivables and related Accounts in the event of the destruction of the originals thereof), and keep and maintain all documents, books, records and other information reasonably necessary or advisable for the collection of the Receivables and related Accounts (including records adequate to permit the daily identification of each new Receivable and related Accounts and all Collections of and adjustments to each existing Receivables). The Bank shall indicate in its computer files, and shall cause its agents and delegates to indicate in their computer files and other records, that the Participation Interest in the Receivables have been conveyed to the Purchaser, and that the Purchaser's rights have been assigned to NCCR II and by NCCR II to the Issuer.

(viii) Performance and Compliance with Receivables. The Bank will, at its expense, timely and fully perform and comply with all provisions, covenants and other promises required to be observed by it under this Agreement and any other Conveyance Papers. The Bank shall comply with and perform its obligations under the Accounts, except insofar as any failure to comply or perform would not materially and adversely affect the rights of the Purchaser or, if some or all of the Participation Interest and the other Purchased Assets have been transferred to NCCR II and the Issuer, the Issuer and the Indenture Trustee, and would not otherwise have a material adverse effect on any Noteholders.

(ix) Arm's-Length Relationship. The Bank will maintain arm's-length relationships with the Purchaser. Any transaction between the Purchaser and the Bank or any of its subsidiaries will, in the reasonable judgment of the Bank, be fair and equitable to the Purchaser and on terms which are at least as favorable as could be obtained from a Person which is not an Affiliate.

(x) Responsibility of the Bank. The Bank will not agree to be, or hold itself out to be, responsible for the debts of the Purchaser or the Issuer or for the decisions or actions with respect to the daily business and affairs of the Purchaser or the Issuer.

(xi) Reporting Requirements.

(A) The Bank shall (1) within one Business Day after a Responsible Officer of the Bank obtains knowledge of the occurrence of any Insolvency Event or any event which, with the giving of notice or lapse of time or both, would constitute an Insolvency Event, notify (either orally or in writing) the Purchaser of such occurrence and (2) as soon as possible and in any event within three Business Days after a Responsible Officer of the Bank obtains knowledge of the occurrence of any Insolvency Event or any event that, with the giving of notice or lapse of time or both, would constitute an Insolvency Event, deliver to the Purchaser a written statement of a Responsible Officer of the Bank setting forth details of such Insolvency Event or such event and the action that the Bank has taken and proposes to take with respect thereto.

(B) As soon as possible and in any event within ten Business Days after a Responsible Officer of the Bank obtains knowledge thereof, the Bank shall notify the Purchaser of any litigation, investigation or proceeding that could reasonably be expected to impair in any material respect the ability of the Bank to perform its obligations under this Agreement.

(C) The Bank shall notify the Purchaser promptly after becoming aware of any Lien on any Participation Interest or other Purchased Assets other than the conveyances hereunder.

(D) No later than five Business Days after the last day of each month, the Bank shall deliver to the Purchaser a report containing a true and complete list of all Accounts, identified by the Obligors' names and setting forth the outstanding Receivables under such Accounts in which a Participation Interest has been sold to the Purchaser as of such Conveyance Date.

(xii) Extension or Amendment of Receivables. As agent for the Purchaser, the Bank shall service and administer the Participation Interest in the Receivables and the other Purchased Assets in accordance with the Bank Servicing Agreement.

(xiii) Compliance with Credit Card Agreements. The Bank will timely and fully perform and comply with all provisions, covenants and other promises required to be observed by it under the Credit Card Agreements.

(xiv) Increases to the Participation Percentage. The Bank will not increase the Participation Percentage unless it shall have provided prior written notice to the Purchaser and to any Rating Agency that has issued a rating with respect to an underlying transaction. The Bank shall not, at anytime, reduce the Participation Percentage.

(b) The Purchaser covenants that it will provide the Bank with such information as the Bank may reasonably request to enable the Bank to determine compliance with the covenants contained in this Section.

ARTICLE SIX

TERM AND PURCHASE TERMINATION

Section 6.01. Term. This Agreement shall commence as of the date of execution and delivery hereof and shall continue until the termination of the Issuer.

Section 6.02. Purchase Termination. If the Bank voluntarily goes into liquidation or consents, or fails to object, to the appointment of a conservator, receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceeding of or relating to the Bank or of or relating to all or substantially all its property, or a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator, receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceeding, or for the winding-up or liquidation of its affairs, shall have been entered against the Bank, or the Bank shall admit in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any applicable insolvency or reorganization statute, make an assignment for the benefit of its creditors or voluntarily suspend payment of its obligations (any of the foregoing acts or occurrences with respect to any Person being an “Insolvency Event”), the Bank shall on the day of such appointment, voluntary liquidation, entering of such decree, admission, filing, making or suspension, as the case may be (the “Appointment Date”), immediately cease to transfer the Purchased Assets to the Purchaser and shall promptly give notice to the Purchaser of such Insolvency Event.

ARTICLE SEVEN

MISCELLANEOUS PROVISIONS

Section 7.01. Amendment. This Agreement and the rights and obligations of the parties hereunder may not be changed orally, but only with prior notice to the Rating Agencies and by an instrument in writing signed by the Bank and the Purchaser in accordance with this Section; provided that no amendment which would (i) change or modify the purchase or (ii) change, modify, delete or add any other obligation of the Purchaser or the Bank (including any modification of Section 5.01(a)(xiv)) shall be effective unless the Purchaser has been notified in writing that the Rating Agency Condition has been satisfied with respect thereto; provided, further, that such action shall not (as evidenced by an officer's certificate delivered to the Indenture Trustee) adversely affect in any material respect the interest of the Indenture Trustee or the Noteholders unless the Owner Trustee and the Indenture Trustee shall consent thereto. A copy of each amendment to this Agreement shall be sent to the Rating Agencies.

Section 7.02. GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 7.03. Notices. All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed by certified mail, return receipt requested, or sent by facsimile transmission, to (a) in the case of the Purchaser, 13531 East Caley Avenue, Centennial, Colorado 80111, Attention: Legal Department (facsimile no. (303) 397-4767), (b) in the case of the Bank, 13531 East Caley Avenue, Centennial, Colorado 80111, Attention: Legal Department (facsimile no. (303) 397-4767), (c) in the case of the Owner Trustee, Wilmington Trust Company, Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890-0001, Attention: Corporate Trust Administration, (d) in the case of the Indenture Trustee, Wells Fargo Bank, National Association, MAC N9311-161, 6th Street and Marquette Avenue, Minneapolis, Minnesota 55479, Attention: Corporate Trust Services-Asset Backed Administration or (e) as to each party, at such other address as shall be designated by such party in a written notice to each other party.

Section 7.04. Severability of Provisions. If any one or more of the covenants, agreements, provisions or terms of this Agreement shall for any reason whatsoever be held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions and terms of this Agreement and shall in no way affect the validity or enforceability of the other covenants, agreements, provisions and terms of this Agreement.

Section 7.05. Assignment. This Agreement may not be assigned without the consent of the Bank, such consent not to be unreasonably withheld. The Bank hereby consents to the assignment by the Purchaser of all of its right, title and interest in, to, and under this Agreement to NCCR II, the transfer by NNCRII to the Issuer, and the grant by the Issuer of a security

interest therein to the Indenture Trustee for the benefit of the Noteholders and any other Person as contemplated by the Receivables Purchase Agreement, the Transfer and Servicing Agreement and the Indenture; provided, however, that no prior written consent of the Bank shall be required for any assignment by the Purchaser provided that any Rating Agency rating the underlying transaction has advised the Purchaser that the Rating Agency Condition has been satisfied with respect thereto.

Section 7.06. No Recourse. The Bank and the Purchaser agree that the Participation Interest is acquired by the Purchaser without recourse to the Bank or any Obligor and for the Purchaser's own account and risk.

Section 7.07. Acknowledgement and Agreement of the Bank. The Bank, as holder of the Retained Interest, hereby releases all Claims to the Purchased Assets for any reason whatsoever including a breach by the Purchaser of this Agreement, and notwithstanding the bankruptcy of the Purchaser or any other event whatsoever, in no event shall the Bank assert any claim on or any interest in the Purchased Assets or any proceeds thereof or take any action which would reduce or delay receipt by the Issuer or the Indenture Trustee of collections with respect to the Purchased Assets and, in the event that such release is not given effect, the Bank hereby subordinates fully all Claims it may be deemed to have against such Purchased Assets.

Section 7.08. Transfer and Assignment of the Retained Interest. Notwithstanding anything to the contrary, the parties hereto agree for the express benefit of the Noteholders if the Bank in any manner assigns, transfers or pledges any rights under, or any obligation evidenced or secured by, the Retained Interest, (i) such transferee or assignee shall execute an agreement in favor of the Noteholders from time to time releasing all Claims to the related Purchased Assets and, in the event that such release is not given effect, to subordinate fully all Claims such transferee, assignee or pledgee may be deemed to have against such Purchased Assets, provided, further, that such assignee, transferee or pledgee shall be bound by all terms and conditions of this Agreement as a holder of the Retained Interest.

Section 7.09. Further Assurances. The Bank and the Purchaser agree to do and perform, from time to time, any and all acts and to execute any and all further instruments required or reasonably requested by the other party, the Owner Trustee or the Indenture Trustee more fully to effect the purposes of this Agreement, including the authorization or execution of any financing statements or amendments thereto or equivalent documents relating to the Purchased Assets for filing under the provisions of the UCC or other law of any applicable jurisdiction and to provide prompt notification to the other party of any change in the name or the type or jurisdiction of organization of such party.

Section 7.10. No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Bank or the Purchaser, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exhaustive of any rights, remedies, powers and privileges provided by law.

Section 7.11. Counterparts. This Agreement may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which together shall constitute one and the same instrument.

Section 7.12. Binding; Third-Party Beneficiaries. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. NCCR II, the Issuer and the Indenture Trustee shall be third-party beneficiaries of this Agreement.

Section 7.13. Merger and Integration. Except as specifically stated otherwise herein, this Agreement and any other Conveyance Papers, sets forth the entire understanding of the parties relating to the subject matter hereof, and all prior understandings, written or oral, are superseded by this Agreement and any other Conveyance Papers. This Agreement may not be modified, amended, waived or supplemented except as provided herein.

Section 7.14. Headings. The headings are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof.

Section 7.15. Survival of Representations and Warranties. All representations, warranties and agreements contained in this Agreement shall remain operative and in full force and effect and shall survive conveyance of the Participation Interest by the Bank to the Purchaser, by the Purchaser to NCCR II and thereafter to the Issuer pursuant to the Transfer and Servicing Agreement and the grant of a security interest therein by the Issuer to the Indenture Trustee pursuant to the Indenture.

IN WITNESS WHEREOF, the Purchaser and the Bank have caused this Participation Agreement to be duly executed by their respective officers as of the day and year first above written.

NORDSTROM FSB

By: /s/ Kevin T. Knight
Kevin T. Knight
Chairman and CEO

NORDSTROM CREDIT, INC.

By: /s/ Marc A. Anacker
Marc A. Anacker
Assistant Treasurer

SCHEDULE I

LIST OF ACCOUNTS

[Exhibit 99.2]

SERVICING AGREEMENT

FOR THE PARTICIPATION INTEREST IN THE

VISA ACCOUNTS AND RECEIVABLES

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between

NORDSTROM FSB

and

NORDSTROM CREDIT, INC.

Dated as of May 1, 2007

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SERVICING AGREEMENT

THIS AGREEMENT is made between NORDSTROM fsb, a federal savings bank (the "Bank") and NORDSTROM CREDIT, INC., a Colorado corporation ("NCI").

RECITALS

WHEREAS, pursuant to the terms of the Participation Agreement (as defined herein) the Bank desires to transfer and assign to NCI and NCI desires to acquire from the Bank an undivided beneficial interest (the "Participation Interest") equal to the participation percentage, which participation percentage shall initially be 90% (the "Participation Percentage"), in and to certain Receivables (as defined herein) generated pursuant to certain credit card accounts of the Bank;

WHEREAS, it is contemplated that following such transfer and assignment of the Participation Interest in the Receivables, the Bank will collect the sums due thereon from the Obligors (as defined herein) on the Participation Interest and account to NCI therefor as provided herein; and

WHEREAS, NCI has requested the Bank to undertake the collection and servicing responsibilities in respect of the Participation Interest.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE ONE

DEFINITIONS

Section 1.01. Definitions. As used in this Servicing Agreement and unless the context requires a different meaning, capitalized terms used herein and not otherwise defined shall have the following meanings:

"Agreement" shall mean this Servicing Agreement as it may from time to time be amended, supplemented or otherwise modified in accordance with the terms hereof.

"Account" shall mean each consumer revolving credit card account established pursuant to a Credit Card Agreement between the Bank and any Person with respect to which one or more credit cards are issued to a cardholder, which credit card account is identified by the bank identification numbers and the bank numbers specified on Schedule I, as the same may be amended from time to time.

"Accounting Period" shall mean a calendar month or any other regular period of time mutually agreed upon.

"Business Day" means any day other than (i) a Saturday or Sunday or (ii) a day on which commercial banks in Denver, Colorado or Minneapolis, Minnesota are authorized or obligated by law or executive order to be closed.

"Closing Date" shall mean May ___, 2007.

"Collections" shall mean all payments received by the Bank in respect of the Receivables in the form of cash, checks, wire transfers, ATM transfers or other forms of payment in accordance with the Credit Card Agreements in effect from time to time or otherwise accepted by the Bank, including all amounts received as recoveries with respect to Receivables which were previously recognized as charge-offs. A Collection received on an Account in excess of the aggregate amount of Receivables in such Account shall be credited to such Account or refunded to the Obligor by the Bank in accordance with its normal practice.

"Credit Card Agreement" shall mean, with respect to an Account, the contract governing such Account.

"Credit Card Guidelines" shall mean the Bank's policies and procedures relating to the operation of its credit card business, including, without limitation, the policies and procedures for determining Defaulted Accounts, the creditworthiness of credit card customers, the extension of credit to credit card customers and the terms on which repayments are required to be made, and relating to the maintenance of credit card accounts and collection of credit card receivables, as such policies and procedures may be amended from time to time by the Bank.

"Daily Accounts Receivables Settlement" shall mean a report in the form of Exhibit B, delivered pursuant to Section 3.01 of this Servicing Agreement.

"Debtor Relief Law" shall mean any federal or state bankruptcy or similar laws affecting the rights of debtors.

"Defaulted Accounts" shall mean Accounts that are charged off under the Bank's usual and customary practices with respect to charging-off accounts.

"Eligible Servicer" means an entity which, at the time of its appointment as servicer, (i) is servicing a portfolio of revolving credit card accounts, (ii) is legally qualified and has the capacity to service the Accounts, (iii) has demonstrated the ability to service professionally and competently a portfolio of similar accounts in accordance with high standards of skill and care, (iv) is qualified to use the software that is then being used to service the Accounts or obtains the right to use or has its own software which is adequate to perform its duties under this Agreement and (v) has a net worth of at least $50,000,000 as of the end of its most recent fiscal quarter.

"Event of Default" shall mean the Events of Default defined in Article IV thereof.

"Finance Charges" shall mean, with respect to any Accounting Period, all monthly finance charges and any other fees posted by the Bank to the Obligors in respect to the Accounts during such Accounting Period.

"Governmental Authority" shall mean the United States of America, any state or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Lien" shall mean a mortgage, pledge, lien, claim, equity interest, participation interest, security interest or other charge or encumbrance of any kind, including the retained security title of a conditional vendor or lessor.

"Master File" shall mean the computer file maintained by the Bank and containing account numbers and Receivable balances for each Account.

"Monthly Settlement Statement" shall mean a report in the form of Exhibit A to this Servicing Agreement prepared by the Bank pursuant to Section 3.02 of this Servicing Agreement.

"New Accounts" shall mean new Accounts originated by the Bank under Credit Card Agreements currently in use by the Bank.

"Obligor" shall mean, with respect to any Account, the person or persons obligated to make payments with respect to such Account, including any guarantor thereof.

"Officer's Certificate" shall mean a certificate executed by the President or a Vice President of the Bank or NCI.

"Participation Agreement" means the Participation Agreement, dated of May ___, 2007, between the Bank, as seller, and NCI, as purchaser, as the same may be amended, supplemented or otherwise modified from time to time.

"Participation Interest" shall have the meaning set forth in the Recitals.

"Participation Percentage" shall have the meaning set forth in the Recitals.

"Person" shall mean and include an individual, a partnership, a corporation (including a business trust), a joint stock company, a trust, an unincorporated association, a joint venture or other entity or a government or an agency or political subdivision thereof.

"Receivable" shall mean an amount equal to the Participation Percentage in any and all amounts owing by an Obligor under an Account from time to time, including the right to payment of amounts owing for the payment of goods and services and amounts payable for Finance Charges. Receivables which are in Defaulted Accounts shall not be shown on the Bank's records as amounts owing and shall cease to be Receivables on the day on which such Accounts become Defaulted Accounts. A Receivable shall be deemed to have been created at the end of the day on the date of processing such Receivable.

"Settlement Date" shall mean the eleventh calendar day following the preceding months, or, if such day is not a Business Day, the next preceding Business Day.

"Successor Servicer" shall mean a successor to the Bank appointed pursuant to the provisions of Section 4.04 of this Servicing Agreement

"Written" or "in writing" shall mean any form of written communication or a communication by means of telex, telecopier device, telegraph or cable.

Section 1.02. Other Rules of Interpretation. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. This Agreement includes any documents attached as exhibits to the Agreement. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein or any statute, law, order, rule or regulation shall be construed as referring to such agreement, instrument, other document, statute, law, order, rule or regulation as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Sections shall be construed to refer to Sections of this Agreement, except where such references are specifically to Sections of the another agreement and (e) capitalized terms used herein but not otherwise defined shall have the meaning set forth in the Participation Agreement..

ARTICLE TWO

SERVICING OF RECEIVABLES

Section 2.01. Bank Servicing Obligations.

(a) The Bank, on behalf of NCI, shall bill and collect the Receivables conveyed to NCI under the Participation Interest, and all amounts due thereunder, and, except as otherwise limited herein, exercise all discretionary powers involved in such billing and collection and shall bear all costs and expenses incurred in connection therewith that may be necessary or advisable and permitted for carrying out the transactions contemplated by this Agreement. In the billing and collection of the Receivables conveyed under the Participation Agreement, the Bank shall exercise the same care and apply the same policies that it would exercise if it owned the Receivables.

(b) The Bank shall have full power and authority, acting alone or through any party to which the Bank has subcontracted its obligations hereunder, to do any and all things in connection with such servicing which it may deem necessary or desirable. The Bank shall be fully responsible to NCI for any and all acts or failures to act of any such subcontractor to the same extent as if the Bank were performing or directly responsible for such subcontractors' duties and responsibilities. Without limiting the generality of the foregoing and subject to Sections 4.03 and 4.04, the Bank is hereby authorized and empowered to execute and deliver, on behalf of NCI, any and all instruments of satisfaction or cancellation, or of partial or full release or discharge, and all other comparable instruments, with respect to the Receivables and, after the delinquency of any Receivable and to the extent permitted under and in compliance with applicable law and regulations, to commence enforcement proceedings with respect to such Receivables; NCI shall furnish the Bank with any powers of attorney and other documents necessary or appropriate to enable the Bank to carry out its servicing and administrative duties hereunder.

Section 2.02. Servicing Compensation. As compensation for its servicing activities hereunder, the Bank shall be entitled to receive a servicing fee in respect of any Accounting Period (or portion thereof), payable in arrears on each Settlement Date equal to an amount as shall be agreed upon by NCI, except that if NCI shall not agree, the Bank shall be entitled to a servicing fee equal to one-twelfth of 2% times the Receivables which NCI owns at the end of the related Accounting Period. NCI will not pay a servicing fee on the Receivables which NCI sells to the Transferor. The Bank's expenses include all expenses incurred by the Bank in connection with its activities hereunder; provided, that in no event shall the Bank be liable for any federal, state or local income or franchise tax, or any interest or penalties with respect thereto, assessed on NCI. The Bank shall be required to pay such expenses for its own account.

Section 2.03. Covenants of the Bank. The Bank hereby covenants that:

(a) Computer Files. The Bank will, at its own cost and expense, retain the Master File used by it as a record of the Accounts and copies of all material documents relating to each Account as custodian for NCI.

(b) Indemnification.

(i) In any suit, proceeding or action brought by NCI for any sum owing with resent to a Receivable, the Bank will save, indemnify and keep NCI harmless from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim, recoupment or reduction of liability whatsoever of the Obligor under the related Account, arising out of a breach by the Bank of any obligation under such Account or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such Obligor or its successor from the Bank, and all such obligations of the Bank shall be and remain enforceable against and only against the Bank and shall not be enforceable against NCI.

(ii) The Bank hereby agrees to defend and indemnify NCI against all costs, expenses, claims and liabilities in respect of any action taken by the Bank relative to any Receivable or arising out or any proven failure of compliance of any Receivable with the provisions of any law or regulation, whether federal, state or local, applicable thereto (including, without limitation, any usury law, the Federal Truth in Leading Act or Regulation Z of the Federal Reserve System).

(c) Compliance With Law. The Bank will comply, in all material respects, with all acts, cults, regulations, orders, decrees and directions of any Governmental Authority applicable to the Accounts or any parts thereof; provided, however, that the Bank may contest any act, regulation, order, decree or direction in any reasonable manner which shall not materially and adversely affect the rights of NCI. The Bank will comply, in all material respects, with its obligations under the contracts with Obligors relating to Accounts.

ARTICLE THREE

SETTLEMENTS

Section 3.01. Daily Accounts Receivable Settlements. The Bank shall deliver to NCI the Daily Accounts Receivable Settlement in the form of Exhibit B hereto, which is hereby incorporated by reference for all purposes herein. The Bank shall be obligated to deliver such Daily Accounts Receivable Settlement by 3:00 p.m. on each Business Day with respect to activity in the Receivables for the prior day (or, in the case of a Daily Accounts Receivable Settlement delivered on a day following a non-Business Day, the aggregate activity for the preceding Business Day and such non-Business Days). The above discussion is a summary of the Daily Accounts Receivable Settlement, and NCI intends that the applications and procedures described in the Daily Accounts Receivable Settlement shall be construed with this Agreement; provided, that to the extent of any inconsistency or omission, NCI and the Bank agree to confer in good faith to resolve such inconsistency or omission. NCI and the Bank agree that the Bank shall prepare each Daily Accounts Receivable Settlement as promptly as possible each Business Day on the basis of the "pre-audit" sales and collections figures transmitted for each day from Nordstrom Inc.'s central computer processing center.

Section 3.02. Monthly Settlement Statement.

(a) On each Settlement Date prior to 1:00 p.m., the Bank shall deliver to NCI a certificate in substantially the form of Exhibit A hereto (the "Monthly Settlement Statement") for the related Accounting Period.

(b) One Business Day prior to each Settlement Date, the Bank shall deliver to NCI a copy of the proposed Monthly Settlement Statement for such Settlement Date. Unless the Bank shall have received written notification from NCI not to settle in accordance with such Monthly Settlement Statement as a result of an error therein, which notification shall specify the reasons therefor in detail, all settlements shall be made in accordance with such Monthly Settlement Statement. Upon receipt of such notification, the Bank and NCI shall immediately confer in order to resolve any identified errors.

ARTICLE FOUR

EVENTS OF DEFAULT; SERVICING TERMINATION

Section 4.01. Events of Default. The occurrence and continuation of any one of the following events shall be an "Event of Default" under this Agreement:

(a) Failure on the part of the Bank to provide Monthly Settlement Statements and Daily Accounts Receivable Settlements to NCI when due and continuance of such failure for two Business Days; or

(b) The Bank shall consent or fail to object to the appointment of a conservator, receiver or liquidator in any insolvency proceeding or other readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to the Bank or relating to all or substantially all of the Bank's property, or the commencement of an action seeking a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a bankruptcy trustee or conservator, receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up, insolvency, bankruptcy, reorganization, conservatorship, receivership or liquidation of such entity's affairs, or notwithstanding an objection by the Bank any such action shall have remained undischarged or unstayed for a period of 60 days or upon entry of any order or decree providing for such relief; or the Bank shall admit in writing its inability to pay its debts generally as they become due, file, or consent or fail to object (or object without dismissal of any such filing within 60 days of such filing) to the filing of, a petition to take advantage of any applicable bankruptcy, insolvency or reorganization, receivership or conservatorship statute, make an assignment for the benefit of its creditors or voluntarily suspend payment of its obligations; or any order or decree providing for relief under any applicable bankruptcy, insolvency or reorganization, receivership or conservatorship statute shall be entered.

Notwithstanding the foregoing, a delay in or failure of performance under Section 4.01(a) shall not constitute an Event of Default if such delay or failure could not be prevented by the exercise of reasonable diligence by the Bank and such delay or failure was caused by an Act of God or the public enemy, acts of declared or undeclared war, public disorder, rebellion or sabotage, epidemics, landslides, lightning, fire, hurricanes, earthquakes, floods or similar causes. The preceding sentence shall not relieve the Bank from discharging its obligations in a timely manner in accordance with the terms of this Agreement and the Bank shall provide NCI with an Officer's Certificate giving prompt notice of such failure or delay by it, together with a description of its efforts so to perform its obligations.

Section 4.02. Remedies. If an Event of Default shall have occurred, NCI may by notice given in writing to the Bank (a "Termination Notice") terminate all of the rights and obligations of the Bank under this Agreement. Notwithstanding any termination of the rights and obligations of the Bank, the Bank shall remain responsible for any acts or omissions to act by it prior to such termination.

Section 4.03. Successor Servicer.

(a) After receipt by the Bank of a Termination Notice, and on the date that a Successor Servicer shall have been appointed by NCI pursuant to Section 4.04, all authority and power of the Bank under this Agreement shall pass to and be vested in a Successor Servicer and, without limitation, NCI is hereby authorized and empowered (upon the failure of the Bank to cooperate) to execute and deliver, on behalf of the Bank as attorney-in-fact or otherwise, all documents and other instruments upon the failure of the Bank to execute or deliver such documents or instruments, and to do and accomplish all other acts or things necessary or appropriate to effect the purposes of such transfer or servicing rights.

(b) Bank agrees to cooperate with NCI and the Successor Servicer in effecting the termination of the responsibilities and rights of the Bank to conduct servicing hereunder, including, without limitation, the transfer to such Successor Servicer of all authority of the Bank to service the Receivables provided for under this Agreement, including, without limitation, all authority over all Collections which shall on the date of transfer be held by the Bank for deposit, or which shall thereafter be received with respect to the Receivables.

(c) The Bank shall promptly transfer its Master File relating to the Accounts and the Receivables therein to the Successor Servicer in such electronic form as the Successor Servicer may reasonably request and shall promptly transfer to the Successor Servicer all other records, correspondence and documents necessary for the continued servicing of the Accounts and the Receivables in the manner and at such times as the Successor Servicer shall reasonably request. To the extent that compliance with this Section shall require the Bank to disclose to the Successor Servicer information of any kind which the Bank reasonably deems to be confidential, the Successor Servicer shall be required to enter into such customary licensing and confidentiality agreements as the Bank shall deem necessary to protect its interest.

Section 4.04. Appointment of Successor. On and after the receipt by the Bank of a Termination Notice pursuant to Section 4.02, the Bank shall continue to perform all servicing functions under this Agreement until the date specified in the Termination Notice or otherwise specified by NCI in writing or, if no such date is specified in the Termination Notice, or otherwise specified by NCI, until a date mutually agreed upon by the Bank and NCI. NCI shall as promptly as possible after the giving of a Termination Notice appoint a successor to the Bank (the “Successor Servicer”) and such Successor Servicer shall accept its appointment by a written assumption in a form acceptable to NCI. NCI may obtain bids from any potential servicer. In the event that a Successor Servicer has not been appointed or has not accepted its appointment at the time when the Bank ceases to act as servicer, NCI may petition, at the expense of the Bank, a court of competent jurisdiction to appoint any established institution qualifying as an Eligible Servicer as the Successor Servicer hereunder.

ARTICLE FIVE

OTHER MATTERS RELATING TO THE BANK

Section 5.01. Limitation on Liability of the Bank and Others. No recourse under or upon any obligation or covenant of this Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any shareholder, officer or director, as such, past, present or future, of the Bank or of any successor corporation, either directly or through the Bank, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly understood that this Agreement and the obligations issued hereunder are solely corporate obligations, and that no such personal liability whatever shall attach to, or is or shall be incurred by the shareholder, officers or directors, as such of the Bank or of any successor corporation, or any of them, or under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom; and that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such incorporator, shareholder, officer or director, as such, under or by reason of the obligations or covenants contained in this Agreement or implied therefrom, are hereby expressly waived and released as a condition of, and as consideration for, the execution of this Agreement. The Bank and any director or officer or employee or agent of the Bank may rely in good faith on any document of any kind prima facie properly executed and submitted by any Person respecting any matters arising hereunder. The Bank shall not be under any obligation to appear in, prosecute or defend any legal action which is not incidental to its duties to service the Receivables in accordance with this Agreement which in its reasonable opinion may involve it in any expense or liability.

Section 5.02. Bank Resignation. The Bank shall not resign from the obligations and duties hereby imposed on it except upon determination that (i) the performance of its duties hereunder is no longer permissible under applicable law, and (ii) there is no reasonable action which the Bank could take to make the performance of its duties hereunder permissible under applicable law. Any such determination permitting the resignation of the Bank shall be evidenced as to clause (i) above by an opinion of counsel to such effect delivered to NCI. No such resignation shall become effective until a Successor Servicer shall have assumed the responsibilities and obligations of the Bank in accordance with Sections 4.03 and 4.04 hereof.

Section 5.03. Access to Certain Documentation and Information Regarding the Receivables. The Bank shall provide NCI and its representatives access to the documentation regarding the Accounts and the Receivables in such cases where (1) NCI is required by applicable statutes or regulations, or (2) any Person is permitted pursuant to a separate written agreement with the Bank, to review such documentation, such access being afforded without charge but only (i) upon reasonable request, (ii) during normal business hours, (iii) subject to the Bank's normal security and confidentiality procedures, and (iv) at offices designated by the Bank. Nothing in this Section 5.03 shall derogate from the obligation of NCI or the Bank to observe any applicable law prohibiting disclosure of information regarding the Obligors and the failure of the Bank to provide access as provided in this Section 5.03 as a result of such obligation shall not constitute a breach of this Section 5.03.

Section 5.04. Delegation of Duties. In the ordinary course of business, the Bank may at any time delegate any of its duties hereunder to any Person who agrees to conduct such duties in accordance with the Credit Card Guidelines. Such delegation shall not relieve the Bank of its liabilities and responsibilities with respect to such duties, and shall not constitute a resignation within the meaning of Section 5.02 hereof. The delegation by the Bank of its duties to any other servicer shall not relieve the Bank of its duties hereunder.

ARTICLE SIX

MISCELLANEOUS

Section 6.01. Notices, Etc. Except where telephonic instructions or notices are authorized herein to be given, all notices, demands. instructions and other communications required or permitted to be given to or made upon any party hereto shall be in writing and shall be personally delivered or sent by United States mail, postage prepaid, or by telecopy facsimile, and shall be deemed to be given for purposes of this Agreement on the day that such writing is delivered or sent to the intended recipient thereof in accordance with the provisions of this Section 6.01. Unless otherwise specified in a notice sent or delivered in accordance with the foregoing provisions of this Section, notices, demands, instructions and other communications in writing shall be given to or made upon the respective parties hereto at their respective addresses (or to their respective facsimile numbers) indicated below, and, in the case of telephonic instructions or notices, by calling the telephone number or numbers indicated for such party below:

If to the Bank:

NORDSTROM FSB
13531 E. Caley Avenue
Englewood, Colorado 80111
Attention: Legal Department
Telephone: 303-397-4700
Facsimile: 303-397-4775

If to Credit:

NORDSTROM CREDIT, INC.
13531 E. Caley Avenue
Englewood, Colorado 80111
Attention: Legal Department
Telephone: 303-397-4700
Facsimile: 303-397-4775

Section 6.02. Successors and Assigns. This Agreement shall be binding upon NCI and its successors and assigns and shall inure to the benefit of NCI and its successors and assigns.

Section 6.03. Severability Clause. Any provisions of this Agreement which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 6.04. Amendments; Governing Law. This Agreement and the rights and obligations of the parties hereunder (a) may not be changed orally but only by an instrument in writing signed by the party against which enforcement is sought and (b) THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 6.05. Counterparts. This Agreement may be executed in any number of copies, and by the different parties hereto on the same or separate counterparts, each of which shall be deemed to be an original instrument.

Section 6.06. Headings. Section headings used in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

IN WITNESS WHEREOF, the Bank and NCI have caused this Agreement to be executed as of the day and year first above written.

NORDSTROM FSB

By: /s/ Kevin T. Knight
Kevin T. Knight
Chairman and CEO

NORDSTROM CREDIT, INC.

By: /s/ Marc A. Anacker
Marc A. Anacker
Assistant Treasurer

EXHIBIT A

NORDSTROM FSB and NORDSTROM CREDIT, INC.
MONTHLY SETTLEMENT STATEMENT
DATE _____

AMOUNT TO SETTLE BETWEEN NORDSTROM FSB. ("BANK") AND NORDSTROM CREDIT, INC. ("NCI")

For the Month of _____

	Due Credit	Due Bank
NSF Checks		
- Store Payments		
- Lockbox Payments		
Credit Balance Refunds		
- In Store		
- System Generated		
Payments on Account — Payroll Deduction		
Back Office Adjustments		
Miscellaneous Bad Debt Recoveries		
Office Space Rent		
Administrative Service Fee		
Other		
SUBTOTAL		
NET TRANSFER		

Prepared by: _____

Approved by: _____

EXHIBIT B

NORDSTROM FSB and NORDSTROM CREDIT, INC.
DAILY ACCOUNTS RECEIVABLE SETTLEMENT
DATE _____

AMOUNT TO SETTLE BETWEEN NORDSTROM FSB (the "Bank") and NORDSTROM CREDIT, INC. ("NCI")

For the Day of _____

	Due Credit	Due Bank
Bank Servicing Fees		
Purchase of Receivables		
Collections		
- Store Payments		
- Lockbox Payments		
Other		
SUBTOTAL		
NET TRANSFER		

Prepared by: _____

Approved by: _____

[Exhibit 99.3]

NORDSTROM CREDIT, INC.,
as Seller,

and

NORDSTROM CREDIT CARD RECEIVABLES II LLC,
as Purchaser

AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

Dated as of May 1, 2007

TABLE OF CONTENTS

AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT

This Amended and Restated Receivables Purchase Agreement, dated as of May 1, 2007 (as amended, supplemented, restated or otherwise modified from time to time, this "Agreement"), is between Nordstrom Credit, Inc., a Colorado corporation (the "Seller"), and Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC), a Delaware limited liability company (the "Purchaser").

RECITALS

WHEREAS, Nordstrom fsb (the "Bank") and the Seller entered into an Operating Agreement for Nordstrom Proprietary Accounts and Receivables, dated August 30, 1991, as amended by Amendment No. 1 to Operating Agreement, dated February 1, 1997, Amendment No. 2 to Operating Agreement, dated October 1, 2001, and by Amendment No. 3 to Operating Agreement, dated May 1, 2007 (collectively, the "Operating Agreement"), pursuant to which the Seller acquired from the Bank all amounts owing by obligors in relation to certain private label credit card accounts from time to time (the "Private Label Receivables");

WHEREAS, the Seller and the Purchaser entered into a Receivables Purchase Agreement, dated as of October 1, 2001 (the "Original Receivables Purchase Agreement"), pursuant to which the Seller sold Private Label Receivables to the Purchaser from time to time;

WHEREAS, the Seller intends to acquire from the Bank pursuant to the Participation Agreement, dated as of May 1, 2007, an undivided beneficial interest equal to the Participation Percentage (as defined herein) in certain existing and future VISA® Receivables (as defined herein) from time to time (the "Participation" and, together with the Private Label Receivables, the "Receivables");

WHEREAS, the Bank will continue to own the private label credit card and VISA® accounts relating to the Receivables; and

WHEREAS, the parties hereto desire to amend and restate the Original Receivables Purchase Agreement to provide for the sale by the Seller and the purchase by the Purchaser, from time to time of the Receivables.

NOW, THEREFORE, in consideration of the mutual terms and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE ONE

DEFINITIONS

Section 1.01. Definitions. Whenever used in this Agreement, the following words and phrases shall have the following meanings:

"Addition Notice Date" has the meaning specified in Section 2.02(a).

"Agreement" has the meaning set forth in the Recitals.

"Bank" means Nordstrom fsb, a federal savings bank, and its successors.

"Bankruptcy Code" means Title 11 of the United States Code, as amended.

"Closing Date" means May 1, 2007.

"Conveyance" has the meaning specified in Section 2.01(a).

"Conveyance Papers" means this Agreement, each Receivables Purchase Agreement, any other document or instrument delivered pursuant hereto, including any Supplemental Conveyance, to which the Seller is a party.

"Credit Adjustment" means, with respect to one or more Receivables previously conveyed by the Seller to the Purchaser, an amount equal to the aggregate of (i) the reduction in the principal balance of the related Receivables described in Section 3.02 multiplied by the quotient (expressed as a percentage) of (ii) the Purchase Price for Principal Receivables payable on the related Distribution Date divided by the aggregate of the Principal Receivables transferred to the Purchaser on such Addition Date.

"Document Delivery Date" has the meaning set forth in Section 2.03.

"Eligible Account" has the meaning set forth in the Transfer and Servicing Agreement, except that the word "Seller" shall be substituted for each occurrence of the word "Transferor" and the word "Purchaser" shall be substituted for each occurrence of the word "Trust".

"Eligible Receivable" has the meaning set forth in the Transfer and Servicing Agreement, except that the word "Seller" shall be substituted for each occurrence of the word "Transferor" and the word "Purchaser" shall be substituted for each occurrence of the word "Trust".

"Indenture" means the Master Indenture, as supplemented by the related Indenture Supplement, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Indenture Supplement" means, with respect to any Series, a supplement to the Master Indenture, executed by the parties thereto and delivered in connection with the original issuance of the Notes of such Series pursuant to Section 10.01 of the Master Indenture, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Indenture Trustee" means Wells Fargo Bank, National Association, as trustee under the Indenture, and its successors in such capacity.

"Initial Cut-Off Date" means the close of business on April 30, 2007.

"Master Indenture" means the Amended and Restated Master Indenture, dated as of May 1, 2007, between the Trust, as Issuer and the Indenture Trustee, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Monthly Period" has the meaning set forth in the related Indenture Supplement.

"Owner Trustee" means Wilmington Trust Company, as trustee under the Trust Agreement, and its successors in such capacity.

"Participation Agreement" has the meaning set forth in the Recitals.

"Participation Percentage" has the meaning set forth in the Participation Agreement.

"Periodic Rate Finance Charges" has the meaning set forth in the Credit Card Agreement applicable to each Account for finance charges (due to periodic rate) or any similar term.

"Private Label Receivables" has the meaning set forth in the Recitals.

"Purchase Price" means, with respect to (i) Receivables transferred to the Purchaser on the Closing Date, an amount equal $859,306,621.93, and (ii) Receivables transferred to the Purchaser after the Closing Date, an amount equal to 100% of the aggregate balance of Principal Receivables in the related Accounts as of the Addition Cut-Off Date or an amount determined by the Seller and the Transferor to be the fair market value of such Receivables and the related Purchased Assets.

"Purchased Assets" has the meaning set forth in Section 2.01(a).

"Purchaser" means Nordstrom Credit Card Receivables II LLC, in its capacity as purchaser of the Receivables under this Agreement, and its successors in such capacity.

"Rating Agency" has the meaning set forth in the related Indenture Supplement.

"Rating Agency Condition" has the meaning set forth in the related Indenture Supplement.

"Receivables" has the meaning set forth in the Recitals.

"Receivables Purchase Agreement" means (i) this Agreement or (ii) any receivables purchase agreement entered into between the Transferor and an Account Owner, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Securities" means any one of the Notes (as such term is defined in the Indenture) or the Certificates (as such term is defined in the Trust Agreement).

"Seller" means Nordstrom Credit, Inc., in its capacity as seller of the Receivables under this Agreement, and its successors in such capacity.

"Servicer" means Nordstrom fsb, in its capacity as servicer under the Transfer and Servicing Agreement, and its successors in such capacity.

"Supplemental Conveyance" has the meaning set forth in Section 2.03.

"Transfer and Servicing Agreement" means the Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007, among the Bank, the Purchaser, the Indenture Trustee and the Trust, as amended, supplemented, restated or otherwise modified from time to time.

"Transferor" means Nordstrom Credit Card Receivables II LLC, in its capacity as Transferor under the Transfer and Servicing Agreement, and its successors in such capacity.

"Trust" means the Nordstrom Credit Card Master Note Trust II (formerly known as Nordstrom Private Label Credit Card Master Note Trust), a Delaware statutory trust, and its successors.

"Trust Agreement" means the Second Amended and Restated Trust Agreement, dated as of May 1, 2007, between the Purchaser, as Transferor, and the Owner Trustee, as amended, supplemented, restated or otherwise modified from time to time.

"UCC" means the Uniform Commercial Code, as amended from time to time, as in effect in the applicable jurisdiction.

"VISA® Receivables" means all amounts owing by Obligors in relation to certain VISA® credit card accounts from time to time.

Section 1.02. Other Definitional Provisions.

(a) Except as otherwise specified herein or as the context may otherwise require, for all purposes of this Agreement, capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Transfer and Servicing Agreement, the Trust Agreement or the Master Indenture, as the case may be.

(b) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, (i) terms used herein include, as appropriate, all genders and the plural as well as the singular, (ii) references to this Agreement include all Exhibits and Schedules hereto, (iii) references to words such as "herein", "hereof" and the like shall refer to this Agreement as a whole and not to any particular part, Article or Section within this Agreement, (iv) references to an Article or Section such as "Article One" or "Section 1.01" and the like shall refer to the applicable Article or Section of this Agreement, (v) the term "include" and all variations thereof shall mean "include without limitation", (vi) the term "or" shall include "and/or" and (vii) the term "proceeds" shall have the meaning ascribed to such term in the UCC.

(c) All determinations of the principal or finance charge balance of Receivables, and of any collections thereof, shall be made in accordance with the Transfer and Servicing Agreement and the Indenture.

ARTICLE TWO

PURCHASE AND CONVEYANCE OF RECEIVABLES

Section 2.01. Purchase.

(a) The Seller hereby sells, transfers, assigns, sets over and otherwise conveys to the Purchaser (collectively, the "Conveyance"), without recourse except as provided herein, all its right, title and interest in, to and under (i) the Receivables existing at the close of business on the Initial Cut-Off Date, in the case of Receivables arising in the Initial Accounts, and on each Addition Cut-Off Date, in the case of Receivables arising in the Additional Accounts, and in each case thereafter created from time to time until the termination of this Agreement pursuant to Article Eight, (ii) Collections allocable to the Purchaser as provided herein and all monies due or to become due and all amounts received or receivable with respect thereto (including proceeds of the reassignment of the Receivables to the Seller pursuant to Sections 6.01(b) and 6.02), (iii) the rights of the Seller in the Receivables Purchase Agreements, (iv) all money, accounts, general intangibles, chattel paper, instruments, documents, goods, investment property, deposit accounts, certificates of deposit, letters of credit and advices of credit consisting of, arising from, or related to the foregoing, (v) all present and future claims, demands, causes and choses in action in respect of any or all of the foregoing and (vi) any and all proceeds of the foregoing (collectively, the "Purchased Assets").

(b) In connection with the Conveyance, the Seller agrees (i) to record and file, at its own expense, any financing statements (and continuation statements with respect to such financing statements when applicable) with respect to the Receivables existing as of the Initial Cut-Off Date and thereafter created in the Initial Accounts, and existing as of the Addition Cut-Off Date and thereafter created in the Additional Accounts, meeting the requirements of applicable State law in such manner and in such jurisdictions as are necessary to perfect the first priority nature of the Purchaser's interest in the Receivables and other Purchased Assets, and maintain perfection of, the Conveyance of such Receivables and other Purchased Assets from the Seller to the Purchaser, (ii) that such financing statements shall name the Seller, as seller/debtor, and the Purchaser, as purchaser/secured party, of the Receivables and other Purchased Assets and (iii) to deliver a file-stamped copy of such financing statements or other evidence of such filings to the Purchaser as soon as is practicable after filing.

