

SECURITIES AND EXCHANGE COMMISSION

FORM 10-K

Annual report pursuant to section 13 and 15(d)

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FILER

HOUSEHOLD PRIVATE LABEL CREDIT CARD MASTER TRUST II

CIK: **945207** | IRS No.: **363670374** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **10-K** | Act: **34** | File No.: **000-36050** | Film No.: **99573860**
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Mailing Address	Business Address
2700 SANDERS RD PROSPECT HEIGHTS IL 60070	2700 SANDERS RD PROSPECT HEIGHTS IL 60070 8475645000

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 1998

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Nos. 0-36050

HOUSEHOLD PRIVATE LABEL CREDIT CARD MASTER TRUST II
(Exact name of Registrant as specified in Department
of the Treasury, Internal Revenue Service Form SS-4)

HOUSEHOLD FINANCE CORPORATION
(Servicer of the Trust)
(Exact name as specified in Servicer's charter)

DELAWARE 36-3670374
(State or other jurisdiction of (I.R.S. Employer Identification
incorporation of Servicer) Number of Registrant)

2700 SANDERS ROAD, PROSPECT HEIGHTS, ILLINOIS 60070
(Address of principal executive offices of (Zip Code)
Servicer)

Servicer's telephone number, including area code (847) 564-5000

Indicate by check mark whether the Registrant (1) has filed all
reports required to be filed by Section 13 or 15(d) of the
Securities Exchange Act of 1934 during the preceding 12 months (or

for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No _____

The aggregate principal amount of the Certificates held by non-affiliates of the Servicer as of December 31, 1998 was approximately \$330 million.

INTRODUCTORY NOTE

HRSI Funding, Inc. (the "Seller") is the seller under a Pooling and Servicing Agreement (the "Agreement") dated as of October 1, 1994, by and among the Seller, Household Finance Corporation, as Servicer (the "Servicer") and Bank America National Trust Company, as trustee (the "Trustee"), as amended by the Series 1994-2 Supplement to the Agreement dated as of October 1, 1994 (the "Supplement"), providing for the issuance of certificates in varying series (the "Certificates"), and is the originator of the trust called the Household Private Label Credit Card Master Trust II (the "Registrant" or the "Trust").

Each Certificate represents an undivided interest in a specific pool of receivables held by the Trust. The Certificates issued, or to be issued, may be senior ("Class A Certificates"), subordinated ("Class B Certificates") and a Seller Certificate. The Seller, Servicer and Trustee have established a Cash Collateral Account and a Collateral Invested Amount for the benefit of the holders of the Class A and Class B Certificates. The Registrant has prepared this Form 10-K in reliance upon various no-action letters issued by the Securities and Exchange Commission (the "Commission") to other trusts which are substantially similar to the Trust and as a result of the Commission's favorable response to the Loan Application for Exemptive Order pursuant to Section 12(h) of the Securities Exchange Act of 1934 on May 20, 1992 which the Commission issued to the Private Label Credit Card Master Trust, the predecessor to the Trust. Items designated herein as "Not Applicable" have been omitted as a result of this reliance and in anticipation of favorable action by the Commission.

PART I

Item 1. Business.

Not Applicable.

Item 2. Properties.

Not Applicable.

Item 3. Legal Proceedings.

The Servicer is not aware of any material pending legal proceedings involving either the Registrant, the Trustee, the Seller or the Servicer with respect to the Certificates or the Registrant's property.

Item 4. Submission of Matters to a Vote of Security Holders.

No vote or consent of the holders of the Certificates (the "Certificateholders") was solicited for any purpose during the year ended December 31, 1998.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters.

To the best knowledge of the Servicer, there is no established public trading market for the Certificates. As of February 3, 1999, there were 16 Class A Certificateholders (0 holders of Class A Certificates, Series 1994-1 and 16 holders of Class A Certificates, Series 1994-2) and 4 Class B Certificateholders (0 holders of Class B Certificates, Series 1994-1 and 4 holders of Class B Certificates, Series 1994-2), some of whom may be holding Certificates for the accounts of others.

Item 6. Selected Financial Data.

Not Applicable.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Not Applicable.

Item 8. Financial Statements and Supplementary Data.

Not Applicable.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

PART III

Item 10. Directors and Executive Officers of the Registrant.

Not Applicable.

Item 11. Executive Compensation.