(c) In connection with the Conveyance, the Seller further agrees that it will, at its own expense, (i) on or prior to (A) the Closing Date, in the case of the Initial Accounts, (B) the applicable Addition Date, in the case of Additional Accounts, and (C) the applicable Removal Date, in the case of Removed Accounts, indicate in its computer files that, in the case of the Initial Accounts or the Additional Accounts, Receivables created in connection with such Accounts have been conveyed to the Purchaser in accordance with this Agreement and have been conveyed by the Purchaser to the Trust pursuant to the Transfer and Servicing Agreement and have been pledged by the Trust to the Indenture Trustee pursuant to the Indenture for the benefit of the Noteholders by indicating in such computer files the transfer of the Receivables to the Purchaser, or in the case of a Removed Account related to the Receivables, that such Receivables have been reassigned to the Purchaser and (ii) on or prior to (A) the Closing Date, in the case of the Initial Accounts, (B) the applicable Addition Date, in the case of designation of Supplemental

Accounts and (C) the applicable Removal Date, in the case of Removed Accounts, and (iii) to deliver to the Purchaser a computer file or microfiche list containing a true and complete list of all such Accounts specifying for each such Account, as of the Initial Cut-Off Date, in the case of the Initial Accounts, the applicable Addition Cut-Off Date, in the case of Supplemental Accounts or the applicable Removal Date, in the case of Removed Accounts, (1) its account number, (2) the aggregate amount outstanding in such Account and (3) the aggregate amount of Principal Receivables in such Account. Each such computer file or microfiche list, as supplemented from time to time to reflect Additional Accounts or Removed Accounts, shall be marked as Schedule 1 to this Agreement, shall be delivered to the Purchaser and is hereby incorporated into and made a part of this Agreement. The Seller further agrees not to alter the computer code referenced in clause (i) of this paragraph with respect to any Account during the term of this Agreement unless and until such Account becomes a Removed Account.

(d) The parties hereto intend that the conveyance of the Seller's right, title and interest in and to the Purchased Assets shall constitute an absolute sale, conveying good title free and clear of any Liens or rights of others (other than the rights of the Bank in the Retained Interest) from the Seller to the Purchaser. It is the intention of the parties hereto that the arrangements with respect to the Purchased Assets shall constitute a purchase and sale of such Purchased Assets and not a loan. In the event, however, that it were to be determined that the transactions evidenced hereby constitute a loan and not a purchase and sale, it is the intention of the parties hereto that this Agreement shall constitute a security agreement under applicable law, and that the Seller shall be deemed to have granted and does hereby grant to the Purchaser a first priority perfected security interest, in all of the Seller's right, title and interest, whether owned on the Initial Cut-Off Date or thereafter acquired, in, to and under the Purchased Assets and all money, accounts, general intangibles, chattel paper, instruments, documents, goods, investment property, deposit accounts, certificates of deposit, letters of credit and advices of credit consisting of, arising from or related to the Purchased Assets and all proceeds thereof to secure the obligations of the Seller hereunder.

Section 2.02. Additional Accounts.

(a) If the Purchaser becomes obligated to designate Supplemental Accounts pursuant to Section 2.09(a)(i) of the Transfer and Servicing Agreement, then the Purchaser may, at its option, give the Seller written notice thereof on or before the tenth Business Day (each, an "Addition Notice Date") prior to the Addition Date therefor, and upon receipt of such notice the Seller shall on or before the Addition Date, designate sufficient Eligible Accounts to be included as Supplemental Accounts so that after the inclusion thereof the Purchaser will be in compliance with the requirements of Section 2.09(a)(i) of the Transfer and Servicing Agreement. Additionally, subject to Sections 2.09(b) and (c) of the Transfer and Servicing Agreement and Section 2.02(b) hereof, the Seller may from time to time designate Eligible Accounts to be included as Supplemental Accounts, upon the mutual agreement of the Purchaser and the Seller. In either event, the Seller shall have sole responsibility for selecting such Supplemental Accounts.

(b) On the Addition Date with respect to any designation by the Seller of Eligible Accounts to be Supplemental Accounts pursuant to Section 2.02(a), the Purchaser shall purchase the Seller's right, title and interest in, to and under the Receivables in such Supplemental Accounts (and such Receivables shall be deemed to be Receivables) and the related Purchased Assets, subject to the satisfaction of the following conditions on such Addition Date:

(i) all such Supplemental Accounts shall be Eligible Accounts as of the Addition Cut-Off Date;

(ii) the Seller shall have delivered to the Purchaser copies of UCC-1 financing statements covering such Supplemental Accounts, if necessary to perfect the Purchaser's interest in the Receivables arising therein and the related Purchased Assets;

(iii) to the extent required of the Purchaser by Section 2.09(c) of the Transfer and Servicing Agreement, the Seller shall have transferred to the Servicer for deposit in the Collection Account all Collections with respect to such Supplemental Accounts since the Addition Cut-Off Date;

(iv) as of each of the Addition Cut-Off Date and the Addition Date, no Insolvency Event with respect to the Seller shall have occurred nor shall the transfer of the Receivables arising in the Supplemental Accounts to the Purchaser have been made in contemplation of the occurrence thereof;

(v) the Rating Agency Condition shall have been satisfied with respect to such Additional Account;

(vi) the Seller shall have delivered to the Purchaser an Officer's Certificate, dated the Addition Date, confirming, to the extent applicable, the items set forth in clauses (i) through (v) above; and

(vii) the transfer of the Receivables arising in the Supplemental Accounts to the Purchaser will not result in an Adverse Effect and, in the case of such Supplemental Accounts, the Seller shall have delivered to the Purchaser an Officer's Certificate, dated the related Addition Date, stating that the Seller reasonably believes that the transfer of the Receivables arising in such Supplemental Accounts to the Purchaser will not have an Adverse Effect.

(c) In addition to designating Additional Accounts pursuant to Section 2.02(a), the Seller may, subject to the satisfaction by the Purchaser of the conditions relating to the designation by the Purchaser of Accounts to the Trust set forth in Section 2.09(a)(iii) of the Transfer and Servicing Agreement, automatically convey newly originated Eligible Accounts to the Purchaser upon their establishment.

Section 2.03. Delivery of Documents. In the case of the designation of Supplemental Accounts, the Seller shall deliver to the Purchaser (i) the computer file or microfiche list required to be delivered pursuant to Section 2.01(c) with respect to such Supplemental Accounts on the date such file or list is required to be delivered pursuant to Section 2.01(c) (the "Document Delivery Date") and (ii) a duly executed, written assignment (including an acceptance by the Purchaser), substantially in the form of Exhibit A (the "Supplemental Conveyance"), on the Document Delivery Date.

Section 2.04. Representations and Warranties as to the Security Interest of the Purchaser in the Receivables. The Seller makes the following representations and warranties to the Purchaser. The representations and warranties speak as of the execution and delivery of this Agreement and as of the Closing Date. Such representations and warranties shall survive the sale, transfer and assignment of the Receivables to the Transferor and the Trust, the pledge thereof to the Indenture Trustee and the termination of this Agreement and shall not be waived by any party hereto unless the Rating Agency Condition is satisfied.

(a) This Agreement creates a valid and continuing security interest (as defined in the applicable UCC) in the Receivables in favor of the Purchaser, which security interest is prior to all other Liens other than the Lien of each of the Indenture and the Trust, and is enforceable as such as against creditors of and purchasers from the Seller.

(b) The Receivables constitute "accounts" or "general intangibles" within the meaning of the applicable UCC.

(c) The Seller owns and has good and marketable title to the Receivables free and clear of any Lien of any Person.

(d) The Seller has caused or will have caused, within ten days of the Closing Date, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Receivables granted to the Purchaser hereunder.

(e) Other than the security interest granted to the Purchaser pursuant to this Agreement, the Seller has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Receivables. The Seller has not authorized the filing of and is not aware of any financing statements against the Seller that include a description of collateral covering the Receivables other than any financing statement relating to the security interest granted to the Purchaser hereunder or that has been terminated. The Seller is not aware of any judgment or tax lien filings against the Seller.

ARTICLE THREE

CONSIDERATION AND PAYMENT

Section 3.01. Purchase Price. The Purchase Price for Receivables relating to (i) the Initial Accounts as of the Initial Cut-Off Date and the related Purchased Assets conveyed to the Purchaser under this Agreement shall be payable on the Closing Date and (ii) Additional Accounts and the related Purchased Assets to be conveyed after the Closing Date to the Purchaser under this Agreement, shall be payable in cash on the Distribution Date following the Monthly Period in which such Receivables and the related Purchased Assets are conveyed by the Seller to the Purchaser.

Section 3.02. Adjustments to Purchase Price. The Purchase Price shall be adjusted on each Distribution Date by an amount equal to the Credit Adjustment with respect to any one or more Receivables previously conveyed to the Purchaser by the Seller which have since been reduced by the Seller or the Servicer because of a rebate, refund, unauthorized charge or billing error to an Obligor because such Receivable was created in respect of merchandise which was refused or returned by an Obligor or due to the occurrence of any other event referred to in Section 3.09 of the Transfer and Servicing Agreement. In the event that the Credit Adjustment pursuant to this Section causes the Purchase Price to be a negative number, the Seller agrees that, not later than 1:00 p.m., New York City time, on such Distribution Date, the Seller shall pay or cause to be paid to the Purchaser an amount equal to the amount by which the Credit Adjustment exceeds the Purchase Price. Notwithstanding the foregoing, if as a result of the occurrence of any event giving rise to a Credit Adjustment, the Purchaser is required to deposit funds into the Special Funding Account pursuant to Section 3.09 of the Transfer and Servicing Agreement, the Seller shall pay the Purchaser an amount equal to such required deposit in immediately available funds on or before the date the Purchaser is required to make such deposit to the Special Funding Account.

Section 3.03. Capital Contribution. Simultaneously with the closing of the Purchaser of the sale of the Notes on the Closing Date, the Seller shall make a capital contribution to the Purchaser of $_____ in consideration of a membership interest in the Purchaser.

ARTICLE FOUR

REPRESENTATIONS AND WARRANTIES

Section 4.01. Representations and Warranties of the Seller.

(a) The Seller hereby represents and warrants to, and agrees with, the Purchaser as of the date of this Agreement, as of the Closing Date with respect to the Initial Accounts (and the Receivables arising therein) and on each Addition Date with respect to the additional accounts (and the Receivables arising therein), that:

(i) Organization and Good Standing. The Seller is a Colorado corporation validly existing under the laws thereof, with power and authority to own its properties and conduct its business as such properties are currently owned and such business is presently conducted, and had at all relevant times, and has, power, authority and legal right to acquire, own and sell the Receivables.

(ii) Due Qualification. The Seller is duly qualified to do business and has obtained all necessary licenses and approvals in each jurisdiction in which the failure to so qualify or to obtain such licenses and approvals would, in the reasonable judgment of the Seller, materially and adversely affect the performance by the Seller of its obligations under this Agreement and the Receivables Purchase Agreement, or the validity or enforceability of this Agreement, the Receivables Purchase Agreement or the Receivables.

(iii) Power and Authority. The Seller has the power and authority to execute, deliver and perform its obligations under this Agreement and to carry out its terms; and the execution, delivery and performance of the Conveyance Papers and the sale of the Receivables has been duly authorized by it by all necessary corporate action.

(iv) No Violation. The execution, delivery and performance by the Seller of this Agreement, each Receivables Purchase Agreement, each other Conveyance Paper and the sale of the Receivables, the consummation of the transactions contemplated hereby and by the Receivables Purchase Agreements and the fulfillment of the terms hereof and thereof will not conflict with, result in a breach of any of the terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under, its articles of incorporation or bylaws, or conflict with or breach any of the material terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under, any indenture, agreement or other instrument to which it is a party or by which it shall be bound; nor result in the creation or imposition of any Lien upon any of its properties pursuant to the terms of any such indenture, agreement or other instrument (other than this Agreement); nor violate any law or, to its knowledge, any order, rule or regulation applicable to it of any court or of any federal or State regulatory body, administrative agency or other governmental instrumentality having jurisdiction over it or its properties, which breach, default, conflict, Lien or violation would have a material adverse effect on the Seller’s earnings, business affairs or business prospects or the Receivables.

(v) No Proceedings. There are no proceedings or investigations pending, or to the best knowledge of the Seller, threatened against the Seller, before any court, regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Seller or its properties: (A) asserting the invalidity of this Agreement, the Receivables Purchase Agreements or the other Conveyance Papers, (B) seeking to prevent the issuance of the Notes or the consummation of any of the transactions contemplated by this Agreement, the Receivables Purchase Agreements or the other Conveyance Papers, (C) seeking any determination or ruling that might materially and adversely affect the performance by the Seller of its obligations under this Agreement, the Receivables Purchase Agreements or the other Conveyance Papers or (D) seeking to affect adversely the income tax attributes of the Trust under federal or applicable State income or franchise tax systems.

(vi) All Consents Required. All approvals, authorizations, consents, orders or other actions of any Person or any Governmental Authority required in connection with the execution and delivery by the Seller of this Agreement or any of the other Conveyance Papers and the performance of the transactions contemplated by this Agreement or any of the other Conveyance Papers by the Seller have been obtained.

(vii) Insolvency. The Seller is not insolvent and no Insolvency Event with respect to the Seller has occurred, and the transfer of the Receivables and Purchased Assets by the Seller to the Purchaser contemplated hereby has not been made in contemplation of such insolvency or Insolvency Event.

(b) The representations and warranties set forth in this Section shall survive the transfer and assignment of the Receivables to the Purchaser. Upon discovery by the Seller or the Purchaser of a breach of any of the foregoing representations and warranties, the party discovering such breach shall give written notice to the other party, the Owner Trustee and the Indenture Trustee within three Business Days following such discovery.

Section 4.02. Representations and Warranties as to the Agreement and the Receivables.

(a) Representations and Warranties. The Seller hereby represents and warrants to the Purchaser as of the date of this Agreement and as of the Closing Date with respect to the Initial Accounts (and the Receivables arising therein), and, with respect to Additional Accounts (and the Receivables arising therein), as of the related Addition Date that:

(i) Binding Obligation. This Agreement and, in the case of Supplemental Accounts, the related Supplemental Conveyance, each constitutes a legal, valid and binding obligation of the Seller enforceable against the Seller in accordance with its terms, except as such enforceability may be limited by applicable Debtor Relief Laws or general principles of equity;

(ii) List of Accounts. As of the Initial Cut-Off Date, with respect to the Initial Accounts (and the Receivables arising therein) and as of the related Addition Cut-Off Date with respect to Additional Accounts (and the Receivables arising therein), Schedule 1 to this Agreement, as supplemented to such date, is an accurate and complete listing in all material respects of all the Accounts relating to the Receivables as of the Initial Cut-Off Date or such Addition Cut-Off Date, as the case may be, and the information contained therein with respect to the identity of such Accounts and the Receivables existing thereunder is true and correct in all material respects as of the Initial Cut-Off Date or such applicable Addition Cut-Off Date, as the case may be;

(iii) No Liens. Each Receivable conveyed to the Purchaser by the Seller has been conveyed to the Purchaser free and clear of any Lien of any Person claiming through or under the Seller or any of its Affiliates (other than Liens permitted under Section 5.01(b)) and in compliance with all Requirements of Law applicable to the Seller;

(iv) Consents. All authorizations, consents, orders or approvals of or registrations or declarations with any Governmental Authority required to be obtained, effected or given by the Seller in connection with the conveyance by the Seller of the Receivables to the Purchaser have been duly obtained, effected or given and are in full force and effect;

(v) Sale. This Agreement or, in the case of Supplemental Accounts, the related Supplemental Conveyance, upon execution and delivery by the Seller, constitutes an absolute sale, transfer and assignment to the Purchaser of all right, title and interest of the Seller in the Receivables and other Purchased Assets conveyed to the Purchaser by the Seller and the proceeds thereof and Recoveries identified as relating to the Receivables conveyed to the Purchaser by the Seller or, if this Agreement or, in the case of Supplemental Accounts, the related Supplemental Conveyance, does not constitute a sale of such property, it constitutes a grant of a first priority perfected "security interest" (as defined in the UCC) in such property to the Purchaser, which, in the case of Receivables in Initial Accounts and the proceeds thereof and Recoveries, is enforceable upon execution and delivery of this Agreement, or, with respect to then existing Receivables in Additional Accounts, as of the applicable Addition Date, and which will be enforceable with respect to such Receivables hereafter and thereafter created and the proceeds thereof upon such creation; and upon the filing of the financing statements and, in the case of Receivables hereafter created and the proceeds thereof, upon the creation thereof, the Purchaser shall have a first priority perfected security or ownership interest in such property and proceeds;

(vi) Accounts. Each Initial Account specified in Schedule 1 with respect to the Seller is an Eligible Account and, on the applicable Addition Cut-Off Date, each related Additional Account specified in Schedule 1 with respect to the Seller is an Eligible Account;

(vii) Eligible Receivables. Each Receivable in the Initial Accounts conveyed to the Purchaser by the Seller is an Eligible Receivable, and (i) on the applicable Addition Cut-Off Date, each Receivable conveyed in the related Additional Accounts conveyed to the Purchaser by the Seller is an Eligible Receivable and (ii) as of the date of the creation of any new Receivable transferred to the Purchaser by the Seller, such Receivable is an Eligible Receivable; and

(viii) Selected Procedures. No selection procedures believed by the Seller to be materially adverse to the interests of the Noteholders have been used in selecting Accounts relating to Receivables.

(b) Notice of Breach. The representations and warranties set forth in this Section shall survive the transfer and assignment of the Receivables to the Purchaser and the transfer and assignment by the Purchaser of the Receivables to the Trust. Upon discovery by either the Seller or the Purchaser of a breach of any of the representations and warranties set forth in this Section, the party discovering such breach shall give written notice to the other party, the Owner Trustee and the Indenture Trustee within three Business Days following such discovery; provided that the failure to give notice within three Business Days does not preclude subsequent notice. The Seller hereby acknowledges that the Purchaser intends to rely on the representations hereunder in connection with representations made by the Purchaser to secured parties, assignees or subsequent transferees including transfers made by the Purchaser to the Trust pursuant to the Transfer and Servicing Agreement and the pledge by the Trust to the Indenture Trustee pursuant to the Indenture and that the Owner Trustee and the Indenture Trustee may enforce such representations directly against the Seller.

Section 4.03. Representations and Warranties of the Purchaser.

(a) The Purchaser hereby represents and warrants to, and agrees with, the Seller as of the date of this Agreement, as of the Closing Date with respect to the Initial Accounts (and the Receivables arising therein) and on each Addition Date with respect to the Additional Accounts (and the Receivables arising therein):

(i) Organization and Good Standing. The Purchaser has been duly formed and is validly existing as a limited liability company in good standing under the laws of the State of Delaware, with power and authority to own its properties and to conduct its business as such properties are currently owned and such business is presently conducted, and had at all relevant times, and has, power, authority and legal right to acquire, own and purchase the Receivables.

(ii) Due Qualification. The Purchaser is duly qualified to do business as a foreign limited liability company in good standing and has obtained all necessary licenses and approvals in each jurisdiction in which the failure to so qualify or to obtain such licenses and approvals would, in the reasonable judgment of the Purchaser, materially and adversely affect the performance by the Purchaser of its obligations under, or the validity or enforceability of, this Agreement.

(iii) Power and Authority. The Purchaser has the power and authority to execute, deliver and perform its obligations under this Agreement and to carry out its terms; and the execution, delivery and performance of this Agreement and the other Conveyance Papers has been duly authorized by the Purchaser by all necessary limited liability company action.

(iv) No Violation. The execution, delivery and performance by the Purchaser of this Agreement and the other Conveyance Papers and of the purchase of the Receivables and the consummation of the transactions contemplated hereby and by the other Conveyance Papers and the fulfillment of the terms hereof and thereof does not conflict with, result in any breach of any of the terms and provisions of, nor constitute (with or without notice or lapse of time or both) a default under, the limited liability company agreement of the Purchaser, nor conflict with or violate any of the material terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under, any indenture, agreement or other instrument to which the Purchaser is a party or by which it shall be bound; nor result in the creation or imposition of any Lien upon any of its properties pursuant to the terms of any such indenture, agreement or other instrument (other than pursuant to this Agreement or the related Supplemental Conveyance); nor violate any law or any order, rule or regulation applicable to the Purchaser of any court or of any federal or State regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Purchaser or its properties, which breach, default, conflict, Lien or violation would have a material adverse effect on the earnings, business affairs or business prospects of the Purchaser or on the ability of the Purchaser to perform its obligations under this Agreement.

(v) No Proceedings. There are no proceedings or investigations pending, or to the best knowledge of the Purchaser, threatened against the Purchaser, before any Governmental Authority having jurisdiction over the Purchaser or its properties: (A) asserting the invalidity of this Agreement or any other Conveyance Papers, (B) seeking to prevent the issuance of the Notes or the consummation of any of the transactions contemplated by this Agreement or any other Conveyance Papers, (C) seeking any determination or ruling that might materially and adversely affect the performance by the Purchaser of its obligations under this Agreement or the other Conveyance Papers or (D) seeking to affect adversely the income tax attributes of the Trust under federal or applicable State income or franchise tax systems.

(vi) All Consents Required. All approvals, authorizations, consents, orders or other actions of any Person or any Governmental Authority required in connection with the execution and delivery by Purchaser of this Agreement or any of the other Conveyance Papers and the performance of the transactions contemplated by this Agreement or any of the other Conveyance Papers by Purchaser have been obtained, effected or given and are in full force and effect.

(b) The representations and warranties set forth in this Section shall survive the Conveyance. Upon discovery by the Purchaser or the Seller of a breach of any of the foregoing representations and warranties, the party discovering such breach shall give prompt written notice to the other party, the Owner Trustee and the Indenture Trustee.

ARTICLE FIVE

COVENANTS

Section 5.01. Covenants of the Seller. The Seller hereby covenants and agrees with the Purchaser as follows:

(a) Receivables Not to be Evidenced by Promissory Notes. Except in connection with its enforcement or collection of any Receivable, the Seller will take no action to cause any Receivable conveyed by it to the Purchaser to be evidenced by any instrument (as defined in the UCC) and if any Receivable is so evidenced (whether or not in connection with the enforcement or collection of a Receivable), it shall be deemed to be an Ineligible Receivable and shall be reassigned to the Seller in accordance with Section 6.01(b).

(b) Security Interests. Except for the conveyances hereunder, the Seller will not sell, pledge, assign or transfer to any other Person, or grant, create, incur, assume or suffer to exist any Lien on, any Receivable conveyed by it to the Purchaser, whether now existing or hereafter created, or any interest therein, and the Seller shall defend the right, title and interest of the Purchaser in, to and under the Receivables, whether now existing or hereafter created, against all claims of third parties claiming through or under the Seller; provided, however, that nothing in this Section shall prevent or be deemed to prohibit the Seller from suffering to exist upon any of the Receivables transferred by it to the Purchaser any Liens for municipal or other local taxes if such taxes shall not at the time be due and payable or if the Seller shall currently be contesting the validity thereof in good faith by appropriate proceedings and shall have set aside on its books adequate reserves with respect thereto.

(c) Account Allocations. In the event that the Seller is unable for any reason to transfer Receivables to the Purchaser in accordance with the provisions of this Agreement (including by reason of the application of the provisions of Section 8.02 or any order of any Governmental Authority), then the Seller agrees (except as prohibited by any such order) to allocate and pay to the Purchaser, after the date of such inability, all amounts in the manner by which the Purchaser will allocate and pay such amounts to the Trust after such inability by the Purchaser to transfer Receivables to the Trust pursuant to Section 2.11 of the Transfer and Servicing Agreement.

(d) Delivery of Collections or Recoveries. In the event that the Seller receives Collections or Recoveries, the Seller agrees to pay to the Purchaser (or to the Servicer if the Purchaser so directs) all such Collections and Recoveries as soon as practicable after receipt thereof but in no event later than two Business Days after the Date of Processing thereof.

(e) Notice of Liens. The Seller shall notify the Purchaser promptly after becoming aware of any Lien on any Receivable other than the conveyances hereunder, under the Receivables Purchase Agreement, the Transfer and Servicing Agreement or the Indenture.

(f) Continuous Perfection. The Seller shall not change its name, identity or structure in any manner that might cause any financing or continuation statement filed pursuant to this Agreement to be seriously misleading unless the Seller shall have delivered to the Purchaser at least 30 days' prior written notice thereof and, no later than 30 days after making such change, shall have taken all action necessary or advisable to amend such financing statement or continuation statement so that it is not seriously misleading. The Seller shall not change the jurisdiction under whose laws it is organized, its chief execution office or change the location of its principal records concerning the Receivables unless it has delivered to the Purchaser at least 30 days' prior written notice of its intention to do so and has taken such action as is necessary or advisable to cause the interest of the Purchaser in the Receivables and other Purchased Assets to continue to be perfected with the priority required by this Agreement.

(g) Interchange. With respect to any Distribution Date, on or prior to the related Determination Date, the Servicer shall notify the Seller of the amount of Interchange required to be included as Collections of Finance Charge Receivables with respect to the related Monthly Period. Not later than 1:00 p.m., New York City time, on the related Transfer Date, the Seller shall deposit, or cause to be deposited, into the Collection Account, in immediately available funds, the amount of the Interchange to be so included as Collections of Finance Charge Receivables with respect to such Monthly Period.

Section 5.02. Covenants of the Seller with Respect to Receivables Purchase Agreements. The Seller, in its capacity as purchaser of Receivables from the Account Owner pursuant to the Receivables Purchase Agreements between the Seller and the Account Owner, hereby covenants that it will at all times enforce the covenants and agreements of the Account Owner in such Receivables Purchase Agreements, including covenants substantially to the effect set forth below:

(a) Periodic Rate Finance Charges. Except (i) as otherwise required by any Requirements of Law or (ii) as is deemed by the Account Owner to be necessary in order for it to maintain its credit card business on a competitive basis based on a good faith assessment by it of the nature of the competition in the credit card business, it shall not at any time reduce the annual percentage rate of the Periodic Rate Finance Charges assessed on the Receivables transferred by it to the Purchaser or other fees charged on any of the Accounts owned by it if either (A) as a result of any such reduction, such Account Owner's reasonable expectation is that such reduction will cause a Pay Out Event or Event of Default to occur or (B) such reduction is not also applied to all comparable segments of the VISA®, private label or other retail consumer revolving credit card accounts owned by such Account Owner which have characteristics the same as, or substantially similar to, such Accounts.

(b) Credit Card Agreements and Guidelines. Subject to compliance with all Requirements of Law and Section 5.02(a), the Account Owner may change the terms and provisions of the Credit Card Agreements or the Credit Card Guidelines with respect to any of the Accounts owned by it in any respect (including the calculation of the amount or the timing of charge-offs and the Periodic Rate Finance Charges and other fees to be assessed thereon) only if such change is made applicable to all comparable segments of the VISA®, private label or other retail consumer revolving credit card accounts owned by such Account Owner which have characteristics the same as, or substantially similar to, such Accounts. Notwithstanding the foregoing, unless required by Requirements of Law or as permitted by Section 5.02(a), no Account Owner will take any action with respect to the Credit Card Agreements or the Credit Card Guidelines, which, at the time of such action, the Account Owner reasonably believes will have a material adverse effect on the Noteholders.

The Seller further covenants that it will not enter into any amendments to the Receivables Purchase Agreements or enter into a new Receivables Purchase Agreement unless the Rating Agency Condition has been satisfied.

The Purchaser covenants that it will provide the Seller with such information as the Seller may reasonably request to enable the Seller to determine compliance with the covenants contained in Section 5.02(b).

ARTICLE SIX

REPURCHASE OBLIGATION

Section 6.01. Reassignment of Ineligible Receivables.

(a) In the event any representation or warranty under Section 4.02(a)(ii), (iii), (iv), (vi), (vii) or (viii) is not true and correct in any material respect as of the date specified therein with respect to any Receivable or the related Account and as a result of such breach the Purchaser is required to accept reassignment of Ineligible Receivables previously sold by the Seller to the Purchaser pursuant to Section 2.05(a) of the Transfer and Servicing Agreement, the Seller shall accept reassignment of such Ineligible Receivables on the terms and conditions set forth in Section 6.01(b).

(b) The Seller shall accept reassignment of any Ineligible Receivables previously sold by the Seller to the Purchaser from the Purchaser on the date on which such reassignment obligation arises, and shall pay for such reassigned Ineligible Receivables by paying to the Purchaser, not later than 3:00 p.m., New York City time, on such date, an amount equal to the product of (i) 100% and (ii) the sum of (A) the unpaid balance of such Ineligible Receivables plus (B) accrued and unpaid finance charges at the annual percentage rate applicable to such Receivables from the last date billed through the end of the Monthly Period in which such reassignment obligation arises. Upon reassignment of such Ineligible Receivables, the Purchaser shall automatically and without further action be deemed to sell, transfer, assign, set-over and otherwise convey to the Seller, without recourse, representation or warranty, all the right, title and interest of the Purchaser in and to such Ineligible Receivables, all Recoveries related thereto, all monies and amounts due or to become due with respect thereto and all proceeds thereof; and such reassigned Ineligible Receivables shall be treated by the Purchaser as collected in full as of the date on which they were transferred. The Purchaser shall execute such documents and instruments of transfer or assignment and take such other actions as shall reasonably be requested by the Seller to effect the conveyance of such Ineligible Receivables and other property pursuant to this subsection.

Section 6.02. Reassignment. In the event any representation or warranty set forth in Section 4.01(a)(i) or (iii) or Section 4.02(a)(i) or (v) is not true and correct in any material respect and as a result of such breach the Purchaser is required to accept a reassignment of the Receivables previously sold by the Seller to the Purchaser pursuant to Section 2.06 of the Transfer and Servicing Agreement, the Seller shall be obligated to accept a reassignment of such Receivables on the terms set forth below.

The Seller shall pay to the Purchaser by depositing in the Collection Account in immediately available funds, not later than 1:00 p.m., New York City time, two Business Days after which such reassignment obligation arises, in payment for such reassignment, an amount equal to the amount specified in Section 2.06 of the Transfer and Servicing Agreement. Upon reassignment of the Receivables on such Transfer Date, the Purchaser shall automatically and without further action be deemed to sell, transfer, assign, set-over and otherwise convey to the Seller, without recourse, representation or warranty, all the right, title and interest of the Purchaser in and to the Receivables, all Recoveries related thereto and all monies and amounts due or to become due with respect thereto and all proceeds thereof. The Purchaser shall execute such documents and instruments of transfer or assignment and take such other actions as shall reasonably be requested by the Seller to effect the conveyance of such property pursuant to this Section.

ARTICLE SEVEN

CONDITIONS PRECEDENT

Section 7.01. Conditions to the Purchaser's Obligations Regarding Initial Receivables. The obligations of the Purchaser to purchase the Receivables in the Initial Accounts on the Closing Date shall be subject to the satisfaction of the following conditions:

(a) all representations and warranties of the Seller contained in this Agreement shall be true and correct;

(b) all information concerning the Initial Accounts provided to the Purchaser shall be true and correct as of the Initial Cut-Off Date in all material respects;

(c) the Seller shall have (i) delivered to the Purchaser a computer file or microfiche list containing a true and complete list of all Initial Accounts identified by account number and by the Receivables balance as of the Initial Cut-Off Date and (ii) substantially performed all other obligations required to be performed by the provisions of this Agreement;

(d) the Seller shall have recorded and filed, at its expense, any financing statement with respect to the Receivables (other than Receivables in Additional Accounts) now existing and hereafter created for the transfer of accounts (as defined in the applicable UCC) meeting the requirements of applicable law in such manner and in such jurisdictions as would be necessary to perfect the sale of and security interest in the Receivables from the Seller to the Purchaser, and shall deliver a file-stamped copy of such financing statements or other evidence of such filings to the Purchaser;

(e) on or before the Closing Date, (i) the Purchaser and the Owner Trustee shall have entered into the Trust Agreement, (ii) the Purchaser, the Bank, the Indenture Trustee and the Trust shall have entered into the Transfer and Servicing Agreement, (iii) the Trust and the Indenture Trustee shall have entered into the Indenture and (iv) the closing under all such agreements shall take place simultaneously with the initial closing hereunder; and

(f) all corporate and legal proceedings and all instruments in connection with the transactions contemplated by this Agreement shall be satisfactory in form and substance to the Purchaser, and the Purchaser shall have received from the Seller copies of all documents (including records of corporate proceedings) relevant to the transactions herein contemplated as the Purchaser may reasonably have requested.

Section 7.02. Conditions Precedent to the Seller's Obligations. The obligations of the Seller to sell Receivables in the Initial Accounts on the [Closing Date] shall be subject to the satisfaction of the following conditions:

(a) all representations and warranties of the Purchaser contained in this Agreement shall be true and correct with the same effect as though such representations and warranties had been made on such date;

(b) payment or provision for payment of the Purchase Price in accordance with the provision of Section 3.01 shall have been made; and

(c) all corporate and legal proceedings and all instruments in connection with the transactions contemplated by this Agreement shall be satisfactory in form and substance to the Seller, and the Seller shall have received from the Purchaser copies of all documents (including records of corporate proceedings) relevant to the transactions herein contemplated as the Seller may reasonably have requested.

ARTICLE EIGHT

TERM AND PURCHASE TERMINATION

Section 8.01. Term. This Agreement shall commence as of the date of execution and delivery hereof and shall continue until at least the termination of the Trust as provided in Section 8.01 of the Trust Agreement. Thereafter, this Agreement may be terminated by the mutual agreement of the parties hereto.

Section 8.02. Purchase Termination. If an Insolvency Event occurs with respect to the Seller, then the Seller shall immediately cease to transfer Principal Receivables to the Purchaser and shall promptly give notice to the Purchaser, the Owner Trustee and the Indenture Trustee of such Insolvency Event. Notwithstanding any cessation of the transfer to the Purchaser of additional Principal Receivables, Principal Receivables transferred to the Purchaser prior to the occurrence of such Insolvency Event and Collections in respect of such Principal Receivables and Finance Charge Receivables whenever created, accrued in respect of such Principal Receivables, shall continue to be property of the Purchaser available for transfer by the Purchaser to the Trust pursuant to the Transfer and Servicing Agreement.

ARTICLE NINE

MISCELLANEOUS PROVISIONS

Section 9.01. Amendment. This Agreement and any other Conveyance Papers and the rights and obligations of the parties hereunder and thereunder may not be changed orally, but only by an instrument in writing signed by the Purchaser and/or the Seller, as applicable in accordance with this Section. This Agreement and any other Conveyance Papers may be amended from time to time by the Purchaser and/or the Seller, as applicable (i) to cure any ambiguity, (ii) to correct or supplement any provisions herein which may be inconsistent with any other provisions herein or in any such other Conveyance Papers, (iii) to add any other provisions with respect to matters or questions arising under this Agreement or any other Conveyance Papers which shall not be inconsistent with the provisions of this Agreement or any other Conveyance Papers, (iv) to change or modify the Purchase Price and (v) to change, modify, delete or add any other obligation of the Seller or the Purchaser; provided, however, that no amendment pursuant to clause (ii), (iii), (iv) or (v) shall be effective unless the Seller and/or the Purchaser have been notified in writing that the Rating Agency Condition has been satisfied; provided further that the Seller shall have delivered to the Purchaser an Officer's Certificate, dated the date of such action, stating that the Seller reasonably believes that such action will not have an Adverse Effect unless the Owner Trustee and the Indenture Trustee shall consent thereto. Any reconveyance executed in accordance with the provisions hereof shall not be considered to be an amendment to this Agreement. A copy of any amendment to this Agreement shall be sent to the Rating Agency.

Section 9.02. GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS CONFLICT OF LAWS PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 9.03. Notices. Unless otherwise expressly specified or permitted by the terms hereof, all demands, notices, instruction, directions and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at, mailed by registered mail, return receipt requested or sent by facsimile transmission to (i) in the case of the Seller, 13531 East Caley Avenue, Centennial, Colorado 80111, Attention: Legal Department (facsimile no. (303) 397-4700), (ii) in the case of the Purchaser, 13531 East Caley Avenue, Centennial, Colorado 80111, Attention: Legal Department (facsimile no. (303) 397-4700), (iii) in the case of the Owner Trustee, Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19801, Attention: Corporate Trust Administration (facsimile no. (302) 636-4140), (iv) in the case of the Indenture Trustee, 625 Marquette Avenue, Minneapolis, Minnesota 55479, Attention: Corporate Trust Asset-Backed Securities (facsimile no. (612) 667-3464), or (v) as to each party, at such other address or facsimile number as shall be designated by such party in a written notice to each other party.

Section 9.04. Severability of Provisions. If any one or more of the covenants, agreements, provisions or terms of this Agreement or any other Conveyance Paper shall for any reason whatsoever be held invalid, then such covenants, agreements, provisions and terms shall be deemed severable from the remaining covenants, agreements, provisions and terms of this Agreement or any other Conveyance Paper and shall in no way affect the validity or enforceability of the remaining covenants, agreements, provisions or terms and this Agreement or of any other Conveyance Paper.

Section 9.05. Merger, Consolidation of, or Assignment of Obligations of Seller.

(a) The Seller shall not consolidate with or merge into any other corporation or convey or transfer its properties and assets substantially as an entirety to any Person unless:

(i) the Person formed by such consolidation or into which the Seller is merged or the Person which acquires by conveyance or transfer the properties and assets of Seller substantially as an entirety shall be, if the Seller is not the surviving entity, an entity organized and existing under the laws of the United States or any State and if the Seller is not the surviving entity, such entity expressly assumes, by an agreement supplemental hereto, executed and delivered to the Purchaser and the Indenture Trustee in form reasonably satisfactory to the Purchaser and the Indenture Trustee, the performance of every covenant and obligation of the Seller hereunder;

(ii) the Seller has delivered to the Purchaser and the Indenture Trustee (A) an Officer's Certificate stating that such consolidation, merger, conveyance or transfer and such supplemental agreement comply with this Section and that all conditions precedent herein provided for relating to such transaction have been complied with and (B) an Opinion of Counsel to the effect that such supplemental agreement is a valid and binding obligation of such surviving entity enforceable against such surviving entity in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally from time to time in effect and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity);

(iii) the Seller shall have delivered to the Purchaser and Indenture Trustee and each Rating Agency a Tax Opinion, dated the date of such consolidation, merger, conveyance or transfer; and

(iv) if the Seller is not the surviving entity, the surviving entity shall file new UCC-1 financing statements with respect to the interest of the purchaser in the Receivables.

(b) This Section shall not be construed to prohibit or in any way limit the Seller's ability to effectuate any consolidation or merger pursuant to which the Seller would be the surviving entity.

(c) The Seller shall notify each Rating Agency promptly after any consolidation, merger, conveyance or transfer effected pursuant to this Section;

(d) The obligations of the Seller hereunder shall not be assignable nor shall any Person succeed to the obligations of the Seller hereunder except in each case in accordance with (i) the provisions of the foregoing paragraphs or (ii) conveyances, mergers, consolidations, assumptions, sales or transfers to other entities (A) for which the Seller delivers an Officer's Certificate to the Purchaser and the Indenture Trustee indicating that the Seller reasonably believes that such action will not adversely affect in any material respect the interests of the Purchaser or any Noteholder, (B) which meet the requirements of clause (ii) of paragraph (a) and (C) for which such purchaser, transferee, pledgee or entity shall expressly assume, in an agreement supplemental hereto, executed and delivered to the Purchaser and the Indenture Trustee in writing in form satisfactory to the Seller and the Indenture Trustee, the performance of every covenant and obligation of the Seller thereby conveyed.

Section 9.06. Acknowledgement and Agreement of the Seller. By execution below, the Seller expressly acknowledges and agrees that all of the Purchaser's right, title, and interest in, to, and under this Agreement, including all of the Purchaser's right, title, and interest in and to the Purchased Assets purchased pursuant to this Agreement, may be assigned by the Purchaser to the Trust, and a security interest therein may be granted by the Trust to the Indenture Trustee for the benefit of the beneficiaries of the Trust, including the Noteholders, and the Seller consents to such assignment and grant. The Seller further agrees that notwithstanding any claim, counterclaim, right of setoff or defense which it may have against the Purchaser, due to a breach by the Purchaser of this Agreement or for any other reason, and notwithstanding the bankruptcy of the Purchaser or any other event whatsoever, the Seller's sole remedy shall be a claim against the Purchaser for money damages, and then only to the extent of funds available to the Purchaser, and in no event shall the Seller assert any claim on or any interest in the Receivables or any proceeds thereof or take any action which would reduce or delay receipt by the Trust of collections with respect to the Receivables. Additionally, the Seller agrees that any amounts payable by the Seller to the Purchaser hereunder which are to be paid by the Purchaser to the Indenture Trustee shall be paid by the Seller, on behalf of the Purchaser, directly to the Indenture Trustee.

Section 9.07. Further Assurances. The Purchaser and the Seller agree to do and perform, from time to time, any and all acts and to execute any and all further instruments required or reasonably requested by the other party and their respective permitted successors and assigns, the Owner Trustee or the Indenture Trustee more fully to effect the purposes of this Agreement and the other Conveyance Papers, including the execution of any financing statements or continuation statements relating to the Receivables for filing under the provisions of the UCC of any applicable jurisdiction.

Section 9.08. No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Purchaser or the Seller, any right, remedy, power or privilege under this Agreement, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges provided under this Agreement are cumulative and not exhaustive of any rights, remedies, powers and privileges provided by law.

Section 9.09. Counterparts. This Agreement and all other Conveyance Papers may be executed in separate counterparts, each of which when so executed and delivered shall be an original, but all of which together shall constitute one and the same instrument.

Section 9.10. Third-Party Beneficiaries. This Agreement and the other Conveyance Papers will inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. The Trust and the Indenture Trustee shall be considered third-party beneficiaries of the Conveyance Papers. Except as otherwise expressly provided in this Agreement, no other Person will have any right or obligation hereunder.

Section 9.11. Merger and Integration. Except as specifically stated otherwise herein, this Agreement and the other Conveyance Papers set forth the entire understanding of the parties relating to the subject matter hereof, and all prior understandings, written or oral, are superseded by this Agreement and the other Conveyance Papers. This Agreement and the other Conveyance Papers may not be modified, amended, waived or supplemented except as provided herein.

Section 9.12. Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 9.13. Survival of Representations and Warranties. All representations, warranties and agreements contained in this Agreement or contained in any Supplemental Conveyance shall remain operative and in full force and effect and shall survive conveyance of the Receivables by the Purchaser to the Trust pursuant to the Transfer and Servicing Agreement and the grant of a security interest therein by the Trust to the Indenture Trustee pursuant to the Indenture.

Section 9.14. Nonpetition Covenant. To the fullest extent permitted by law, notwithstanding any prior termination of this Agreement, the Seller shall not, prior to the date which is one year and one day after the termination of this Agreement, acquiesce, petition or otherwise invoke or cause the Purchaser or the Trust to invoke the process of any Governmental Authority for the purpose of commencing or sustaining a case against the Purchaser or the Trust under any Debtor Relief Law or appointing a receiver, conservator, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Purchaser or the Trust or any substantial part of its property or ordering the winding-up or liquidation of the affairs of the Purchaser or the Trust.

IN WITNESS WHEREOF, the parties hereto have caused this Receivables Purchase Agreement to be duly executed by their respective officers as of the day and year first above written.

NORDSTROM CREDIT, INC.,
as Seller

By: /s/ Kevin T. Knight
Kevin T. Knight
Chairman and CEO

NORDSTROM CREDIT CARD RECEIVABLES II LLC,
as Purchaser

By: /s/ Marc A. Anacker
Marc A. Anacker
Treasurer

EXHIBIT A

FORM OF SUPPLEMENTAL CONVEYANCE

This Supplemental Conveyance No. ___, dated as of _____, 200_, is between Nordstrom Credit, Inc., as seller (the "Seller"), and Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC), as purchaser (the "Purchaser"), pursuant to the Receivables Purchase Agreement referred to below.

WHEREAS, the Seller and the Purchaser are parties to an Amended and Restated Receivables Purchase Agreement, dated as of May 1, 2007 (as such agreement may have been amended, supplemented, restated or otherwise modified from time to time, the "Receivables Purchase Agreement");

WHEREAS, pursuant to the Receivables Purchase Agreement, the Seller wishes to designate Additional Accounts to be included as Accounts and the Seller wishes to convey its right, title and interest in the Receivables of such Additional Accounts, whether now existing or hereafter created, to the Purchaser pursuant to the Receivables Purchase Agreement (as each such term is defined in the Receivables Purchase Agreement); and

WHEREAS, the Purchaser is willing to accept such designation and conveyance subject to the terms and conditions hereof.

NOW, THEREFORE, the Seller and the Purchaser hereby agree as follows:

1. Defined Terms. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Receivables Purchase Agreement.

"Addition Date" means, with respect to the Additional Accounts designated hereby _____ ___, ___.

"Addition Cut-Off Date" means, with respect to the Additional Accounts designated hereby, _____ ___, ___.

2. Designation of Additional Accounts. The Seller delivers herewith a computer file or microfiche list containing a true and complete schedule identifying all such Additional Accounts (the "Additional Accounts") and specifying for each such Additional Account, as of the Addition Cut-Off Date, its account number, the aggregate amount outstanding in such Account and the aggregate amount of Principal Receivables in such Account. Such computer file, microfiche list or other documentation shall be as of the date of this Supplemental Conveyance incorporated into and made part of this Supplemental Conveyance and is marked as Schedule 1 to this Supplemental Conveyance.

3. Conveyance of Receivables.

(a) The Seller does hereby sell, transfer, assign, set over and otherwise convey to the Purchaser, without recourse except as provided in the Receivables Purchase Agreement, all its right, title and interest in, to and under the Receivables arising in such Additional Accounts, existing at the close of business on the Addition Cut-Off Date and thereafter created until termination of the Receivables Purchase Agreement, all Collections with respect to such Receivables, all monies due or to become due and all amounts received or receivable with respect thereto and all proceeds thereof.

(b) In connection with such sale and if necessary, the Seller agrees to record and file, at its own expense, one or more financing statements (and continuation statements with respect to such financing statements when applicable) with respect to the Receivables, existing on the Addition Cut-Off Date and thereafter created, meeting the requirements of applicable State law in such manner and in such jurisdictions as are necessary to perfect the sale and assignment of and the security interest in the Receivables to the Purchaser, and to deliver a file-stamped copy of such financing statement or other evidence of such filing to the Purchaser.

(c) In connection with such sale, the Seller further agrees, at its own expense, on or prior to the date of this Supplemental Conveyance, to indicate in the appropriate computer files or microfiche list that all Receivables created in connection with the Additional Accounts designated hereby have been conveyed to the Purchaser pursuant to this Supplemental Conveyance.

4. Acceptance by the Purchaser. The Purchaser hereby acknowledges its acceptance of all right, title and interest to the property, existing on the Addition Cut-Off Date and thereafter created, conveyed to the Purchaser pursuant to Section 3(a) and declares that it shall maintain such right, title and interest. The Purchaser further acknowledges that, prior to or simultaneously with the execution and delivery of this Supplemental Conveyance, the Seller delivered to the Purchaser the computer file or microfiche list described in Section 2.

5. Representations and Warranties of the Seller. The Seller hereby represents and warrants to the Purchaser as of the date of this Supplemental Conveyance and as of the Addition Date that:

(a) Legal, Valid and Binding Obligation. This Supplemental Conveyance constitutes a legal, valid and binding obligation of the Seller enforceable against the Seller in accordance with its terms, except as such enforceability may be limited by applicable Debtor Relief Laws or general principles of equity.

(b) Eligibility of Accounts. On the Addition Cut-Off Date, each Additional Account designated hereby is an Eligible Account.

(c) No Liens. Each Receivable in an Additional Account designated hereby has been conveyed to the Purchaser free and clear of any Lien and each underlying receivable is free and clear of all Liens.

(d) Eligibility of Receivables. On the Addition Cut-Off Date, each Receivable existing in an Additional Account designated hereby is an Eligible Receivable and as of the date of creation of any Receivable in an Additional Account designated hereby, such Receivable is an Eligible Receivable.

(e) Selection Procedures. Each Account has been randomly selected and no selection procedures believed by the Seller to be adverse to the interests of the Purchaser or the Noteholders were utilized in selecting the Additional Accounts.

(f) Transfer of Receivables. This Supplemental Conveyance constitutes an absolute sale, transfer and assignment to the Purchaser of all right, title and interest of the Seller in the Receivables arising in the Additional Accounts designated hereby existing on the Addition Cut-Off Date or thereafter created, the Recoveries with respect thereto, all monies due or to become due and all amounts received with respect thereto and the "proceeds" (including "proceeds" as defined in Article 9 of the UCC) thereof.

(g) No Conflict. The execution and delivery of this Supplemental Conveyance, the performance of the transactions contemplated by this Supplemental Conveyance and the fulfillment of the terms hereof, will not conflict with, result in any breach of any of the material terms and provisions of, or constitute (with or without notice or lapse of time or both) a material default under, any indenture, contract, agreement, mortgage, deed of trust or other instrument to which the Seller is a party or by which it or its properties are bound.

(h) No Violation. The execution and delivery of this Supplemental Conveyance by the Seller, the performance of the transactions contemplated by this Supplemental Conveyance and the fulfillment of the terms hereof applicable to the Seller will not conflict with or violate any Requirements of Law applicable to the Seller.

(i) No Proceedings. There are no proceedings or investigations, pending or, to the best knowledge of the Seller, threatened, against the Seller before any Governmental Authority (i) asserting the invalidity of this Supplemental Conveyance, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Supplemental Conveyance, (iii) seeking any determination or ruling that, in the reasonable judgment of the Seller, would materially and adversely affect the performance by the Seller of its obligations under this Supplemental Conveyance or (iv) seeking any determination or ruling that would materially and adversely affect the validity or enforceability of this Supplemental Conveyance.

(j) All Consents. All authorizations, consents, orders or approvals of any Governmental Authority required to be obtained by the Seller in connection with the execution and delivery of this Supplemental Conveyance by the Seller and the performance of the transactions contemplated by this Supplemental Conveyance by the Seller, have been obtained.

6. Ratification of the Receivables Purchase Agreement. The Receivables Purchase Agreement is hereby ratified, and all references to the "Receivables Purchase Agreement", "this Agreement" and "herein" shall be deemed from and after the Addition Date to be a reference to the Receivables Purchase Agreement as supplemented by this Supplemental Conveyance. Except as expressly amended hereby, all the representations, warranties, terms, covenants and conditions of the Receivables Purchase Agreement shall remain unamended and shall continue to be, and shall, remain, in full force and effect in accordance with its terms and except as expressly provided herein shall not constitute or be deemed to constitute a waiver of compliance with or consent to non-compliance with any term or provision of the Receivables Purchase Agreement.

7. Counterparts. This Supplemental Conveyance may be executed in separate counterparts, each of which when so executed and delivered shall be an original, but all of which together shall constitute one and the same instrument.

8. GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS CONFLICT OF LAWS PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Conveyance to be duly executed and delivered by their respective duly authorized officers on the day and the year first above written.

NORDSTROM CREDIT, INC.,
as Seller

By: _____
Name:
Title:

NORDSTROM CREDIT CARD RECEIVABLES II LLC,
as Purchaser

By: _____
Name:
Title:

Additional Accounts

Schedule I

List of Accounts

Delivered to the Transferor on the Closing Date

[Exhibit 99.4]

NORDSTROM CREDIT CARD RECEIVABLES II LLC,
as Transferor,

NORDSTROM fsb,
as Servicer,

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Indenture Trustee,

and

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Issuer

AMENDED AND RESTATED TRANSFER AND SERVICING AGREEMENT

Dated as of May 1, 2007

TABLE OF CONTENTS

AMENDED AND RESTATED
TRANSFER AND SERVICING AGREEMENT

This Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007 (as amended, supplemented, restated or otherwise modified from time to time, the "Amended and Restated Transfer and Servicing Agreement"), is between Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC), a Delaware limited liability company, as Transferor (the "Transferor"), Nordstrom fsb, as Servicer (the "Servicer"), Nordstrom Credit Card Master Note Trust II (formerly known as Nordstrom Credit Card Private Label Master Note Trust), a Delaware statutory trust, as issuer or the trust (the "Issuer" or the "Trust") and Wells Fargo Bank, National Association, a national banking association, as Indenture Trustee (the "Indenture Trustee").

RECITALS

WHEREAS, the Transferor is a limited liability company formed pursuant to and in accordance with the Delaware Limited Liability Company Act (6 Del. Code § 18-101 et seq.) on October 11, 2001, and governed by the Amended and Restated Limited Liability Company Agreement, dated as of May 1, 2007, among Nordstrom Credit, Inc., as the sole equity member (the "Member"), and D. Dale Browning and Eric Grover, as the Special Members;

WHEREAS, the parties hereto entered into a Transfer and Servicing Agreement, dated as of October 1, 2001 (the "Original Transfer and Servicing Agreement") to provide for, among other things, the transfer to, and servicing of, certain assets of the Issuer;

WHEREAS, the Transferor has previously acquired, and will continue to acquire, certain Private Label Receivables (as defined herein) and related assets and, in addition on and after the date hereof will acquire an undivided beneficial interest equal to the Participation Percentage (as defined herein) in certain VISA® Receivables (as defined herein) and related assets which it desires to transfer to the Trust, and which assets will be serviced by the Servicer; and

WHEREAS, the parties hereto desire to amend and restate the Original Transfer and Servicing Agreement upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, each party agrees as follows for the benefit of the other parties, the Noteholders and any Series Enhancer (as such capitalized terms are defined below) to the extent provided herein, in the Master Indenture and in any related Indenture Supplement:

ARTICLE ONE

DEFINITIONS

Section 1.01. Definitions. Whenever used in this Agreement, the following words and phrases shall have the following meanings:

"Account" means each (i) Initial Account, (ii) Additional Account (but only from and after the Addition Date with respect thereto), (iii) Related Account and (iv) Transferred Account, but shall exclude any Account all the Receivables in which are either: (a) after the Removal Date, Removed Accounts, (b) Ineligible Receivables reassigned to the Transferor pursuant to Section 2.05 or 2.06 or (c) Servicer Repurchase Receivables assigned and transferred to the Servicer pursuant to Section 3.03.

"Account Originator" means Nordstrom fsb or, upon satisfaction of the Rating Agency Condition, any other entity which is the issuer of the credit card relating to an Account pursuant to a Credit Card Agreement.

"Account Owner" means the Account Originator relating to an Account or any Person who has acquired such Account and has sold the related Receivables to the Transferor pursuant to a Receivables Purchase Agreement.

"Account Schedule" shall mean a computer file or microfiche list containing a true and complete list of Accounts, identified by bank identification number and by bank numbers and by account number and setting forth the aggregate amount of Principal Receivables outstanding in such Accounts, or in the case of the VISA® Receivables, the Participation Percentage multiplied by the aggregate amount of the Principal Receivables outstanding in such Accounts, as of (a) the Initial Cut-Off Date (for the Account Schedule delivered on the Initial Issuance Date), (b) as soon as practicable after the Determination Date immediately succeeding the related Monthly Period (for any Account Schedule relating to Additional Accounts) and (c) the Addition Cut-Off Date (for any Account Schedule relating to Supplemental Accounts).

"Addition" means the designation of additional Eligible Accounts to be included as Accounts pursuant to Section 2.09(a) and Section 2.09(b).

"Addition Cut-Off Date" means, with respect to any Additional Accounts to be included in the Trust, the date on which such Additional Accounts are designated for inclusion in the Trust.

"Addition Date" means the date on which the Receivables in Additional Accounts are conveyed to the Trust pursuant to Section 2.09(a).

"Additional Account" means each VISA®, private label or other retail consumer revolving credit card account established pursuant to a Credit Card Agreement, which account is designated pursuant to Section 2.09(a) to be included as an Account.

"Additional Transferors" means Affiliates of the Transferor designated by the Transferor to be included as Transferors pursuant to Section 2.09(d).

"Adverse Effect" means, with respect to any action, that such action will (i) result in the occurrence of a Pay Out Event or an Event of Default or (ii) materially and adversely affect the amount or timing of distributions to be made to the Noteholders of any Series or Class pursuant to this Agreement, the Master Indenture or the related Indenture Supplement.

"Affiliate" means, with respect to any specified Person, any other Person controlling or controlled by or under common control with such specified Person. For the purposes of this definition, "control" means the power to direct the management and policies of a Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agreement" means this Amended and Restated Transfer and Servicing Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"Appointment Date" means the day on which an Insolvency Event occurs with respect to the Transferor.

"Assignment" means an Assignment of Receivables in Supplemental Accounts, in substantially the form of Exhibit A.

"Authorized Newspaper" means any major newspaper or newspapers of general circulation in the Borough of Manhattan, The City of New York, printed in the English language (and, with respect to any Series or Class, if and so long as the Notes of such Series are (i) listed on the Luxembourg Stock Exchange and such Exchange shall so require, in Luxembourg, printed in any language satisfying the requirements of such Exchange or (ii) Bearer Notes, in such place as may be specified in the applicable Indenture Supplement) and customarily published on each business day at such place, whether or not published on Saturdays, Sundays or holidays.

"Business Day" means any day other than (i) a Saturday or Sunday or (ii) any other day on which national banking associations or State banking institutions in Arizona, Colorado, Minnesota, New York, Delaware or any other State in which the principal executive offices of Nordstrom fsb, the Owner Trustee, the Indenture Trustee or other Account Owner, as the case may be, are located, are authorized or obligated by law, executive order or governmental decree to be closed or (iii) for purposes of any particular Series, any other day specified in the related Indenture Supplement.

"Cash Advance Fees" means cash advance transaction fees and cash advance late fees, if any, as specified in the Credit Card Agreement applicable to each Account.

"Certificateholder" or "Holder" means each holder of a Transferor Certificate.

"Collections" means all payments by or on behalf of Obligors (including Insurance Proceeds) received in respect of the Receivables, in the form of cash, checks, wire transfers, electronic transfers, ATM transfers or any other form of payment in accordance with a Credit Card Agreement in effect from time to time, Cash Advance Fees and Interchange and all other amounts specified by this Agreement, the Master Indenture or any Indenture Supplement as constituting Collections. All Recoveries will be treated as Collections of Finance Charge Receivables. Collections with respect to any Monthly Period shall include a portion, calculated pursuant to Section 2.07(i), of Interchange paid to the Trust with respect to such Monthly Period, to be applied as if such amount were Collections of Finance Charge Receivables for all purposes.

"Contractually Delinquent" with respect to an Account, means an Account as to which the required minimum payment set forth on the related billing statement has not been received by the due date thereof.

"Corporate Trust Office" has the meaning when used in respect of (i) the Owner Trustee, specified in the Trust Agreement and (ii) the Indenture Trustee, specified in the Master Indenture.

"Credit Card Agreement" means, with respect to each VISA® credit card account, private label credit card account or other retail revolving consumer credit card accounts subsequently conveyed to the Trust, the agreements between an Account Owner and the Obligor governing the terms and conditions of such account, as such agreements may be amended, modified or otherwise changed from time to time and as distributed (including any amendments and revisions thereto) to holders of such account.

"Credit Card Guidelines" means the written policies and procedures of the Servicer, the Transferor or any other Account Owner, as the case may be, relating to the operation of its consumer revolving lending business as they pertain to the VISA® credit card accounts, private label credit card accounts or other retail revolving consumer credit card accounts subsequently conveyed to the Trust, which are consistent with prudent practice, including, the written policies and procedures for determining the creditworthiness of credit card account customers, the extension of credit to credit card account customers and relating to the maintenance of credit card accounts and collection of receivables with respect thereto, as such policies and procedures may be amended, modified or otherwise changed from time to time.

"Date of Processing" means, with respect to any transaction or receipt of Collections, the date on which such transaction is first recorded on the Servicer's computer file of revolving credit card accounts (without regard to the effective date of such recordation).

"Debtor Relief Laws" means (i) Title 11 of the United States Code, as amended from time to time, and (ii) all other applicable liquidation, conservatorship, bankruptcy, moratorium, arrangement, receivership, insolvency, reorganization, suspension of payments, adjustment of debt, marshalling of assets or similar debtor relief laws of the United States, any State or any foreign country from time to time in effect affecting the rights of creditors generally.

"Defaulted Receivables" means, with respect to any Monthly Period, all Principal Receivables which are charged off as uncollectible in such Monthly Period in accordance with the Credit Card Guidelines and the Servicer's customary and usual servicing procedures for servicing VISA® or private label, as applicable, or other retail consumer revolving credit account receivables comparable to the Receivables (excluding any servicing procedures applicable to receivables arising in Secured Accounts). A Principal Receivable shall become a Defaulted Receivable on the day on which such Principal Receivable is recorded as charged off on the Servicer's computer master file of consumer revolving credit card accounts but, in any event, shall be deemed a Defaulted Receivable no later than the month following the day the related Account becomes 151 days Contractually Delinquent unless the Obligor cures such default by making a partial payment which satisfies the criteria for curing delinquencies set forth in the applicable Credit Card Guidelines.

"Determination Date" means, with respect to any Series, the date specified in the applicable Indenture Supplement.

"Dilution Amount" means the amount by which the Servicer is required to adjust the amount of Principal Receivables used to calculate the Transferor Interest pursuant to the first two sentences of Section 3.09.

"Discount Option" means the Transferor's option to designate at any time all or any specified portion of Principal Receivables existing on or after a Discount Option Date to be treated as Finance Charge Receivables pursuant to Section 2.12.

"Discount Option Date" means the date on which a Discount Percentage designated by the Transferor takes effect.

"Discount Option Receivable Collections" means on any Date of Processing, the product of (i) a fraction the numerator of which is the aggregate amount of Discount Option Receivables and the denominator of which is the sum of the aggregate amount of Principal Receivables and the aggregate amount of Discount Option Receivables, in each case at the end of the prior Date of Processing and (ii) Collections of Principal Receivables on such Date of Processing prior to any reduction for Finance Charge Receivables which are Discount Option Receivables received on such Date of Processing.

"Discount Option Receivables" means Principal Receivables (or a specified portion thereof) existing on or after the Discount Option Date designated by the Transferor as being treated as Finance Charge Receivables pursuant to Section 2.12(a). The aggregate amount of Discount Option Receivables outstanding on any Date of Processing occurring on or after the Discount Option Date shall equal the sum of (i) the aggregate amount of Discount Option Receivables at the end of the prior Date of Processing (which amount, prior to the Discount Option Date, shall be zero) plus (ii) the aggregate amount of any new Discount Option Receivables created on such Date of Processing minus (iii) any Discount Option Receivables Collections received on such Date of Processing. Discount Option Receivables created on any Date of Processing means the product of the amount of any Principal Receivables created on such Date of Processing prior to any reduction for Finance Charge Receivables which are Discount Option Receivables received on such Date of Processing and the Discount Percentage.

"Discount Percentage" means 0% initially or such other percentage the Transferor may designate pursuant to Section 2.12(a).

"Distribution Date" means, with respect to any Series, the date specified in the applicable Indenture Supplement.

"Dollars," "$" or "U.S. $" means United States dollars.

"Early Accumulation Period" has the meaning, with respect to any Series, specified in the related Indenture Supplement.

"Eligible Account" means a consumer revolving credit card account owned by an Account Owner identified by the Transferor as of (i) the Initial Cut-Off Date, in the case of the Initial Accounts or (ii) the applicable Addition Cut-Off Date, in the case of the Additional Accounts, as having the following characteristics:

(a) has not been cancelled and is in existence and maintained by the applicable Account Owner;

(b) is payable in Dollars;

(c) except as provided below, has not been identified as an Account the credit card or cards with respect to which have been reported to the applicable Account Owner as having been lost or stolen or has an Obligor who has not been identified as deceased;

(d) except as provided below, does not have any Receivables which are Defaulted Receivables;

(e) has at no time been a Secured Account;

(f) except as provided below, does not have any Receivables which have been identified by the applicable Account Owner or the relevant Obligor as having been incurred as a result of fraudulent use of any related credit card;

(g) except as provided below, the Obligor of which has not been identified by the Servicer in its computer files as having been declared bankrupt;

(h) is a VISA® or private label account originated by the Bank or, subject to satisfaction of the Rating Agency Condition, other retail revolving credit card account;

(i) was created in accordance with the Credit Card Guidelines or if the Account Owner is not the applicable Account Originator, in accordance with the underwriting guidelines of the Account Originator, in either case at the time of creation of such Account; and

(j) does not have outstanding Receivables that give rise to any claim of any Governmental Authority including the government of the United States or any State thereof or any agency, instrumentality or department thereof.

Eligible Accounts may include Accounts, the Receivables of which have been written off, or with respect to which the Transferor believes the related Obligor is bankrupt, or as to which certain Receivables have been identified by the Obligor as having been incurred as a result of fraudulent use of any credit cards, or as to which any credit cards have been reported to the Account Owner or the Servicer as lost or stolen, in each case as of the Initial Cut-Off Date, with respect to the Initial Accounts, and as of the related Addition Cut-Off Date, with respect to the Additional Accounts; provided that (i) the balance of all Receivables included in such Accounts is reflected on the books and records of the Account Owner (and is treated for purposes of this Agreement) as "zero," and (ii) charging privileges with respect to all such Accounts have been canceled in accordance with the relevant Credit Card Guidelines.

"Eligible Receivable" means each Receivable, including, where applicable, the underlying receivable:

(a) which has arisen in an Eligible Account;

(b) which was created in compliance in all material respects with all Requirements of Law applicable to the institution which owned such Receivable at the time of its creation and pursuant to a Credit Card Agreement which complies in all material respects with all Requirements of Law applicable to the Account Originator or Account Owner, as the case may be;

(c) with respect to which all material consents, licenses, approvals or authorizations of, or registrations or declarations with, any Governmental Authority required to be obtained, effected or given in connection with the creation of such Receivable or the execution, delivery and performance by the applicable Account Originator and any subsequent Account Owner of its obligations, if any, under the related Credit Card Agreement pursuant to which such Receivable was created, have been duly obtained, effected or given and are in full force and effect;

(d) as to which at the time of the transfer of such Receivable to the Trust, the Transferor or the Trust will have good and marketable title thereto, free and clear of all Liens (other than any Lien for municipal or other local taxes if such taxes are not then due and payable or if the Transferor is then contesting the validity thereof in good faith by appropriate proceedings and has set aside on its books adequate reserves with respect thereto);

(e) which has been the subject of either a valid transfer and assignment from the Transferor to the Trust of all the Transferor's right, title and interest therein (including any proceeds thereof), or the grant of a first priority perfected security interest therein (and in the proceeds thereof), effective until the termination of the Trust;

(f) which at all times will be the legal, valid and binding payment obligation of the related Obligor enforceable against such Obligor in accordance with its terms, except as such enforceability may be limited by applicable Debtor Relief Laws or by general principles of equity (whether considered in a suit at law or in equity), and except as such enforceability may be limited by a right to offset, recoupment, adjustment or any other claim under 12 CFR Section 226.12(c), 12 CFR Section 226.13(d), or the Servicemembers Civil Relief Act of 2003;

(g) which, at the time of transfer to the Trust, has not been waived or modified except as permitted in accordance with the Credit Card Guidelines and which waiver or modification is reflected in the Servicer's computer file of revolving credit card accounts;

(h) which, at the time of transfer to the Trust, is not subject to any right of rescission, setoff, counterclaim or any other defense (including defenses arising out of violations of usury laws) of the Obligor, other than defenses arising out of applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or equity) or as to which the Servicer is required by Section 3.09 to make an adjustment;

(i) as to which, at the time of transfer to the Trust, the relevant Account Originator and any subsequent Account Owner has satisfied all of its obligations required to be satisfied by such time;

(j) as to which, at the time of transfer to the Trust, none of the Transferor, the Bank, or any other Account Owner, as the case may be, has taken any action which would impair, or omitted to take any action the omission of which would impair, the rights of the Trust or the Noteholders therein;

(k) that does not cause the aggregate amount of Receivables that arises from Accounts that have Obligors with a billing address outside the United States and its territories to be more than 1.0% of total amount of Receivables in the Trust;

(l) that does not cause the aggregate amount of Receivables that arise from Accounts the Obligors for which are employees of Nordstrom or its affiliates to be more than 7.0% of the total amount of Receivables in the Trust; and

(m) which constitutes either an "account," "chattel paper" or "payment intangible" under and as defined in Article 9 of the UCC in effect in the State of Delaware and any other State where the filing of a financing statement is required to perfect the Trust's interest in the Receivables and the proceeds thereof.

"Eligible Servicer" means the Indenture Trustee or, if the Indenture Trustee is not acting as Servicer, an entity which, at the time of its appointment as Servicer, (i) is servicing a portfolio of revolving credit card accounts, (ii) is legally qualified and has the capacity to service the Accounts, (iii) has demonstrated the ability to service professionally and competently a portfolio of similar accounts in accordance with high standards of skill and care, (iv) is qualified to use the software that is then being used to service the Accounts or obtains the right to use or has its own software which is adequate to perform its duties under this Agreement and (v) has a net worth of at least $50,000,000 as of the end of its most recent fiscal quarter.

"Excess Reserve Account Investment Earnings" has the meaning specified in the related Indenture Supplement.

"FDIC" means the Federal Deposit Insurance Corporation, and its successors.

"Finance Charge Receivables" means (a) all amounts billed to the Obligor on any private label Account, and the Participation Percentage of all amounts billed to the Obligor on any VISA® Account, in respect of (i) Periodic Rate Finance Charges, (ii) Cash Advance Fees, (iii) annual membership fees and annual service charges, (iv) Late Fees, (v) Returned Check Fees, (vi) Insurance Proceeds and (vii) Discount Option Receivables, if any. Finance Charge Receivables shall also include (a) the Participation Percentage of Interchange, (b) all Recoveries and (c) Reserve Account investment earnings in excess of the amount required in the Reserve Account on such date. For so long as the Bank owns all or any portion of the Retained Interest in the Receivables pursuant to the Participation Agreement, Finance Charge Receivables and Collections on all or such portion of the related Accounts shall not include amounts accrued and due to the Bank, in accordance with the Participation Agreement.

"GAAP" means generally accepted accounting principles.

"Governmental Authority" means the United States, any State or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Indenture" means the Master Indenture, as supplemented by the related Indenture Supplement, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Indenture Trustee" means Wells Fargo Bank, National Association, and its successors, in its capacity as trustee under the Indenture, and any successor indenture trustee under the Indenture.

"Ineligible Receivables" has the meaning set forth in Section 2.05(a).

"Initial Account" means each private label credit card account and each VISA® credit card account designated to the Trust on and after October 1, 2001, and each VISA® credit card designated to the Trust on or after May 1, 2007, each established pursuant to a Credit Card Agreement between the applicable Account Owner and any person, each as identified in the on the Account Schedule delivered to the Owner Trustee by the Transferor on the Initial Issuance Date.

"Initial Cut-Off Date" means October 1, 2001, in the case of the Private Label Receivables, and the close of business on April 30, 2007, in the case of the Participation.

"Initial Issuance Date" means May 1, 2007.

"Insolvency Event" has the meaning set forth in Section 6.01.

"Insurance Proceeds" means any amounts received pursuant to the payment of benefits under any credit life insurance policies, credit disability or unemployment insurance policies covering any Obligor with respect to Receivables under such Obligor's Account.

"Interchange" means certain fees received by the Bank, or any other Account Owner, in its capacity as credit card issuing bank, from the Visa USA, Inc. association or any other retail credit card association for which the retail credit card receivables originated outside Nordstrom, Inc. stores, or on-line or catalog sales, have been added to the Trust, as partial compensation for taking credit risk, absorbing fraud and funding receivables for a limited period prior to initial billing. Any reference in this Agreement, the Indenture or any Indenture Supplement to Interchange shall refer only to the interchange fees that are transferred by the Seller or another Account Owner to a Transferor pursuant to a Receivables Purchase Agreement.

"Invested Amount" means, with respect to any Series and for any date, an amount equal to the invested amount or adjusted invested amount, as applicable, specified in the related Indenture Supplement.

"Investor Percentage" means, with respect to any Series, the investor percentage for such Series specified in the related Indenture Supplement.

"Late Fees" has the meaning set forth in the Credit Card Agreement applicable to each Account for late fees or similar terms.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment, deposit arrangement, equity interest, encumbrance, lien (statutory or other), preference, participation interest, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing and the filing of any financing statement under the UCC or comparable law of any jurisdiction to evidence any of the foregoing; provided, however, that any assignment permitted by Section 3.06(b) of the Trust Agreement or Section 4.02 hereof shall not be deemed to constitute a Lien and any undivided interest in the receivables relating to the Receivables retained by an Account Owner shall not be deemed to constitute a Lien; provided further, however, that each of the lien created in favor of (i) the Seller under the Receivables Purchase Agreement, (ii) the Transferor under this Agreement and (iii) the Indenture Trustee under the Indenture shall not be deemed to constitute a Lien.

"Master Indenture" means the Amended and Restated Master Indenture, dated as of May 1, 2007, between the Issuer and the Indenture Trustee, as the same may be amended, supplemented, restated or otherwise modified from time to time including, with respect to any Series or Class, the related Indenture Supplement.

"Monthly Servicing Fee" means, with respect to any Series and any Monthly Period, the portion of the Servicing Fee for such Monthly Period allocable to such Series.

"Notices" means all demands, notices, instructions, directions and communications under this Agreement.

"Obligor" means, with respect to any Account, the Person or Persons obligated to make payments with respect to such Account, including any guarantor thereof, but excluding any merchant.

"Operating Agreement" means the Operating Agreement, dated as of August 30, 1991, between the Bank and the Seller, as amended, supplemented, restated or otherwise modified from time to time.

"Owner Trustee" means Wilmington Trust Company, not in its individual capacity, but solely as owner trustee under the Trust Agreement, its successors in interest and any successor owner trustee under the Trust Agreement.

"Participation Agreement" means the Participation Agreement, dated as of May 1, 2007, between the Bank and the Seller, as amended, supplemented, restated or otherwise modified from time to time.

"Participation Percentage" has the meaning set forth in the Receivables Purchase Agreement

"Periodic Rate Finance Charges" has the meaning set forth in the Credit Card Agreement applicable to each Account for finance charges (due to periodic rate) or any similar term.

"Person" means any legal person, including any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, governmental entity or other entity of any nature.

"Portfolio Yield" has the meaning set forth in the Indenture Supplement.

"Predecessor Servicer Work Product" has the meaning set forth in Section 7.02(e).

"Principal Funding Account" has the meaning, with respect to any Series, specified in the related Indenture Supplement.

"Principal Funding Account Balance" has the meaning, with respect to any Series, specified in the related Indenture Supplement.

"Principal Receivables" means all Receivables other than Finance Charge Receivables or Defaulted Receivables; provided, however, that after the Discount Option Date, Principal Receivables on any Date of Processing thereafter means Principal Receivables as otherwise determined pursuant to this definition minus the amount of any Discount Option Receivables. In calculating the aggregate amount of Principal Receivables on any day, the amount of Principal Receivables shall be reduced by the aggregate amount of credit balances in the Accounts on such day. Any Principal Receivables which the Transferor is unable to transfer as provided in Section 2.11 shall not be included in calculating the amount of Principal Receivables.

"Private Label Receivables" has the meaning set forth in the Receivables Purchase Agreement.

"Reassignment" means a Reassignment of Receivables in Removed Accounts, in substantially the form of Exhibit B.

"Receivables" has the meaning set forth in the Receivables Purchase Agreement.

"Receivables Purchase Agreement" means (i) the Amended and Restated Receivables Purchase Agreement, dated as of May 1, 2007, between Nordstrom Credit, Inc., as seller, and Nordstrom Credit Card Receivables II LLC, as purchaser, as the same may be amended, supplemented or otherwise modified from time to time or (ii) any receivables purchase agreement entered into between the Transferor and an Account Owner, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Recoveries" means all amounts received (net of out-of-pocket costs of collection) including Insurance Proceeds, which are reasonably estimated by the Servicer to be attributable to Defaulted Receivables, including the net proceeds of any sale of such Defaulted Receivables by the Transferor or the Servicer.

"Related Account" means an Account with respect to which a new credit account number has been issued by the applicable Account Owner or Servicer or the applicable Transferor under circumstances resulting from a lost or stolen credit card and not requiring standard application and credit evaluation procedures under the Credit Card Guidelines.

"Removal Date" means the date specified by the Transferor for removal of Removed Accounts.

"Removed Accounts" has the meaning set forth in Section 2.10(a).

"Required Designation Date" has the meaning set forth in Section 2.09(a)(i).

"Required Minimum Principal Balance" means, unless otherwise provided in an Indenture Supplement relating to any Series, as of any date of determination, an amount equal to the sum of the numerators used in the calculation of the Investor Percentages with respect to Principal Receivables for all outstanding Series on such date; provided that with respect to any Series in its Early Accumulation Period or such other period as designated in the related Indenture Supplement with an Invested Amount as of such date of determination equal to the Principal Funding Account Balance relating to such Series taking into account the Principal Funding Account Balance relating to such Series on deposit in the Principal Funding Account on such date of determination, the numerator used in the calculation of the Investor Percentage with respect to Principal Receivables relating to such Series shall, solely for the purpose of the definition of Required Minimum Principal Balance, be deemed to equal zero.

"Requirements of Law" means any law, treaty, rule or regulation, or determination of an arbitrator or Governmental Authority, whether federal, State or local (including usury laws, the Federal Truth in Lending Act and Regulation B and Regulation Z of the Board of Governors of the Federal Reserve System), and, when used with respect to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person.

"Retained Interest" has the meaning set forth in the Participation Agreement.

"Secured Account" means any Account for which the related Obligor has pledged assets or made a cash collateral deposit as security for payment of the Receivables arising in such Account.

"Series Enhancer" has the meaning set forth in the related Indenture Supplement.

"Service Transfer" has the meaning set forth in Section 7.01(b).

"Servicer" means Nordstrom fsb, in its capacity as Servicer pursuant to this Agreement, and, after any Service Transfer, the Successor Servicer.

"Servicer Default" has the meaning set forth in Section 7.01(a).

"Servicer Repurchase Receivables" has the meaning set forth in Section 3.03(b).

"Servicing Fee" means the servicing fee payable to the Servicer in respect of each Monthly Period pursuant to Section 3.02 in an amount equal to one-twelfth of the product of (i) the weighted average of the Servicing Fee Rates with respect to each outstanding Series (based upon the Servicing Fee Rate for each Series and the Invested Amount (or such other amount as specified in the related Indenture Supplement) of such Series, in each case as of the last day of the prior Monthly Period) and (ii) the amount of Receivables on the last day of the prior Monthly Period.

"Servicing Fee Rate" means, with respect to any Series, the servicing fee rate specified in the related Indenture Supplement.

"Successor Servicer" has the meaning set forth in Section 7.02(a).

"Supplemental Accounts" means Additional Accounts that the Transferor designates as Accounts pursuant to Sections 2.09(a)(i) and 2.09(b).

"Supplemental Certificate" has the meaning set forth in the Trust Agreement.

"Tax Opinion" has the meaning set forth in the Master Indenture.

"Ten Percent Growth Date" means the date on which the Accounts designated to the Trust and Receivables in the Trust first exceeds 10% of the Accounts designated to the Trust and Receivables in the Trust as of the Initial Issuance Date and each date thereafter on which the Accounts designated to the Trust or Receivables in the Trust exceeds 10% of the Accounts designated to the Trust and Receivables in the Trust as of the immediately preceding Ten Percent Growth Date.

"Termination Notice" has the meaning set forth in Section 7.01(b).

"Transaction Documents" has the meaning set forth in the Master Indenture.

"Transfer Agent and Registrar" has the meaning set forth in the Master Indenture.

"Transfer Restriction Event" means a Transferor is unable for any reason to transfer Receivables to the Trust pursuant to this Agreement, including by reason of the application of the provisions of Section 6.01 or any order of any Governmental Authority.

"Transferor" means (i) Nordstrom Credit Card Receivables II LLC, or its successor under this Agreement and (ii) any Additional Transferor.

"Transferred Account" means each Account into which an Account shall be transferred; provided, that (i) such transfer was made in accordance with the Credit Card Guidelines and (ii) such account can be traced or identified as an account into which an Account has been transferred.

"Trust Agreement" means the Second Amended and Restated Trust Agreement, dated as of May 1, 2007, between Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC) and the Owner Trustee, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Trust Assets" has the meaning set forth in Section 2.01(a).

"Trustees" means the Owner Trustee and the Indenture Trustee.

"UCC" means the Uniform Commercial Code, as amended from time to time, as in effect in the applicable jurisdiction.

"VISA® Receivables" has the meaning set forth in the Receivables Purchase Agreement.

"Wells Fargo" means Wells Fargo Bank, National Association, and its successors.

Section 1.02. Other Definitional Provisions.

(a) With respect to any Series, all terms used herein and not otherwise defined herein shall have meanings ascribed to them in the Trust Agreement or the Master Indenture, as applicable.

(b) All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(c) As used in this Agreement and in any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in this Agreement or in any such certificate or other document, and accounting terms partly defined in this Agreement or in any such certificate or other document to the extent not defined, shall have the respective meanings given to them under GAAP. To the extent that the definitions of accounting terms in this Agreement or in any such certificate or other document are inconsistent with the meanings of such terms under GAAP, the definitions contained in this Agreement or in any such certificate or other document shall control.

(d) Any reference to each Rating Agency shall only apply to any specific rating agency if such rating agency is then rating any outstanding Series.

(e) Unless otherwise specified, references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day.

(f) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, (i) terms used herein include, as appropriate, all genders and the plural as well as the singular, (ii) references to this Agreement include all Exhibits hereto, (iii) references to words such as "herein," "hereof" and the like shall refer to this Agreement as a whole and not to any particular part, Article or Section within this Agreement, (iv) references to an Article or Section such as "Article One" or "Section 1.01" and the like shall refer to the applicable Article or Section of this Agreement, (v) the term "include" and all variations thereof shall mean "include without limitation," (vi) the term "or" shall include "and/or" and (vii) the term "proceeds" shall have the meaning ascribed to such term in the UCC.

ARTICLE TWO

CONVEYANCE OF RECEIVABLES

Section 2.01. Conveyance of Receivables.

(a) By execution of this Agreement, Nordstrom Credit Card Receivables II LLC or, if applicable, any Additional Transferor, does hereby transfer, assign, set over and otherwise convey to the Trust, without recourse except as provided herein, all its right, title and interest in, to and under (i) the Receivables existing at the close of business on the Initial Cut-Off Date, in the case of Receivables arising in the Initial Accounts, and on each Addition Cut-Off Date, in the case of Receivables arising in the Additional Accounts, and in each case thereafter created from time to time until the termination of the Trust, (ii) Collections and Recoveries allocable to the Trust as provided herein and all monies due or to become due and all amounts received or receivable with respect thereto (including proceeds of the reassignment of the Receivables to the Transferor pursuant to Section 2.05(a) or 2.06), (iii) all Eligible Investments and all monies, investment properties, instruments and other property credited to the Collection Account, the Series Accounts and the Special Funding Account (including any subaccount of any such account), and all interest, dividends, earnings, income and other distributions from time to time received, receivable or otherwise distributed or distributable thereto or in respect thereof (including any accrued discount realized on liquidation of any investment purchased at a discount), (iv) all rights, remedies powers, privileges and claims of the Transferor under or with respect to any Series Enhancement, the rights of the Transferor under this Agreement and the Trust Agreement with respect to any Series (whether arising pursuant to the terms of such Enhancement Agreement, the Trust Agreement or this Agreement or otherwise available to the Transferor at law or in equity), including the rights of the Transferor to enforce such Enhancement Agreement, the Trust Agreement or this Agreement, and to give or withhold any and all consents, requests, notices, directions, approvals, extensions or waivers under or with respect to such Series Enhancement, the Trust Agreement or this Agreement to the same extent as the Transferor could but for the assignment and security interest granted to the Indenture Trustee for the benefit of the Noteholders, (v) the rights of the Transferor to any property conveyed to the Trust and the right to receive Recoveries attributed to cardholder charges for merchandise and services in the Accounts, (vi) the rights of the Seller and the Transferor under the Operating Agreement and the Participation Agreement, as applicable, (vii) all Insurance Proceeds related to the Receivables, (viii) all money, accounts, general intangibles, chattel paper, instruments, documents, goods, investment property, deposit accounts, certificates of deposit, letters of credit and advices of credit consisting of, arising from, or related to the foregoing, (ix) any rights of the Transferor under the Receivables Purchase Agreements, (x) all present and future claims, demands, causes and choses in action in respect of any or all of the foregoing and (xi) any and all proceeds of the foregoing; in each case, including any rights of the Owner Trustee and the Trust pursuant to the Transaction Documents, but excluding the Transferor Interest and all amounts distributable to the holders of any Certificates pursuant to the terms of any Transaction Document, shall constitute the assets of the Trust (the “Trust Assets”). The foregoing does not constitute and is not intended to result in the creation or assumption by the Trust, the Owner Trustee (as such or in its individual capacity), the Indenture Trustee or any Noteholder of any obligation of any Account Owner, any Transferor, the Servicer or any other Person in connection with the Accounts or the Receivables or under any agreement or instrument relating thereto, including any obligation to Obligors, merchant banks, merchants clearance systems or insurers. The Obligors shall not be notified in connection with the creation of the Trust of the transfer, assignment, set-over and conveyance of the Receivables (or any interest therein) to the Trust.

(b) Each Transferor hereby authorizes and agrees to record and file, at its own expense, financing statements (and continuation statements when applicable) with respect to the Receivables conveyed by such Transferor existing on the Initial Cut-Off Date and thereafter created meeting the requirements of applicable State law in such manner and in such jurisdictions as are necessary to perfect, and maintain the perfection of, the transfer and assignment of its interest in such Receivables to the Trust, and to deliver a file stamped copy of each such financing statement or other evidence of such filing to the Owner Trustee as soon as practicable after the Initial Issuance Date, in the case of Receivables arising in the Initial Accounts, and (if any additional filing is so necessary) as soon as practicable after the applicable Addition Date, in the case of Receivables arising in Additional Accounts. The Owner Trustee shall be under no obligation whatsoever to file such financing or continuation statements or to make any other filing under the UCC in connection with such transfer and assignment.

(c) Each Transferor further agrees, at its own expense, on or prior to (i) the Initial Issuance Date, in the case of the Initial Accounts, (ii) the applicable Addition Date, in the case of Additional Accounts with respect to such Transferor, if any, and (iii) the applicable Removal Date, in the case of Removed Accounts with respect to such Transferor, (a) to cause each Account Owner to indicate in its respective computer files that Receivables created (or reassigned, in the case of Removed Accounts) in connection with the Accounts have been conveyed to the Trust pursuant to this Agreement (or conveyed to each such Transferor or its designee in accordance with Section 2.10, in the case of Removed Accounts) by including (or deleting in the case of Removed Accounts) in such computer files a clearly specified code correctly indicating the Trust's ownership of the Receivables, and (b) to deliver to the Owner Trustee a computer file or microfiche list containing a true and complete list of all such Accounts specifying for each such Account, as of the Initial Cut-Off Date, in the case of the Initial Accounts, the applicable Addition Cut-Off Date in the case of Additional Accounts, and the applicable Removal Date in the case of Removed Accounts, its account number and the aggregate amount outstanding in such Account. Each such file or list, as supplemented, from time to time, to reflect Additional Accounts and Removed Accounts, shall be marked as Schedule 1 to this Agreement and is hereby incorporated into and made a part of this Agreement. Each Transferor further agrees not to alter the code referenced in this paragraph with respect to any Account during the term of this Agreement unless and until such Account becomes a Removed Account.

(d) If the arrangements with respect to the Receivables hereunder shall constitute a loan and not a purchase and sale of such Receivables, it is the intention of the parties hereto that this Agreement shall constitute a security agreement under applicable law, and each Transferor hereby grants to the Trust a first priority perfected security interest in all of such Transferor's right, title and interest, whether owned on the Initial Cut-Off Date or thereafter acquired, in, to and under the Trust Assets, and all money, accounts, general intangibles, chattel paper, instruments, documents, goods, investment property, deposit accounts, certificates of deposit, letters of credit, and advices of credit consisting of, arising from or related to the Trust Assets, and all proceeds thereof, to secure its obligations hereunder.

Section 2.02. Acceptance by Trust.

(a) The Trust hereby acknowledges its acceptance of all right, title and interest to the property, now existing and hereafter created, conveyed to the Trust pursuant to Section 2.01(a). The Trust further acknowledges that, prior to or simultaneously with the execution and delivery of this Agreement, the Transferor delivered to the Owner Trustee the Account Schedule relating to the Initial Accounts. The Owner Trustee shall maintain a copy of Schedule 1, as delivered from time to time, at its Corporate Trust Office.