Not Applicable.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

The following table sets forth (i) the name and address of each entity owning more than 5% of the outstanding principal amount of the Class A or the Class B Certificates; (ii) the principal amount of Certificates owned by each and (iii) the percent that the principal amount of Certificates owned represents of the outstanding principal amount of the Class A or the Class B Certificates. The information set forth in the table is based upon information obtained by the Servicer from the Trustee and from The Depository Trust Company as of February 3, 1999. The Servicer is not aware of any Schedules 13D or 13G filed with the Securities and Exchange Commission in respect of the Certificates.

Amount Owned

All dollar amounts are
in thousands

Name and Address	Principal	Percent
Class A Certificateholders (Series 1994-2)		
The Bank of New York 925 Patterson Plank Road Secaucus, NJ 07094	\$ 71,450	23.24
Bankers Trust Company c/o BT Services Tennessee Inc. 648 Grassmere Park Drive Nashville, TN 37211	\$ 41,773	13.59
Chase Manhattan Bank 4 New York Plaza - 13th Floor New York, NY 10004	\$ 73,777	24.97
Prudential Securities Custody 111 8th Avenue - 4th Floor New York, NY 10011	\$ 24,830	8.07
State Street Bank & Trust Company Global Corp. Action Dept. JAB5W P. O. Box 1631 Boston, MA 02105-1631	\$ 42,900	13.95

Amount Owned

All dollar amounts are
in thousands

Name and Address	Principal	Percent
Class B Certificateholders (Series 1994-2)		

The Bank of New York 925 Patterson Plank Road Secaucus, NJ 07094	\$ 5,000	22.22
Bankers Trust Company c/o BT Services Tennessee Inc. 648 Grassmere Park Drive Nashville, TN 37211	\$ 6,500	28.89
Chase Manhattan Bank 4 New York Plaza - 13th Floor New York, NY 10004	\$ 5,000	22.22
Citibank, N.A. P. O. Box 30576 Tampa, FL 33630-3576	\$ 6,000	26.67

Item 13. Certain Relationships and Related Transactions.

None or Not Applicable.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K.

(a) List the following documents filed as a part of the report:

(1) Financial Statements

Not Applicable.

(2) Financial Statement Schedules

Not Applicable.

(3) The Servicer is obligated to prepare an Annual Statement to Certificateholders for the year 1998, and Independent Public Accountants are required to prepare an Annual Servicing Report pertaining to the compliance of the Servicer with its servicing obligations pursuant to the Agreement. Copies of said documents are or will be filed as exhibits to this Form 10-K when they are available.

(b) The Registrant filed the following current reports

on Form 8-K for the fourth quarter of 1998.

Date of Reports	Items Covered
October 20, 1998 November 20, 1998 December 21, 1998	Item 7 -- Statement to Certificateholders with respect to distributions made on October 20, 1998, November 20, 1998 and December 21, 1998.

- (c) (1) Exhibit 99. Copy of Annual Statement to Certificateholders for the year 1998.
- (2) Exhibit 99.1. Copy of Annual Servicing Report for the year 1998.
- (d) Not Applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Servicer has duly caused this report to be signed on behalf of the Household Private Label Credit Card Master Trust II by the undersigned, thereunto duly authorized.

HOUSEHOLD FINANCE CORPORATION,
as Servicer of and on behalf of the

HOUSEHOLD PRIVATE LABEL CREDIT CARD MASTER TRUST II
(Registrant)

Date: February 25, 1999

By: /s/ John W. Blenke
John W. Blenke
Assistant Secretary

Exhibit Index

Exhibit No.	Exhibit	Page No.
99	Copy of Annual Statement to Certificateholders for the year ended December 31, 1998	10
99.1	Copy of Annual Servicing Report for the year ended December 31, 1998	11

Household Finance
 Corporation
 HRSI Funding, Inc.
 Household Private Label
 Credit Card Master Trust II,
 Series 1994-2

Original Principal Class A	307,500,000.00
Number of Class A Bonds (\$1,000)	307,500
Original Principal Class B	22,500,000.00
Number of Class B Bonds (\$1,000)	22,500

		Sum 1/20/98 - 12/21/98
Distribution Date	12/21/98	Total 1998
Days	31	

CLASS A

Beginning Class A Principal Balance	136,666,666.68	
Beg Class A Percentage	44.44%	
Principal Distribution	17,083,333.33	187,916,666.65
Principal Payment Factor (per \$1,000)	55.55555545	611.11