(b) The Trust hereby agrees not to disclose to any Person any of the account numbers or other information contained in the computer files or microfiche lists marked as Schedule 1 and delivered to the Owner Trustee or the Trust, from time to time, except (i) to the Servicer, a Successor Servicer or as required by a Requirement of Law applicable to the Owner Trustee, (ii) in connection with the performance of the Owner Trustee's or the Trust's duties hereunder, (iii) to the Indenture Trustee in connection with its duties in enforcing the rights of Noteholders or (iv) to bona fide creditors or potential creditors of any Account Owner, the Servicer or any Transferor for the limited purpose of enabling any such creditor to identify applicable Receivables or Accounts subject to this Agreement or the Receivables Purchase Agreements. The Trust agrees to take such measures as shall be reasonably requested by any Transferor to protect and maintain the security and confidentiality of such information and, in connection therewith, shall allow each Transferor or its duly authorized representatives to inspect the Owner Trustee's security and confidentiality arrangements as they specifically relate to the administration of the Trust from time to time during normal business hours upon prior written notice. The Trust shall provide the applicable Transferor with notice five Business Days prior to disclosure of any information of the type described in this Section.

Section 2.03. Representations and Warranties of Each Transferor Relating to Such Transferor. Each Transferor hereby severally represents and warrants to the Trust (and agrees that the Owner Trustee and the Indenture Trustee may conclusively rely on each such representation and warranty in accepting the Receivables and the other Transferred Assets and authenticating the Notes, as the case may be as of the Initial Issuance Date and each subsequent Closing Date (but only if, in either case, it was a Transferor on such date) that:

(a) Organization and Good Standing. Such Transferor is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and has, in all material respects, full power and authority to own its properties and conduct its business as presently owned or conducted, and to execute, deliver and perform its obligations under this Agreement and each Transaction Document to which it is a party.

(b) Due Qualification. Such Transferor is duly qualified to do business and is in good standing as a foreign limited liability company or foreign corporation (or is exempt from such requirements) and has obtained all necessary licenses and approvals, in each jurisdiction in which failure to so qualify or to obtain such licenses and approvals would have an Adverse Effect.

(c) Due Authorization. (i) The execution and delivery of this Agreement and each Transaction Document to which it is a party by such Transferor and the consummation by such Transferor of the transactions provided for herein and therein have been duly authorized by such Transferor by all necessary action on the part of such Transferor and (ii) this Agreement and each Transaction Document to which it is a party will remain, from the time of its execution, an official record of such Transferor.

(d) No Conflict. The execution and delivery by such Transferor of this Agreement and each Transaction Document to which it is a party, and the performance of the transactions contemplated by this Agreement and each other Transaction Document to which it is a party and the fulfillment of the terms hereof and thereof applicable to such Transferor, will not conflict with or violate the organizational documents of the Transferor or any Requirements of Law applicable to such Transferor or conflict with, result in any breach of any of the material terms and provisions of, or constitute (with or without notice or lapse of time or both) a material default under, any indenture, contract, agreement, mortgage, deed of trust or other instrument to which such Transferor is a party or by which it or its properties are bound.

(e) No Proceedings. There are no proceedings or investigations, pending or, to the best knowledge of such Transferor, threatened against such Transferor before any Governmental Authority (i) asserting the invalidity of this Agreement or any other Transaction Document to which it is a party, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any other Transaction Document to which it is a party, (iii) seeking any determination or ruling that, in the reasonable judgment of such Transferor, would materially and adversely affect the performance by such Transferor of its obligations under this Agreement or any other Transaction Document to which it is a party, (iv) seeking any determination or ruling that would materially and adversely affect the validity or enforceability of this Agreement or any other Transaction Document to which it is a party or (v) seeking to affect adversely the income or franchise tax attributes of the Trust under the United States Federal or any State income or franchise tax systems.

(f) All Consents. All authorizations, consents, orders or approvals of or registrations or declarations with any Governmental Authority required to be obtained, effected or given by such Transferor in connection with the execution and delivery by such Transferor of this Agreement and each other Transaction Document to which it is a party and the performance of the transactions contemplated by this Agreement and each other Transaction Document to which it is a party by such Transferor have been duly obtained, effected or given and are in full force and effect.

(g) Insolvency. No Insolvency Event with respect to such Transferor has occurred and the transfer of the Receivables, or any interest therein, by such Transferor to the Trust has not been made in contemplation of the occurrence thereof or with the intent to hinder, delay or defraud such Transferor or the creditors of such Transferor.

The representations and warranties of each Transferor set forth in this Section shall survive the transfer and assignment by such Transferor of the respective Receivables to the Trust, the pledge of the Receivables to the Indenture Trustee pursuant to the Indenture, and the issuance of the Notes. Upon discovery by such Transferor, the Servicer or the Owner Trustee of a breach of any of the representations and warranties by such Transferor set forth in this Section, the party discovering such breach shall give prompt written notice to the other parties and the Indenture Trustee. Such Transferor agrees to cooperate with the Servicer and the Owner Trustee in attempting to cure any such breach.

Section 2.04. Other Representations and Warranties of Each Transferor.

(a) Representations and Warranties. Each Transferor hereby severally represents and warrants to the Servicer and the Trust as of the Initial Issuance Date, each subsequent Closing Date and, with respect to Additional Accounts, as of the related Addition Date (but only if, in either case, it was a Transferor on such date) that:

(i) each Transaction Document to which it is a party and, in the case of Supplemental Accounts, the related Assignment, each constitutes a legal, valid and binding obligation of such Transferor enforceable against such Transferor in accordance with its terms, except as such enforceability may be limited by applicable Debtor Relief Laws or general principles of equity;

(ii) as of the Initial Cut-Off Date with respect to the Initial Accounts (and the Receivables arising therein), the Account Schedule provided to the Issuer by such Transferor, as supplemented to such date, is an accurate and complete listing in all material respects of all the Accounts the Receivables in which were transferred by such Transferor on the Initial Issuance Date and the information contained therein with respect to the identity of such Accounts and the Receivables existing thereunder is true and correct in all material respects as of the Initial Cut-Off Date;

(iii) each Receivable conveyed to the Trust by such Transferor has been conveyed to the Trust free and clear of any Lien of any Person claiming through or under such Transferor or any of its Affiliates (other than Liens permitted under Section 2.07(b)) and in compliance with all Requirements of Law applicable to such Transferor;

(iv) all authorizations, consents, orders or approvals of or registrations or declarations with any Governmental Authority required to be obtained, effected or given by such Transferor in connection with the conveyance by such Transferor of Receivables to the Trust have been duly obtained, effected or given and are in full force and effect;

(v) either this Agreement or, in the case of Supplemental Accounts, the related Assignment constitutes an absolute sale, transfer and assignment to the Trust of all right, title and interest of such Transferor in the Receivables conveyed to the Trust by such Transferor and the proceeds thereof and Recoveries identified as relating to the Receivables conveyed to the Trust by such Transferor or, if this Agreement or, in the case of Supplemental Accounts, the related Assignment does not constitute a sale of such property, it constitutes a grant of a first priority perfected “security interest” (as defined in the UCC) in such property to the Trust, which, in the case of existing Receivables and the proceeds thereof and said Recoveries, is enforceable upon execution and delivery of this Agreement, and which will be enforceable with respect to such Receivables hereafter and thereafter created and the proceeds thereof upon such creation; upon the filing of the financing statements and, in the case of Receivables hereafter created and the proceeds thereof, upon the creation thereof, the Trust shall have a first priority perfected security or ownership interest in such property and proceeds;

(vi) on the Initial Cut-Off Date, with respect to each Initial Account and on each Addition Cut-Off Date, with respect to each Additional Account, the Receivables in which have been transferred to the Issuer by such Transferor, each Account is an Eligible Account and in the case of each Automatic Additional Account, satisfies the conditions set forth in Section 2.09, as applicable, and in the case of each Supplemental Account, satisfies the conditions set forth in Section 2.09(g);

(vii) on the Initial Cut-Off Date, with respect to each Initial Account, and on the applicable Addition Cut-Off Date with respect to each Additional Account, each Receivable contained in such Account on such applicable date and conveyed to the Trust by such Transferor is an Eligible Receivable;

(viii) as of the date of the creation of any new Receivable transferred to the Trust by such Transferor, such Receivable is an Eligible Receivable;

(ix) no selection procedures believed by such Transferor to be materially adverse to the interests of the Issuer or the Noteholders have been used in selecting such Accounts;

(x) except as otherwise expressly provided in this Agreement or any Indenture Supplement, neither such Transferor nor any Person claiming through or under such Transferor has any claim to or interest in the Collection Account, the Special Funding Account, any Series Account or any Series Enhancement;

(xi) the aggregate amount of Receivables that arise from Accounts that have Obligors with a billing address outside the United States or its territories is less than 1.0% of the total amount of Receivables in the Trust; and

(xii) the aggregate amount of Receivables that arise from Accounts for which the related Obligor is an employee of Nordstrom or an Affiliate is less than 7.0% of the total amount of Receivables in the Trust.

(b) Notice of Breach. The representations and warranties set forth in Section 2.03 and this Section shall survive the transfers and assignments of the Receivables to the Trust, the pledge of the Receivables to the Indenture Trustee pursuant to the Indenture, and the issuance of the Notes. Upon discovery by any Transferor or the Servicer of a breach of any of the representations and warranties set forth in Section 2.03 or this Section, the party discovering such breach shall give notice to the other parties hereto and the Indenture Trustee within three Business Days following such discovery; provided that the failure to give notice within three Business Days does not preclude subsequent notice.

Section 2.05. Reassignment of Ineligible Receivables.

(a) Reassignment of Receivables. In the event (i) any representation or warranty contained in Section 2.04(a)(ii), (iv), (vi), (vii), (viii) or (ix) is not true and correct in any material respect as of the date specified therein with respect to any Receivable or the related Account and such breach has a material adverse effect on any Receivable (which determination shall be made without regard to whether funds are then available pursuant to any Series Enhancement) unless cured within 60 days (or, if the Transferor is diligently pursuing a cure of such breach, 150 days) after the earlier to occur of the discovery thereof by the Transferor which conveyed such Receivables to the Trust or receipt by such Transferor of written notice thereof given by the Trust, the Indenture Trustee or the Servicer, (ii) any representation or warranty contained in Section 2.04(a)(iii) or (v) is not true and correct in any material respect as of the date specified therein with respect to any Receivable and such breach has a material adverse effect on any Receivable (which determination shall be made without regard to whether funds are then available pursuant to any Series Enhancement) or (iii) it is so provided in Section 2.07(a) with respect to any Receivables conveyed to the Trust by such Transferor, then in each such case such Receivable shall be designated ineligible ("Ineligible Receivables") and (A) shall be assigned a principal balance of zero for the purpose of determining the aggregate amount of Principal Receivables on any day and (B) at the option of such Transferor the Issuer's interest in such Ineligible Receivables shall be reassigned to such Transferor on the terms and conditions set forth in paragraph (c) below; provided that such Receivables pursuant to clause (i) will not be deemed to be Ineligible Receivables but will be deemed Eligible Receivables and such Principal Receivables shall be included in determining the aggregate Principal Receivables in the Issuer if, on any day prior to the end of such 60-day or longer period, (x) either in the case of an event described in (1) clause (i), the relevant representation and warranty shall be true and correct in all material respects as if made on such day or (2) clauses (ii) and (iii), the circumstances causing such Receivable to become an Ineligible Receivable shall no longer exist and (y) such Transferor shall have delivered an Officer's Certificate to the Issuer and the Indenture Trustee describing the nature of such breach and the manner in which the relevant representation and warranty became true and correct.

(b) Maintaining Required Transferor Interest. On and after the date of its designation as an Ineligible Receivable, each Ineligible Receivable shall not be included in determining the aggregate amount of Principal Receivables used to calculate the Transferor Interest or the allocation percentages applicable to any Series. If, immediately following the exclusion of such Principal Receivables from the calculation of the Transferor Interest, the Transferor Interest would be less than the Required Transferor Interest, the applicable Transferor shall pay to the Indenture Trustee for deposit into the Special Funding Account in immediately available funds prior to the fifth succeeding Business Day an amount equal to the amount by which the Transferor Interest would be less than the Required Transferor Interest (up to the amount of such excluded Principal Receivables) and provide to the Indenture Trustee written notice of such amount. The payment of such amount in immediately available funds shall otherwise be considered payment in full of all of the Ineligible Receivables.

The obligation of a Transferor to make the payments, if any, required to be made to the Issuer for deposit in the Special Funding Account as provided in this Section, shall constitute the sole remedy respecting the event giving rise to such obligation available to the Issuer, the Noteholders, the Indenture Trustee on behalf of the Noteholders or any Series Enhancer.

(c) Price of Reassignment. Upon the Transferor's written notice to the Owner Trustee that such Transferor has exercised its option and caused reassignment of any Ineligible Receivable, the Trust shall automatically and without further action be deemed to transfer, assign, set over and otherwise convey to the applicable Transferor or its designee, without recourse, representation or warranty, all the right, title and interest of the Trust in and to such Ineligible Receivable (or interest therein), all Recoveries related thereto, all monies and amounts due or to become due and all proceeds thereof and such reassigned Ineligible Receivable shall be treated by the Trust as collected in full as of the date on which it was transferred. The obligation of each Transferor to accept reassignment of any Ineligible Receivables (or interest therein) conveyed to the Trust by such Transferor, and to make the deposits, if any, required to be made to the Special Funding Account as provided in this Section, shall constitute the sole remedy respecting the event giving rise to such obligation available to the Trust, the Noteholders (or the Indenture Trustee on behalf of the Noteholders) or any Series Enhancer. Notwithstanding any other provision of this Section, a reassignment of an Ineligible Receivable (or interest therein) in excess of the amount that would cause the Transferor Interest to be less than the Required Transferor Interest shall not occur if the applicable Transferor fails to make any deposit required by this Section with respect to such Ineligible Receivable (or interest therein). The Trust shall execute such documents and instruments of transfer or assignment and take such other actions as shall reasonably be requested and provided by the applicable Transferor to effect the conveyance of such Ineligible Receivables (or interest therein) pursuant to this Section, but only upon receipt of an Officer's Certificate from such Transferor that states that all conditions set forth in this Section have been satisfied.

Section 2.06. Reassignment of Trust Portfolio. In the event any representation or warranty of a Transferor set forth in Section 2.03(a) or (c) or Section 2.04(a)(i) is not true and correct in any material respect and such breach has a material adverse effect on the Receivables conveyed to the Trust by such Transferor or the availability of the proceeds thereof to the Trust (which determination shall be made without regard to whether funds are then available pursuant to any Series Enhancement), then either the Indenture Trustee or the Holders of Notes evidencing not less than 50% of the principal balance of the Outstanding Notes of all Series, by notice then given to such Transferor and the Servicer (and to the Trust and Indenture Trustee if given by the Noteholders), may direct such Transferor to accept a reassignment of the Receivables conveyed to the Trust by such Transferor if such breach and any material adverse effect caused by such breach is not cured within 60 days of such notice (or, if the Transferor is diligently pursuing a cure of such breach, 150 days), and upon those conditions such Transferor shall be obligated to accept such reassignment on the terms set forth below; provided, however, that such Receivables will not be reassigned to such Transferor if, on any day prior to the end of such 60-day or longer period (i) the relevant representation and warranty shall be true and correct in all material respects as if made on such day and (ii) such Transferor shall have delivered to the Trust and the Indenture Trustee a certificate of an authorized officer describing the nature of such breach and the manner in which the relevant representation and warranty has become true and correct.

The applicable Transferor shall deposit in the Collection Account in immediately available funds not later than 1:00 p.m., New York City time, two Business Days after which such reassignment obligation arises, in payment for such reassignment, an amount equal to the sum of the amounts specified therefor with respect to each outstanding Series in the related Indenture Supplement. Notwithstanding anything to the contrary in this Agreement, such amounts shall be distributed to the Noteholders on such Distribution Date in accordance with the terms of each Indenture Supplement. If the Trust, Indenture Trustee or the Noteholders gives notice directing the applicable Transferor to accept a reassignment of the Receivables as provided above, the obligation of such Transferor to accept such reassignment pursuant to this Section and to make the deposit required to be made to the Collection Account as provided in this paragraph shall constitute the sole remedy respecting an event of the type specified in the first sentence of this Section available to the Trust, the Noteholders (or the Indenture Trustee on behalf of the Noteholders) or any Series Enhancer. Upon making the required payment by the applicable Transferor, the Trust shall automatically and without further action be deemed to transfer, assign, set-over and otherwise convey to the applicable Transferor, without recourse, representation or warranty, the right, title and interest of the Trust in and to the Receivables, all related Interchange, Insurance Proceeds and Recoveries allocable to the Trust, and all monies and amounts due or to become due with respect thereto and all proceeds thereof. The Trust shall execute such documents and instruments of transfer or assignment and take such other actions as shall reasonably be requested by the applicable Transferor to effect the conveyance of such property pursuant to this Section.

Section 2.07. Covenants of each Transferor. Each Transferor hereby severally covenants that:

(a) Receivables Not Evidenced by Promissory Notes. Except in connection with its enforcement or collection of any Receivable, such Transferor will take no action to cause any Receivable conveyed by it to the Trust to be evidenced by an instrument or chattel paper (each as defined in the UCC) and if any such Receivable is so evidenced (whether or not in connection with the enforcement or collection of a Receivable) it shall be deemed to be an Ineligible Receivable and shall be reassigned to such Transferor in accordance with Section 2.05(b).

(b) Security Interests. Except for the conveyances hereunder, such Transferor will not sell, pledge, assign or transfer to any other Person, or grant, create, incur, assume or suffer to exist any Lien arising through or under such Transferor on, any Receivable conveyed by it to the Trust, whether now existing or hereafter created, or any interest therein, and such Transferor shall defend the right, title and interest of the Trust and the Indenture Trustee in, to and under the Receivables, whether now existing or hereafter created, against all claims of third parties claiming through or under such Transferor; provided, however, that nothing in this Section shall prevent or be deemed to prohibit such Transferor from suffering to exist upon any of the Receivables transferred by it to the Trust any Liens for municipal or other local taxes if such taxes shall not at the time be due and payable or if such Transferor shall currently be contesting the validity thereof in good faith by appropriate proceedings and shall have set aside on its books adequate reserves with respect thereto.

(c) Delivery of Collections or Recoveries. In the event that such Transferor receives Collections or Recoveries, such Transferor agrees to pay the Servicer all such Collections and Recoveries as soon as practicable after receipt thereof but in no event later than two Business Days after the Date of Processing.

(d) Notice of Liens. Such Transferor shall notify the Trust, the Indenture Trustee and each Series Enhancer promptly after becoming aware of any Lien on any Receivable conveyed by it to the Trust other than the conveyances hereunder and under any Receivables Purchase Agreement to which it is a party and the Indenture.

(e) Notice of Change in Credit Card Guidelines. The Transferor shall notify the Rating Agencies of any materially adverse change in the Credit Card Guidelines.

(f) Continuous Perfection. The Transferor shall not change its name, identity or structure in any manner that might cause any financing or continuation statement filed pursuant to this Agreement to be seriously misleading unless the Transferor shall have delivered to the Trust at least 30 days' prior written notice thereof and, no later than 30 days after making such change, shall have taken all action necessary or advisable to amend such financing statement or continuation statement so that it is not seriously misleading. The Transferor shall not change the jurisdiction under whose laws it is organized, its chief executive office or change the location of its principal records concerning the Receivables unless it has delivered to the Trust at least 30 days' prior written notice of its intention to do so and has taken such action as is necessary or advisable to cause the interest of the Trust in the Receivables to continue to be perfected with the priority required by this Agreement.

(g) Amendment of the Certificate of Incorporation. Such Transferor will not amend in any material respect its certificate of incorporation, certificate of formation or other organizational documents without providing each Rating Agency, to the extent applicable, with notice no later than the fifth Business Day prior to such amendment (unless the right to such notice is waived by each Rating Agency) and satisfying the Rating Agency Condition; provided, however, that the Rating Agency Condition need not be satisfied if such Transferor ceases to be a Transferor on or before the date that such amendment becomes effective.

(h) Separate Corporate Existence. Such Transferor shall:

(i) Maintain in full effect its existence, rights and franchises as a limited liability company or corporation under the laws of the State of its organization or incorporation and will obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Agreement, the Trust Agreement and any Receivables Purchase Agreement to which it is a party and each other instrument or agreement necessary or appropriate to proper administration hereof and to permit and effectuate the transactions contemplated hereby.

(ii) Except as provided herein, maintain its own deposit accounts, separate from those of any Affiliate of such Transferor, with commercial banking institutions. The funds of such Transferor will not be diverted to any other Person or for other than the corporate use of such Transferor, and, except as may be expressly permitted by this Agreement or any Receivables Purchase Agreement to which it is a party, the funds of such Transferor shall not be commingled with those of any Affiliate of such Transferor or any other Person.

(iii) Ensure that, to the extent that it shares the same officers or other employees as any of its partners, members, managers, stockholders or Affiliates, the salaries of and the expenses related to providing benefits to such officers and other employees shall be fairly allocated among such entities, and each such entity shall bear its fair share of the salary and benefit costs associated with all such common officers and employees.

(iv) Ensure that, to the extent that it jointly contracts with any of its partners, members, managers, stockholders or Affiliates to do business with vendors or service providers or to share overhead expenses, the costs incurred in so doing shall be allocated fairly among such entities, and each such entity shall bear its fair share of such costs. To the extent that such Transferor contracts or does business with vendors or service providers where the goods and services provided are partially for the benefit of any other Person, the costs incurred in so doing shall be fairly allocated to or among such entities for whose benefit the goods and services are provided, and each such entity shall bear its fair share of such costs. All material transactions between such Transferor and any of its partners, members, managers, stockholders or Affiliates shall be only on an arm's-length basis and shall receive the approval of such Transferor's Board of Directors, partners, members, managers or other governing body including at least one Independent Director (defined below).

(v) Maintain a principal executive and administrative office through which its business is conducted and a telephone number separate from those of its members, stockholders and Affiliates (other than Affiliates that are special purpose bankruptcy remote entities). To the extent that such Transferor and any of its members, stockholders or Affiliates (other than special purpose bankruptcy remote entities) have offices in contiguous space, there shall be fair and appropriate allocation of overhead costs (including rent) among them, and each such entity shall bear its fair share of such expenses.

(vi) Conduct its affairs strictly in accordance with its certificate of incorporation or other certificate of formation, as the case may be, and observe all necessary, appropriate and customary corporate formalities (or such formalities appropriate to the entity), including, but not limited to, holding all regular and special stockholders' and directors' or partners', members' or managers', as the case may be, meetings appropriate to authorize all corporate or entity action, keeping separate and accurate minutes of such meetings, passing all resolutions or consents necessary to authorize actions taken or to be taken, and maintaining accurate and separate books, records and accounts, including payroll and intercompany transaction accounts. Regular stockholders' or other owners' and directors', partners', members' or managers', as the case may be, meetings shall be held at least annually.

(vii) Ensure that its board of directors or other governing body shall at all times include at least one Independent Director (for purposes hereof, "Independent Director" shall mean any member of the board of directors or partner, member or manager, as the case may be, of such Transferor that is not and has not at any time been (x) an officer, agent, advisor, consultant, attorney, accountant, employee or shareholder of any Affiliate of such Transferor, which Affiliate is not a special purpose bankruptcy remote entity, (y) a director of any Affiliate of such Transferor other than an independent director of any Affiliate which is a special purpose bankruptcy remote entity or (z) a member of the immediate family of any of the foregoing).

(viii) Ensure that decisions with respect to its business and daily operations shall be independently made by such Transferor (although the officer making any particular decision may also be an officer, partner, member, manager or director of an Affiliate of such Transferor) and shall not be dictated by an Affiliate of such Transferor.

(ix) Act solely in its own corporate or entity name and through its own authorized officers, partners, members, managers and agents, and no Affiliate of such Transferor shall be appointed to act as agent of such Transferor. Such Transferor shall at all times use its own stationery and business forms and describe itself as a separate legal entity.

(x) Ensure that no Affiliate of such Transferor shall advance funds to such Transferor, and no Affiliate of such Transferor will otherwise guaranty debts of such Transferor.

(xi) Other than organizational expenses and as expressly provided herein, pay all expenses, indebtedness and other obligations incurred by it with its own funds.

(xii) Except as contemplated by the Transaction Documents, not enter into any guaranty, or otherwise become liable, with respect to or hold its assets or creditworthiness out as being available for the payment of any obligation of any Affiliate of such Transferor or of any other Person nor shall such Transferor make any loans to, or incur any indebtedness in respect of, any Person.

(xiii) Ensure that any financial reports required of such Transferor shall comply with GAAP and shall be issued separately from, but may be consolidated with, any reports prepared for any of its Affiliates; provided, that any such consolidated reports shall indicate that the Transferor is a separate legal entity and that the assets of the Transferor are not available to the creditors of any Affiliate of the Transferor.

(xiv) Ensure that at all times it is adequately capitalized to engage in the transactions contemplated in its certificate of organization or other organizational documents.

(i) Interchange. With respect to any Distribution Date, on or prior to the immediately preceding Determination Date, the Servicer shall notify the Transferor of the amount of Interchange required to be included as Collections of Finance Charge Receivables with respect to such Monthly Period, which amount for any Series shall be specified in the related Indenture Supplement. Not later than 1:00 p.m., New York City time, on the related Transfer Date, the Transferor shall deposit, or cause to be deposited, into the Collection Account, in immediately available funds, the amount of the Interchange to be so included as Collections of Finance Charge Receivables with respect to such Monthly Period.

(j) Amendments to Receivables Purchase Agreements. Each Transferor further covenants that it will not enter into any amendments to a Receivables Purchase Agreement or enter into a new Receivables Purchase Agreement, in each case, that would have an Adverse Effect unless the Rating Agency Condition has been satisfied.

(k) Taxes. The Transferor shall pay out of its own funds, without reimbursement, the costs and expenses relating to any stamp, documentary, excise, property (whether on real, personal or intangible property) or any similar tax levied on the Issuer or the Issuer's assets that are not expressly stated in this Agreement to be payable by the Issuer (other than federal, State, local and foreign income and franchise taxes, if any, or any interest or penalties with respect thereto, assessed on the Issuer).

Section 2.08. Covenants of each Transferor with Respect to Receivables Purchase Agreements. Each Transferor hereby covenants that it will at all times enforce the covenants and agreements of the Account Owners under the terms of the Receivables Purchase Agreements to which it is a party, including covenants to the effect set forth below:

(a) Periodic Rate Finance Charges and Other Fees. Except (i) as otherwise required by any Requirements of Law or (ii) as is deemed by the Account Owner to be necessary in order for it to maintain its credit card business on a competitive basis based on a good faith assessment by it of the nature of its competition in the credit card business, it shall not at any time reduce the Periodic Rate Finance Charges assessed on the Receivables transferred by it to the Transferor or other fees charged on any of the Accounts owned by it if either (1) as a result of any such reduction, such Account Owner's reasonable expectation is that such reduction will cause a Pay Out Event or Event of Default to occur or (2) such reduction is not also applied to all comparable segments of VISA®, private label or other retail consumer revolving credit card accounts owned by such Account Owner which have characteristics the same as, or substantially similar to, such Accounts.

(b) Credit Card Agreements and Guidelines. Such Account Owner shall comply with and perform its obligations under the Credit Card Agreements relating to the Accounts owned by it and the Credit Card Guidelines except insofar as any failure so to comply or perform would not materially and adversely affect the rights of the Trust or the Noteholders. Subject to compliance with all Requirements of Law and Section 2.08(a)(i), such Account Owner may change the terms and provisions of the Credit Card Agreements or the Credit Card Guidelines with respect to any of the Accounts owned by it in any respect (including the calculation of the amount or the timing of charge-offs and the Periodic Rate Finance Charges and other fees to be assessed thereon) only if such change is made applicable to all comparable segments of VISA®, private label or other retail consumer revolving credit card accounts owned by such Account Owner which have characteristics the same as, or substantially similar to, such Accounts. Notwithstanding the foregoing, unless required by Requirements of Law or as permitted by Section 2.08(a), no Account Owner will take any action with respect to the applicable Credit Card Agreements or the applicable Credit Card Guidelines, which, at the time of such action, the Account Owner reasonably believes will have a material adverse effect on the Noteholders.

(c) Receivables Purchase Agreement. The Transferor, in its capacity as Purchaser of Receivables from the Seller under the Receivables Purchase Agreement, shall enforce the covenants and agreements of the Seller as set forth in such Receivables Purchase Agreement.

(d) New or Amendments to Receivables Purchase Agreements. No Transferor will enter into any amendments to a Receivables Purchase Agreement or enter into a new Receivables Purchase Agreement that would have an Adverse Effect unless the Rating Agency Condition has been satisfied.

Section 2.09. Addition of Accounts.

(a) Additional Accounts.

(i) Required Additions. If on any Business Day, either (A) the Transferor Interest is less than the Required Transferor Interest or (B) the total amount of Principal Receivables is less than the Required Minimum Principal Balance on such Business Day, the Transferor shall on or prior to the close of business on the second Business Day following such Business Day (the "Required Designation Date"), unless the Transferor Interest exceeds the Required Transferor Interest and the total amount of Principal Receivables exceeds the Required Minimum Principal Balance, in each case, as of the close of business on such Required Designation Date, cause to be designated additional Eligible Accounts to be included as Accounts as of the Required Designation Date or any earlier date in a sufficient amount such that, after giving effect to such addition, the Transferor Interest as of the close of business on the applicable Addition Date, is at least equal to the Required Transferor Interest and the aggregate principal balance of Principal Receivables conveyed to the Trust as of the close of business on the Addition Date, is at least equal to the Required Minimum Principal Balance on such date. The Transferor shall promptly give notice to each Rating Agency of any obligation of the Transferor to designate Accounts pursuant to the preceding sentence. The failure of any condition set forth in Section 2.09(c) shall not relieve the Transferor of its obligation pursuant to this paragraph; provided, however, that the failure of the Transferor to transfer Receivables to the Trust as provided in this clause solely as a result of the unavailability of a sufficient amount of Eligible Receivables shall not constitute a breach of this Agreement; provided further, that any such failure which has not been timely cured may nevertheless result in the occurrence of a Pay Out Event.

(ii) Optional Additions. In addition to designating Additional Accounts pursuant to clause (i) above, the Transferor, subject to the conditions set forth in this Section, may elect on any date to designate Eligible Accounts or interests therein to the Trust and/or to automatically convey newly originated Eligible Receivables to the Trust upon their establishment. The Transferor hereby elects to automatically convey newly originated Eligible Receivables to the Trust upon their establishment. The Transferor shall be permitted to transfer Eligible Receivables to the Trust pursuant to this clause as long as (A) the number of new Accounts and the amount of Receivables arising from such Accounts designated during any fiscal year do not exceed 20% of the total amount of Accounts designated to the Trust and Receivables in the Trust, respectively, as of the first day of such year fiscal year or (B) for any fiscal quarter, the number of new Accounts and the amount of Receivables arising from such Accounts designated during such fiscal quarter do not exceed 15% of the total amount of Accounts designated to the Trust and Receivables in the Trust, respectively, as of the first day of such quarter;. provided, that, the foregoing limitations shall not apply to the Transferor so long as it is delivering to the Rating Agencies pool specific information for new Accounts and Receivables arising therefrom each time that the number of new Accounts and the amount of Receivables arising from such Accounts exceeds 10% of the total amount of Accounts designated to the Trust and Receivables in the Trust, respectively, as of the Initial Issuance Date and as of each Ten Percent Growth Date, unless the Rating Agencies suspend the Transferor's ability to do so. The Transferor shall give prompt notice to each Rating Agency of any Ten Percent Growth Date. If the Transferor elects to suspend or terminate the automatic addition of Eligible Receivables, it shall do so only upon providing the Indenture Trustee, the Trust, the Rating Agencies and the Servicer with notice thereof.

(b) Restricted Additions. Each Transferor may from time to time, at its sole discretion, subject to the conditions specified in Section 2.09(c), designate additional Eligible Accounts to be included as Accounts as of the applicable Addition Date.

(c) Conditions to Required Additions and Restricted Additions. On the Addition Date with respect to any Supplemental Accounts designated pursuant to Section 2.09(a)(i) or (b), the Transferor shall transfer the Receivables in such Supplemental Accounts or interests therein (and such Supplemental Accounts shall be deemed to be Accounts for purposes of this Agreement) as of the close of business on the applicable Addition Date, subject to the satisfaction of the following conditions:

(i) on or before the tenth Business Day immediately preceding the Addition Date, each Participating Transferor shall have given the Trust, the Indenture Trustee and each Rating Agency written notice that the Supplemental Accounts will be included and specifying the applicable Addition Date, the Addition Cut-Off Date and the approximate number of accounts expected to be added and the approximate aggregate balances expected to be outstanding in the accounts to be added (in the case of Supplemental Accounts);

(ii) in the case of Supplemental Accounts, such Transferor shall have delivered to the Trust and the Indenture Trustee copies of UCC-1 financing statements covering such Supplemental Accounts, if necessary to perfect the Trust's interest in the Receivables arising therein;

(iii) as of each of the Addition Cut-Off Date and the Addition Date, no Insolvency Event with respect to the related Transferor or the Account Owner of the Supplemental Accounts shall have occurred nor shall the transfer of the Receivables arising in the Supplemental Accounts to the Trust have been made in contemplation of the occurrence thereof or with the intent to hinder, delay or defraud the Transferor or the creditors of the Transferor;

(iv) the Rating Agency Condition shall have been satisfied with respect to such Addition;

(v) the related Transferor shall have delivered to the Trust and the Indenture Trustee an Officer's Certificate, dated the Addition Date, stating that (A) in the case of Supplemental Accounts, as of the applicable Addition Cut-Off Date, the Supplemental Accounts are all Eligible Accounts, (B) to the extent applicable, the conditions set forth in Sections 2.09(c)(ii) through (c)(iv) and (c)(viii) have been satisfied and (C) such Transferor reasonably believes that the addition by such Transferor of the Receivables arising in the Supplemental Accounts to the Trust will not, based on the facts known to such officer at the time of such addition, then or thereafter result in an Adverse Effect with respect to any Series;

(vi) on or prior to each Distribution Date, the Transferors shall have delivered to the Trust, the Indenture Trustee and each Rating Agency, an Opinion of Counsel substantially in the form of Exhibit D-2 with respect to the Supplemental Accounts, if any, included as Accounts during the related Monthly Periods ending prior to such Distribution Date; the opinion delivery requirement set forth in the immediately preceding sentence may be modified provided that the Rating Agency Condition is satisfied;

(vii) in the case of designation of Supplemental Accounts, such Transferors shall have delivered to the Owner Trustee (A) an Account Schedule with respect to such Supplemental Accounts and (B) a duly executed Assignment; and

(viii) to the extent required by Section 8.04 of the Master Indenture, the Servicer shall have deposited in the Collection Account all Collections with respect to such Supplemental Accounts since the Addition Cut-Off Date.

(d) Additional Transferors. Upon satisfaction of the Rating Agency Condition, the Transferor may designate Additional Transferors under this Agreement in an amendment hereto pursuant to Section 9.01(a) and, in connection with such designation, the Transferor shall surrender the Transferor Certificate to the Owner Trustee in exchange for a newly issued Transferor Certificate modified to reflect such Additional Transferor's interest in the Transferor Interest; provided, however, that prior to any such designation and exchange the conditions set forth in clauses (iii) and (vi) of Section 3.06(b) of the Trust Agreement shall have been satisfied with respect thereto.

Section 2.10. Removal of Accounts.

(a) Once per Monthly Period, each Transferor shall have the right to require the reassignment to it or its designee of all the Trust's right, title and interest in, to and under the Receivables then existing and thereafter created, all Recoveries related thereto after the Removal Date, all monies due or to become due and all amounts received or receivable with respect thereto, and all proceeds thereof in or with respect to certain specified Accounts (the "Removed Accounts") and designated for removal by the Transferor, upon satisfaction of the following conditions:

(i) on or before the fifth Business Day preceding the Removal Date, such Transferor shall have given written notice to the Trust, the Indenture Trustee, the Servicer, the Rating Agency and each Series Enhancer (unless such notice requirement is otherwise waived) of such removal and specifying the Removal Date;

(ii) on or prior to the date that is five Business Days on or before the Removal Date, such Transferor shall amend the Account Schedule by delivering to the Owner Trustee a computer file or microfiche list containing a true and complete list of the Removed Accounts specifying for each such Account, as of the date notice of the Removal Date is given, its account number, the aggregate amount outstanding in such Account and the aggregate amount of Principal Receivables outstanding in such Account;

(iii) the removal will not cause the Transferor Interest to be less than the Required Transferor Interest;

(iv) such Transferor shall have represented and warranted as of the Removal Date that the list of Removed Accounts delivered pursuant to clause (ii) above, as of the Removal Date, is true and complete in all material respects;

(v) the Rating Agency Condition shall have been satisfied with respect to the removal of the Removed Accounts;

(vi) such Transferor shall have delivered to the Trust and the Indenture Trustee an Officer's Certificate, dated the Removal Date, to the effect that such Transferor reasonably believes that (A) such removal will not have a material adverse effect on the Noteholders, (B) such removal will not result in the occurrence of a Pay Out Event or Event of Default, and (C) no selection procedures believed by such Transferor to be materially adverse to the interests of the Noteholders have been used in selecting the Removed Accounts; and

(vii) as of the Removal Date, no more than 10% of the Receivables outstanding are more than 30 days Contractually Delinquent.

(b) Upon satisfaction of the above conditions, the Trust shall execute and deliver to such Transferor a Reassignment and shall, without further action, be deemed to transfer, assign, set over and otherwise convey to such Transferor or its designee, effective as of the Removal Date, without recourse, representation or warranty, all the right, title and interest of the Trust in and to the Receivables arising in the Removed Accounts, all Recoveries related thereto, all monies due and to become due and all amounts received or receivable with respect thereto after the Removal Date and all proceeds thereof and any Insurance Proceeds relating thereto. The Trust and Owner Trustee may conclusively rely on the Officer's Certificate delivered pursuant to this Section and shall have no duty to make inquiries with regard to the matters set forth therein and shall incur no personal liability in so relying.

Section 2.11. Account Allocations. In the event that a Transfer Restriction Event occurs with respect to a Transferor, then, (i) such Transferor and the Servicer agree (except as prohibited by any such order) to allocate and pay to the Trust, after the date of such inability, all Collections, including Collections of Receivables transferred to the Trust prior to the occurrence of such event, and all amounts which would have constituted Collections but for such Transferor's inability to transfer Receivables (up to an aggregate amount equal to the amount of Receivables transferred to the Trust by such Transferor in the Trust on such date), (ii) such Transferor and the Servicer agree that such amounts will be applied as Collections in accordance with Article Eight of the Master Indenture and the terms of each Indenture Supplement and (iii) for so long as the allocation and application of all Collections and all amounts that would have constituted Collections are made in accordance with clauses (i) and (ii) above, Principal Receivables and all amounts which would have constituted Principal Receivables but for such Transferor's inability to transfer Receivables to the Trust which are charged off as uncollectible in accordance with this Agreement shall continue to be allocated in accordance with Article Eight of the Master Indenture and the terms of each Indenture Supplement. For the purpose of the immediately preceding sentence, such Transferor and the Servicer shall treat the first received Collections with respect to the Accounts as allocable to the Trust until the Trust shall have been allocated and paid Collections in an amount equal to the aggregate amount of Principal Receivables in the Trust as of the date of the occurrence of such event. If such Transferor and the Servicer are unable pursuant to any Requirements of Law to allocate Collections as described above, such Transferor and the Servicer agree that, after the occurrence of such event, payments on each Account with respect to the principal balance of such Account shall be allocated first to the oldest principal balance of such Account and shall have such payments applied as Collections in accordance with Article Eight of the Master Indenture and the terms of each Indenture Supplement. The parties hereto agree that Finance Charge Receivables, whenever created, accrued in respect of Principal Receivables which have been conveyed to the Trust shall continue to be a part of the Trust notwithstanding any cessation of the transfer of additional Principal Receivables to the Trust and Collections with respect thereto shall continue to be allocated and paid in accordance with Article Eight of the Master Indenture and the terms of each Indenture Supplement.

Section 2.12. Discount Option.

(a) The Transferor shall have the option to designate at any time and from time to time a percentage or percentages, which may be a fixed percentage or a variable percentage based on a formula (the "Discount Percentage"), of all or any specified portion of Principal Receivables existing on or after the Discount Option Date to be treated as Discount Option Receivables and thereafter treated as Finance Charge Receivables. As of the Initial Issuance Date, the Discount Percentage is 0%. The Transferor shall provide to the Servicer, the Trustees and any Rating Agency 30 days' prior written notice of the Discount Option Date, and such designation shall become effective on the Discount Option Date (i) upon delivery of an Officer's Certificate of the Transferor such designation in the reasonable belief of the Transferor would not cause a Pay Out Event or Event of Default with respect to any Series to occur, or an event which, with notice or lapse of time or both, would constitute a Pay Out Event or Event of Default with respect to any Series and (ii) satisfaction of the Rating Agency Condition. In addition, the Transferor shall also have the option of reducing or withdrawing the Discount Percentage, on the date the Transferor delivers an Officer's Certificate that in the Transferor's reasonable belief, the continued discounting of Principal Receivables would have an adverse regulatory implication for the Transferor or Account Owner on and after the applicable Discount Option Date.

(b) After the Discount Option Date, Discount Option Receivable Collections shall be treated as Collections of Finance Charge Receivables.

Section 2.13. Representations and Warranties as to the Security Interest of the Trust in the Receivables. The Transferor makes the following representations and warranties to the Trust. The representations and warranties speak as of the execution and delivery of this Agreement and as of each Closing Date. Such representations and warranties shall survive the sale, transfer and assignment of the Receivables to the Trust, the pledge thereof to the Indenture Trustee and the termination of this Agreement and shall not be waived by any party hereto unless the Rating Agency Condition is satisfied.

(a) This Agreement creates a valid and continuing security interest (as defined in the applicable UCC) in the Trust Assets in favor of the Trust, which security interest is prior to all other Liens other than the Lien of the Indenture, and is enforceable as such as against creditors of and purchasers from the Transferor.

(b) The Receivables constitute "accounts" or "payment intangibles" within the meaning of the applicable UCC.

(c) The Transferor owns and has good and marketable title to the Trust Assets free and clear of any Lien, claim or encumbrance of any Person.

(d) The Transferor has caused or will have caused, within ten days of the Closing Date, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Trust Assets granted to the Trust hereunder.

(e) Other than the security interest granted to the Trust pursuant to this Agreement, the Transferor has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Trust Assets. The Transferor has not authorized the filing of and is not aware of any financing statements against the Transferor that include a description of collateral covering the Trust Assets other than any financing statement relating to the security interest granted to the Trust hereunder or that has been terminated. The Transferor is not aware of any judgment or tax lien filings against the Transferor.

ARTICLE THREE

ADMINISTRATION AND SERVICING
OF RECEIVABLES

Section 3.01. Acceptance of Appointment and Other Matters Relating to the Servicer.

(a) Nordstrom fsb agrees to act as the Servicer under this Agreement and the Noteholders, by their acceptance of Notes or a beneficial interest therein, consent to Nordstrom fsb acting as Servicer.

(b) As agent for each Transferor and the Trust, the Servicer shall service and administer the Receivables, shall collect and deposit into the Collection Account amounts received under the Receivables and shall charge off as uncollectible Receivables, all in accordance with its customary and usual servicing procedures for servicing credit card receivables comparable to the Receivables and in accordance with the Credit Card Guidelines and the Transaction Documents. As agent for each Transferor and the Trust, the Servicer shall have full power and authority, acting alone or through any party properly designated by it hereunder, to do any and all things in connection with such servicing and administration which it may deem reasonably necessary or desirable, including, but not limited to, billing, collecting and remitting Collections, providing customer service and performing other activities customary in servicing credit card receivables. Without limiting the generality of the foregoing and subject to Section 7.01, the Servicer or its designee is hereby authorized and empowered, unless such power is revoked by the Indenture Trustee on account of the occurrence of a Servicer Default, (i) to instruct the Owner Trustee or the Indenture Trustee to make withdrawals and payments from the Collection Account, the Special Funding Account and any Series Account, as set forth in this Agreement, the Master Indenture or any Indenture Supplement, (ii) to take any action required or permitted under any Series Enhancement, as set forth in this Agreement, the Master Indenture or any Indenture Supplement, (iii) to execute and deliver, on behalf of the Trust, any and all instruments of satisfaction or cancellation, or of partial or full release or discharge, and all other comparable instruments, with respect to the Receivables and, after the delinquency of any Receivable and to the extent permitted under and in compliance with applicable Requirements of Law, to commence collection proceedings with respect to such Receivable, and, in its discretion, to sell Defaulted Receivables and (iv) to make any filings, reports, notices, applications and registrations with, and to seek any consents or authorizations from, the Commission and any State securities authority on behalf of the Trust as may be necessary or advisable to comply with any federal or State securities or reporting requirements or other laws or regulations. The Owner Trustee and the Indenture Trustee upon written request therefor shall furnish the Servicer with any documents necessary or appropriate to enable the Servicer to carry out its servicing and administrative duties hereunder.

(c) The Servicer shall not, and no Successor Servicer shall, be obligated to use separate servicing procedures, offices, employees or accounts for servicing the Receivables from the procedures, offices, employees and accounts used by the Servicer or such Successor Servicer, as the case may be, in connection with servicing other credit card receivables.

(d) The Servicer shall comply with and perform its servicing obligations with respect to the Accounts and Receivables in accordance with the Credit Card Agreements relating to the Accounts and the Credit Card Guidelines, except insofar as any failure to so comply or perform would not materially and adversely affect the Trust or the Noteholders. The Servicer agrees to enforce compliance by the Obligors, and use its best efforts to collect all amounts owning from the Obligors, with respect to each Account.

(e) The Servicer shall pay out of its own funds, without reimbursement, all expenses incurred in connection with the Trust and the servicing activities hereunder including expenses related to enforcement of the Receivables, fees and disbursements of the Owner Trustee (as such and in its individual capacity) and the Indenture Trustee (including the reasonable fees and expenses of its outside counsel) and independent accountants and all other fees and expenses, including the costs of filing UCC continuation statements, the costs and expenses relating to obtaining and maintaining the listing of any Notes on any stock exchange and any stamp, documentary, excise, property (whether on real, personal or intangible property) or any similar tax levied on the Trust or the Trust's assets that are not expressly stated in this Agreement to be payable by the Trust or the Transferor (other than federal, State, local and foreign income and franchise taxes, if any, or any interest or penalties with respect thereto, assessed on the Trust).

(f) The Servicer agrees at its own cost and expense to maintain during the term of this Agreement adequate fidelity bond coverage of the officers and employees of the Servicer (as well as any temporary personnel if not covered by their agency's insurance) who handle or may have occasion to handle or control any funds handled by the Servicer, documents and/or papers relating to the Receivables. Such fidelity bond shall be in form and substance reasonable and customary for companies which service credit card receivables, shall protect against losses, including losses resulting from forgery, theft, embezzlement and fraud, and the coverage under the fidelity bond shall be at least $5,000,000. The Servicer shall furnish to the Administrator certification by the carrier of such fidelity coverage attesting to the form or type of bond evidencing such coverage, together with the amount, term, date of commencement, anniversary or renewal date and name of insured and affirmatively assuring the Administrator that such coverage cannot be materially changed, other than by an increase in amount, or canceled without 30 days' prior written notice to the Administrator.

(g) The Servicer is authorized, in it own name, in the name of the Trust or in the name of the Trustee on behalf of the Trust, to commence, defend against or otherwise participate in a proceeding relating to or involving the protection or enforcement of the interests of the Trust or the Trustee on behalf of the Trust. If the Servicer commences or participates in a legal proceeding in its own name, each such party shall thereupon be deemed to have automatically assigned its interest in (excluding legal title to) the related Receivable to the Servicer to the extent necessary for the purposes of such proceeding.

Section 3.02. Servicing Compensation. As compensation for its servicing activities hereunder and as reimbursement for any expense incurred by it in connection therewith, the Servicer shall be entitled to receive the Servicing Fee with respect to each Monthly Period, payable on the related Distribution Date. The Monthly Servicing Fee allocable to a Series of Notes with respect to any Monthly Period (the "Monthly Servicing Fee") shall be determined in accordance with the relevant Indenture Supplement. The portion of the Servicing Fee with respect to any Monthly Period not paid pursuant to the preceding sentence shall be paid by the Holders of the Transferor Certificates on the related Distribution Date and in no event shall the Trust, the Owner Trustee (as such or in its individual capacity), the Indenture Trustee, the Noteholders of any Series or any Series Enhancer be liable for the share of the Servicing Fee with respect to any Monthly Period to be paid by the Holders of the Transferor Certificates.

Section 3.03. Representations, Warranties and Covenants of the Servicer.

(a) Nordstrom fsb, as initial Servicer, hereby makes, and any Successor Servicer by its appointment hereunder shall make, with respect to itself, on each Closing Date (and on the date of any such appointment), the following representations, warranties and covenants on which the Trust and the Indenture Trustee shall be deemed to have relied in accepting the Receivables in trust and in entering into the Indenture:

(i) Organization and Good Standing. The Servicer is a federal savings bank duly organized and validly existing in good standing under the laws of the United States and has, in all material respects, full power and authority to own its properties and conduct its credit card servicing business as presently owned or conducted, and to execute, deliver and perform its obligations under this Agreement.

(ii) Due Qualification. The Servicer is duly qualified to do business and is in good standing as a foreign corporation or other foreign entity (or is exempt from such requirements) and has obtained all necessary licenses and approvals in each jurisdiction in which the servicing of the Receivables as required by this Agreement requires such qualification except where the failure to so qualify or obtain licenses or approvals would not have a material adverse effect on its ability to perform its obligations as Servicer under this Agreement.

(iii) Due Authorization. The execution, delivery and performance of this Agreement and the other agreements and instruments executed or to be executed by the Servicer as contemplated hereby, have been duly authorized by the Servicer by all necessary action on the part of the Servicer.

(iv) Binding Obligation. This Agreement constitutes a legal, valid and binding obligation of the Servicer, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally from time to time in effect or the rights of creditors of federally chartered savings associations the deposit accounts of which are insured by the FDIC or which are subject to regulation by the FDIC or by general principles of equity.

(v) No Conflict. The execution and delivery of this Agreement by the Servicer, and the performance of the transactions contemplated by this Agreement and the other Transaction Documents and the fulfillment of the terms hereof and thereof applicable to the Servicer, will not conflict with, violate or result in any breach of any of the material terms and provisions of, or constitute (with or without notice or lapse of time or both) a material default under, any indenture, contract, agreement, mortgage, deed of trust or other instrument to which the Servicer is a party or by which it or its properties are bound.

(vi) No Violation. The execution and delivery of this Agreement by the Servicer, the performance of the transactions contemplated by this Agreement and the other Transaction Documents and the fulfillment of the terms hereof applicable to the Servicer will not conflict with or violate any Requirements of Law applicable to the Servicer or conflict with, violate, result in any breach of any of the material terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under any indenture, contract, agreement, mortgage, deed of trust or other instrument to which the Servicer is a party or by which it or any of its properties are bound.

(vii) No Proceedings. There are no proceedings or investigations pending or, to the best knowledge of the Servicer, threatened against the Servicer before any Governmental Authority seeking to prevent the consummation of any of the transactions contemplated by this Agreement or seeking any determination or ruling that, in the reasonable judgment of the Servicer, would materially and adversely affect the performance by the Servicer of its obligations under this Agreement and the other Transaction Documents.

(viii) Compliance with Requirements of Law. The Servicer shall duly satisfy all obligations on its part to be fulfilled under or in connection with each Receivable and the related Account, if any, will maintain in effect all qualifications required under Requirements of Law in order to service properly each Receivable and the related Account, if any, and will comply in all material respects with all other Requirements of Law in connection with servicing each Receivable and the related Account the failure to comply with which would have an Adverse Effect.

(ix) No Rescission or Cancellation. Subject to Section 3.09, the Servicer shall not permit any rescission or cancellation of any Receivable except in accordance with the Credit Card Guidelines or as ordered by a court of competent jurisdiction or other Governmental Authority.

(x) Protection of Rights. The Servicer shall take no action which, nor omit to take any action the omission of which, would substantially impair the rights of the Trust, the Indenture Trustee or the Noteholders in any Receivable or the related Account, if any, nor shall it reschedule, revise or defer payments due on any Receivable except in accordance with the Credit Card Guidelines.

(xi) Receivables Not Evidenced by Investment or Chattel Paper. Except in connection with its enforcement or collection of an Account, the Servicer will take no action to cause any Receivable to be evidenced by any instrument or chattel paper (each as defined in the UCC) and if any Receivable is so evidenced (whether or not in connection with the enforcement or collection of an Account) it shall be reassigned or assigned to the Servicer as provided in this Section.

(xii) All Consents. All authorizations, consents, orders or approvals of or registrations or declarations with any Governmental Authority required to be obtained, effected or given by the Servicer in connection with the execution and delivery of this Agreement by the Servicer and the performance of the transactions contemplated by this Agreement by the Servicer, have been duly obtained, effected or given and are in full force and effect.

(xiii) Interchange. With respect to any Distribution Date, on or prior to the immediately preceding Determination Date, the Servicer shall notify the Transferor of the amount of Interchange (if any) required to be included as Collections of Finance Charge Receivables with respect to such Monthly Period, which amount shall be equal to the amount of Interchange transferred to the Transferor with respect to such Monthly Period.

(b) In the event (i) any of the representations, warranties or covenants of the Servicer contained in Section 3.03(a)(viii), (ix) or (x) with respect to any Receivable or the related Account is breached, and such breach has a material adverse effect on such Receivable (which determination shall be made without regard to whether funds are then available to any Noteholders pursuant to any Series Enhancement) and is not cured within 60 days (or such longer period, not in excess of 150 days, as may be agreed to by the Indenture Trustee and the Transferor) of the earlier to occur of the discovery of such event by the Servicer, or receipt by the Servicer of notice of such event given by the Indenture Trustee or the Transferor, or (ii) as provided in Section 3.03(a)(xi) with respect to any Receivable, all Receivables in the Account or Accounts to which such event relates shall be assigned and transferred to the Servicer ("Servicer Repurchase Receivables") on the terms and conditions set forth below.

The Servicer shall effect such assignment by making a deposit into the Collection Account in immediately available funds two Business Days after which such assignment obligation arises in an amount equal to the amount of such Receivables.

Upon each such reassignment or assignment to the Servicer, the Trust shall automatically and without further action be deemed to sell, transfer, assign, set over and otherwise convey to the Servicer, without recourse, representation or warranty, all right, title and interest of the Trust in and to such Receivables, all Interchange and Recoveries related thereto, all monies due or to become due and all amounts received or receivable with respect thereto and all proceeds thereof. The Trust shall execute such documents and instruments of transfer or assignment and take such other actions as shall be reasonably requested by the Servicer to effect the conveyance of any such Receivables pursuant to this Section but only upon receipt of an Officer's Certificate of the Servicer that states that all conditions set forth in this section have been satisfied. The obligation of the Servicer to accept reassignment or assignment of such Receivables, and to make the deposits, if any, required to be made to the Collection Account as provided in the preceding paragraph, shall constitute the sole remedy respecting the event giving rise to such obligation available to Noteholders (or the Indenture Trustee on behalf of Noteholders) or any Series Enhancer, except as provided in Section 5.04.

Section 3.04. Reports and Records for the Owner Trustee and the Indenture Trustee.

(a) Daily Records. On each Business Day, the Servicer shall make or cause to be made available at the office of the Servicer for inspection by the Owner Trustee and the Indenture Trustee upon request a record setting forth (i) the Collections in respect of Principal Receivables and in respect of Finance Charge Receivables processed by the Servicer on the second preceding Business Day in respect of each Account and (ii) the amount of Receivables as of the close of business on the second preceding Business Day in each Account. The Servicer shall, at all times, maintain its computer files with respect to the Accounts in such a manner so that the Accounts may be specifically identified and shall make available to the Owner Trustee and the Indenture Trustee at the office of the Servicer on any Business Day any computer programs necessary to make such identification. The Owner Trustee and the Indenture Trustee shall enter into such reasonable confidentiality agreements as the Servicer shall deem necessary to protect its interests and as are reasonably acceptable in form and substance to the Owner Trustee and the Indenture Trustee.

(b) Monthly Servicer's Certificate. Not later than the Determination Date preceding each Distribution Date, the Servicer shall, with respect to each outstanding Series, deliver to the Owner Trustee, the Indenture Trustee and each Rating Agency, if applicable, a certificate of an Authorized Officer in substantially the form set forth in the related Indenture Supplement.

Section 3.05. Annual Certificate of Servicer. The Servicer shall deliver to the Owner Trustee, the Indenture Trustee and each Rating Agency on or before April 30 of each calendar year, beginning with April 30, 2008, an Officer's Certificate substantially in the form of Exhibit C.

Section 3.06. Annual Servicing Report of Independent Public Accountants; Copies of Reports Available.

(a) On or before April 30 of each fiscal year, beginning with April 30, 2008, the Servicer shall cause a firm of nationally recognized independent public accountants (who may also render other services to the Servicer or the Transferor or any Account Owner) to furnish a report (addressed to the Indenture Trustee) to the Indenture Trustee, the Servicer and each Rating Agency to the effect that they have applied certain procedures agreed upon with the Servicer and examined certain documents and records relating to the servicing of the Receivables under this Agreement, the Master Indenture and each Indenture Supplement for the prior fiscal year (or since the effective date of this Agreement in the case of the first such report) and that, on the basis of such agreed-upon procedures, nothing has come to the attention of such accountants that caused them to believe that the servicing (including the allocation of Collections set forth in Article Eight of the Master Indenture and in each Indenture Supplement) has not been conducted in compliance with the terms and conditions set forth in Article Three and Section 5.08 of this Agreement, Article Eight of the Master Indenture and the applicable provisions of each Indenture Supplement, except for such exceptions as they believe to be immaterial and such other exceptions as shall be set forth in such statement. Such report shall set forth the agreed-upon procedures performed.

(b) On or before April 30 of each fiscal year, beginning with April 30, 2008, the Servicer shall cause a firm of nationally recognized independent public accountants (who may also render other services to the Servicer or Transferor) to furnish a report to the Indenture Trustee, the Servicer and each Rating Agency to the effect that they have applied certain procedures agreed upon with the Servicer to compare the mathematical calculations of certain amounts set forth in the Servicer's certificates delivered pursuant to Section 3.04(b) during the period covered by such report with the Servicer's computer reports that were the source of such amounts and that on the basis of such agreed-upon procedures and comparison, and that such amounts are in agreement, except for such exceptions as are immaterial and such other exceptions as shall be set forth in such statement. Such report shall set forth the agreed-upon procedures performed.

(c) In the event such independent public accountants require the Indenture Trustee to agree to the procedures to be performed by such firm in any of the reports required to be prepared pursuant to this Section, the Servicer shall direct the Indenture Trustee in writing to so agree; provided, however, that the Indenture Trustee will deliver such letter of agreement in conclusive reliance upon the direction of the Servicer, and the Indenture Trustee will not make any independent inquiry or investigation as to, and shall have no obligation or liability in respect of, the sufficiency, validity or correctness of such procedures.

(d) A copy of this Agreement, as well as each certificate and report provided pursuant to Section 3.04(b), or Section 3.05 or 3.06, may be obtained by any Noteholder or Note Owner by a request in writing to the Indenture Trustee addressed to the Corporate Trust Office.

Section 3.07. Tax Treatment. Unless otherwise specified in the Master Indenture or an Indenture Supplement with respect to a particular Series, the Transferor has entered into this Agreement, and the Notes will be issued, with the intention that, for federal, State and local income and franchise tax purposes, (i) the Notes of each Series which are characterized as indebtedness at the time of their issuance will qualify as indebtedness secured by the Receivables and (ii) the Trust shall not be treated as an association or publicly traded partnership taxable as a corporation. The Transferor, by entering into this Agreement, and each Noteholder, by the acceptance of any such Note (and each Note Owner, by its acceptance of an interest in the applicable Note), agree to treat such Notes for federal, State and local income and franchise tax purposes as indebtedness of the Transferor. Each Holder of such Note agrees that it will cause any Note Owner acquiring an interest in a Note through it to comply with this Agreement as to treatment as indebtedness under applicable tax law, as described in this Section. The parties hereto agree that they shall not cause or permit the making, as applicable, of any election under Treasury Regulation Section 301.7701-3 whereby the Trust or any portion thereof would be treated as a corporation for federal income tax purposes and, except as required by Section 6.13 of the Master Indenture, shall not file tax returns or obtain any federal employer identification number for the Trust but shall treat the Trust as a security device for federal income tax purposes. The provisions of this Agreement shall be construed in furtherance of the foregoing intended tax treatment.

Section 3.08. Notices to Nordstrom fsb. In the event that Nordstrom fsb is no longer acting as Servicer, any Successor Servicer shall deliver or make available to Nordstrom fsb each certificate and report required to be provided thereafter pursuant to Sections 3.04(b), 3.05 and 3.06.

Section 3.09. Adjustments.

(a) If the Servicer adjusts downward the amount of any Receivable because of a rebate, refund, unauthorized charge or billing error to a cardholder, or because such Receivable was created in respect of merchandise which was refused or returned by a cardholder, then, in any such case, the amount of Principal Receivables used to calculate the Transferor Interest, and (unless otherwise specified) any other amount required herein or in the Master Indenture or any Indenture Supplement to be calculated by reference to the amount of Principal Receivables, will be reduced by the amount of the adjustment. Similarly, the amount of Principal Receivables used to calculate the Transferor Interest and (unless otherwise specified) any other amount required herein or in any Indenture Supplement to be calculated by reference to the amount of Principal Receivables will be reduced by the principal amount of any Receivable which was discovered as having been created through a fraudulent or counterfeit charge or with respect to which the covenant contained in Section 2.07(b) was breached. Any adjustment required pursuant to either of the two preceding sentences shall be made on the second Business Day after which such adjustment obligation arises. In the event that, following the exclusion of such Principal Receivables from the calculation of the Transferor Interest, the Transferor Interest would be less than the Required Transferor Interest, not later than 1:00 p.m., New York City time, on the second Business Day after which such adjustment obligation arises, the Transferor shall make a deposit into the Special Funding Account in immediately available funds in an amount equal to the amount by which the Transferor Interest would be less than the Required Transferor Interest, due to adjustments with respect to Receivables conveyed by such Transferor (up to the amount of such Principal Receivables).

(b) If the Servicer (i) makes a deposit into the Collection Account in respect of a Collection of a Receivable and such Collection was received by the Servicer in the form of a check which is not honored for any reason or (ii) makes a mistake with respect to the amount of any Collection and deposits an amount that is less than or more than the actual amount of such Collection, the Servicer shall appropriately adjust the amount subsequently deposited into the Collection Account to reflect such dishonored check or mistake. Any Receivable in respect of which a dishonored check is received shall be deemed not to have been paid. Notwithstanding the foregoing, adjustments made pursuant to this Section shall not require any change in any report previously delivered pursuant to Section 3.04(a).

Section 3.10. Reports to Rating Agencies. Not later than each Determination Date, the Servicer shall deliver to each Rating Agency a written report (unless one or more of such Rating Agencies agrees in writing to waive receipt of such reports, in which case, the reports need not be delivered to the Rating Agency or Rating Agencies which waived the requirement) setting forth, as of the last day of the related Monthly Period, the number of Accounts which were with Obligors that had addresses located outside the United States and its territories, and the amount of Principal Receivables in such Accounts; provided that the foregoing report shall not be required if the number of such Accounts is less than 1.0% of all Accounts and the amount of Principal Receivables in such Accounts is less than 1.0% of all Principal Receivables, in each case as of the end of such Monthly Period.

ARTICLE FOUR

OTHER TRANSFEROR MATTERS

Section 4.01. Liability of each Transferor. Each Transferor shall be severally, and not jointly, liable for all obligations, covenants, representations and warranties of such Transferor arising under or related to this Agreement. Each Transferor shall be liable only to the extent of the obligations specifically undertaken by it in its capacity as a Transferor.

Section 4.02. Merger or Consolidation of, or Assumption of the Obligations of, a Transferor.

(a) No Transferor shall dissolve, liquidate, consolidate with or merge into any other corporation or convey, transfer or sell its properties and assets substantially as an entirety to any Person unless:

(i) (A) the entity formed by such consolidation or into which such Transferor is merged or the Person which acquires by conveyance, transfer or sale the properties and assets of the Transferor substantially as an entirety shall be, if such Transferor is not the surviving entity, organized and existing under the laws of the United States or any State, and shall be a depository institution or other entity which is not eligible to be a debtor in a case under Title 11 of the United States Code or is a special purpose entity whose powers and activities are limited to substantially the same degree as provided in the certificate of formation of the Transferor, and, if such Transferor is not the surviving entity, shall expressly assume, by an agreement supplemental hereto, executed and delivered to the Trust and the Indenture Trustee, in form reasonably satisfactory to the Trust and the Indenture Trustee, the performance of every covenant and obligation of such Transferor hereunder, and (B) such Transferor or the surviving entity, as the case may be, has delivered to the Owner Trustee and the Indenture Trustee (with a copy to each Rating Agency) an Officer's Certificate and an Opinion of Counsel each stating that such consolidation, merger, conveyance, transfer or sale and such supplemental agreement comply with this Section, that such supplemental agreement is a valid and binding obligation of such surviving entity enforceable against such surviving entity in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally from time to time in effect or general principles of equity, and that all conditions precedent herein provided for relating to such transaction have been complied with;

(ii) the Rating Agency Condition shall have been satisfied with respect to such consolidation, merger, conveyance or transfer; and

(iii) the relevant Transferor shall have delivered to the Trust, the Indenture Trustee and each Rating Agency a Tax Opinion, dated the date of such consolidation, merger, conveyance or transfer, with respect thereto.

(b) Except as permitted by Section 2.07(c), the obligations, rights or any part thereof of each Transferor hereunder shall not be assignable nor shall any Person succeed to such obligations or rights of any Transferor hereunder except for conveyances, mergers, consolidations, assumptions, sales or transfers (i) in accordance with the provisions of the foregoing paragraph and (ii) to other entities (A) which such Transferor and the Servicer determine will not result in an Adverse Effect, (B) which meet the requirements of Section 4.02(a)(ii) and (a)(iii) and (C) for which the related purchaser, transferee, pledgee or entity shall expressly assume, in an agreement supplemental hereto, executed and delivered to the Trust and the Indenture Trustee in writing in form satisfactory to the Trust and the Indenture Trustee, the performance of every covenant and obligation of such Transferor thereby conveyed.

Section 4.03. Limitations on Liability of Each Transferor. Subject to Section 4.01, no Transferor nor any of its directors, officers, employees, incorporators or agents acting in such capacities shall be under any liability to the Trust, either Trustee, the Noteholders, any Series Enhancer or any other Person for any action taken, or for refraining from the taking of any action, in good faith in such capacities pursuant to this Agreement, it being expressly understood that such liability is expressly waived and released as a condition of, and consideration for, the execution of this Agreement, the Master Indenture and any Indenture Supplement and the issuance of the Notes; provided, however, that this provision shall not protect any Transferor or any such individual against any liability which would otherwise be imposed by reason of willful misfeasance, bad faith or gross negligence in the performance of duties or by reason of reckless disregard of obligations and duties hereunder. Each Transferor and any director, officer, employee or agent of such Transferor may rely in good faith on any document of any kind prima facie properly executed and submitted by any Person (other than such Transferor) respecting any matters arising hereunder.

ARTICLE FIVE

OTHER MATTERS RELATING TO THE SERVICER

Section 5.01. Liability of the Servicer. The Servicer shall be liable under this Article only to the extent of the obligations specifically undertaken by the Servicer in its capacity as Servicer.

Section 5.02. Merger or Consolidation of, or Assumption of the Obligations of, the Servicer. The Servicer shall not consolidate with or merge into any other corporation or convey, transfer or sell its properties and assets substantially as an entirety to any Person, unless:

(a) (i) the entity formed by such consolidation or into which the Servicer is merged or the Person which acquires by conveyance, transfer or sale the properties and assets of the Servicer substantially in their entirety shall be, if the Servicer is not the surviving entity, a corporation or a depository institution organized and existing under the laws of the United States or any State, and, if the Servicer is not the surviving entity, such corporation shall expressly assume, by an agreement supplemental hereto, executed and delivered to the Trust, Owner Trustee and the Indenture Trustee, in form satisfactory to the Trust, Owner Trustee and the Indenture Trustee, the performance of every covenant and obligation of the Servicer hereunder;

(ii) the Servicer has delivered to the Trust, Owner Trustee and the Indenture Trustee an Officer's Certificate and an Opinion of Counsel each stating that such consolidation, merger, conveyance, transfer or sale comply with this Section and that all conditions precedent herein provided for relating to such transaction are in compliance;

(iii) the Rating Agency Condition shall have been satisfied with respect to such consolidation, merger or transfer or assets; and

(b) the corporation formed by such consolidation or into which the Servicer is merged or the Person which acquires by conveyance or transfer the properties and assets of the Servicer substantially in their entirety shall be an Eligible Servicer.

Section 5.03. Limitation on Liability of the Servicer and Others. Except as provided in Section 3.01(e) and Section 5.04, neither the Servicer nor any of its directors, officers, employees or agents shall be under any liability to the Trust, either Trustee, the Noteholders, any Series Enhancer or any other Person for any action taken, or for refraining from the taking of any action, in good faith in its capacity as Servicer pursuant to this Agreement; provided, however, that this provision shall not protect the Servicer or any such Person against any liability which would otherwise be imposed by reason of willful misfeasance, bad faith or gross negligence in the performance of duties or by reason of reckless disregard of obligations and duties hereunder. The Servicer and any director, officer, employee or agent of the Servicer may rely in good faith on any document of any kind prima facie properly executed and submitted by any Person (other than the Servicer) respecting any matters arising hereunder. The Servicer shall not be under any obligation to appear in, prosecute or defend any legal action which is not incidental to its duties as Servicer in accordance with this Agreement and which in its reasonable judgment may involve it in any expense or liability. The Servicer may, in its sole discretion, undertake any such legal action which it may deem necessary or desirable for the benefit of the Noteholders with respect to this Agreement and the rights and duties of the parties hereto and the interests of the Noteholders hereunder.

Section 5.04. Servicer Indemnification of the Trust and the Trustees. The Servicer shall indemnify and hold harmless each of the Trust, the Owner Trustee (as such and in its individual capacity), the Indenture Trustee and any trustees predecessor thereto (including the Indenture Trustee in its capacity as Transfer Agent and Registrar or as Paying Agent) and their respective directors, officers, employees and agents from and against any and all loss, liability, claim, expense or damage suffered or sustained by reason of (i) any acts or omissions of the Servicer with respect to the Trust pursuant to this Agreement or (ii) the administration by the Owner Trustee or the Indenture Trustee of the Trust or the performance by the Indenture Trustee of its duties under the Indenture (other than such as may arise from the gross negligence or willful misconduct of the Owner Trustee or the negligence or willful misconduct of the Indenture Trustee, as applicable), including any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses incurred in connection with the defense of any action, proceeding or claim. Indemnification pursuant to this Section shall not be payable from the Trust Assets. The Servicer's obligations under this Section shall survive the termination of this Agreement or the Trust or the earlier removal or resignation of the Owner Trustee or the Indenture Trustee, as applicable. The Servicer agrees that the Indenture Trustee is a third party beneficiary of this Section and is entitled to enforce the provisions hereof for the benefit of the Trust and in its individual capacity.

Section 5.05. Resignation of the Servicer. The Servicer shall not resign from the obligations and duties hereby imposed on it except (i) upon determination that (a) the performance of its duties hereunder is no longer permissible under applicable law and (b) there is no reasonable action which the Servicer could take to make the performance of its duties hereunder permissible under applicable law and (ii) upon the assumption, by a supplemental agreement hereto, executed and delivered to the Trustees, in form satisfactory to each Trustee, of the obligations and duties of the Servicer hereunder by any of its Affiliates that is a direct or indirect wholly owned subsidiary of Nordstrom, Inc. or by any entity the appointment of which shall have satisfied the Rating Agency Condition and, in either case, qualifies as an Eligible Servicer. Any determination permitting the resignation of the Servicer shall be evidenced as to clause (i) above by an Opinion of Counsel to such effect delivered to the Trust, the Owner Trustee and the Indenture Trustee. No resignation shall become effective until the Indenture Trustee or a Successor Servicer shall have assumed the responsibilities and obligations of the Servicer in accordance with Section 7.02. If within 120 days of the date of the determination that the Servicer may no longer act as Servicer under clause (i) above the Indenture Trustee is unable to appoint a Successor Servicer, the Indenture Trustee shall serve as Successor Servicer. Notwithstanding the foregoing, the Indenture Trustee shall, if it is legally unable so to act, petition a court of competent jurisdiction to appoint any established institution qualifying as an Eligible Servicer as the Successor Servicer hereunder. The Trust shall give prompt notice to each Rating Agency and each Series Enhancer upon the appointment of a Successor Servicer. Notwithstanding anything in this Agreement to the contrary, Nordstrom fsb may assign part or all of its obligations and duties as Servicer under this Agreement to an Affiliate of Nordstrom fsb so long as Nordstrom fsb shall have fully guaranteed the performance of such obligations and duties under this Agreement.

Section 5.06. Access to Certain Documentation and Information Regarding the Receivables. The Servicer shall provide to the Owner Trustee or the Indenture Trustee, as applicable, access to the documentation regarding the Accounts and the Receivables in such cases where the Owner Trustee or the Indenture Trustee, as applicable, is required in connection with the enforcement of the rights of Noteholders or by applicable statutes or regulations to review such documentation, such access being afforded without charge but only (i) upon reasonable request, (ii) during normal business hours, (iii) subject to the Servicer's normal security and confidentiality procedures and (iv) at reasonably accessible offices in the continental United States designated by the Servicer. Nothing in this Section shall derogate from the obligation of the Transferor, the Owner Trustee, the Indenture Trustee and the Servicer to observe any applicable law prohibiting disclosure of information regarding the Obligors and the failure of the Servicer to provide access as provided in this Section as a result of such obligation shall not constitute a breach of this Section.

Section 5.07. Delegation of Duties. In the ordinary course of business, the Servicer may at any time delegate its duties hereunder with respect to the Accounts and the Receivables to any Person that agrees to conduct such duties in accordance with the Credit Card Guidelines and this Agreement. The Servicer shall promptly give notice to each Rating Agency of any delegation of duties hereunder. Such delegation shall not relieve the Servicer of its liability and responsibility with respect to such duties, and shall not constitute a resignation within the meaning of Section 5.05.

Section 5.08. Examination of Records. Each Transferor and the Servicer shall indicate generally in their computer files or other records that the Receivables arising in the Accounts have been conveyed to the Trust, pursuant to this Agreement. Each Transferor and the Servicer shall, prior to the sale or transfer to a third party of any Receivable held in its custody, examine its computer records and other records to determine that such receivable is not, and does not include, a Receivable.

ARTICLE SIX

INSOLVENCY EVENTS

Section 6.01. Rights upon the Occurrence of an Insolvency Event. If any Transferor shall consent or fail to object to the appointment of a bankruptcy trustee or conservator, receiver or liquidator in any bankruptcy proceeding or other insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to any Transferor or relating to all or substantially all of such Transferor's property, or the commencement of an action seeking a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a bankruptcy trustee or conservator, receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up, insolvency, bankruptcy, reorganization, conservatorship, receivership or liquidation of such entity's affairs, or notwithstanding an objection by such Transferor any such action shall have remained undischarged or unstayed for a period of 60 days or upon entry of any order or decree providing for such relief; or such Transferor shall admit in writing its inability to pay its debts generally as they become due, file, or consent or fail to object (or object without dismissal of any such filing within 60 days of such filing) to the filing of, a petition to take advantage of any Debtor Relief Law, make an assignment for the benefit of its creditors or voluntarily suspend payment of its obligations; or any order or decree providing for relief under any Debtor Relief Law shall be entered (any such act or occurrence with respect to any Person being an "Insolvency Event"), such Transferor shall, on the related Appointment Date, immediately cease to transfer Principal Receivables to the Trust and shall promptly give notice to each Rating Agency and the Trustees thereof. Notwithstanding any cessation of the transfer to the Trust of additional Principal Receivables, Principal Receivables transferred to the Trust prior to the occurrence of such Insolvency Event, Collections in respect of such Principal Receivables and Finance Charge Receivables (whenever created) accrued in respect of such Principal Receivables shall continue to be a part of the Trust Assets and shall be allocated and distributed to Noteholders in accordance with the terms of the Master Indenture and each Indenture Supplement.

ARTICLE SEVEN

SERVICER DEFAULTS

Section 7.01. Servicer Defaults.

(a) If any one of the following events (a "Servicer Default") shall occur and be continuing:

(i) any failure by the Servicer to make any payment, transfer or deposit or to give instructions or to give notice to the Indenture Trustee to make such payment, transfer or deposit on or before the date occurring five Business Days after the date such payment, transfer or deposit or such instruction or notice is required to be made or given, as the case may be, under the terms of this Agreement, the Master Indenture or any related Indenture Supplement;

(ii) failure on the part of the Servicer duly to observe or perform in any material respect any other covenants or agreements of the Servicer set forth in this Agreement which has an Adverse Effect and which continues unremedied for a period of 60 days after the date on which notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by the Owner Trustee or the Indenture Trustee, or to the Servicer, the Owner Trustee and the Indenture Trustee by Holders of Notes evidencing not less than 10% of the principal balance of the Outstanding Notes of all Series (or, with respect to any such failure that does not relate to all Series, 10% of the aggregate unpaid principal amount of all Series to which such failure relates);

(iii) or the Servicer shall assign or delegate its duties under this Agreement, except as permitted by Sections 5.02, 5.05 and 5.07;

(iv) any representation, warranty or certification made by the Servicer in this Agreement or in any certificate delivered pursuant to this Agreement shall prove to have been incorrect when made, which has an Adverse Effect on the rights of the Noteholders of any Series (which determination shall be made without regard to whether funds are then available pursuant to any Series Enhancement) and which Adverse Effect continues for a period of 60 days after the date on which notice thereof, requiring the same to be remedied, shall have been given to the Servicer by the Owner Trustee or the Indenture Trustee, or to the Servicer, the Owner Trustee and the Indenture Trustee by the Holders of Notes evidencing not less than 10% of the principal balance of the Outstanding Notes of all Series (or, with respect to any such representation, warranty or certification that does not relate to all Series, 10% of the aggregate unpaid principal amount of all Series to which such representation, warranty or certification relates);

(v) the Servicer shall consent to the appointment of a bankruptcy trustee or conservator or receiver or liquidator in any bankruptcy proceeding or other insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to the Servicer or of or relating to all or substantially all its property, or a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a bankruptcy trustee or a conservator or receiver or liquidator in any bankruptcy, insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or the winding-up or liquidation of its affairs, shall have been entered against the Servicer and such decree or order shall have remained in force undischarged or unstayed for a period of 60 days; or the Servicer shall admit in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any Debtor Relief Law; or

(vi) with respect to a particular Series of Notes, any other Servicer Default described in the related Indenture Supplement.

Notwithstanding the foregoing, a delay in or failure of performance referred to in Section 7.01(a)(i) for a period of ten Business Days after the applicable grace period or under Section 7.01(a)(ii) or (a)(iii) for a period of 60 Business Days after the applicable grace period, shall not constitute a Servicer Default if such delay or failure could not be prevented by the exercise of reasonable diligence by the Servicer and such delay or failure was caused by an act of God or the public enemy, acts of declared or undeclared war, public disorder, rebellion or sabotage, epidemics, landslides, lightning, fire, hurricanes, earthquakes, floods or similar causes. The preceding sentence shall not relieve the Servicer from using all commercially reasonable efforts to perform its obligations in a timely manner in accordance with the terms of this Agreement and the Servicer shall provide the Trustees, each Transferor and any Series Enhancer with an Officer's Certificate giving prompt notice of such failure or delay by it, together with a description of its efforts so to perform its obligations.

(b) Upon the occurrence of a Servicer Default, so long as the Servicer Default shall not have been remedied, either the Indenture Trustee or the Holders of Notes evidencing more than 50% of the principal balance of the Outstanding Notes of all Series (or, with respect to any such Servicer Default that does not relate to all Series, 50% of the principal balance of the Outstanding Notes of all Series to which such Servicer Default relates), by notice then given to the Servicer and the Owner Trustee (and to the Indenture Trustee if given by the Noteholders) (a "Termination Notice"), may terminate all but not less than all the rights and obligations of the Servicer as Servicer under this Agreement with respect to all Notes or the Notes of one or more affected Series; provided, however, if within 60 days of receipt of a Termination Notice the Indenture Trustee does not receive any bids from Eligible Servicers in accordance with Section 7.02(c) to act as a Successor Servicer and receives an Officer's Certificate of the Servicer to the effect that the Servicer cannot in good faith cure the Servicer Default which gave rise to the Termination Notice, the Indenture Trustee shall grant a right of first refusal to the Transferor which would permit the Transferor at its option to acquire the Notes on the Distribution Date in the next calendar month.

The price for the Notes shall be equal to the sum of the amounts specified therefor with respect to each outstanding Series in the related Indenture Supplement. The Transferor shall notify the Indenture Trustee prior to the Record Date for the Distribution Date of the acquisition if it is exercising such right of first refusal. If the Transferor exercises such right of first refusal, the Transferor shall deposit the price into the Collection Account not later than 1:00 p.m., New York City time, on such Distribution Date in immediately available funds. The price shall be allocated and distributed to Noteholders in accordance with the terms of the Master Indenture and each Indenture Supplement.

After receipt by the Servicer of a Termination Notice, and on the date that a Successor Servicer is appointed by the Indenture Trustee pursuant to Section 7.02, all authority and power of the Servicer under this Agreement with respect to all Notes or the Notes of one or more affected Series shall pass to and be vested in the Successor Servicer (each, a "Service Transfer"); and, without limitation, the Indenture Trustee is hereby authorized and empowered (upon the failure of the Servicer to cooperate) to execute and deliver, on behalf of the Servicer, as attorney-in-fact or otherwise, all documents and other instruments upon the failure of the Servicer to execute or deliver such documents or instruments, and to do and accomplish all other acts or things necessary or appropriate to effect the purposes of such Service Transfer. The Servicer agrees to cooperate with the Indenture Trustee and such Successor Servicer in effecting the termination of the responsibilities and rights of the Servicer to conduct servicing hereunder, including the transfer to such Successor Servicer of all authority of the Servicer to service the Receivables provided for under this Agreement, including all authority over all Collections which shall on the date of transfer be held by the Servicer for deposit, or which have been deposited by the Servicer, in the Collection Account, or which shall thereafter be received with respect to the Receivables, and in assisting the Successor Servicer. The Servicer shall within 20 Business Days transfer its electronic records relating to the Receivables to the Successor Servicer in such electronic form as the Successor Servicer may reasonably request and shall promptly transfer to the Successor Servicer all other records, correspondence and documents necessary for the continued servicing of the Receivables in the manner and at such times as the Successor Servicer shall reasonably request. To the extent that compliance with this Section shall require the Servicer to disclose to the Successor Servicer information of any kind which the Servicer deems to be confidential, the Successor Servicer shall be required to enter into such customary licensing and confidentiality agreements as the Servicer shall deem reasonably necessary to protect its interests.

Section 7.02. Indenture Trustee To Act; Appointment of Successor.

(a) On and after the receipt by the Servicer of a Termination Notice pursuant to Section 7.01, the Servicer shall continue to perform all servicing functions under this Agreement until the date specified in the Termination Notice or otherwise specified by the Indenture Trustee or until a date mutually agreed upon by the Servicer and the Indenture Trustee. The Indenture Trustee shall as promptly as possible after the giving of a Termination Notice notify each Rating Agency of such Termination Notice and appoint an Eligible Servicer as a successor servicer (each, a "Successor Servicer"), and such Successor Servicer shall accept its appointment by a written assumption in a form acceptable to the Indenture Trustee. In the event that a Successor Servicer has not been appointed or has not accepted its appointment at the time when the Servicer ceases to act as Servicer, the Indenture Trustee without further action shall automatically be appointed the Successor Servicer. The Indenture Trustee may delegate any of its servicing obligations to an Affiliate or agent in accordance with Sections 3.01(b) and 5.07. Notwithstanding the foregoing, the Indenture Trustee shall, if it is legally unable so to act, petition at the expense of the Servicer a court of competent jurisdiction to appoint any established institution qualifying as an Eligible Servicer as the Successor Servicer hereunder. The Indenture Trustee shall give prompt notice to each Rating Agency and each Series Enhancer upon the appointment of a Successor Servicer.

(b) Upon its appointment, the Successor Servicer shall be the successor in all respects to the Servicer with respect to servicing functions under this Agreement and shall be subject to all the responsibilities, duties and liabilities relating thereto placed on the Servicer by the terms and provisions hereof, and all references in this Agreement to the Servicer shall be deemed to refer to the Successor Servicer.

Notwithstanding the foregoing obligations, the Successor Servicer, Wells Fargo, its successors or assigns, shall have (i) no liability with respect to any obligation which was required to be performed by the terminated Servicer prior to the date that the Successor Servicer becomes the Servicer or any claim of a third party based on any alleged action or inaction of the terminated Servicer, (ii) no obligation to perform any repurchase obligations, if any, of the Servicer pursuant to Section 3.03(b), (iii) no obligations of the Servicer in accordance with the Credit Card Guidelines, (iv) no obligations to maintain fidelity bond coverage pursuant to Section 3.01(f) and (v) no liability or obligation with respect to any Servicer indemnification obligations of any prior Servicer, including the original Servicer.

(c) In connection with any Termination Notice, the Indenture Trustee will review any bids which it obtains from Eligible Servicers and shall be permitted to appoint any Eligible Servicer submitting such a bid as a Successor Servicer for servicing compensation not in excess of the aggregate Servicing Fees for all Series plus the sum of the amounts with respect to each Series and with respect to each Distribution Date equal to any Collections of Finance Charge Receivables allocable to Noteholders of such Series which are payable to the Holders of the Transferor Certificates after payment of all amounts owing to the Noteholders of such Series with respect to such Distribution Date or required to be deposited in the applicable Series Accounts with respect to such Distribution Date and any amounts required to be paid to any Series Enhancer for such Series with respect to such Distribution Date pursuant to the terms of any Enhancement Agreement; provided, however, that the Certificateholders shall be responsible for payment of the Transferor's portion of such aggregate Servicing Fees and all other such amounts in excess of such aggregate Servicing Fees. Each Certificateholder agrees that, if Nordstrom fsb (or any Successor Servicer) is terminated as Servicer hereunder, the portion of the Collections in respect of Finance Charge Receivables that the Transferor is entitled to receive pursuant to this Agreement, the Master Indenture or any Indenture Supplement shall be reduced by an amount sufficient to pay the Transferor's share of the compensation of the Successor Servicer.

(d) All authority and power granted to the Servicer under this Agreement shall automatically cease and terminate upon termination of the Trust pursuant to Section 8.01 of the Trust Agreement, and shall pass to and be vested in the Transferor and, without limitation, the Transferor is hereby authorized and empowered to execute and deliver, on behalf of the Servicer, as attorney-in-fact or otherwise, all documents and other instruments, and to do and accomplish all other acts or things necessary or appropriate to effect the purposes of such transfer of servicing rights. The Servicer agrees to cooperate with the Transferor in effecting the termination of the responsibilities and rights of the Servicer to conduct servicing of the Receivables. The Servicer shall transfer its electronic records relating to the Receivables to the Transferor or its designee in such electronic form as it may reasonably request and shall transfer all other records, correspondence and documents to it in the manner and at such times as it shall reasonably request. To the extent that compliance with this Section shall require the Servicer to disclose to the Transferor information of any kind which the Servicer deems to be confidential, the Transferor shall be required to enter into such customary licensing and confidentiality agreements as the Servicer shall deem necessary to protect its interests.

(e) The Successor Servicer will make arrangements with the Servicer for the prompt and safe transfer of, and the Servicer shall provide to the Successor Servicer, all necessary servicing files and records, including (as deemed necessary by the Successor Servicer at such time): (i) microfiche loan documentation, (ii) servicing system tapes, (iii) contract payment history, (iv) collections history and (v) the trial balances, as of the close of business on the day immediately preceding conversion to the Successor Servicer, reflecting all applicable contract information. The current Servicer shall be obligated to pay the costs associated with the transfer of the servicing files and records to the Successor Servicer, including costs of the Indenture Trustee related to the servicing transfer if the Indenture Trustee is the Successor Servicer.