Ending Class A Principal Balance	119,583,333.35
Ending Class A Percentage	38.89%

Class A Interest Distribution	888,333.33	17,877,708.33
Interest Payment Factor (per \$1,000)	2.888888878	58.14

Total Class A Distribution Amount	17,971,666.66	205,794,374.98
Total Distribution Pymt Factor (per \$1,000)	58.444444423	669.25

Class B

Beginning Class B Principal Balance	22,500,000.00	
Beg Class B Percentage	100.00%	
Principal Distribution	0.00	0.00
Principal Payment Factor	0.000000000	0.00

(per \$1,000)

Ending Class B Principal Balance	22,500,000.00	
Ending Class B Percentage	100.00%	
Class B Interest Distribution	150,000.00	1,800,000.00
Interest Payment Factor (per \$1,000)	6.666666667	80.00
Total Class B Distribution Amount	150,000.00	1,800,000.00
Total Distribution Pymt Factor (per \$1,000)	6.666666667	80.00

Independent Accountants' Report on Applying Agreed-Upon
Procedures

To Household Finance Corporation:

We have performed procedures enumerated below in items A. and B. in conjunction with Section 3.06 of the Pooling and Servicing Agreement, dated October 1, 1994, as amended and supplemented (the "Agreement").

A. We have audited, in accordance with generally accepted auditing standards, the consolidated financial statements of Household Finance Corporation (the "Servicer") and subsidiaries as of December 31, 1998, and have issued our report thereon dated January 20, 1999. We have not audited any financial statements of the Servicer as of any date or for any period subsequent to December 31, 1998, or performed any audit procedures subsequent to the date of our report on those statements.

In connection with our audit, nothing came to our attention that caused us to believe that the Servicer was not in compliance with any of the terms, covenants, provisions, or conditions in Sections 3.01, 3.02, 3.04, 3.09, 4.02, 4.03, 4.04, 4.05, 4.06, and 8.08 (to the extent such sections are applicable to Household Finance Corporation as Servicer) of the Agreement, or Sections 4.08, 4.09, 4.10, 4.11, 4.12, 4.13, 4.14,

and 4.15 (to the extent such sections are applicable to Household Finance Corporation as Servicer) of the Series 1994-2, Series 1995-A, and Series 1997-B Supplements in conjunction with the servicing of consumer revolving private label credit card receivables owned by the Household Private Label Credit Card Master Trust II insofar as they relate to accounting matters. It should be noted, however, that our audit was not directed primarily toward obtaining knowledge of such noncompliance.

As a part of our audit, we obtained an understanding of the Servicer's internal control structure over the Servicer's entire consumer revolving private label credit card portfolio, including those loans serviced under the Agreement, and the related Supplements, to the extent considered necessary in order to assess control risk as required by generally accepted auditing standards. The purpose of our consideration of the internal control structure, which includes the accounting systems, was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the financial statements. Such audit procedures, however, were not performed in order to express a separate opinion on the Household Private Label Credit Card Master Trust II.

Our audit disclosed no exceptions or errors in records relating to credit card receivables serviced by the Servicer that, in our opinion, Section 3.06 of the Agreement required us to report.

B. We have performed the procedure described in the following paragraph, which was agreed to by the management of the Servicer, US Bank, N.A., formerly known as the First Trust of New York as Trustee, and the Credit Enhancement Provider (together, the "Specified Users"), with respect to Section 3.06 of the Agreement, in conjunction with the servicing of consumer revolving private label credit card receivables owned by the Household Private Label Credit Card Master Trust II. This agreed-upon procedure was

performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedure is solely the responsibility of the Specified Users of the report. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

The procedure and associated findings are as follows:

From the Monthly Servicer's Certificates prepared by the Servicer between January, 1998 and December, 1998, we selected the following months and performed the following procedure:

We have compared the mathematical calculation of each amount set forth in the Monthly Servicer's Certificates to the Servicer's accounting records for the month of September, 1998, for Series 1994-2, Series 1995-A, and Series 1997-B and found them to be in agreement. Our comparisons were based on records provided to us by the Servicer and the methodology set forth in the Agreement.

With respect to the procedure performed in item B. above, we were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the Monthly Servicer's Certificates described above. Accordingly, we do not express such an opinion. Had we been engaged to perform additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Specified Users and should not be used for any other purpose.

ARTHUR ANDERSEN LLP

Chicago, Illinois
March 24, 1999