(f) Notwithstanding anything contained in the Transfer and Servicing Agreement to the contrary, Wells Fargo, as Successor Servicer, is authorized to accept and rely on all of the accounting records (including computer records) and work of the prior Servicer relating to the Receivables without any audit or other examination thereof, and it shall have no duty, responsibility, obligation or liability for the acts and omissions of the prior Servicer. If any error, inaccuracy, omission or incorrect or non-standard practice or procedure make it materially more difficult to service or should cause or materially contribute to Wells Fargo making or continuing any continued errors, it shall have no duty, responsibility, obligation or liability to perform servicing for such continued errors; provided, however, that Wells Fargo agrees to use its best efforts to prevent further continued errors. In the event that Wells Fargo becomes aware of such errors or continued errors, it shall, with the prior consent of the Noteholders representing 66-2/3% of the outstanding Series of Notes, use its best efforts to reconstruct and reconcile such data as is commercially reasonable to correct such errors and continued errors and to prevent future continued errors. Wells Fargo shall be entitled to recover its costs thereby expended in accordance with Section 4.03(a) of the applicable Indenture or similar section; provided, that, this sentence shall in no way limit or alter the liability of any Successor Servicer under Section 5.04 of this Agreement.

(g) If the Indenture Trustee or any other Successor Servicer assumes the role of Successor Servicer hereunder, such Successor Servicer shall be entitled to the benefits of (and subject to the provisions of) Section 5.07 concerning delegation of duties to subservicers.

Section 7.03. Notification to Noteholders. Within two Business Days after the Servicer becomes aware of any Servicer Default, the Servicer shall give notice thereof to the Trustees, each Rating Agency and each Series Enhancer and the Indenture Trustee shall give notice to the Noteholders. Upon any termination or appointment of a Successor Servicer pursuant to this Article, the Indenture Trustee shall give prompt notice thereof to the Noteholders.

ARTICLE EIGHT

TERMINATION

Section 8.01. Termination of Agreement. This Agreement and the respective obligations and responsibilities of the parties hereto shall terminate, except with respect to the duties described in Section 5.04, Section 7.02(d) and Section 9.16 on the Trust Termination Date.

ARTICLE NINE

MISCELLANEOUS PROVISIONS

Section 9.01. Amendment; Waiver of Past Defaults.

(a) This Agreement may be amended by the parties hereto from time to time prior to, or in connection with, the issuance of the first Series of Notes hereunder without the requirement of any consents or the satisfaction of any conditions set forth below. This Agreement may be amended from time to time by the Servicer, the Transferor, the Indenture Trustee and the Trust, by a written instrument signed by each of them, without the consent of the Noteholders, provided that (i) the Transferor shall have delivered to the Trustees an Officer's Certificate, dated the date of any such amendment, stating that the Transferor reasonably believes that such amendment will not have an Adverse Effect and the proposed amendment meets the requirements set forth in this Section, (ii) such amendment does not affect the rights, duties or obligations of the Servicer or either Trustee hereunder and (iii) the Rating Agency Condition shall have been satisfied with respect to any such amendment. Additionally, this Agreement may be amended from time to time (including in connection with the issuance of a Supplement Certificate, the designation of Supplemental Accounts under Sections 2.09(a)(i) and 2.09(b), the designation of an Additional Transferor by the Servicer, the Indenture Trustee and the Trust at the direction of the Transferor without the consent of any of the Noteholders or Series Enhancers to add, modify or eliminate such provisions as may be necessary or advisable in order to enable all or a portion of the Trust to avoid the imposition of State or local income or franchise taxes imposed on the Trust's property or its income; provided, however, that (A) the Transferor delivers to the Trustees an Officer's Certificate to the effect that the proposed amendments meet the requirements set forth in this Section, (B) the Rating Agency Condition hereunder shall have been satisfied with respect to any such amendment and (C) such amendment does not affect the rights, duties or obligations of the Servicer or either Trustee. The amendments which the Transferor may make without the consent of Noteholders or Series Enhancers pursuant to the preceding sentence may include the addition of Receivables.

(b) This Agreement may also be amended from time to time by the parties hereto, with the consent of the Noteholders evidencing not less than 66-2/3% of the principal balance of the Outstanding Notes of all affected Series for which the Transferor has not delivered an Officer's Certificate stating that there is no Adverse Effect, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement or of modifying in any manner the rights of the Noteholders; provided, however, that such amendment shall satisfy the Rating Agency Condition and shall not (i) reduce in any manner the amount of or delay the timing of any distributions (changes in Pay Out Events or Events of Default that decrease the likelihood of the occurrence thereof shall not be considered delays in the timing of distributions for purposes of this clause) to be made to Noteholders or deposits of amounts to be so distributed or the amount available under any Series Enhancement without the consent of each affected Noteholder, (ii) change the definition of or the manner of calculating the interest of any Noteholder without the consent of each affected Noteholder, (iii) reduce the aforesaid percentage required to consent to any such amendment without the consent of each Noteholder or (iv) change in any material respect the permitted activities of the Trust or the Servicer.

(c) Promptly after the execution of any such amendment or consent (other than an amendment pursuant to Section 9.01(a)), the Servicer shall furnish notification of the substance of such amendment to the Indenture Trustee, each Noteholder, each Rating Agency and each Series Enhancer.

(d) It shall not be necessary for the consent of Noteholders under this Section to approve the particular form of any proposed amendment, but it shall be sufficient if such consent shall approve the substance thereof. The manner of obtaining such consents and of evidencing the authorization of the execution thereof by Noteholders shall be subject to such reasonable requirements as the Indenture Trustee may prescribe.

(e) Notwithstanding anything in this Section to the contrary, no amendment may be made to this Agreement which would adversely affect in any material respect the interests of any Series Enhancer without the consent of such Series Enhancer.

(f) Any Indenture Supplement executed in accordance with the provisions of Article Ten of the Master Indenture shall not be considered an amendment of this Agreement for the purposes of this Section.

(g) The Owner Trustee and the Indenture Trustee may, but shall not be obligated to, enter into any such amendment which affects the Owner Trustee's or the Indenture Trustee's rights, duties, benefits, protections, privileges or immunities under this Agreement or otherwise. In connection with the execution of any amendment hereunder, the Owner Trustee and the Indenture Trustee shall be entitled to receive the Opinion of Counsel described in Section 9.02(d).

The Holders of Notes evidencing more than 66-2/3% of the principal balance of the Outstanding Notes of all Series or, with respect to any Series with two or more Classes, of each Class (or, with respect to any default that does not relate to all Series, 66-2/3% of the principal balance of the Outstanding Notes of each Series to which such default relates or, with respect to any such Series with two or more Classes, of each Class) may, on behalf of all Noteholders, waive any default by the Transferor or the Servicer in the performance of their obligations hereunder and its consequences, except the failure to make any distributions required to be made to Noteholders or to make any required deposits of any amounts to be so distributed. Upon any such waiver of a past default, such default shall cease to exist, and any default arising therefrom shall be deemed to have been remedied for every purpose of this Agreement. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon except to the extent expressly so waived. Promptly after any such waiver of a past default, the Servicer shall furnish notification of the substance of such waiver to each Rating Agency.

Section 9.02. Protection of Right, Title and Interest to Trust Assets.

(a) The Transferor shall cause this Agreement, all amendments and supplements hereto and all financing statements and continuation statements and any other necessary documents covering the Indenture Trustee's and the Trust's right, title and interest to the Trust Assets to be promptly recorded, registered and filed, and at all times to be kept recorded, registered and filed, all in such manner and in such places as may be required by law fully to preserve and protect the right, title and interest of the Indenture Trustee, Noteholders and the Trust hereunder to all property comprising the Trust Assets. The Transferor shall deliver to the Owner Trustee and Indenture Trustee file-stamped copies of, or filing receipts for, any document recorded, registered or filed as provided above, as soon as available following such recording, registration or filing. The Transferor shall cooperate fully with the Servicer in connection with the obligations set forth above and will execute any and all documents reasonably required to fulfill the intent of this paragraph.

(b) Within 30 days after any Transferor makes any change in its name, identity or corporate structure which would make any financing statement or continuation statement filed in accordance with Section 9.03(a) seriously misleading within the meaning of Section 9-506 (or any comparable provision) of the UCC, such Transferor shall give the Trustees notice of any such change and shall file such financing statements or amendments as may be necessary to continue the perfection of the Trust's security interest or ownership interest in the Receivables and the proceeds thereof.

(c) Each Transferor shall give the Trustees prompt notice of any relocation of its chief executive office or any change in the jurisdiction under whose laws it is organized and whether, as a result of such relocation or change, the applicable provisions of the UCC would require the filing of any amendment of any previously filed financing or continuation statement or of any new financing statement and shall file such financing statements or amendments as may be necessary to perfect or to continue the perfection of the Trust's security interest in the Receivables and the proceeds thereof. Each Transferor shall at all times maintain its chief executive offices within the United States and shall at all times be organized under the laws of a jurisdiction located within the United States.

(d) The Transferor shall deliver to the Trustees and each Rating Agency (i) upon the execution and delivery of each amendment of this Agreement, an Opinion of Counsel to the effect specified in Exhibit D-1, (ii) on each date specified in Section 2.09(c)(vi) with respect to any Additional Accounts to be designated as Accounts, an Opinion of Counsel substantially in the form of Exhibit D-2, and (iii) on or before April 30 of each year, beginning with April 30, 2008, an Opinion of Counsel substantially in the form of Exhibit D-3.

Section 9.03. GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS CONFLICT OF LAWS PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 9.04. Notices; Payments.

(a) All Notices under this Agreement shall be in writing and shall be deemed to have been duly given if personally delivered at, mailed by registered mail, return receipt requested, or sent by facsimile transmission (i) in the case of the Transferor, to Nordstrom Credit Card Receivables II LLC, at 13531 East Caley Avenue, Centennial, Colorado 80111, Attention: Legal Department (facsimile no. (303) 397-4767), (ii) in the case of the Servicer, to Nordstrom fsb, at 13531 East Caley Avenue, Centennial, Colorado 80111, Attention: Legal Department (facsimile no. (303) 397-4767), (iii) in the case of the Trust or the Owner Trustee, to Owner Trustee, Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890-0001, Attention: Corporate Trust Administration (facsimile no. (302) 636-4140), (iv) in the case of the Indenture Trustee, to Wells Fargo Bank, National Association, 625 Marquette Avenue, MAC N9311-161, Minneapolis, Minnesota 55479, Attention: Corporate Trust, Asset Backed Securities (facsimile no. (617) 667-3464), (v) in the case of the Rating Agency for a particular Series, the address, if any, specified in the Indenture Supplement relating to such Series and (vi) to any other Person as specified in the Master Indenture or any Indenture Supplement; or, as to each party, at such other address or facsimile number as shall be designated by such party in a written notice to each other party.

(b) Any Notice required or permitted to be given to a Holder of Registered Notes shall be given by first-class mail, postage prepaid, at the address of such Holder as shown in the Note Register. No Notice shall be required to be mailed to a Holder of Bearer Notes or Coupons but shall be given as provided below. Any Notice so mailed within the time prescribed in this Agreement shall be conclusively presumed to have been duly given, whether or not the Noteholder receives such Notice. In addition, (i) if and so long as any Series or Class is listed on the Luxembourg Stock Exchange and such Exchange shall so require, any Notice to Noteholders shall be published in an Authorized Newspaper of general circulation in Luxembourg within the time period prescribed in this Agreement and (ii) in the case of any Series or Class with respect to which any Bearer Notes are outstanding, any Notice required or permitted to be given to Noteholders of such Series or Class shall be published in an Authorized Newspaper within the time period prescribed in this Agreement.

Section 9.05. Severability of Provisions. If any one or more of the covenants, agreements, provisions or terms of this Agreement shall for any reason whatsoever be held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions and terms of this Agreement and shall in no way affect the validity or enforceability of the remaining covenants, agreements, provisions or terms or of the Notes or the rights of the Noteholders or Note Owners.

Section 9.06. Further Assurances. The Transferor and the Servicer agree to do and perform, from time to time, any and all acts and to execute any and all further instruments required or reasonably requested by the Owner Trustee and the Indenture Trustee more fully to effect the purposes of this Agreement, including the execution of any financing statements or continuation statements relating to the Receivables for filing under the provisions of the UCC of any applicable jurisdiction.

Section 9.07. No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Trust, the Owner Trustee, the Indenture Trustee or the Noteholders, any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges provided under this Agreement are cumulative and not exhaustive of any rights, remedies, powers and privileges provided by law.

Section 9.08. Counterparts. This Agreement may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which together shall constitute one and the same instrument.

Section 9.09. Third-Party Beneficiaries. This Agreement will inure to the benefit of and be binding upon the parties hereto and inure to the benefit of the Owner Trustee, the Noteholders and their respective successors and permitted assigns. Except as otherwise expressly provided in this Agreement, no other Person will have any right or obligation hereunder.

Section 9.10. Actions by Noteholders.

(a) Wherever in this Agreement a provision is made that an action may be taken or a Notice given by Noteholders, such action or Notice may be taken or given by any Noteholder, unless such provision requires a specific percentage of Noteholders.

(b) Any Notice, request, authorization, direction, consent, waiver or other act by the Holder of a Note shall bind such Holder and every subsequent Holder of such Note and of any Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done or omitted to be done by the Owner Trustee, the Transferor or the Servicer in reliance thereon, whether or not notation of such action is made upon such Note.

Section 9.11. Rule 144A Information. For so long as any of the Notes of any Series or Class are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, each of the Transferor, the Trust, the Indenture Trustee, the Servicer and any Series Enhancer agree to cooperate with each other to provide to any Noteholders of such Series or Class and to any prospective purchaser of Notes designated by such Noteholder, upon the request of such Noteholder or prospective purchaser, any information in its possession required to be provided to such holder or prospective purchaser to satisfy the condition set forth in Rule 144A(d)(4) under the Securities Act.

Section 9.12. Merger and Integration. Except as specifically stated otherwise herein, this Agreement sets forth the entire understanding of the parties relating to the subject matter hereof, and all prior understandings, written or oral, are superseded by this Agreement.

Section 9.13. Headings. The headings herein are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof.

Section 9.14. Assignment. Notwithstanding anything to the contrary contained herein, except as provided in Section 5.02, this Agreement may not be assigned by the Servicer without the prior consent of Holders of Notes evidencing not less than 66-2/3% of the aggregate unpaid principal amount of all Series of Notes. The Servicer shall give the Rating Agencies prior written notice of any such assignment.

Section 9.15. Nonpetition Covenant.

(a) Notwithstanding any prior termination of this Agreement, the Servicer, the Owner Trustee (as such and in its individual capacity), the Indenture Trustee, the Seller and each Transferor shall not, prior to the date which is one year and one day after the termination of this Agreement, acquiesce, petition or otherwise invoke or cause the Trust to invoke the process of any Governmental Authority for the purpose of commencing or sustaining a case against the Trust under any Debtor Relief Law or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Trust or any substantial part of its property or ordering the winding-up or liquidation of the affairs of the Trust.

(b) Notwithstanding any prior termination of this Agreement, the Servicer, the Indenture Trustee, the Owner Trustee (as such and in its individual capacity), and the Issuer shall not, prior to the date which is one year and one day after the termination of this Agreement, acquiesce, petition or otherwise invoke or cause the Transferor to invoke the process of any Governmental Authority for the purpose of commencing or sustaining a case against the Transferor under any Debtor Relief Law or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Transferor or any substantial part of its property or ordering the winding-up or liquidation of the affairs of the Transferor.

Section 9.16. Limitation of Liability. Notwithstanding any other provision herein or elsewhere, this Agreement has been executed and delivered by the Owner Trustee, not in its individual capacity, but solely in its capacity as Owner Trustee of the Trust, in no event shall Owner Trustee in its individual capacity have any liability in respect of the representations, warranties, or obligations of the Trust hereunder or under any other document, as to all of which recourse shall be had solely to the assets of the Trust, and for all purposes of this Agreement and each other document, the Owner Trustee (as such or in its individual capacity) shall be subject to, and entitled to the benefits of, the terms and provisions of the Trust Agreement.

IN WITNESS WHEREOF, the Transferor, the Servicer, the Trust and the Indenture Trustee have caused this Amended and Restated Transfer and Servicing Agreement to be duly executed by their respective officers as of the day and year first above written.

NORDSTROM CREDIT CARD RECEIVABLES II LLC,
as Transferor

By: /s/ Marc A. Anacker
Marc A. Anacker
Treasurer

NORDSTROM fsb,
as Servicer

By: /s/ Kevin T. Knight
Kevin T. Knight
Chairman and CEO

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Issuer

By: WILMINGTON TRUST COMPANY,
not in its individual capacity
but solely as Owner Trustee

By: /s/ James Lawler
James Lawler
Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Indenture Trustee

By: /s/ Melissa Philibert
Melissa Philibert
Vice President

EXHIBIT A

FORM OF ASSIGNMENT OF RECEIVABLES IN SUPPLEMENTAL ACCOUNTS
(As required by Section 2.09(a)(i) and 2.09(b) of
the Amended and Restated Transfer and Servicing Agreement)

ASSIGNMENT No. ___OF RECEIVABLES IN ADDITIONAL ACCOUNTS dated as of ___,[1] among Nordstrom Credit Card Receivables II LLC, as transferor (the "Transferor"), Nordstrom fsb, as servicer (the "Servicer"), Nordstrom Credit Card Master Note Trust II (the "Trust") and Wells Fargo Bank, National Association, as Trustee (the "Indenture Trustee"), pursuant to the Amended and Restated Transfer and Servicing Agreement referred to below.

WITNESSETH

WHEREAS, the Transferor, the Servicer, the Trust and the Indenture Trustee are parties to the Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007 (as amended and supplemented, the "Agreement");

WHEREAS, pursuant to the Agreement, the Transferor wishes to designate Additional Accounts to be included as Accounts and to convey the Private Label Receivables (as defined in the Agreement) and/or the Participation Percentage (as defined in the Agreement) in the VISA® Receivables (as defined in the Agreement), as applicable of such Additional Accounts, whether now existing or hereafter created, to the Trust; and

WHEREAS, the Trust is willing to accept such designation and conveyance subject to the terms and conditions hereof.

NOW, THEREFORE, the Transferor, the Servicer, the Trust and the Indenture Trustee hereby agree as follows:

1. Defined Terms. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Transfer and Servicing Agreement.

"Addition Cut-Off Date" means, with respect to the Additional Accounts designated hereby, ___, ___.

"Addition Date" means, with respect to the Additional Accounts designated hereby, ___, ___.

2. Designation of Additional Accounts. On or before the date hereof, the Transferor will deliver to the Owner Trustee a computer file or microfiche list containing a true and complete schedule identifying all Additional Accounts designated hereby (the "Additional Accounts") specifying for each such Additional Account, as of the Addition Cut-Off Date, its account number and the aggregate amount outstanding in such Account, which computer file or microfiche list shall supplement Schedule 1 to the Agreement.

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[1] To be dated as of the applicable Addition Date.

3. Conveyance of Receivables.

(a) The Transferor does hereby transfer, assign, set over and otherwise convey, without recourse except as set forth in the Transfer and Servicing Agreement, to the Trust, all its right, title and interest in, to and under the Receivables of such Additional Accounts existing at the close of business on the Addition Cut-Off Date and thereafter created from time to time until the termination of the Trust, all Collections related thereto, all monies due or to become due and all amounts received or receivable with respect thereto and all proceeds (including "proceeds" as defined in the UCC) thereof. The foregoing does not constitute and is not intended to result in the creation or assumption by the Trust, the Owner Trustee (as such or in its individual capacity), the Indenture Trustee, any Noteholders or any Series Enhancer of any obligation of the Servicer, the Transferor or any other Person in connection with the Accounts, the Receivables or under any agreement or instrument relating thereto, including any obligation to Obligors, merchant banks, merchants clearance systems or insurers. If necessary, the Transferor agrees to record and file, at its own expense, financing statements (and continuation statements when applicable) with respect to the Receivables in Additional Accounts existing on the Addition Cut-Off Date and thereafter created meeting the requirements of applicable State law in such manner and in such jurisdictions as are necessary to perfect, and maintain perfection of, the sale and assignment of its interest in such Receivables to the Trust, and to deliver a file-stamped copy of each such financing statement or other evidence of such filing to the Owner Trustee on or prior to the Addition Date. The Owner Trustee shall be under no obligation whatsoever to file such financing or continuation statements or to make any other filing under the UCC in connection with such sale and assignment.

(b) In connection with such sale, the Transferor further agrees, at its own expense, on or prior to the date of this Assignment, to indicate in the appropriate computer files that Receivables created in connection with the Additional Accounts have been conveyed to the Trust pursuant to the Agreement and this Assignment.

(c) The Transferor does hereby grant to the Trust a security interest in all of its right, title and interest, whether now owned or hereafter acquired, in and to the Receivables in the Additional Accounts existing on the Addition Cut-Off Date and thereafter created from time to time until the termination of the Trust, all Collections related thereto, all monies due or to become due and all amounts received or receivable with respect thereto, all money, accounts, general intangibles, chattel paper, instruments, documents, goods, investment property, deposit accounts, certificates of deposit, letters of credit, and advices of credit consisting of, arising from or related to the foregoing, and all "proceeds" (including "proceeds" as defined in the UCC) thereof. This Assignment constitutes a security agreement under the UCC.

4. Acceptance by Trust. The Trust hereby acknowledges its acceptance of all right, title and interest to the property, now existing and hereafter created, conveyed to the Trust pursuant to Section 3 of this Assignment. The Trust further acknowledges that, prior to or simultaneously with the execution and delivery of this Assignment, the Transferor delivered to the Owner Trustee the computer file or microfiche list described in Section 2 of this Assignment.

5. Representations and Warranties of the Transferor. The Transferor hereby represents and warrants to the Trust, as the Addition Date that:

(a) Legal Valid and Binding Obligation. This Assignment constitutes a legal, valid and binding obligation of the Transferor enforceable against the Transferor in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity).

(b) Eligibility of Accounts. As of the Addition Cut-Off Date, each Additional Account designated hereby is an Eligible Account.

(c) Insolvency. As of each of the Addition Cut-Off Date and the Addition Date, no Insolvency Event with respect to the Transferor has occurred and the transfer by the Transferor of Receivables arising in the Additional Accounts to the Trust has not been made in contemplation of the occurrence thereof.

(d) Pay Out Event; Event of Default. The Transferor reasonably believes that (i) the transfer of the Receivables arising in the Additional Accounts will not, based on the facts known to the Transferor, then or thereafter cause a Pay Out Event or Event of Default to occur with respect to any Series and (ii) the Additional Accounts were randomly selected and no selection procedure was utilized by the Transferor which would result in the selection of Additional Accounts (from among the available Eligible Accounts available to the Transferor) that would be materially adverse to the interests of the Noteholders of any Series as of the Addition Date.

(e) Security Interest. This Assignment constitutes a valid sale, transfer and assignment to the Trust of all right, title and interest, whether owned on the Addition Cut-Off Date or thereafter acquired, of the Transferor in the Receivables existing on the Addition Cut-Off Date or thereafter created in the Additional Accounts, all Collections related thereto, all monies due or to become due and all amounts received or receivable with respect thereto and the "proceeds" (including "proceeds" as defined in the applicable UCC) thereof, or, if this Assignment does not constitute a sale of such property, it constitutes a grant of a "security interest" (as defined in the applicable UCC) in such property to the Trust, which, in the case of existing Receivables and the proceeds thereof, is enforceable upon execution and delivery of this Assignment, and which will be enforceable with respect to such Receivables hereafter created and the proceeds thereof upon such creation. Upon the filing of the financing statements described in Section 3 of this Assignment and, in the case of the Receivables hereafter created and the proceeds thereof, upon the creation thereof, the Trust shall have a first priority perfected security or ownership interest in such property.

(f) No Conflict. The execution and delivery by the Transferor of this Assignment, the performance of the transactions contemplated by this Assignment and the fulfillment of the terms hereof applicable to the Transferor, will not conflict with or violate any Requirements of Law applicable to the Transferor or conflict with, result in any breach of any of the material terms and provisions of, or constitute (with or without notice or lapse of time or both) a material default under, any indenture, contract, agreement, mortgage, deed of trust or other instrument to which the Transferor is a party or by which it or its properties are bound.

(g) No Proceedings. There are no proceedings or investigations, pending or, to the best knowledge of the Transferor, threatened against the Transferor before any court, regulatory body, administrative agency or other tribunal or governmental instrumentality (i) asserting the invalidity of this Assignment, (ii) seeking to prevent the consummation of any of the transactions contemplated by this Assignment, (iii) seeking any determination or ruling that, in the reasonable judgment of the Transferor, would materially and adversely affect the performance by the Transferor of its obligations under this Assignment or (iv) seeking any determination or ruling that would materially and adversely affect the validity or enforceability of this Assignment.

(h) All Consents. All authorizations, consents, orders or approvals of any court or other governmental authority required to be obtained by the Transferor in connection with the execution and delivery of this Assignment by the Transferor and the performance of the transactions contemplated by this Assignment by the Transferor, have been obtained.

6. Ratification of Agreement. As supplemented by this Assignment, the Agreement is in all respects ratified and confirmed and the Agreement as so supplemented by this Assignment shall be read, taken and construed as one and the same instrument.

7. Counterparts. This Assignment may be executed in two or more counterparts, and by different parties on separate counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

8. GOVERNING LAW. THIS ASSIGNMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS CONFLICT OF LAWS PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

9. Limitation of Liability. Notwithstanding any other provision herein or elsewhere, this Assignment has been executed and delivered by Wilmington Trust Company, not in its individual capacity, but solely in its capacity as Owner Trustee of the Trust, in no event shall Wilmington Trust Company in its individual capacity have any liability in respect of the representations, warranties or obligations of the Trust hereunder or under any other document, as to all of which recourse shall be had solely to the assets of the Trust and for all purposes of this Assignment and each other document, the Owner Trustee (as such or in its individual capacity) shall be subject to, and entitled to the benefits of, the terms and provisions of the Trust Agreement.

IN WITNESS WHEREOF, the Transferor, the Servicer, the Trust and the Indenture Trustee have caused this Assignment to be duly executed by their respective officers as of the day and year first above written.

NORDSTROM CREDIT CARD RECEIVABLES II LLC,
as Transferor

By: _____
Name:
Title:

NORDSTROM fsb,
as Servicer

By: _____
Name:
Title:

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Issuer

By: WILMINGTON TRUST COMPANY,
not in its individual capacity
but solely as Owner Trustee

By: _____
Name:
Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Indenture Trustee

By: _____
Name:
Title:

SCHEDULE 1

LIST OF ACCOUNTS

EXHIBIT B

FORM OF REASSIGNMENT OF RECEIVABLES IN REMOVED ACCOUNTS
(As required by Section 2.10 of
the Amended and Restated Transfer and Servicing Agreement)

REASSIGNMENT No. ___OF RECEIVABLES dated as of ___,[2] among Nordstrom Credit Card Receivables II LLC, as transferor (the "Transferor"), Nordstrom fsb, as Servicer (the "Servicer"), Nordstrom Credit Card Master Note Trust II (the "Trust") and Wells Fargo Bank, National Association, as Trustee (the "Indenture Trustee"), pursuant to the Amended and Restated Transfer and Servicing Agreement referred to below.

WITNESSETH:

WHEREAS the Transferor, the Servicer, the Trust and the Indenture Trustee are parties to the Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007 (as amended and supplemented, the "Agreement");

WHEREAS pursuant to the Agreement, the Transferor wishes to remove from the Trust all Receivables owned by the Trust in certain designated Accounts (the "Removed Accounts") and to cause the Trust to reconvey the Receivables of such Removed Accounts, whether now existing or hereafter created, from the Trust to the Transferor; and

WHEREAS the Trust is willing to accept such designation and to reconvey the Receivables in the Removed Accounts subject to the terms and conditions hereof.

NOW, THEREFORE, the Transferor, the Servicer, the Trust and the Indenture Trustee hereby agree as follows:

1. Defined Terms. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Transfer and Servicing Agreement.

"Removal Date" means, with respect to the Removed Accounts designated hereby, ___, ___

"Removal Notice Date" means, with respect to the Removed Accounts ___, ___

2. Designation of Removed Accounts. On or before the Removal Date, the Transferor will deliver to the Owner Trustee a computer file or microfiche list containing a true and complete schedule identifying all Accounts the Receivables of which are being removed from the Trust, specifying for each such Account, as of the Removal Notice Date, its account number and the aggregate amount outstanding in such Account, which computer file or microfiche list shall supplement Schedule 1 to the Agreement.

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[2] To be dated as of the Removal Date.

3. Conveyance of Receivables. The Trust does hereby transfer, assign, set over and otherwise convey to the Transferor, without recourse, all right, title and interest of the Trust in, to and under the Receivables existing at the close of business on the Removal Notice Date and thereafter created from time to time in the Removed Accounts designated hereby, all Interchange and Recoveries related thereto, all monies due or to become due and all amounts received or receivable with respect thereto and all proceeds thereof.

In connection with such transfer, the Trust agrees to execute and deliver to the Transferor on or prior to the date this Reassignment is delivered, applicable termination statements prepared by the Transferor with respect to the Receivables existing at the close of business on the Removal Date and thereafter created from time to time in the Removed Accounts reassigned hereby and the proceeds thereof evidencing the release by the Trust of its interest in the Receivables in the Removed Accounts, and meeting the requirements of applicable State law, in such manner and such jurisdictions as are necessary to terminate such interest.

4. Representations and Warranties of the Transferor. The Transferor hereby represents and warrants to the Trust as of the Removal Date:

(a) Legal Valid and Binding Obligation. This Reassignment constitutes a legal, valid and binding obligation of the Transferor enforceable against the Transferor, in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity).

(b) Pay Out Event; Event of Default. The Transferor reasonably believes that (i) the removal of the Receivables existing in the Removed Accounts will not, based on the facts known to the Transferor, then or thereafter cause a Pay Out Event or Event of Default to occur with respect to any Series and (ii) no selection procedure was utilized by the Transferor which would result in a selection of Removed Accounts that would be materially adverse to the interests of the Noteholders of any Series as of the Removal Date.

(c) List of Removed Accounts. The list of Removed Accounts delivered pursuant to Section 2.10(a)(ii) of the Agreement, as of the Removal Date, is true and complete in all material respects.

5. Ratification of Agreement. As supplemented by this Reassignment, the Agreement is in all respects ratified and confirmed and the Agreement as so supplemented by this Reassignment shall be read, taken and construed as one and the same instrument.

6. Counterparts. This Reassignment may be executed in two or more counterparts, and by different parties on separate counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

7. GOVERNING LAW. THIS REASSIGNMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS CONFLICT OF LAWS PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW) AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

8. Limitation of Liability. Notwithstanding any other provision herein or elsewhere, this Reassignment has been executed and delivered by Wilmington Trust Company, not in its individual capacity, but solely in its capacity as Owner Trustee of the Trust, in no event shall Wilmington Trust Company in its individual capacity have any liability in respect of the representations, warranties, or obligations of the Trust hereunder or under any other document, as to all of which recourse shall be had solely to the assets of the Trust, and for all purposes of this Reassignment and each other document, the Owner Trustee (as such or in its individual capacity) shall be subject to, and entitled to the benefits of, the terms and provisions of the Trust Agreement.

IN WITNESS WHEREOF, the Transferor, the Servicer, the Trust and the Indenture Trustee have caused this Reassignment to be duly executed by their respective officers as of the day and year first above written.

NORDSTROM CREDIT CARD RECEIVABLES II LLC,
as Transferor

By: _____
Name:
Title:

NORDSTROM fsb,
as Servicer

By: _____
Name:
Title:

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Issuer

By: WILMINGTON TRUST COMPANY,
not in its individual capacity
but solely as Owner Trustee

By: _____
Name:
Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Indenture Trustee

By: _____
Name:
Title:

EXHIBIT C

FORM OF ANNUAL SERVICER'S CERTIFICATE

(To be delivered on or before April 30, of
each calendar year beginning with April 30, 2008,
pursuant to Section 3.05 of the Amended and Restated Transfer and
Servicing Agreement referred to below)

NORDSTROM CREDIT CARD MASTER NOTE TRUST II

The undersigned, a duly authorized representative of Nordstrom fsb, as Servicer (the "Servicer") and Nordstrom Credit Card Receivables II LLC, as Transferor (the "Transferor"), pursuant to the Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007 (as amended and supplemented, the "Agreement"), among Nordstrom Credit Card Receivables II LLC, Nordstrom fsb, Nordstrom Credit Card Master Note Trust II and Wells Fargo Bank, National Association, does hereby certify that:

1. Nordstrom fsb is, as of the date hereof, the Servicer under the Agreement.

2. The undersigned is an Authorized Officer who is duly authorized pursuant to the Agreement to execute and deliver this Certificate to the Trust.

3. A review of the activities of the Servicer during the year ended December 31, ___, and of its performance under the Agreement was conducted under my supervision.

4. Based on such review, the Servicer has, to the best of my knowledge, performed in all material respects its obligations under the Agreement throughout such year and no default in the performance of such obligations has occurred or is continuing except as set forth in paragraph 5 below.

5. The following is a description of each default in the performance of the Servicer's obligations under the provisions of the Agreement known to me to have been made by the Servicer during the year ended December 31, ___which sets forth in detail (i) the nature of each such default, (ii) the action taken by the Servicer, if any, to remedy each such default and (iii) the current status of each such default: [If applicable, insert "None."]

Capitalized terms used in this Certificate have their respective meanings as set forth in the Agreement.

IN WITNESS WHEREOF, the undersigned has duly executed this Certificate this ___day of ___, 20_.

NORDSTROM fsb,
as Servicer

By: _____
Name:
Title:

FORM OF OPINION OF COUNSEL
WITH RESPECT TO AMENDMENTS

Provisions to be included in
Opinion of Counsel to be delivered pursuant
to subsection 9.02(d)(i)

The opinions set forth below may be subject to all the qualifications, assumptions, limitations and exceptions taken or made in the Opinions Of Counsel delivered on any applicable Closing Date.

(i) The amendment to the Amended and Restated Transfer and Servicing Agreement, attached hereto as Schedule 1 (the "Amendment"), has been duly authorized, executed and delivered by the Transferor and constitutes the legal, valid and binding agreement of the Transferor, enforceable in accordance with its terms, except as such enforceability may be limited by Debtor Relief Laws relating to or affecting creditors' rights generally and general equitable principles (regardless of whether considered in a proceeding in equity or at law), including concepts of commercial reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, and with respect to the Nordstrom fsb, the rights and powers of the Federal Deposit Insurance Corporation.

(ii) The Amendment has been entered into in accordance with the terms and provisions of Section 9.01 of the Amended and Restated Transfer and Servicing Agreement.

EXHIBIT D-2

FORM OF OPINION OF COUNSEL
WITH RESPECT TO ACCOUNTS

Provisions to be included in
Opinion of Counsel to be
delivered pursuant to
Section 9.02(d)(ii) or (iii)

The opinions set forth below may be subject to all the qualifications, assumptions, limitations and exceptions taken or made in the Opinions of Counsel delivered on any applicable Closing Date.

(i) To the extent that the transfer of Additional Receivables by the Transferor to the Trust pursuant to the Assignment does not constitute an absolute assignment by the Transferor to the Trust of such Additional Receivables or the proceeds thereof, the Assignment creates in favor of the Trust a security interest in the rights of the Transferor in such Additional Receivables and the proceeds thereof.

(ii) The security interests described in paragraph 1 above is perfected by filing and there is no security interest prior to the security interest of the Trust.

EXHIBIT D-3

PROVISIONS TO BE INCLUDED IN
ANNUAL OPINION OF COUNSEL

The opinions set forth below may be subject to all the qualifications, assumptions, limitations and exceptions taken or made in the Opinions of Counsel delivered on any applicable Closing Date with respect to similar matters. Unless otherwise indicated, all capitalized terms used herein has the meanings ascribed to them in the Amended and Restated Transfer and Servicing Agreement.

(i) No filing or other action, other than such filing or other action described in such opinion, is necessary from the date of such opinion through April 30 of the following year to continue the perfected status of the security interest of the Trust in the Receivables described in the financing statements referenced in such opinion.

SCHEDULE 1

LIST OF ACCOUNTS

Original list delivered to Owner Trustee on the Closing Date

[Exhibit 99.5]

NORDSTROM CREDIT CARD RECEIVABLES II LLC,
as Transferor,

and

WILMINGTON TRUST COMPANY,
as Owner Trustee

SECOND AMENDED AND RESTATED TRUST AGREEMENT

Dated as of May 1, 2007

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SECOND AMENDED AND RESTATED TRUST AGREEMENT

This Second Amended and Restated Trust Agreement, dated as of May 1, 2007, is between Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC), a Delaware limited liability company, as Transferor, and Wilmington Trust Company, as Owner Trustee.

RECITALS

WHEREAS, the Transferor is a limited liability company formed pursuant to and in accordance with the Delaware Limited Liability Company Act (6 Del. Code § 18-101 et seq.) on October 11, 2001, and governed by the Amended and Restated Limited Liability Company Agreement, dated as of May 1, 2007, among Nordstrom Credit, Inc., as the sole equity member (the "Member"), and D. Dale Browning and Eric Grover, as the Special Members;

WHEREAS, the parties hereto entered into an Amended and Restated Trust Agreement, dated as of October 1, 2001 (the "Amended and Restated Trust Agreement") to provide for the continuation of the Nordstrom Private Label Credit Card Master Note Trust (the "Trust") for the purpose of, among other things, taking assignments and conveyances and holding in trust various assets;

WHEREAS, the Transferor has acquired an interest in certain Private Label Receivables (as defined herein) and will acquire a Participation Interest (as defined herein) in certain VISA® receivables and related assets which it desires to transfer to the Trust; and

WHEREAS, the parties hereto desire to amend and restate the Amended and Restated Trust Agreement.

NOW, THEREFORE, in consideration of the mutual terms and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE ONE

DEFINITIONS

Section 1.01. Capitalized Terms. Whenever used in this Agreement, the following words and phrases shall have the meanings set forth below:

"Administration Agreement" means the Amended and Restated Administration Agreement, dated as of May 1, 2007, between the Issuer and the Bank, as amended, supplemented, restated or otherwise modified from time to time.

"Administrator" means the Bank, in its capacity as Administrator under the Administration Agreement, or its successors in such capacity.

"Agreement" means this Second Amended and Restated Trust Agreement, as amended, supplemented, restated or otherwise modified from time to time.

"Bank" means Nordstrom fsb and its successors.

"Statutory Trust Statute" means Chapter 38 of Title 12 of the Delaware Code, 12 Del. C. § 3801, *et seq*., as amended or supplemented from time to time.

"Certificate of Trust" means the Certificate of Trust filed with the Secretary of State of the State of Delaware on October 16, 2001.

"Certificateholder" means a holder of a Certificate.

"Certificates" means, unless otherwise indicated, the Transferor Certificates, the Supplemental Certificates and the Ownership Interest Certificate.

"Closing Date" means May 1, 2007.

"Corporate Trust Office" means, with respect to the Owner Trustee, the principal corporate trust office of the Owner Trustee located at Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890-0001, Attention: Corporate Trust Administration (facsimile no. (302) 651-8882); or such other address as the Owner Trustee may designate by notice to the Transferor, or the principal corporate trust office of any successor Owner Trustee (the address of which the successor Owner Trustee will notify the Owner and the Transferor).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Expenses" means any and all liabilities, obligations, losses, damages, taxes, claims, actions and suits, and any and all reasonable costs, expenses and disbursements (including reasonable legal fees and expenses) of any kind and nature whatsoever.

"Indemnified Parties" means the Owner Trustee and its successors, assigns, directors, officers, agents, employees and servants.

"Indenture" means the Master Indenture, as supplemented by the related Indenture Supplement, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Indenture Supplement" means, with respect to any Series, a supplement to the Master Indenture, executed by the parties thereto and delivered in connection with the original issuance of the Notes of such Series pursuant to Section 10.01 of the Master Indenture, and an amendment to the Master Indenture executed pursuant to Sections 10.01 or 10.02 of the Master Indenture, and, in either case, including all amendments thereof and supplements thereto.

"Indenture Trustee" means Wells Fargo Bank, National Association, not in its individual capacity but solely as Indenture Trustee under the Indenture, and its successors in such capacity.

"Issuer" means the Trust and its successors in such capacity.

"Master Indenture" means the Amended and Restated Master Indenture, dated as of May 1, 2007, between the Trust and the Indenture Trustee, as amended, supplemented, or otherwise modified from time to time.

"Offered Notes" has the meaning set forth in the related Indenture.

"Owner" means the Transferor in its capacity as beneficial owner of the Trust hereunder, and its successors in such capacity.

"Owner Trustee" means Wilmington Trust Company, not in its individual capacity but solely as Owner Trustee under this Agreement, and its successors in such capacity.

"Ownership Interest Certificate" means the certificate evidencing the beneficial ownership interest of the Owner in the Trust, substantially in the form attached hereto as Exhibit A.

"Participation Interest" means, individually, an undivided beneficial interest equal to the Participation Percentage in and to each VISA® Receivable and, collectively, an undivided beneficial interest equal to the Participation Percentage in and to the pool of VISA® Receivables originated by the Bank, and the collections on such VISA® Receivable or VISA® Receivables and other related assets, as the context may require.

"Participation Percentage" means 90%, or such other amount as may be specified by the Bank to Nordstrom Credit, Inc. from time to time in wiriting.

"Private Label Receivables" has the meaning set forth in the Receivables Purchase Agreement.

"Receivables Purchase Agreement" means the Amended and Restated Receivables Purchase Agreement, dated as of May 1, 2007, between Nordstrom Credit, Inc., as seller, and the Transferor, as purchaser, as the same may be amended, supplemented or otherwise modified from time to time.

"Secretary of State" means the Secretary of State of the State of Delaware or any successor thereto.

"Series 2007-1 Indenture Supplement" means the Series 2007-1 Indenture Supplement, dated as of May 1, 2007, between the Trust, as Issuer, and the Indenture Trustee.

"Supplemental Certificate" has the meaning specified in Section 3.06(b).

"Transfer and Servicing Agreement" means the Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007, among the Issuer, the Transferor, the Indenture Trustee and the Bank, as amended, supplemented, restated or otherwise modified from time to time.

"Transferor" means Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC), and its successors in such capacity.

"Transferor Certificate Supplement" has the meaning specified in Section 3.06(b).

"Transferor Certificates" means the certificates executed by the Owner Trustee on behalf of the Trust and authenticated by or on behalf of the Owner Trustee, substantially in the form attached hereto as Exhibit B.

"Trust" means Nordstrom Credit Card Master Note Trust II (formerly known as Nordstrom Private Label Master Note Trust).

"Trust Termination Date" means the day on which the rights of all Series of Notes to receive payment from the Trust have terminated.

Section 1.02. Other Definitional Provisions.

(a) Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Transfer and Servicing Agreement or the Indenture, as the case may be. All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(b) As used in this Agreement and in any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in this Agreement or in any such certificate or other document, and accounting terms partly defined in this Agreement or in any such certificate or other document to the extent not defined, shall have the respective meanings given to them under GAAP. To the extent that the definitions of accounting terms in this Agreement or in any such certificate or other document are inconsistent with the meanings of such terms under GAAP, the definitions contained in this Agreement or in any such certificate or other document shall control.

(c) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, (i) terms used herein include, as appropriate, all genders and the plural as well as the singular, (ii) references to this Agreement include all Exhibits hereto, (iii) references to words such as "herein", "hereof" and the like shall refer to this Agreement as a whole and not to any particular part, Article or Section within this Agreement, (iv) references to an Article or Section such as "Article One" or "Section 1.01" and the like shall refer to the applicable Article or Section of this Agreement, (v) the term "include" and all variations thereof shall mean "include without limitation", (vi) the term "or" shall include "and/or" and (vii) the term "proceeds" shall have the meaning ascribed to such term in the UCC.

ARTICLE TWO

ORGANIZATION

Section 2.01. Name. The Trust continued hereby shall be known as "Nordstrom Credit Card Master Note Trust II", in which name the Trust and the Owner Trustee on behalf of the Trust shall each have power and authority and is hereby authorized and empowered to and may conduct the business of the Trust and may engage in the activities permitted in this Agreement, make and execute contracts and other instruments on behalf of the Trust and sue and be sued, to the extent provided herein. This Agreement amends and restates in its entirety the Amended and Restated Trust Agreement dated as of October 1, 2001, between the Transferor and the Owner Trustee.

Section 2.02. Office. The office of the Trust shall be in care of the Owner Trustee at the Corporate Trust Office or at such other address in the State of Delaware as the Owner Trustee may designate by written notice to the Owner, the Indenture Trustee and the Transferor.

Section 2.03. Purpose and Powers. The sole purpose of the Trust is to engage in the activities set forth in this Section. The Trust shall have power and authority and is hereby authorized and empowered, without the need for further action on the part of the Trust, and the Owner Trustee shall have power and authority, and is hereby authorized and empowered, in the name and on behalf of the Trust, to do or cause to be done all acts and things necessary, appropriate or convenient to cause the Trust to engage in the activities set forth in this Section as follows:

(i) to execute, deliver and issue the Notes pursuant to the Indenture and the Certificates pursuant to this Agreement, and to sell the Notes upon the written order of the Transferor;

(ii) with the net proceeds of the sale of the Notes, to acquire the Trust Assets and to pay transactional expenses;

(iii) to pay interest on and principal of the Notes and the Certificates and to pay any excess collections to the Transferor, as holder of the Transferor Certificate, pursuant to the Series 2007-1 Indenture Supplement;

(iv) to assign, grant, pledge and mortgage the Collateral pursuant to the Indenture to the Indenture Trustee as security for the Notes and to hold, manage and distribute to the Transferor, the Owner or the Noteholders pursuant to the terms of this Agreement and the Transaction Documents any portion of the Collateral released from the lien of, and remitted to the Trust pursuant to, the Indenture;

(v) to enter into, execute, deliver and perform the Transaction Documents to which it is to be a party;

(vi) to engage in those activities, including entering into agreements, that are necessary, suitable or convenient to accomplish the foregoing or are incidental thereto or connected therewith; and

(vii) subject to compliance with the Transaction Documents, to engage in such other activities as may be required in connection with conservation of the Trust Assets and the making of payments to the Noteholders and the Certificateholders and distributions to the Transferor.

Notwithstanding the grant of power and authority to the Owner Trustee set forth herein, the Transferor may, in its sole discretion, sign and file registration statements on behalf of the Trust under the Securities Act, registering the offer and sale of Notes or Certificates issued by the Trust and periodic reports relating to such Notes or Certificates required to be filed under the Exchange Act, and the rules and regulations of the Commission thereunder. Furthermore, the Trust shall not have power, authority or authorization to, and shall not, engage in any activity other than in connection with the foregoing or other than as required or authorized by the terms of this Agreement or the other Transaction Documents.

Section 2.04. Appointment of Owner Trustee. The Transferor hereby appoints the Owner Trustee as trustee of the Trust effective as of the date hereof, to have all the rights, powers and duties set forth herein and, to the extent not inconsistent herewith, in the Statutory Trust Statute, and the Owner Trustee hereby accepts such appointment.

Section 2.05. Initial Capital Contribution of Trust Assets. The Transferor hereby sells, assigns, transfers, conveys and sets over to the Owner Trustee, as of the date hereof, the sum of $10.00. The Owner Trustee hereby acknowledges receipt in trust from the Transferor, as of such date, of the foregoing contribution, which shall constitute the initial Trust Assets and shall be held by the Owner Trustee. The Transferor shall pay the organizational expenses of the Trust as they may arise or shall, upon the request of the Owner Trustee, promptly reimburse the Owner Trustee for any such expenses paid by the Owner Trustee.

Section 2.06. Declaration of Trust. The Owner Trustee hereby declares that it will hold the Trust Assets in trust upon and subject to the conditions set forth herein for the use and benefit of the Certificateholders, who are intended to be “beneficial owners” within the meaning of the Statutory Trust Statute subject to the obligations of the Trust under the Transaction Documents. It is the intention of the parties hereto that the Trust constitute a statutory trust under the Statutory Trust Statute and that this Agreement constitute the governing instrument of such statutory trust. The parties hereto agree that they will take no action contrary to the foregoing intention. Effective as of the date hereof, the Owner Trustee shall have all rights, powers and duties set forth herein and, to the extent not inconsistent herewith, in the Statutory Trust Statute with respect to accomplishing the purposes of the Trust.

Section 2.07. Title to Trust Property. Legal title to the Trust Assets shall be vested at all times in the Trust as a separate legal entity except where applicable law in any jurisdiction requires title to any part of the Trust Assets to be vested in a trustee or trustees, in which case title shall be deemed to be vested in the Owner Trustee, a co-trustee and/or a separate trustee, as the case may be.

Section 2.08. Situs of Trust. The Trust will be located in Delaware and administered in the State of Delaware and in the State of the location of the Administrator. All bank accounts maintained by the Owner Trustee on behalf of the Trust shall be located in the States of Washington, Colorado, Delaware or New York. The Trust shall not have any employees in any State other than Delaware; provided, however, that nothing herein shall restrict or prohibit the Owner Trustee from having employees within or without the State of Delaware. Payments will be received by the Trust only in the States of Washington, Colorado, Delaware or New York, and payments will be made by the Trust only in such States. The only office of the Trust will be at the Corporate Trust Office.

Section 2.09. Representations and Warranties of Transferor. The Transferor hereby represents and warrants to the Owner Trustee that:

(a) The Transferor is a limited liability company duly organized and validly existing in good standing under the laws of the State of Delaware, with power, authority and legal right to own its properties and to conduct its business as such properties are currently owned and such business is presently conducted, and had at all relevant times, and has, power, authority and legal right to acquire, own and sell the Receivables.

(b) The Transferor is duly qualified to do business as a limited liability company and is in good standing and has obtained all necessary licenses and approvals in each jurisdiction in which the failure to so qualify or to obtain such licenses and approvals would materially and adversely affect the performance by the Transferor of its obligations under, or the validity or enforceability of, this Agreement, any of the other Transaction Documents to which it is a party, the Receivables, the Notes or the Certificates.

(c) The Transferor has (i) the power and authority to execute and deliver this Agreement and to carry out its terms, (ii) the power and authority to transfer the Owner Trust Assets to and deposit the same with the Trust, (iii) duly authorized such transfer and deposit to the Trust by all necessary action and (iv) duly authorized the execution, delivery and performance of this Agreement by all necessary action.

(d) Each of this Agreement and the other Transaction Documents to which the Transferor is a party constitutes a legal, valid and binding obligation of the Transferor, enforceable in accordance with its terms, except as such enforceability may be subject to or limited by bankruptcy, liquidation, insolvency, reorganization, moratorium, liquidation, fraudulent conveyance or other similar laws affecting the enforcement of creditors' rights in general and by general principles of equity, regardless of whether such enforceability shall be considered in a proceeding in equity or in law.

(e) The execution, delivery and performance by the Transferor of this Agreement and the other Transaction Documents to which the Transferor is a party, the consummation of the transactions contemplated by this Agreement and the fulfillment of the terms hereof and thereof do not conflict with, result in any breach of any of the terms and provisions of, nor constitute (with or without notice or lapse of time) a default under, the limited liability company agreement of the Transferor, or conflict with or violate any of the material terms or provisions of, or constitute (with or without notice or lapse of time) a default under, any indenture, agreement or other instrument to which the Transferor is a party or by which it is bound; nor result in the creation or imposition of

any Lien upon any of its properties pursuant to the terms of any such indenture, agreement or other instrument (other than pursuant to the Transaction Documents); nor violate any law or, to the best of the Transferor's knowledge, any order, rule or regulation applicable to the Transferor of any court or of any federal or State regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Transferor or its properties; which breach, default, conflict, Lien or violation would have a material adverse effect on the earnings, business affairs or business prospects of the Transferor.

(f) There are no proceedings or investigations pending or, to the Transferor's knowledge, threatened, before any court, regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Transferor or its properties: (i) asserting the invalidity of this Agreement, any of the other Transaction Documents, the Notes or the Certificates, (ii) seeking to prevent the issuance of the Notes or the Certificates or the consummation of any of the transactions contemplated by this Agreement or any of the other Transaction Documents or (iii) seeking any determination or ruling that might materially and adversely affect the performance by the Transferor of its obligations under, or the validity or enforceability of, this Agreement, any of the other Transaction Documents, the Receivables, the Notes or the Certificates.

Section 2.10. Liability of Certificateholders. The Certificateholders shall be entitled to the same limitation of personal liability extended to stockholders of private corporations for profit organized under the General Corporation Law of the State of Delaware.

ARTICLE THREE

CERTIFICATES

Section 3.01. Initial Ownership. The Owner as the holder of the Ownership Interest Certificate, and each Transferor, as the holder of a Transferor Certificate, (i) shall be the only beneficial owners of the Trust and (ii) shall be bound by the provisions of this Trust Agreement.

Section 3.02. Form of Certificates.

(a) The Ownership Interest Certificate shall be issued in registered form in substantially the form attached hereto as Exhibit A and initially registered as provided in Annex 1 to Exhibit A. A Transferor Certificate shall be issued in registered form in substantially the form attached hereto as Exhibit B and initially registered as provided in Annex 1 to Exhibit B.

(b) The Certificates shall be executed by manual or facsimile signature of the Owner Trustee. The Certificates bearing the manual or facsimile signatures of individuals who were, at the time when such signatures shall have been affixed, authorized to sign on behalf of the Trust, shall, when duly authenticated pursuant to Section 3.03, be validly issued and fully paid undivided beneficial interests in the assets of the Trust and entitled to the benefits of this Agreement, notwithstanding that such individuals or any of them shall have ceased to be so authorized prior to the authentication and delivery of the Certificates or did not hold such offices at the date of authentication and delivery of the Certificates.

Section 3.03. Authentication of Certificates. On the Closing Date, the Transferor shall deliver to the Owner Trustee for cancellation the original Ownership Interest Certificate and the Transferor Certificate. The Owner Trustee shall thereupon execute, authenticate and deliver the replacement Ownership Interest Certificate and the Transferor Certificate, reflecting the change of name of the Trust, upon the written order of the Transferor, signed by its chairman of the board, its president, any vice president, secretary, any assistant treasurer or any authorized signatory, without further corporate action by the Transferor. No Certificate shall be entitled to any benefit under this Agreement, or be valid for any purpose, unless there appears on such Certificate a certificate of authentication substantially in the form set forth in Exhibits A and B, respectively, executed by the Owner Trustee by the manual signature of a duly authorized signatory, and such certificate upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly authenticated, validly issued and delivered hereunder. Each Certificate shall be dated the date of its authentication. Upon issuance, execution, authentication and delivery pursuant to the terms hereof, the Certificateholders shall be entitled to the benefits of this Agreement.

Section 3.04. Restrictions on Transfer. Except to the extent set forth in Section 2.07(c) of the Transfer and Servicing Agreement, to the fullest extent permitted by applicable law, the Certificates (or any interest therein) may not be sold, transferred, assigned, participated, pledged or otherwise disposed of to any Person; provided, however, subject to Section 3.06, a Certificate (or any interest therein) may be sold, transferred, assigned, participated, pledged or otherwise disposed of if the transferor thereof has provided the Owner Trustee and the Indenture Trustee with a Tax Opinion relating to such sale, transfer, assignment, participation, pledge or other disposition. The Transferor Certificates may not be purchased by or transferred to any “employee benefit plan” within the meaning of Section 3(3) of ERISA (whether or not subject to ERISA, and including foreign or government plans) or any “plan” described in Section 4975(e)(1) of the Code, or any entity whose underlying assets include “plan assets” of any of the foregoing by reason of a plan’s investment in such entity.

Section 3.05. Mutilated, Destroyed, Lost or Stolen Certificate. If (i) a mutilated Certificate shall be surrendered to the Owner Trustee, or if the Owner Trustee shall receive evidence to its satisfaction of the destruction, loss or theft of a Certificate and (ii) there shall be delivered to the Owner Trustee (as such and in its individual capacity) such security or indemnity as may be required by it to save it harmless, then the Owner Trustee on behalf of the Trust shall execute and the Owner Trustee shall authenticate and deliver, in exchange for or in lieu of the mutilated, destroyed, lost or stolen Certificate, a new Certificate of like tenor and denomination. In connection with the issuance of any new Certificate under this Section, the Owner Trustee may require the payment of a sum sufficient to cover any tax or other governmental charge or expense that may be imposed in connection therewith. Any duplicate Certificate issued pursuant to this Section shall constitute conclusive evidence of ownership in the Trust, as if originally issued, whether or not the lost, stolen or destroyed Certificate shall be found at any time.

Section 3.06. Issuance of New Transferor Certificates.

(a) Taken together, the Transferor Certificates shall represent an undivided beneficial interest in the Trust Assets, subject to the Lien of the Indenture Trustee as provided in the Indenture, including the right to receive Collections with respect to the Receivables and other amounts at the times and in the amounts specified in the Master Indenture and any Indenture Supplement to be paid to the Transferor on behalf of all holders of the Transferor Certificates.

(b) At any time the Transferor may surrender its Transferor Certificate to the Owner Trustee in exchange for a newly issued Transferor Certificate and a second certificate (a "Supplemental Certificate"), the form and terms of which shall be defined in a supplement (a "Transferor Certificate Supplement") to this Agreement (which Transferor Certificate Supplement shall be subject to Section 11.01 to the extent that it amends any of the terms of this Agreement) to be delivered to or upon the order of the Transferor. The issuance of any such Supplemental Certificate shall be subject to satisfaction of the following conditions:

(i) on or before the fifth day immediately preceding the Transferor Certificate surrender and exchange, the Transferor shall have given the Owner Trustee, the Servicer, the Indenture Trustee and each Rating Agency notice (unless such notice requirement is otherwise waived) of such Transferor Certificate surrender and exchange;

(ii) the Transferor shall have delivered to the Owner Trustee and the Indenture Trustee any related Transferor Certificate Supplement in form satisfactory to the Owner Trustee and the Indenture Trustee, executed by each party hereto;

(iii) the Rating Agency Condition shall have been satisfied with respect to such Transferor Certificate surrender and exchange;

(iv) such surrender and exchange will not result in any Adverse Effect and the Transferor shall have delivered to the Owner Trustee and the Indenture Trustee an Officer's Certificate, dated the date of such surrender and exchange to the effect that the Transferor reasonably believes that such surrender and exchange will not, based on the facts known to such officer at the time of such certification, have an Adverse Effect and that all other conditions to the issuance of such Supplemental Certificate have been satisfied;

(v) the issuance of such Supplemental Certificate is exempt from registration under the Securities Act;

(vi) the Transferor shall have delivered to the Owner Trustee and Indenture Trustee (with a copy to each Rating Agency) a Tax Opinion, dated the date of such surrender and exchange with respect to such surrender and exchange; and

(vii) the aggregate amount of Principal Receivables as of the date of such surrender and exchange shall be greater than the Required Minimum Principal Balance as of the date of such surrender and exchange after giving effect to such surrender and exchange.

Any Supplemental Certificate held by any Person at any time after the date of its initial issuance may be transferred or exchanged only upon the delivery to the Owner Trustee and Indenture Trustee of a Tax Opinion dated as of the date of such transfer or exchange, as the case may be, with respect to such transfer or exchange.

ARTICLE FOUR

ACTIONS BY OWNER TRUSTEE

Section 4.01. Prior Notice to Owner and Transferor with Respect to Certain Matters. With respect to the following matters, unless otherwise instructed by the Transferor, the Trust shall not take action unless at least 30 days before the taking of such action the Owner Trustee shall have notified the Transferor in writing of:

(a) the initiation of any claim or lawsuit by the Trust (except claims or lawsuits brought in connection with the collection of the Receivables) and the settlement of any action, claim or lawsuit brought by or against the Trust (except with respect to the aforementioned claims or lawsuits for collection of the Receivables brought by the Trust);

(b) the election by the Trust to file an amendment to the Certificate of Trust (unless such amendment is required to be filed under the Statutory Trust Statute);

(c) the amendment of the Master Indenture by a supplemental indenture or otherwise in circumstances where the consent of any Noteholder is required;

(d) the amendment of the Master Indenture by a supplemental indenture or any other Transaction Document to which the Trust is a party in circumstances where the consent of any Noteholder is not required and such amendment materially adversely affects the interest of the Certificateholders;

(e) the amendment, change or modification of the Administration Agreement, except to cure any ambiguity or to amend or supplement any provision in a manner or add any provision that would not materially adversely affect the interests of the Certificateholders; or

(f) the appointment pursuant to the Indenture of a replacement or successor Transfer Agent and Registrar, Administrator or Indenture Trustee, or the consent to the assignment by the Transfer Agent and Registrar, Administrator or Indenture Trustee of its obligations under the Indenture.

Section 4.02. Restrictions on Power.

(a) The Owner Trustee shall not be required to take or refrain from taking any action if such action or inaction would be contrary to any obligation of the Trust or the Owner Trustee under any of the Transaction Documents or would be contrary to Section 2.03.

(b) The Owner Trustee shall have no power to create, assume or incur indebtedness or other liabilities in the name of the Trust other than as contemplated in this Agreement, the Transfer and Servicing Agreement and the Indenture.

ARTICLE FIVE

AUTHORITY AND DUTIES OF OWNER TRUSTEE

Section 5.01. General Authority. The Owner Trustee shall administer the Trust in the interest of the Certificateholders, subject to the lien of the Indenture in accordance with this Agreement. Each of the Trust and the Owner Trustee in the name and on behalf of the Trust shall have power and authority, and is hereby authorized and empowered, to execute and deliver the Transaction Documents to which the Trust is to be a party and each certificate or other document attached as an exhibit to or contemplated by the Transaction Documents to which the Trust is to be a party, or any amendment thereto or other agreement, in each case in such form as the Transferor shall approve as evidenced conclusively by the Owner Trustee's execution thereof and the Transferor's execution of the related documents. In addition to the foregoing, the Owner Trustee in the name and on behalf of the Trust shall also have power and authority and is hereby authorized and empowered, but shall not be obligated, to take all actions required of the Trust pursuant to the Transaction Documents. The Owner Trustee in the name and on behalf of the Trust shall also have power and authority and is hereby authorized and empowered from time to time to take such action as the Transferor or the Administrator directs in writing with respect to the Transaction Documents.

Section 5.02. General Duties. Subject to Section 2.03, it shall be the duty of the Owner Trustee to discharge (or cause to be discharged) all of its responsibilities pursuant to the terms of this Agreement and to administer the Trust in the interest of the Transferor, subject to the Transaction Documents and in accordance with the provisions of this Agreement. Notwithstanding the foregoing, the Owner Trustee shall be deemed to have discharged (or caused to be discharged) its duties and responsibilities hereunder and under the other Transaction Documents to the extent the Administrator has agreed in the Administration Agreement or another Transaction Document to perform any act or to discharge any duty of the Owner Trustee or the Trust under any Transaction Document, and the Owner Trustee shall not be liable for the default or failure of the Administrator to carry out its obligations thereunder.

Section 5.03. Action Upon Instruction.

(a) The Owner Trustee shall not be required to take any action hereunder or under any other Transaction Document if the Owner Trustee shall have reasonably determined, or shall have been advised by counsel, that such action is likely to result in liability on the part of the Owner Trustee or is contrary to the terms of any Transaction Document or is otherwise contrary to law.

(b) Subject to Article Four, whenever the Owner Trustee is unable to decide between alternative courses of action permitted or required by the terms of any Transaction Document, the Owner Trustee shall promptly give notice (in such form as shall be appropriate under the circumstances) to the Transferor requesting instruction as to the course of action to be adopted, and to the extent the Owner Trustee acts or refrains from acting in good faith in accordance with any such instruction of the Transferor received, the Owner Trustee shall not be liable on account of such action or inaction to any Person. If the Owner Trustee shall not have received appropriate instruction within ten days of such notice (or within such shorter period of time as reasonably may be specified in such notice or may be necessary under the circumstances) it may, but shall be under no duty to, take or refrain from taking such action, not in violation of the Transaction Documents, as it shall deem to be in the best interest of the Certificateholders, and shall have no personal liability to any Person for such action or inaction.

(c) Subject to Article Four, the event that the Owner Trustee is unsure as to the application of any provision of any Transaction Document or any such provision is ambiguous as to its application, or is, or appears to be, in conflict with any other applicable provision, or in the event that this Agreement permits any determination by the Owner Trustee or is silent or is incomplete as to the course of action that the Owner Trustee is required to take with respect to a particular set of facts, the Owner Trustee may give notice (in such form as shall be appropriate under the circumstances) to the Transferor requesting instruction and, to the extent that the Owner Trustee acts or refrains from acting in good faith in accordance with any such instruction received, the Owner Trustee shall not be liable, on account of such action or inaction, to any Person. If the Owner Trustee shall not have received appropriate instruction within ten days of such notice (or within such shorter period of time as reasonably may be specified in such notice or may be necessary under the circumstances) it may, but shall be under no duty to, take or refrain from taking such action, not in violation of the Transaction Documents, as it shall deem to be in the best interests of the Certificateholders, and shall have no liability to any Person for such action or inaction.

Section 5.04. No Duties Except as Specified in this Agreement or in Instructions. The Owner Trustee shall not have any duty or obligation to manage, make any payment with respect to, register, record, sell, dispose of, or otherwise deal with the Trust or the Trust Assets, or to otherwise take or refrain from taking any action under, or in connection with, this Agreement or any document contemplated hereby to which the Trust is a party, except as expressly provided by the terms of this Agreement or in any document or written instruction received by the Owner Trustee pursuant to Section 5.03; and no implied duties or obligations shall be read into any Transaction Document against the Owner Trustee. The Owner Trustee shall have no responsibility for any filing or recording, including filing any financing or continuation statement in any public office at any time or to otherwise perfect or maintain the perfection of any security interest or lien granted to it or the Trust hereunder or to prepare or file any Commission filing for the Trust or to record any Transaction Document. The Owner Trustee in its individual capacity nevertheless agrees that it will, at its own cost and expense, promptly take all action as may be necessary to discharge any Liens (other than the Lien of the Indenture) on any part of the Trust Assets that result from actions by, or claims against, the Owner Trustee in its individual capacity that are not related to the ownership or the administration of the Trust Assets or the transactions contemplated by the Transaction Documents.

Section 5.05. No Action Except under Specified Documents or Instructions. The Owner Trustee shall not manage, control, use, sell, dispose of or otherwise deal with any part of the Trust Assets except in accordance with (i) the powers granted to and the authority conferred upon the Owner Trustee pursuant to this Agreement, (ii) the Transaction Documents or (iii) any document or instruction delivered to the Owner Trustee pursuant to Section 5.03.

Section 5.06. Restrictions. The Owner Trustee shall not take any action (i) that would violate the purposes of the Trust set forth in Section 2.03 or (ii) that, to the actual knowledge of the Owner Trustee, would result in the Trust becoming taxable as a corporation for federal income tax purposes. The Transferor shall not direct the Owner Trustee to take action that would violate the provisions of this Section.

ARTICLE SIX

CONCERNING THE OWNER TRUSTEE

Section 6.01. Acceptance of Trusts and Duties. The Owner Trustee accepts the trusts hereby created and agrees to perform its duties hereunder with respect to such trusts, but only upon the terms of this Agreement. The Owner Trustee also agrees to disburse all monies actually received by it constituting part of the Trust Assets upon the terms of this Agreement. The Owner Trustee shall not be answerable or accountable under any Transaction Document under any circumstances, except (i) for its own willful misconduct, bad faith or gross negligence in the performance of its duties or the omission to perform any such duties or (ii) in the case of the inaccuracy of any representation or warranty contained in Section 6.03 expressly made by the Owner Trustee in its individual capacity. In particular, but not by way of limitation (and subject to the exceptions set forth in the preceding sentence):

(a) the Owner Trustee shall not be liable for any error of judgment made in good faith by the Owner Trustee;

(b) the Owner Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the instructions of the Administrator or the Transferor;

(c) no provision of this Agreement or any other Transaction Document shall require the Owner Trustee to expend or risk its own funds or otherwise incur any financial liability in the exercise or performance of any of its duties, rights or powers hereunder or under any other Transaction Document, if the Owner Trustee shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured or provided to it;

(d) under no circumstances shall the Owner Trustee be liable for indebtedness evidenced by or arising under any of the Transaction Documents, including the principal of and interest on the Notes;

(e) the Owner Trustee shall not be responsible for or in respect of the validity or sufficiency of this Agreement, the due execution hereof by the Transferor or the form, character, genuineness, sufficiency, value or validity of any of the Trust Assets, the Transaction Documents, the Notes or the Certificates other than the genuineness of the Owner Trustee's signature on the Certificates and on the certificate of authentication on the Certificates, and the Owner Trustee shall in no event assume or incur any personal liability, duty or obligation to any Noteholder or to the Owner or any other Person, other than as expressly provided for herein or expressly agreed to in the other Transaction Documents;

(f) the Owner Trustee shall not be liable for the default or misconduct of the Transferor, the Servicer, the Administrator or the Indenture Trustee or any other Person under any of the Transaction Documents or otherwise, and the Owner Trustee shall have no obligation or personal liability to perform the obligations of the Trust under the Transaction Documents, including those that are required to be performed by the Administrator under the Administration Agreement, the Indenture Trustee under the Indenture or the Servicer under the Transfer and Servicing Agreement;

(g) the Owner Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement, or to institute, conduct or defend any litigation under this Agreement or otherwise or in relation to this Agreement or any other Transaction Document, at the request, order or direction of the Transferor, unless the Transferor has offered to the Owner Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities that may be incurred by the Owner Trustee therein or thereby; the right of the Owner Trustee to perform any discretionary act enumerated in this Agreement or any other Transaction Document shall not be construed as a duty, and the Owner Trustee shall not be answerable or liable to any Person for any such act other than liability to the Trust and the beneficial owners of the Trust for its own gross negligence or willful misconduct in the performance of any such act or the omission to perform any such act; and

(h) notwithstanding anything contained herein to the contrary, the Owner Trustee shall not be required to take any action in any jurisdiction other than in the State of Delaware if the taking of such action will (i) require the registration with, licensing by or the taking of any other similar action in respect of, any State or other governmental authority or agency of any jurisdiction other than the State of Delaware by or with respect to the Owner Trustee, (ii) result in any fee, tax or other governmental charge under the laws of any jurisdiction or any political subdivision thereof in existence on the date hereof other than the State of Delaware becoming payable by the Owner Trustee or (iii) subject the Owner Trustee to personal jurisdiction in any jurisdiction other than the State of Delaware for causes of action arising from acts unrelated to the consummation of the transactions by the Owner Trustee contemplated hereby; the Owner Trustee shall be entitled to obtain advice of counsel (which advice shall be an expense of the Transferor) to determine whether any action required to be taken pursuant to the Agreement results in the consequences described in clauses (i), (ii) and (iii) of this subsection; and in the event that said counsel advises the Owner Trustee that such action will result in such consequences, the Transferor shall appoint an additional trustee pursuant to Section 9.05 to proceed with such action.

Section 6.02. Furnishing of Documents. The Owner Trustee shall furnish to the Transferor and the Indenture Trustee, promptly upon written request therefor, duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and any other instruments furnished to the Owner Trustee under the Transaction Documents.

Section 6.03. Representations and Warranties. The Owner Trustee hereby represents and warrants to the Transferor that:

(a) it is a Delaware banking corporation duly organized and validly existing in good standing under the laws of the State of Delaware and has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement;

(b) it has taken all corporate action necessary to authorize the execution and delivery by it of this Agreement, and this Agreement will be executed and delivered by one of its officers who is duly authorized to execute and deliver this Agreement on its behalf;

(c) neither the execution nor the delivery by it of this Agreement, nor the consummation by it of the transactions contemplated hereby nor compliance by it with any of the terms or provisions hereof will contravene any federal or Delaware law, governmental rule or regulation governing the banking or trust powers of the Owner Trustee or any judgment or order binding on it, or constitute any default under its charter documents or by-laws or any indenture, mortgage, contract, agreement or instrument to which it is a party or by which any of its properties may be bound or result in the imposition of any Lien, charge or encumbrance on the Trust Assets resulting from actions by or claims against the Owner Trustee individually that are related to this Agreement or the other Transaction Documents; and

(d) each of this Agreement and each other Transaction Document to which it is a party has been duly executed and delivered by it and constitutes the legal, valid and binding agreement of it, enforceable against the Owner Trustee in accordance with its terms, except as enforceability may be limited by bankruptcy, liquidation, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

Section 6.04. Reliance; Advice of Counsel.

(a) The Owner Trustee shall incur no liability to anyone in acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond, or other document or paper believed by it to be genuine and believed by it to be signed by the proper party or parties. The Owner Trustee may accept a certified copy of a resolution of the board of directors or other governing body of any Person as conclusive evidence that such resolution has been duly adopted by such body and that the same is in full force and effect. As to any fact or matter the method of the determination of which is not specifically prescribed herein, the Owner Trustee may for all purposes hereof rely on a certificate, signed by the president or any vice president or by the treasurer or other authorized officer of an appropriate Person, as to such fact or matter, and such certificate shall constitute full protection to the Owner Trustee for any action taken or omitted to be taken by it in good faith in reliance thereon.

(b) In the exercise or administration of the trusts hereunder and in the performance of its duties and obligations under this Agreement or the other Transaction Documents, the Owner Trustee (i) may act directly or through its agents or attorneys pursuant to agreements entered into with any of them, and the Owner Trustee shall not be liable for the conduct or misconduct of such agents or attorneys if such agents or attorneys shall have been selected by the Owner Trustee with reasonable care, and (ii) may consult with counsel, accountants and other skilled Persons to be selected with reasonable care and employed by it. The Owner Trustee shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the written opinion or written advice of any such counsel, accountants or other such Persons.

Section 6.05. Not Acting in Individual Capacity. Except as expressly provided in this Article, in accepting the trusts hereby created, Wilmington Trust Company acts solely as Owner Trustee hereunder and not in its individual capacity, and all Persons having any claim against the Owner Trustee by reason of the transactions contemplated by any Transaction Document shall look only to the Trust Assets for payment or satisfaction thereof.

Section 6.06. Owner Trustee Not Liable for Certificates, Notes or Receivables. The statements contained herein and in the Certificates, Notes and other Transaction Documents (other than the genuineness of the signature and authentication (as applicable) of the Owner Trustee on the Certificates and its representations and warranties in Section 6.03) shall be taken as the statements of the Transferor, and the Owner Trustee assumes no responsibility for the correctness thereof. The Owner Trustee makes no representations as to the validity or sufficiency of this Agreement, any other Transaction Document or the Certificates (other than the genuineness of the signature and authentication (as applicable) of the Owner Trustee on the Certificates and its representations and warranties in Section 6.03), the Notes or related documents. The Owner Trustee shall at no time have any responsibility or liability for or with respect to the legality, validity and enforceability of the Receivables or the perfection and priority of any security interest in the Receivables or the maintenance of any such perfection and priority, or for or with respect to the sufficiency of the Trust Assets or its ability to generate the payments to be distributed to the Noteholders under the Indenture, including the existence, condition and ownership of the Receivables, the existence and contents of the Receivables on any computer or other record thereof, the validity of the assignment of the Receivables to the Trust or of any intervening assignment, the completeness of the Receivables; the performance or enforcement of the Receivables, the compliance by the Transferor with any warranty or representation made under any Transaction Document or in any related document or the accuracy of any such warranty or representation or any action of the Administrator, the Servicer or the Indenture Trustee taken in the name of the Owner Trustee.

Section 6.07. Owner Trustee May Own Notes. The Owner Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may deal with the Transferor, the Administrator, the Servicer and the Indenture Trustee in banking transactions with the same rights as it would have if it were not Owner Trustee.

ARTICLE SEVEN

COMPENSATION OF OWNER TRUSTEE

Section 7.01. Owner Trustee's Fees and Expenses. The Owner Trustee shall receive as compensation for its services hereunder such fees as have been separately agreed upon before the date hereof among the Transferor, the Servicer and the Owner Trustee, and the Owner Trustee shall be entitled to be reimbursed by the Transferor (and if not by the Transferor, by the Servicer) for its other reasonable expenses hereunder, including the reasonable compensation, expenses and disbursements of such agents, representatives, experts and counsel as the Owner Trustee may employ in connection with the exercise and performance of its rights and its duties hereunder and under the Transaction Documents; provided, however, that the Owner Trustee shall have no recourse to the assets pledged under the Indenture with respect to any payments under this Section and the Owner Trustee's right to enforce such obligation shall be subject to the provisions of 11.09.

Section 7.02. Indemnification. To the fullest extent permitted by law, the Transferor (and if not the Transferor, the Servicer) shall indemnify, defend and hold harmless the Indemnified Parties from and against Expenses which may at any time be imposed on, incurred by, or asserted against the Owner Trustee or any Indemnified Party in any way relating to or arising out of the Transaction Documents, the Trust Assets, the acceptance and administration of the Trust Assets or any action or inaction of the Owner Trustee; provided that the Transferor shall not be liable for or required to indemnify any Indemnified Party from and against Expenses arising or resulting from any of the matters described in the third sentence of Section 6.01, Expenses for which indemnification is actually received under other Transaction Documents or income taxes or any fees received by the Owner Trustee; provided further that the Transferor shall not be liable for or required to indemnify an Indemnified Party from and against expenses arising or resulting from (i) the Indemnified Party's own willful misconduct, bad faith or gross negligence, (ii) income taxes or (iii) the inaccuracy of any representation or warranty contained in Section 6.03. No Indemnified Party shall have any recourse to the assets pledged under the Indenture with respect to any Expenses payable by the Transferor pursuant to this Section. An Indemnified Party's right to enforce such obligation shall be subject to the provisions of Section 11.09. The indemnities contained in this Section shall survive the resignation and termination of the Owner Trustee or the termination of this Agreement. In any event of claim, action or proceeding for which indemnity will be sought pursuant to this Section, the Indemnified Party's choice of legal counsel shall be subject to approval of the Transferor, which approval shall not be unreasonably withheld.

Section 7.03. Payments to the Owner Trustee. Any amounts paid to an Indemnified Party pursuant to this Article shall not be construed to be a part of the Trust Assets.

ARTICLE EIGHT

TERMINATION OF TRUST AGREEMENT

Section 8.01. Termination of Trust Agreement.

(a) The Trust shall dissolve upon the earlier of (i) at the option of the Transferor (written notice of which shall be provided to the Owner Trustee), the Trust Termination Date and (ii) dissolution of the Trust in accordance with applicable law. After satisfaction of liabilities of the Trust as provided by applicable law, any money or other property held as part of the Trust Assets following such distribution shall be distributed to the Transferor. The bankruptcy, liquidation, dissolution, termination, death or incapacity of the Transferor shall not (A) operate to terminate this Agreement or annul, dissolve or terminate the Trust, (B) entitle the Transferor's legal representatives or heirs to claim an accounting or to take any action or proceeding in any court for a partition or winding up of all or any part of the Trust or Trust Assets or (C) otherwise affect the rights, obligations and liabilities of the parties hereto.

(b) Except as provided in Section 8.01(a), the Transferor shall not be entitled to revoke, dissolve or terminate the Trust. The Owner shall not be entitled to revoke, dissolve or terminate the Trust.

(c) Upon completion of the winding up of the Trust in accordance with the Statutory Trust Statute, the Owner Trustee shall cause the Certificate of Trust to be canceled by filing a certificate of cancellation with the Secretary of State in accordance with the provisions of Section 3810 of the Statutory Trust Statute and thereupon the Trust and this Agreement (other than Articles Six and Seven and Section 11.09) shall terminate.

ARTICLE NINE

SUCCESSOR AND ADDITIONAL OWNER TRUSTEES

Section 9.01. Eligibility Requirements for Owner Trustee. The Owner Trustee shall at all times (i) be a Person satisfying the provisions of Section 3807(a) of the Statutory Trust Statute; (ii) be authorized to exercise trust powers; (iii) have, or have a corporate parent that has, a combined capital and surplus of at least $50,000,000; (iv) be subject to supervision or examination by federal or State authorities; and (v) have (or have a parent which has) a rating of at least Baa3 by Moody's, at least BBB- by Standard & Poor's and, if rated by Fitch, at least BBB- by Fitch, or otherwise be acceptable to each Rating Agency. If such Person shall publish reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purpose of this Section, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Owner Trustee shall cease to be eligible in accordance with the provisions of this Section, the Owner Trustee shall resign immediately in the manner and with the effect specified in Section 9.02.

Section 9.02. Resignation or Removal of Owner Trustee. The Owner Trustee may at any time resign and be discharged from the trusts hereby created by giving written notice thereof to the Transferor; provided, however, that such resignation and discharge shall only be effective upon the appointment of a successor Owner Trustee. Upon receiving such notice of resignation, the Transferor shall promptly appoint a successor Owner Trustee by written instrument, in duplicate, one copy of which instrument shall be delivered to the resigning Owner Trustee and one copy to the successor Owner Trustee. If no successor Owner Trustee shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Owner Trustee at the expense of the Transferor may petition any court of competent jurisdiction for the appointment of a successor Owner Trustee.

If at any time the Owner Trustee shall cease to be eligible in accordance with the provisions of Section 9.01 and shall fail to resign after written request therefor by the Transferor, or if at any time the Owner Trustee shall be legally unable to act, or shall be adjudged bankrupt or insolvent, or a receiver of the Owner Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Owner Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the Transferor may, but shall not be required to, remove the Owner Trustee. If the Transferor shall remove the Owner Trustee under the authority of the immediately preceding sentence, the Transferor shall promptly (i) appoint a successor Owner Trustee by written instrument, in duplicate, one copy of which instrument shall be delivered to the outgoing Owner Trustee so removed and one copy to the successor Owner Trustee and (ii) pay all amounts owed to the outgoing Owner Trustee.

Any resignation or removal of the Owner Trustee and appointment of a successor Owner Trustee pursuant to any of the provisions of this Section shall not become effective until acceptance of appointment by the successor Owner Trustee pursuant to Section 9.03 and, in the case of removal, payment of all fees and expenses owed to the outgoing Owner Trustee. The Transferor shall provide notice of such resignation or removal of the Owner Trustee to each Rating Agency.

Section 9.03. Successor Owner Trustee. Any successor Owner Trustee appointed pursuant to Section 9.02 shall execute, acknowledge and deliver to the Transferor and to its predecessor Owner Trustee an instrument accepting such appointment under this Agreement, and thereupon the resignation or removal of the predecessor Owner Trustee shall become effective and such successor Owner Trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties and obligations of its predecessor under this Agreement, with like effect as if originally named as Owner Trustee. The predecessor Owner Trustee shall upon payment of its fees and expenses deliver to the successor Owner Trustee all documents and statements and monies held by it under this Agreement; and the Transferor and the predecessor Owner Trustee shall execute and deliver such instruments and do such other things as may reasonably be required for fully and certainly vesting and confirming in the successor Owner Trustee all such rights, powers, duties and obligations.

No successor Owner Trustee shall accept appointment as provided in this Section unless at the time of such acceptance such successor Owner Trustee shall be eligible pursuant to Section 9.01.

Upon acceptance of appointment by a successor Owner Trustee pursuant to this Section, the Transferor shall mail notice of such acceptance of appointment including the name of such successor Owner Trustee to the Transferor, the Indenture Trustee, the Noteholders and each Rating Agency. If the Transferor shall fail to mail such notice within ten days after acceptance of appointment by the successor Owner Trustee, the successor Owner Trustee shall cause such notice to be mailed at the expense of the Transferor.

Upon acceptance of appointment by a successor Owner Trustee pursuant to this Section, such successor Owner Trustee shall file an amendment to the Certificate of Trust with the Secretary of State identifying the name and principal place of business of such successor Owner Trustee in the State of Delaware.

Section 9.04. Merger or Consolidation of Owner Trustee. Notwithstanding anything herein to the contrary, any Person into which the Owner Trustee may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Owner Trustee shall be a party, or any Person succeeding to all or substantially all of the corporate trust business of the Owner Trustee, shall be the successor of the Owner Trustee hereunder (provided that such Person shall meet the eligibility requirements set forth in Section 9.01), without the execution or filing of any instrument or any further act on the part of any of the parties hereto; provided further that (i) the Owner Trustee shall mail notice of such merger or consolidation to each Rating Agency and (ii) the Owner Trustee shall file any necessary amendments to the Certificate of Trust with the Secretary of State.

Section 9.05. Appointment of Co-Trustee or Separate Trustee. Notwithstanding any other provisions of this Agreement, at any time, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Trust Assets may at the time be located, the Transferor and the Owner Trustee acting jointly shall have the power and shall execute and deliver all instruments to appoint one or more Persons approved by each of the Transferor and the Owner Trustee to act as co-trustee, jointly with the Owner Trustee, or separate trustee or separate trustees, of all or any part of the Trust Assets, and to vest in such Person, in such

capacity, such title to the Trust, or any part thereof, and, subject to the other provisions of this Section, such powers, duties, obligations, rights and trusts as the Transferor and the Owner Trustee may consider necessary or desirable. If the Transferor shall not have joined in such appointment within 15 days after the receipt by it of a request so to do, the Owner Trustee alone shall have the power to make such appointment. No co-trustee or separate trustee under this Agreement shall be required to meet the terms of eligibility as a successor trustee pursuant to Section 9.01, and no notice of the appointment of any co-trustee or separate trustee shall be required pursuant to Section 9.03.

Each separate trustee and co-trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

(i) all rights, powers, duties and obligations conferred or imposed upon the Owner Trustee shall be conferred upon and exercised or performed by the Owner Trustee and such separate trustee or co-trustee jointly (it being understood that such separate trustee or co-trustee is not authorized to act separately without the Owner Trustee joining in such act), except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed, the Owner Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties, and obligations (including the holding of title to the Trust or any portion thereof in any such jurisdiction) shall be exercised and performed singly by such separate trustee or co-trustee, but solely at the direction of the Owner Trustee;

(ii) no trustee under this Agreement shall be personally liable by reason of any act or omission of any other trustee under this Agreement; and

(iii) the Transferor and the Owner Trustee acting jointly may at any time accept the resignation of or remove any separate trustee or co-trustee.

Any notice, request or other writing given to the Owner Trustee shall be deemed to have been given to each of the then separate trustees and co-trustees, as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to this Agreement and the conditions of this Article. Each separate trustee and co-trustee, upon its acceptance of the trusts conferred, shall be vested with the estates or property specified in its instrument of appointment, either jointly with the Owner Trustee or separately, as may be provided therein, subject to all the provisions of this Agreement, specifically including every provision of this Agreement relating to the conduct of, affecting the liability of, or affording protection to, the Owner Trustee. Each such instrument shall be filed with the Owner Trustee and a copy thereof given to the Transferor.

Any separate trustee or co-trustee may at any time appoint the Owner Trustee, its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of this Agreement on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies and trusts shall vest in and be exercised by the Owner Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

ARTICLE TEN

TAX MATTERS

Section 10.01. Tax and Accounting Characterization. It is the intent of the parties hereto that the Trust not constitute a separate entity for federal income tax or State income or franchise tax (where such franchise taxes are based solely upon or measured by net income) purposes. It is the intent of the Transferor, the Noteholders and the Certificateholders that the Offered Notes, and to the extent Class C Notes are beneficially owned by a Person other than the Transferor, the Class C Notes, be treated as indebtedness of the Transferor secured by the Trust Assets and the payments on the Receivables for federal income tax and State income and franchise tax purposes. If there are multiple Certificateholders at any point in time for federal, State and local income and franchise tax purposes, it is the intention of the parties that the Trust qualify as a partnership during the period there are multiple Certificateholders, with the assets of the partnership being the Owner Trust Assets and the partners of the partnership being the Certificateholders and the Notes being debt of the partnership. The parties agree that the Trust shall not file or cause to be filed annual returns, reports or other forms and will treat the Trust in a manner consistent with the characterization that the Trust is not a separate entity for tax purposes unless there are multiple Certificateholders at the same time or, unless there are future changes in the federal or State income or franchise tax (where such franchise taxes are based solely upon or measured by net income) laws, whereby existing trusts with a single Certificateholder are treated as a separate entity for purposes of the aforementioned taxes.

Section 10.02. Signature on Returns; Tax Matters Partner.

(a) In the event that the Trust shall be required to file federal or other income tax returns as a partnership, such returns shall be signed by an authorized signatory for the Transferor or such other Person as shall be required by law to sign such returns of the Trust.

(b) By acceptance of its beneficial interest in a Certificate, each Certificateholder agrees that in the event that the Trust is classified as a partnership for federal income tax purposes, the Transferor shall be the “tax matters partner” of the Trust pursuant to the Code so long as the Transferor holds any Certificate.

Section 10.03. Tax Reporting. Unless otherwise required by appropriate tax authorities, the Trust shall not file or cause to be filed annual or other income or franchise tax returns and shall not be required to obtain a taxpayer identification number.

ARTICLE ELEVEN

MISCELLANEOUS

Section 11.01. Supplements and Amendments.

(a) This Agreement may be amended from time to time by a written amendment duly executed and delivered by the Transferor and the Owner Trustee, with the written consent of the Indenture Trustee, but without the consent of any of the Noteholders, and upon satisfaction of the Rating Agency Condition, to cure any ambiguity, to correct or supplement any provisions in this Agreement or for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement or modifying in any manner the rights of the Noteholders; provided, however, that any such amendment will not (i) in the good faith judgment of the parties thereto, materially adversely affect the interest of any Noteholder and (ii) as evidenced by an Opinion of Counsel addressed and delivered to the Owner Trustee and the Indenture Trustee, cause the Trust to be classified as an association (or a publicly traded partnership) taxable as a corporation for federal income tax purposes; provided, further, that Section 2.03 may be amended only with the consent of the Holders of Notes evidencing not less than a majority of the Outstanding Notes. Additionally, notwithstanding the preceding sentence, this Agreement will be amended by the Transferor and the Owner Trustee without the consent of the Indenture Trustee or any of the Noteholders to add, modify or eliminate such provisions as may be necessary or advisable in order to enable all or a portion of the Trust to avoid the imposition of State or local income or franchise taxes imposed on the Trust's property or its income; provided, however, that (i) the Transferor delivers to the Indenture Trustee and the Owner Trustee an Officer's Certificate to the effect that the proposed amendments meet the requirements set forth in this Section, (ii) the Rating Agency Condition shall have been satisfied with respect to such amendment and (iii) such amendment does not affect the rights, benefits, protections, privileges, immunities, duties or obligations of the Owner Trustee hereunder. The amendments which the Transferor may make without the consent of Noteholders pursuant to the preceding sentence may include, without limitation, the addition of a sale of Receivables.

(b) This Agreement may also be amended from time to time by a written amendment duly executed and delivered by the Transferor and the Owner Trustee, with the consent of the Indenture Trustee and the Holders of Notes evidencing not less than a majority of the Outstanding Notes and upon satisfaction of the Rating Agency Condition for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement or of modifying in any manner the rights of the Noteholders; provided, however, that without the consent of all Noteholders, no such amendment shall (i) increase or reduce in any manner the amount of, or accelerate or delay the timing of distributions that are required to be made for the benefit of the Noteholders or (ii) reduce the aforesaid percentage of the Outstanding Notes of all Series, the Holders of which are required to consent to any such amendment; provided further, that such amendment will not, as evidenced by an Opinion of Counsel addressed and delivered to the Owner Trustee and the Indenture Trustee, cause the Trust to be classified as an association (or a publicly traded partnership) taxable as a corporation for federal income tax purposes.

(c) Promptly after the execution of any such amendment or consent, the Transferor shall furnish written notification of the substance of such amendment or consent to the Indenture Trustee and each Rating Agency. It shall not be necessary for the consent of the Noteholders pursuant to this Section to approve the particular form of any proposed amendment or consent, but it shall be sufficient if such consent shall approve the substance thereof.

(d) Promptly after the execution of any amendment to the Certificate of Trust, the Owner Trustee shall cause the filing of such amendment with the Secretary of State.

(e) The Owner Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Officer's Certificate of the Transferor to the effect that the conditions to amendment have been satisfied. The Owner Trustee may, but shall not be obligated to, enter into, and unless it has consented thereto in writing shall not be bound by, any amendment which affects the Owner Trustee's own rights, duties, benefits, protections, privileges or immunities (as such or in its individual capacity) under this Agreement or otherwise.

Section 11.02. No Legal Title to Trust Assets in Transferor. The Transferor shall not have legal title to any part of the Trust Assets. No transfer, by operation of law or otherwise, of any right, title, and interest of the Transferor to and in its undivided beneficial interest in the Trust Assets shall operate to terminate this Agreement or annul, dissolve or terminate the Trust or entitle any transferee to an accounting or to the transfer to it of legal title to any part of the Trust Assets.

Section 11.03. Limitations on Rights of Others. The provisions of this Agreement are solely for the benefit of the Owner Trustee, the other Indemnified Parties, the Transferor, the holder of any Certificate and, to the extent expressly provided herein, the Indenture Trustee and the Noteholders, and nothing in this Agreement, whether express or implied, shall be construed to give to any other Person any legal or equitable right, remedy or claim in the Trust Assets or under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

Section 11.04. Notices. Unless otherwise expressly specified or permitted by the terms hereof, all demands, notices, instructions, directions and communications under this Agreement shall be in writing and shall be deemed to have been duly given if personally delivered at, mailed by registered mail, return receipt requested or sent by facsimile transmission (except that notice to the Owner Trustee, the Transferor or Indenture Trustee shall be deemed given only upon actual receipt by the Owner Trustee, the Transferor or Indenture Trustee), if to (i) the Owner Trustee, addressed to the Corporate Trust Office; (ii) the Indenture Trustee, addressed to Wells Fargo Bank, National Association, 625 Marquette Ave, Minneapolis, Minnesota 55402, Attention: Corporate Trust Asset-Backed Securities (facsimile no. (612) 667-3464); or (iii) the Transferor, addressed to Nordstrom Credit Card Receivables II LLC, 13531 East Caley Avenue, Centennial, Colorado 80111, Attention: Legal Department (facsimile no. (303) 397-4488); or as to each party, at such other address or facsimile number as shall be designated by such party in a written notice to each other party.

Section 11.05. Severability. If any one or more of the covenants, agreements, provisions or terms of this Agreement shall be for any reason whatsoever held invalid or unenforceable, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions and terms of this Agreement and shall in no way affect the validity or enforceability of the other covenants, agreements, provisions and terms of this Agreement or of the Certificates or the rights of the Certificateholders thereof.

Section 11.06. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all of which together shall constitute one and the same instrument.

Section 11.07. Successors and Assigns. All covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the Transferor, the Owner Trustee and each Certificateholder and their respective successors and permitted assigns, all to the extent as herein provided. Any request notice, direction, consent, waiver or other instrument or action by a Certificateholder shall bind the successors and assigns of the Transferor or such Certificateholder.

Section 11.08. Third-Party Beneficiaries. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. Except as otherwise expressly provided in this Agreement, no other Person will have any right or obligation hereunder.

Section 11.09. Nonpetition Covenants. Notwithstanding any prior termination of the Trust or this Agreement, the Owner Trustee, individually or in its capacity as Owner Trustee, and the Transferor shall not, prior to the date which is one year and one day after the termination of the Trust or this Agreement, acquiesce, petition or otherwise invoke or cause the Trust to invoke the process of any court or Governmental Authority for the purpose of commencing or sustaining a case against the Trust under any federal or State bankruptcy, insolvency or similar law or appointing a receiver, conservator, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Trust or any substantial part of its property, or ordering the winding up or liquidation of the affairs of the Trust.

Section 11.10. No Recourse. Each Person holding or owning a Certificate, by accepting the Certificates, acknowledges that the Certificates do not represent interest in or obligations of the Servicer, the Owner Trustee, the Indenture Trustee or any Affiliate thereof (other than the Trust), and no recourse may be had against such parties or their assets, or against the assets pledged under the Indenture, except as expressly agreed by such party in the Transaction Documents.

Section 11.11. Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 11.12. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS, AND THE OBLIGATIONS, RIGHTS, AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 11.13. Acceptance of Terms of Agreement. The receipt and acceptance of the Ownership Interest Certificate by the Owner and the Transferor Certificate by the Transferor, without any signature or further manifestation of assent, shall constitute the unconditional acceptance by the Owner and the Transferor, respectively, of all the terms and provisions of this Agreement, and shall constitute the agreement of the Trust that the terms and provisions of this Agreement shall be binding, operative and effective as among the Trust, the Owner and the Transferor.

Section 11.14. Merger and Integration. Except as specifically stated otherwise herein, this Agreement sets forth the entire understanding of the parties relating to the subject matter hereof, and all prior understandings, written and oral, are superseded by this Agreement.

Section 11.15. Certificates Nonassessable and Fully Paid. Certificateholders shall not be personally liable for obligations of the Issuer. The interests represented by the Certificates shall be nonassessable for any losses or expenses of the Issuer or for any reason whatsoever, and, upon the authentication thereof by the Owner Trustee pursuant to Section 3.03, 3.04, 3.05 or 3.06, the Certificates are and shall be deemed fully paid.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers hereunto duly authorized, as of the day and year first above written.

WILMINGTON TRUST COMPANY,
as Owner Trustee

By: /s/ James P. Lawler
James P. Lawler
Vice President

NORDSTROM CREDIT CARD RECEIVABLES II LLC,
as Transferor

By: /s/Marc A. Anacker
Marc A. Anacker
Treasurers

EXHIBIT A

FORM OF OWNERSHIP INTEREST CERTIFICATE

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THIS CERTIFICATE (OR ANY INTEREST HEREIN) MAY NOT BE TRANSFERRED TO ANY PERSON EXCEPT IN ACCORDANCE WITH THE TRUST AGREEMENT.

NORDSTROM CREDIT CARD MASTER NOTE TRUST II
OWNER CERTIFICATE

R-1

(This Certificate does not represent an interest in or obligation of Nordstrom Credit Card Receivables II LLC or any of its affiliates, except to the extent described below.)

This certifies that Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC) is the registered Owner of the Nordstrom Credit Card Master Note Trust II (formerly known as Nordstrom Private Label Master Note Trust) (the "Trust"). The Trust was created pursuant to (i) the filing of the Certificate of Trust with the Secretary of State of the State of Delaware and (ii) the Trust Agreement, dated as of October 16, 2001, as amended and restated as of October 1, 2001, and as further amended and restated as of May 1, 2007 (the "Trust Agreement"), between Nordstrom Credit Card Receivables II LLC (the "Transferor") and Wilmington Trust Company, as trustee (the "Owner Trustee"). Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Trust Agreement.

This Certificate is the duly authorized Certificate evidencing a beneficial ownership interest in the Trust (the "Certificate"). This Certificate is issued under and is subject to the terms, provisions and conditions of the Trust Agreement, including the rights of the holder of the Transferor Certificate to which Trust Agreement the holder by virtue of the acceptance hereof assents and by which the holder is bound.

Notwithstanding any prior termination of the Trust Agreement, the holder, by its acceptance of this Certificate, covenants and agrees that it shall not at any time with respect to the Trust, acquiesce, petition or otherwise invoke or cause the Trust to invoke the process of any court or Governmental Authority for the purpose of commencing or sustaining a case against the Trust under any federal or State bankruptcy, insolvency or similar law or appointing a receiver, conservator, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Trust or any substantial part of its property, or ordering the winding up or liquidation of the affairs of the Trust.

Unless the certificate of authentication hereon shall have been executed by the Owner Trustee, by manual signature, this Certificate shall not entitle the holder hereof to any benefit under the Trust Agreement, the Transfer and Servicing Agreement or the Indenture or be valid for any purpose.

THIS CERTIFICATE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE HOLDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

IN WITNESS WHEREOF, the Trust has caused this Certificate to be duly executed.

NORDSTROM CREDIT CARD MASTER NOTE TRUST II

By: WILMINGTON TRUST COMPANY,
not in its individual capacity but solely as
Owner Trustee

Dated: _____ ___, 2007

By: _____
Name:
Title:

CERTIFICATE OF AUTHENTICATION

This is the Certificate referred to in the within-mentioned Trust Agreement.

WILMINGTON TRUST COMPANY,
not in its individual capacity but solely
as Owner Trustee

By: _____
Authorized Signatory

Registered Owner and address:

Nordstrom Credit Card Receivables II LLC
13531 East Caley Avenue
Centennial, Colorado 80111

Tax Identification Number: _____

EXHIBIT B

FORM OF TRANSFEROR CERTIFICATE

THIS TRANSFEROR CERTIFICATE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. NEITHER THIS TRANSFEROR CERTIFICATE NOR ANY PORTION HEREOF MAY BE OFFERED OR SOLD EXCEPT IN COMPLIANCE WITH THE REGISTRATION PROVISIONS OF SUCH ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM SUCH REGISTRATION PROVISIONS.

THIS TRANSFEROR CERTIFICATE IS NOT PERMITTED TO BE TRANSFERRED, ASSIGNED, EXCHANGED OR OTHERWISE PLEDGED OR CONVEYED EXCEPT IN COMPLIANCE WITH THE TERMS OF THE TRUST AGREEMENT REFERRED TO HEREIN.

No. R-2 One Unit

NORDSTROM CREDIT CARD MASTER NOTE TRUST II
TRANSFEROR CERTIFICATE

Evidencing an interest in a trust, the corpus of which consists primarily of receivables generated from time to time in the ordinary course of business in a portfolio of (i) private label credit card accounts and (ii) an undivided beneficial interest in VISA® credit card accounts transferred by Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC) (the "Transferor").

(Not an interest in or obligation of the Transferor
or any affiliate thereof)

This certifies that Nordstrom Credit Card Receivables II LLC is the registered owner of an undivided beneficial interest in the assets of the Nordstrom Credit Card Master Note Trust II (formerly known as Nordstrom Private Label Master Note Trust) (the "Trust"), subject to the lien of the Notes as provided in the Amended and Restated Master Indenture, dated as of May 1, 2007 (the "Master Indenture"), between Wells Fargo Bank, National Association, as trustee (the "Indenture Trustee"), as supplemented by the Series 2007-1 Indenture Supplement, dated as of May 1, 2007 (the "Series 2007-1 Indenture Supplement," and together with the Master Indenture, the "Indenture"), between the Indenture Trustee and the Trust, as the same may be amended, modified or otherwise supplemented from time to time, and the Trust, established pursuant to the Second Amended and Restated Trust Agreement, dated as of May 1, 2007, as amended and supplemented (the "Trust Agreement"), between the Transferor and Wilmington Trust Company, as trustee (the "Owner Trustee"). The corpus of the Trust consists of (a) a portfolio of certain receivables (the "Receivables") existing in (i) private label credit card accounts and (ii) an undivided beneficial interest in VISA® credit card accounts, which accounts are identified under the Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007, as amended from time to time (the "Transfer and Servicing Agreement"), among the Transferor, Nordstrom fsb, as servicer (the "Servicer"), the Indenture Trustee and the Trust, as issuer, from

time to time (the "Accounts"), (b) certain funds collected or to be collected from accountholders in respect of the Receivables, (c) all funds which are from time to time on deposit in the Collection Account, Special Funding Account and in the Series Accounts, (d) the benefits of any Series Enhancements issued and to be issued by Series Enhancers with respect to one or more Series of Notes and (e) all other assets and interests constituting the Trust, including Interchange and Recoveries allocated to the Trust pursuant to the Transfer and Servicing Agreement. Although a summary of certain provisions of the Transfer and Servicing Agreement, the Trust Agreement and the Indenture (collectively, the "Agreements") is set forth below, this Certificate does not purport to summarize the Agreements and reference is made to the Agreements for information with respect to the interests, rights, benefits, obligations, proceeds and duties evidenced hereby and the rights, duties and obligations of the Owner Trustee. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Agreements.

This Certificate is issued under and is subject to the terms, provisions and conditions of the Agreements, to which Agreements, as amended and supplemented from time to time, the Transferor by virtue of the acceptance hereof assents and is bound.

The Receivables consist of Principal Receivables which arise generally from the purchase of merchandise and services and amounts advanced to cardholders as cash advances and Finance Charge Receivables which arise generally from Periodic Rate Finance Charges, Late Fees and other fees and charges with respect to the Accounts.

This Certificate is the Transferor Certificate, which represents the undivided beneficial interest in certain assets of the Trust, subject to the lien of the Notes, including the right to receive a portion of the Collections and other amounts at the times and in the amounts specified in the Indenture. In addition to the Transferor Certificate, (a) Notes will be issued to investors pursuant to the Indenture and (b) Supplemental Certificates may be issued pursuant to the Trust Agreement.

Unless otherwise specified in an Indenture Supplement with respect to a particular Series, the Transferor has entered into the Transfer and Servicing Agreement, and this Certificate is issued, with the intention that, for federal, State and local income and franchise tax purposes, (a) the Notes of each Series which are characterized as indebtedness at the time of their issuance will qualify as indebtedness of the Transferor secured by the Receivables and (b) the Trust shall not be treated as an association (or a publicly traded partnership) taxable as a corporation. The Transferor by the acceptance of this Certificate, agrees to treat the Notes for federal, State and local income and franchise tax purposes as indebtedness of the Transferor.

Subject to certain conditions and exceptions specified in the Agreements, the obligations created by the Agreements and the Trust created thereby shall terminate upon the earlier of (a) at the option of the Transferor, the day on which the rights of all Series of Notes to receive payments from the Trust have terminated (the "Trust Termination Date") or (b) dissolution of the Trust in accordance with applicable law.

Unless the certificate of authentication hereon has been executed by or on behalf of the Owner Trustee, by manual signature, this Certificate shall not be entitled to any benefit under the Agreement or be valid for any purpose.

IN WITNESS WHEREOF, the Trust has caused this Certificate to be duly executed.

NORDSTROM CREDIT CARD MASTER NOTE TRUST II

By: WILMINGTON TRUST COMPANY,
not in its individual capacity but solely as
Owner Trustee

By: _____
Name:
Title:

Dated: _____ ___, 2007

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is the Transferor Certificate described in the Trust Agreement.

WILMINGTON TRUST COMPANY,
not in its individual capacity but solely as Owner
Trustee

By: _____
Authorized Signatory

Registered Owner and address:

Nordstrom Credit Card Receivables II LLC
13531 East Caley Avenue
Centennial, Colorado 80111

Tax Identification Number: _____

[Exhibit 99.6]

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Issuer,

and

NORDSTROM fsb,
as Administrator

AMENDED AND RESTATED
ADMINISTRATION AGREEMENT

Dated as of May 1, 2007

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EXHIBITS

AMENDED AND RESTATED ADMINISTRATION AGREEMENT

This Amended and Restated Administration Agreement, dated as of May 1, 2007 (the "Agreement"), is between Nordstrom Credit Card Master Note Trust II (formerly known as Nordstrom Private Label Credit Card Master Note Trust), as issuer (the "Issuer"), and Nordstrom fsb (the "Bank"), as administrator (in such capacity, the "Administrator").

RECITALS

WHEREAS, the Issuer has entered into an Amended and Restated Master Indenture, dated as of May 1, 2007 (the "Master Indenture"), between the Issuer and Wells Fargo Bank, National Association, as trustee (the "Indenture Trustee") to provide for the issuance of asset backed notes in series (the "Notes") from time to time pursuant to one or more indenture supplements between the Issuer and the Indenture Trustee (each, an "Indenture Supplement" and, together with the Master Indenture, the "Indenture");

WHEREAS, the Issuer has entered into certain agreements in connection with the issuance of the Notes, the issuance of the beneficial ownership interest of the Issuer and transactions related thereto, including (i) the Master Indenture; (ii) the Second Amended and Restated Transfer and Servicing Agreement, dated as of May 1, 2007 (the "Transfer and Servicing Agreement"), among Nordstrom Credit Card Receivables II LLC (formerly known as Nordstrom Private Label Receivables LLC), as transferor (the "Transferor"), the Bank, as servicer (in such capacity, the "Servicer"), the Indenture Trustee and the Issuer and (iii) the Second Amended and Restated Trust Agreement, dated as of May 1, 2007 (the "Trust Agreement" and, together with the Master Indenture, each Indenture Supplement and the Transfer and Servicing Agreement, the "Related Agreements"), between the Transferor, as transferor, and Wilmington Trust Company, as trustee (the "Owner Trustee");

WHEREAS, pursuant to the Related Agreements, the Issuer and the Owner Trustee are required to perform certain duties in connection with (i) the Notes and the collateral therefor pledged pursuant to the Indenture (the "Collateral") and (ii) the beneficial ownership interest in the Issuer (the holder of such interest being referred to herein as the "Owner");

WHEREAS, the Issuer and the Owner Trustee desire to have the Administrator perform such duties required of the Issuer and Owner Trustee under the Related Agreements, as well as to provide such additional services consistent with the terms of this Agreement and the Related Agreements as the Issuer and the Owner Trustee may from time to time request; and

WHEREAS, the Administrator has the capacity to provide the services required hereby and is willing to perform such services for the Issuer and the Owner Trustee on the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

Section 1.01. Capitalized Terms; Interpretive Provisions.

(a) Whenever used herein, unless the context otherwise requires, the following words and phrases shall have the following meanings:

"Indenture Supplement" means the indenture supplement pursuant to which a Series is issued.

"Trust" means the Nordstrom Credit Card Master Note Trust II (formerly known as Nordstrom Private Label Credit Card Master Note Trust), a Delaware statutory trust, and its successors.

(b) Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Trust Agreement, the Transfer and Servicing Agreement or the Master Indenture, as the case may be. All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(c) As used in this Agreement and in any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in this Agreement or in any such certificate or other document, and accounting terms partly defined in this Agreement or in any such certificate or other document to the extent not defined, shall have the respective meanings given to them under GAAP. To the extent that the definitions of accounting terms in this Agreement or in any such certificate or other document are inconsistent with the meanings of such terms under GAAP, the definitions contained in this Agreement or in any such certificate or other document shall control.

(d) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, (i) terms used herein include, as appropriate, all genders and the plural as well as the singular, (ii) references to this Agreement include all Exhibits hereto, (iii) references to words such as "herein", "hereof" and the like shall refer to this Agreement as a whole and not to any particular part, Article or Section within this Agreement, (iv) references to an Article or Section such as "Article One" or "Section 1.01" and the like shall refer to the applicable Article or Section of this Agreement, (v) the term "include" and all variations thereof shall mean "include without limitation", (vi) the term "or" shall include "and/or" and (vii) the term "proceeds" shall have the meaning ascribed to such term in the UCC.

Section 1.02. Duties of Administrator.

(a) Duties with Respect to the Related Agreements.

The Administrator shall consult with the Owner Trustee regarding the duties of the Issuer and the Owner Trustee under the Related Agreements. The Administrator shall monitor the performance of the Issuer and shall advise the Owner Trustee when action is necessary to comply with the Issuer's or the Owner Trustee's duties under the Related Agreements. The Administrator shall prepare for execution by the Issuer or the Owner Trustee or shall cause the preparation by other appropriate persons of all such documents, reports, filings, instruments, orders, certificates and opinions as shall be the duty of the Issuer or the Owner Trustee to prepare, file or deliver pursuant to any Related Agreement. In addition to the foregoing, the Administrator shall take all appropriate action that is the duty of the Issuer or the Owner Trustee to take pursuant to the Indenture including such of the foregoing as are required with respect to the following matters under the Indenture (references are to Sections of the Master Indenture):

(i) the preparation of or obtaining of the documents and instruments required for execution, authentication and delivery of the Notes (whether upon initial issuance, transfer or exchange or otherwise), if any, and delivery of the same to the Indenture Trustee (if applicable) (Sections 2.03, 2.05, 2.06 or 2.15);

(ii) the duty to cause the Note Register to be kept, to appoint a successor Transfer Agent and Registrar, if necessary, and to give the Indenture Trustee notice of any appointment of a new Transfer Agent and Registrar and the location, or change in location, of the Note Register (Section 2.05);

(iii) the furnishing of the Indenture Trustee, the Servicer, any Noteholder or the Paying Agent with the names and addresses of Noteholders after receipt of a written request therefor from the Indenture Trustee, the Servicer, any Noteholder or the Paying Agent, respectively, or as otherwise specified in the Indenture (Sections 2.09(a) and 7.01);

(iv) the preparation of an Issuer Request regarding cancellation of any Notes. (Section 2.10);

(v) the preparation, obtaining or filing of the instruments, opinions and certificates and other documents required for the release of collateral (Section 2.11);

(vi) the duty to cause the Issuer to maintain an office or agency within the City of Minneapolis, State of Minnesota or New York, New York (and as otherwise set forth in an Indenture Supplement) and to give the Indenture Trustee and the Noteholders notice of the location, or change in location, of such office or agency (Section 3.02);

(vii) the duty to direct the Indenture Trustee to deposit with any Paying Agent the sums specified in the Indenture and the preparation of an Issuer Order directing the investment of such funds in Eligible Investments (Section 3.03);

(viii) the duty to cause newly appointed Paying Agents, if any, to deliver to the Indenture Trustee the instrument specified in the Indenture regarding funds held in trust (Section 3.03);

(ix) the direction to Paying Agents to pay to the Indenture Trustee all sums held in trust by such Paying Agents (Section 3.03);

(x) the duty to cause the Issuer to keep in full effect its existence, rights and franchises as a Delaware statutory trust and the obtaining and preservation of the Issuer’s qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of the Indenture, the Notes, the Collateral and each other related instrument and agreement (Section 3.04);

(xi) the preparation of all supplements, amendments, financing statements, continuation statements, if any, instruments of further assurance and other instruments necessary to protect, maintain and enforce the Collateral (Section 3.05);

(xii) the obtaining of the Opinion of Counsel on the Series Issuance Date and the annual delivery of Opinions of Counsel as to the Collateral (Section 3.06);

(xiii) the identification to the Indenture Trustee in an Officer's Certificate of a Person with whom the Issuer has contracted to assist it in performing its duties under the Indenture (Section 3.07(b));

(xiv) the duty to cause the Issuer to punctually perform and observe all of the obligations and agreements contained in the Indenture and the other Transaction Documents and in the instruments and agreements relating to the Collateral, including filing or causing to be filed all UCC financing statements required to be filed by the terms of the Indenture and the Transfer and Servicing Agreement in accordance with and in the applicable time periods (Section 3.07(c));

(xv) causing the delivery of notice by the Indenture Trustee to the Rating Agencies of the occurrence of any Servicer Default of which the Issuer has knowledge and the action, if any, being taken in connection with such default (Section 3.07(d));

(xvi) the delivery of any computer files or microfiche lists of Accounts that the Issuer has received from the Transferor pursuant to the Transfer and Servicing Agreement (Section 3.07(g));

(xvii) the delivery to the Indenture Trustee, within 120 days after the end of each fiscal year of the Issuer, of an Officer's Certificate with respect to various matters relating to compliance with the Indenture (Section 3.09);

(xviii) the preparation and obtaining of documents, certificates, opinions and instruments required in connection with the consolidation or merger by the Issuer with or into any other Person or the sale of the Issuer's assets substantially as an entirety to any Person (Section 3.10);

(xix) the delivery of notice to the Indenture Trustee and each Rating Agency of (1) each Event of Default, (2) each default by the Servicer or the Transferor under the Transfer and Servicing Agreement, (3) each default by a Seller under a Receivables Purchase Agreement and (4) any action taken by the Indenture Trustee pursuant to Section 5.05 of the Master Indenture (Section 3.19);

(xx) the monitoring of the Issuer's obligations as to the satisfaction and discharge of the Indenture and the preparation and delivery of an Officer's Certificate and the obtaining of Opinion of Counsel and the Independent Certificate relating thereto (Section 4.01);

(xxi) the compliance with any directive of the Indenture Trustee with respect to the sale of the Collateral if an Event of Default shall have occurred and be continuing and the related Notes have been accelerated (Section 5.05);

(xxii) the preparation and delivery of an Officer's Certificate to be delivered to the Indenture Trustee and the deliverance of such Officer's Certificate to the Noteholders (Section 6.03(b));

(xxiii) the removal of the Indenture Trustee, if necessary and in compliance with the Indenture, and the appointment of a successor (Section 6.08);

(xxiv) the preparation and delivery of various reports to be filed with the Indenture Trustee and the Commission, as applicable (Section 7.03);

(xxv) the preparation of an Issuer Order and Officer's Certificate and the obtaining of an Opinion of Counsel and Independent Certificates, if necessary, for the release of the Collateral (Sections 8.09 and 8.10);

(xxvi) the preparation and delivery of Issuer Orders, agreements, certificates, instruments, consents and other documents and the obtaining of Opinions of Counsel with respect to the execution of supplemental indentures (Sections 3.07(f), 10.01, 10.02 and 10.03);

(xxvii) the execution of new Notes conforming to any supplemental indenture (Section 10.06);

(xxviii) in connection with a Defeasance, compliance with the provisions of Section 11.04 of the Master Indenture (Section 11.04);

(xxix) the preparation of all Officers' Certificates, Opinions of Counsel and, if necessary, Independent Certificates with respect to any requests by the Issuer to the Indenture Trustee to take any action under the related Indenture (Section 12.01(a));

(xxx) the preparation and delivery of Officers' Certificates and the obtaining of Independent Certificates, if necessary, in connection with the deposit of any Collateral or other property or securities with the Indenture Trustee that is to be made the basis for the release of property from the lien of the Indenture (Section 12.01(b)); and

(xxxi) the preparation and delivery to Noteholders and the Indenture Trustee of any agreements with respect to alternate payment and notice provisions (Section 12.06).

(b) Additional Duties.

(i) In addition to the duties of the Administrator set forth above, but subject to Sections 1.02(c)(ii) and 1.06, the Administrator shall perform all duties and obligations of the Issuer under the Related Agreements, including compliance with the provisions of the Transfer and Servicing Agreement, the related Indenture Supplement and Trust Agreement applicable to the Issuer, and shall perform such calculations and shall prepare for execution by the Issuer and shall cause the preparation by other appropriate persons of all such documents, reports, filings, instruments, certificates and opinions as it shall be the duty of the

Issuer or the Owner Trustee to prepare, file or deliver pursuant to the Related Agreements and shall administer the Trust in the interest of the holders of the Notes and the Transferor Certificates and at the request of the Issuer shall take all appropriate action that is the duty of the Issuer or the Owner Trustee to take pursuant to the Related Agreements. Subject to Sections 1.02(c)(ii) and 1.06, and in accordance with the directions of the Issuer, the Administrator shall administer, perform or supervise the performance of such other activities in connection with the Collateral (including the Related Agreements) as are not covered by any of the foregoing provisions and as are expressly requested by the Owner Trustee and are reasonably within the capability of the Administrator.

(ii) The Administrator shall perform all duties expressly required to be performed by the Administrator under the Trust Agreement.

(iii) In carrying out the foregoing duties or any of its other obligations under this Agreement, the Administrator may enter into transactions with or otherwise deal with any of its Affiliates; provided, however, that the terms of any such transactions or dealings shall be in accordance with any directions received from the Issuer and shall be, in the Administrator's opinion, no less favorable to the Issuer than would be available from unaffiliated parties.

(iv) It is the intention of the parties hereto that the Administrator shall, and the Administrator hereby agrees to, prepare, file and deliver on behalf of the Issuer all such documents, reports, filings, instruments, certificates and opinions as it shall be the duty of the Issuer to prepare, file or deliver pursuant to the Related Agreements. In furtherance thereof, the Owner Trustee shall, on behalf of the Issuer, execute and deliver to the Administrator and its agents, and to each successor Administrator appointed pursuant to the terms hereof, one or more powers of attorney substantially in the form of Exhibit A hereto, appointing the Administrator the attorney-in-fact of the Issuer for the purpose of executing on behalf of the Issuer all such documents, reports, filings, instruments, certificates and opinions.

(c) Non-Ministerial Matters.

(i) With respect to matters that in the reasonable judgment of the Administrator are non-ministerial, the Administrator shall not take any action unless within a reasonable time before the taking of such action, the Administrator shall have notified the Transferor of the proposed action and the Transferor shall not have withheld consent or provided an alternative direction. For the purpose of the preceding sentence, "non-ministerial matters" shall include:

(A) the amendment of or any supplement to the Indenture;

(B) the initiation of any claim or lawsuit by the Issuer and the compromise of any action, claim or lawsuit brought by or against the Issuer (other than in connection with the collection or enforcement of the Collateral);

(C) the amendment, change or modification of the Related Agreements;

(D) the appointment of each successor Transfer Agent and Registrar, each successor Paying Agent and each successor Indenture Trustee pursuant to the Indenture or the appointment of successor Administrators, or the consent to the assignment by each of the Transfer Agent and Registrar, Paying Agent or the Indenture Trustee of its obligations under the Indenture; and

(E) the removal of the Indenture Trustee.

(ii) Notwithstanding anything to the contrary in this Agreement, the Administrator shall not be obligated to, and shall not, (A) make any payments from its own funds to the Noteholders, the Owner or any other Person under the Related Agreements, (B) sell the Collateral pursuant to Section 5.05 of the Master Indenture other than pursuant to a written directive of the Indenture Trustee or (C) take any other action that the Issuer directs the Administrator not to take on its behalf.

Section 1.03. Records. The Administrator shall maintain appropriate books of account and records relating to services performed hereunder, which books of account and records shall be accessible for inspection by the Issuer, the Owner Trustee, the Indenture Trustee, the Servicer and the Transferor at any time during normal business hours.

Section 1.04. Compensation. As compensation for the performance of the Administrator's obligations under this Agreement, the Administrator shall be entitled to $100 per month which shall be payable in accordance with Section 3.01(e) of the Transfer and Servicing Agreement. The Transferor shall be responsible for payment of the Administrator's fees (to the extent not paid pursuant to Section 3.01(e) of the Transfer and Servicing Agreement).

Section 1.05. Additional Information to be Furnished to Issuer. The Administrator shall furnish to the Issuer from time to time such additional information regarding the Collateral as the Issuer shall reasonably request.

Section 1.06. Independence of Administrator. For all purposes of this Agreement, the Administrator shall be an independent contractor and shall not be subject to the supervision of the Issuer or the Owner Trustee with respect to the manner in which it accomplishes the performance of its obligations hereunder. Unless expressly authorized by the Issuer, the Administrator shall have no authority to act for or represent the Issuer or the Owner Trustee in any way and shall not otherwise be deemed an agent of the Issuer or the Owner Trustee.

Section 1.07. No Joint Venture. Nothing contained in this Agreement shall (i) constitute the Administrator and either of the Issuer or the Owner Trustee as members of any partnership, joint venture, association, syndicate, unincorporated business or other separate entity, (ii) be construed to impose any liability as such on any of them or (iii) be deemed to confer on any of them any express, implied or apparent authority to incur any obligation or liability on behalf of the others.

Section 1.08. Other Activities of Administrator. Nothing herein shall prevent the Administrator or its Affiliates from engaging in other businesses or, in its sole discretion, from acting in a similar capacity as an administrator for any other Person or entity even though such Person or entity may engage in business activities similar to those of the Issuer, the Owner Trustee or the Indenture Trustee.

Section 1.09. Term of Agreement; Resignation and Removal of Administrator.

(a) This Agreement shall continue in force until the termination of the Issuer, upon which event this Agreement shall automatically terminate.

(b) Subject to Sections 1.09(d) and (e), (i) the Administrator may resign its duties hereunder by providing the Issuer with at least 60 days' prior written notice and (ii) the Issuer may remove the Administrator without cause by providing the Administrator with at least 60 days' prior written notice.

(c) Subject to Sections 1.09(d) and (e), at the sole option of the Issuer, the Administrator may be removed immediately upon written notice of termination from the Issuer to the Administrator if any of the following events shall occur:

(i) the Administrator shall default in the performance of any of its duties under this Agreement and, after notice of such default, shall not cure such default within 30 days (or, if such default cannot be cured in such time, shall not give within 30 days such assurance of cure as shall be reasonably satisfactory to the Issuer); or

(ii) an Insolvency Event occurs with respect to the Administrator.

The Administrator agrees that if any event specified in clause (ii) above shall occur, it shall give written notice thereof to the Issuer and the Indenture Trustee within seven days after the happening of such event.

(d) No resignation or removal of the Administrator pursuant to this Section shall be effective until (i) a successor Administrator shall have been appointed by the Issuer and (ii) such successor Administrator shall have agreed in writing to be bound by the terms of this Agreement in the same manner as the Administrator is bound hereunder.

(e) The appointment of any successor Administrator shall be effective only after satisfaction of the Rating Agency Condition with respect to the proposed appointment.

Section 1.10. Action upon Termination, Resignation or Removal. Promptly upon the effective date of termination of this Agreement pursuant to Section 1.09(a) or the resignation or removal of the Administrator pursuant to Sections 1.09(b) or (c), respectively, the Administrator shall be entitled to be paid all fees and reimbursable expenses accruing to it pursuant to Section 1.04 of this Agreement and Section 3.01(e) of the Transfer and Servicing Agreement to the date of such termination, resignation or removal. The Administrator shall forthwith upon such termination pursuant to Section 1.09(a) deliver to the Transferor all property and documents of or relating to the Collateral then in the custody of the Administrator. In the event of the resignation or removal of the Administrator pursuant to Sections 1.09(b) or (c), respectively, the Administrator shall cooperate with the Issuer and take all reasonable steps requested to assist the Issuer in making an orderly transfer of the duties of the Administrator.

Section 1.11. Notices. Any notice, report or other communication given hereunder shall be in writing and addressed as follows:

If to the Issuer or the Owner Trustee, to

Nordstrom Credit Card Master Note Trust II
c/o Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, Delaware 19890-0001
Attention: Corporate Trust Administration
(facsimile no. (302) 636-4140)

If to the Administrator, to

Nordstrom fsb
7320 East Princess Drive
Scottsdale, Arizona 85260-2438
(facsimile no. (303) 397-4488)

If to the Indenture Trustee, to

Wells Fargo Bank, National Association
Wells Fargo Corporate Trust
Asset Backed Securities
625 Marquette Avenue, MAC N9311-161
Minneapolis, Minnesota 55479
(facsimile no. (612) 667-3464)

If to the Transferor, to

Nordstrom Credit Card Receivables II LLC
13531 East Caley Avenue
Centennial, Colorado 80111
(facsimile no. (303) 397-4488)

or to such other address as any party shall have provided to the other parties in writing. Any notice required to be in writing hereunder shall be deemed given if personally delivered at, mailed by registered mail, return receipt requested, or sent by facsimile transmission, as provided above.

Section 1.12. Amendments. This Agreement may be amended from time to time, by a written amendment duly executed and delivered by the Issuer and the Administrator, as acknowledged and accepted by the Transferor, without the consent of any of the Noteholders or the Owner, to cure any ambiguity, to correct or supplement any provisions in this Agreement or for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement or modifying in any manner the rights of the Noteholders or Owner; provided, however, that (i) such amendment will not, as evidenced by an Officer's Certificate of the Administrator addressed and delivered to the Owner Trustee, materially and adversely affect the interests of any Noteholder or the Owner and (ii) the Rating Agency Condition will have been satisfied with respect to such amendment.

This Agreement may also be amended from time to time, by a written amendment duly executed and delivered by the Issuer, the Administrator and the Transferor, with the written consent of the Noteholders evidencing not less than a majority in the Outstanding Amount and the Owner, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement or modifying in any manner the rights of Noteholders or the Owner; provided, however, that, without the consent of the Holders of all of the Notes then Outstanding, no such amendment shall (i) increase or reduce in any manner the amount of, or accelerate or delay the timing of, collections of payments on the Receivables or distributions that are required to be made for the benefit of the Noteholders or (ii) reduce the aforesaid portion of the Outstanding Amount of the Notes of all Series, the Holders of which are required to consent to any such amendment.

Prior to the execution of any such amendment or consent, the Administrator shall furnish written notification of the substance of such amendment or consent to each Rating Agency. Promptly after the execution of any such amendment or consent, the Administrator shall furnish written notification of the substance of such amendment or consent to the Indenture Trustee.

It shall not be necessary for the consent of Noteholders pursuant to this Section to approve the particular form of any proposed amendment or consent, but it shall be sufficient if such consent shall approve the substance thereof.

Section 1.13. Successors and Assigns. This Agreement may not be assigned by the Administrator unless such assignment is previously consented to in writing by the Issuer, the Transferor and the Owner Trustee and subject to the satisfaction of the Rating Agency Condition. An assignment with such consent and satisfaction, if accepted by the assignee, shall bind the assignee hereunder in the same manner as the Administrator is bound hereunder. Notwithstanding the foregoing, upon notice to the Rating Agencies, this Agreement may be assigned by the Administrator without the consent of the Issuer, the Transferor, the Owner Trustee or the Rating Agencies to a corporation or other organization that is a successor (by merger, consolidation or purchase of assets) to the Administrator, provided that such successor organization executes and delivers to the Issuer, the Transferor and the Owner Trustee an agreement in which such corporation or other organization agrees to be bound hereunder by the terms of said assignment in the same manner as the Administrator is bound hereunder. Subject to the foregoing, this Agreement shall bind any successors or assigns of the parties hereto.

Section 1.14. GOVERNING LAW. THIS AGREEMENT AND EACH NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

Section 1.15. Effect of Headings and Table of Contents. The headings herein and Table of Contents are for convenience only and shall not affect the construction hereof.

Section 1.16. Counterparts. This Agreement may be executed in counterparts, each of which when so executed shall together constitute but one and the same agreement.

Section 1.17. Severability of Provisions. If any one or more of the covenants, agreements, provisions or terms of this Agreement shall for any reason whatsoever be held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions and terms of this Agreement and shall in no way affect the validity or enforceability of the other covenants, agreements, provisions and terms of this Agreement.

Section 1.18. Not Applicable to Nordstrom fsb in Other Capacities. Nothing in this Agreement shall affect any obligation Nordstrom fsb may have in any other capacity, other than as Administrator.

Section 1.19. Limitation of Liability of Owner Trustee. Notwithstanding anything contained herein to the contrary, this instrument has been signed by Wilmington Trust Company not in its individual capacity but solely in its capacity as Owner Trustee of the Issuer and in no event shall Wilmington Trust Company in its individual capacity or any beneficial owner of the Issuer have any liability for the representations, warranties, covenants, agreements or other obligations of the Issuer hereunder, as to all of which recourse shall be had solely to the assets of the Issuer. For all purposes of this Agreement, in the performance of any duties or obligations hereunder, the Owner Trustee (as such or in its individual capacity) shall be subject to, and entitled to the benefits of, the terms and provisions of the Trust Agreement.

Section 1.20. Third-Party Beneficiary. The Owner Trustee is a third-party beneficiary to this Agreement and is entitled to the rights and benefits hereunder and may enforce the provisions hereof as if it were a party hereto.

Section 1.21. Nonpetition Covenant. Notwithstanding any prior termination of this Agreement, to the fullest extent permitted by law, the Administrator shall not at any time with respect to the Issuer or the Transferor acquiesce, petition or otherwise invoke or cause the Issuer or the Transferor to invoke the process of any court or government authority for the purpose of commencing or sustaining a case against the Issuer or the Transferor under any federal or state bankruptcy, insolvency or similar law or appointing a receiver, conservator, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Issuer or the Transferor or any substantial part of its property or ordering the winding up or liquidation of the affairs of the Issuer or the Transferor; provided, however, that this Section shall not operate to preclude any remedy described in Article Five of the Master Indenture.

Section 1.22. Successor Administrator. In the event of a servicing transfer pursuant to Article Seven of the Transfer and Servicing Agreement, the successor servicer under the Transfer and Servicing Agreement shall, upon the date of such servicing transfer, become the successor Administrator hereunder. “Administrator” shall mean initially Nordstrom fsb and thereafter its permitted successor and assigns as provided in Section 1.13 or any successor Administrator as provided in this Section.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered as of the day and year first above written.

NORDSTROM CREDIT CARD MASTER NOTE TRUST II,
as Issuer

By: WILMINGTON TRUST COMPANY,
not in its individual capacity,
but solely as Owner Trustee

By: /s/ James P. Lawler
James P. Lawler
Vice President

NORDSTROM fsb,
as Administrator

By: /s/ Kevin T. Knight
Kevin T. Knight
Chairman and CEO

Acknowledged and Accepted:

NORDSTROM CREDIT CARD RECEIVABLES II LLC,
as Transferor

By: /s/ Marc A. Anacker
Marc A. Anacker
Treasure

EXHIBIT A

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that Nordstrom Credit Card Master Note Trust II, a Delaware statutory trust (the "Trust"), does hereby make, constitute and appoint Nordstrom fsb, as Administrator under the Administration Agreement (as defined below), and its agents and attorneys, as Attorneys-in-Fact to execute on behalf of the Trust all such documents, reports, filings, instruments, certificates, notices and opinions as it shall be the duty of the Trust to prepare, file or deliver pursuant to the Related Agreements, including, without limitation, to appear for and represent the Trust in connection with the preparation, filing and audit of federal, state and local tax returns pertaining to the Trust, and with full power to perform any and all acts associated with such returns and audits that the Trust could perform, including without limitation, the right to distribute and receive confidential information, defend and assert positions in response to audits, initiate and defend litigation, and to execute waivers of restriction on assessments of deficiencies, consents to the extension of any statutory or regulatory time limit, and settlements. For the purpose of this Power of Attorney, the term "Administration Agreement" means the amended and restated administration agreement, dated as of May 1, 2007, between the Trust and Nordstrom fsb, as administrator (the "Administrator"), as amended from time to time.

This power of attorney is coupled with an interest and shall survive and not be affected by the subsequent bankruptcy or dissolution of the Trust.

All powers of attorney for this purpose heretofore filed or executed by the Trust are hereby revoked.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Administration Agreement.

EXECUTED this ___day of ___, 2007.

NORDSTROM CREDIT CARD MASTER NOTE TRUST II

By: WILMINGTON TRUST COMPANY,
not in its individual capacity
but solely as Owner Trustee

By: _____
Name:
Title: