



“We’re in business to help your business”

Dear Credit Applicant:

In order to expedite your credit application with CFM Equipment Distributors, please do the following:

1. Fill out, completely, the enclosed credit application. Please list complete mailing addresses (including street address and zip) for your references. If any of your credit references have fax numbers, please include the numbers as they will also speed the process.
2. Without having pages 1-4 completed and signed this will delay the process of establishing an open line of credit.
3. **IMPORTANT:** Please be sure to sign page 3 (Agreement for Commercial open Account). Without this page signed we are unable to review your application.

If you are looking to establish a C.O.D account you will need to complete the top half of page #1 and provide your signature on the bottom half. We will also need page 3 signed as well (agreement for commercial open account).

We will make every attempt possible to expedite your application for credit, given that you (1) fill out the application completely, (2) your references respond promptly and (3) we have your signature on all 4 pages.

Thank you, in advance, for your help in establishing credit for your company with **CFM Equipment Distributors**

Sincerely,

CFM Equipment Distributors



APPLICATION FOR PRO-POWER REVOLVING BUSINESS ACCOUNT

COMPANY INFORMATION:

Credit Amount Requested: \$ _____

Credit requests of \$20,000 or more require submission of a current balance sheet, P&L, and a statement of cash flows for the past 12 months.

COMPANY LEGAL NAME _____ ("Company")

Street Address _____ P. O. Box _____

City _____ County _____ State _____ Zip _____

Telephone (____) _____ Fax (____) _____ Cell/Mobile Phone (____) _____

Email for Promos _____ **BILLING EMAIL** _____

Mth/Yr Company Started ____/____ Mth/Yr Current Ownership Began ____/____ Annual Sales \$ _____

TYPE OF BUSINESS C-Corporation S-Corporation Proprietorship Partnership LLC Other (Describe) _____

Federal Taxpayer ID # _____ D&B # _____ Lic # _____

PLEASE ANSWER THE FOLLOWING:

Have you and/or the Company ever filed for bankruptcy, or had an involuntary petition for bankruptcy filed? YES* NO

Have you and/or the Company ever been a defendant to a claim, judgment, tax lien or lawsuit? YES* NO

Have you and/or the Company ever defaulted on a loan? YES* NO

* If YES, please provide complete details and dates: _____

Please furnish complete addresses, phone numbers and fax numbers.

BANK REFERENCE:

Bank Name _____ Contact _____

Address _____ Telephone (____) _____ Fax (____) _____

Account # _____ Average Balance \$ _____ Loan History: Open Repaid None

TRADE REFERENCES:

Company _____ Contact _____

Address _____ City _____ State _____ Zip _____

Telephone (____) _____ Fax (____) _____ Account Number _____

Company _____ Contact _____

Address _____ City _____ State _____ Zip _____

Telephone () _____ Fax (____) _____ Account Number _____

PRINCIPAL(S) OF THE COMPANY:

Please print below the name(s), title(s), and % ownership, as applicable, of Corporate Officers, all Partners, or all Owner(s). All principal(s)/partner(s)/owner(s) who own 20% or more of the Company, must provide their Social Security number(s) below.

Principal #1

Name _____ Title _____ % Ownership _____ Soc. Sec. # _____

Principal #2

Name _____ Title _____ % Ownership _____ Soc. Sec. # _____

APPLICANT SIGNATURE:

By his/her signature below, the undersigned Authorizing Official hereby certifies that he/she is authorized by the Company (a) to sign and deliver this Application, (b) to bind the Company to the terms and conditions in the PRO-POWER Revolving Business Account Agreement, receipt of which by his/her signature below the Authorizing Official hereby acknowledges, and (c) all information contained in this application is true and correct. The authorizing official understands that credit on this Account, once approved, will be extended by Financial Management Services, Inc. and you authorize us to check with credit reporting agencies and other sources we deem appropriate in considering this application and subsequently for purposes of updates, renewals or extensions of credit granted as a result of this application or in receiving or collecting the Account.

Signature of Principal #1 _____ Date _____

Signature of Principal #2 _____ Date _____



PERSONAL GUARANTY: (To be completed by an owner/officer or other authorized individual)

Name _____ Date of Birth ____/____/____ Social Security # _____
Home Address _____ City _____ State ____ Zip _____ Home Phone (____) _____

In consideration of Financial Management Services, Inc. ("FMSI") financing purchases by buyer, the undersigned guarantor hereby agrees to unconditionally, absolutely and irrevocably personally guarantee payment of all amounts due under, and the performance under the terms of, the Pro-Power Revolving Business Account Agreement ("Agreement"), and further agrees to pay the total balance due on the account opened pursuant to the agreement upon demand, without requiring FMSI to proceed first to enforce payment against the buyer also liable on this account, in the event of default under the agreement that governs the account. The undersigned hereby waives any notices regarding the agreement or this guaranty, and agrees that this guaranty shall be applicable until the agreement has terminated and all amounts due thereunder shall have been paid in full. The undersigned guarantor agrees that in the event the account is not paid as agreed, FMSI may report the undersigned's liability for and the status of the account to credit bureaus and others who may lawfully receive such information. The undersigned guarantor agrees that personal credit history may be used in making a credit decision and consumer reports on the undersigned guarantor may be obtained.

Your Signature _____ Date _____

AGREEMENT

This revolving business account ("Business Account") is a service of, and credit will be extended by, Financial Management Services, Inc. d/b/a Contractors Credit ("Issuer"), 1001 Warrenville Road, Suite 210, Lisle, IL 60532, 1-(888)-PRO-POWER (776-7693). The application Form and Account Agreement will be accepted in Illinois and governed by Illinois and applicable federal and/or other states' law. By his/her signature on the application for a Business Account, the signer ("Authorizing Official") certifies that (1) the information on this Application, and on any attachments, is true and accurate; (2) the Business Account will be used only for commercial or business purposes, and not for personal, family or household purposes; (3) he/she has the authority to request that a Business Account be established in the Company's name; (4) he/she has the authority to approve Issuer's receipt and exchange of financial and credit information about the Company to Issuer; (5) he/she agrees to provide additional information, including financial statements and business tax returns, about the Company as reasonably requested by Issuer now and from time to time hereafter; and (6) he/she has received, read and understands the PROPOWER Revolving Business Account Agreement ("Account Agreement") and has the authority to (a) bind the Company to the terms and conditions thereof, and (b) agree that the Company shall be liable for all charges under the Business Account.

**** IMPORTANT INFORMATION ABOUT PRO-POWER REVOLVING BUSINESS ACCOUNT ****

- (1) PLEASE READ AND RETAIN THE ACCOUNT AGREEMENT BEFORE SIGNING THIS APPLICATION FORM.**
- (2) All Billing Statements, notices, communications and Business Account information will be sent to the AUTHORIZING OFFICIAL at the address shown on the reverse side unless he/she notifies us in writing of the name of the individual he/she designates to receive such mailings, or of a different mailing address.**
- (3) The Company is responsible for its employees' or agents' use of the Business Account if the Application is approved and the Business Account established.**

Annual Percentage Rate ("APR") For Purchases: The APR may vary from month to month as provided below and in the Account Agreement. **Variable Rate and Billing Information:** The APR may vary from month to month and will be equal to the greater of the Prime Rate (as published on or nearest to the 15th of each month in The Wall Street Journal) plus 12% or 19.25%, except as otherwise provided by applicable law, and is effective on the first day of the next Billing Period. The APR will increase to the **Default APR** of 24% if we do not receive the minimum payment by the date due twice in a twelve-month period. The **Monthly Periodic Rate** is equal to onetwelfth (1/12) of the APR in effect from time to time. **"Billing Periods"** include the first through last days of each month, and **"Billing Statements"** are prepared on the first business day of the following month (**"Billing Date"**). Payments are due (**"Payment Due Date"**) not less than 20 days after the Billing Date, so you have **at least 20 days to pay the balance for new purchases each month** before a Finance Charge on purchases is assessed. You must pay at least the **"Minimum Payment"** by the Payment Due Date or a **"Late Charge"** equal to the greater of \$35.00 or 1.0% of the Minimum Payment may be assessed, or, if less, the maximum amount permitted under the applicable law. At any time you may pay an amount greater than the Minimum Payment up to the **"New Balance"** which is the total of all amounts owing. We determine the **"Finance Charge"** by applying the Monthly Periodic Rate to the **"Average Daily Balance"** of your Business Account, **EXCLUDING CURRENT PURCHASES**. To determine the Average Daily Balance, we take the beginning balance of your Business Account each day, subtract any payments or credits and any unpaid Finance Charges or other charges, but do not add in any new purchases; this gives us the "daily balance". Then we add all the daily balances in the Billing Period and divide that amount by the number of days in the Billing Period; this gives us the Average Daily Balance. Subject to applicable law, a returned check charge (**"Service Charge"**) of \$35.00, or if less, the maximum amount permitted under the applicable law, is assessed for any check submitted as payment that is returned to us for insufficient funds or any other reason. If a Finance Charge is due, the **minimum Finance Charge is \$1.00**. We may add, change or withdraw services offered under this Business Account and change the Account Agreement at any time as provided therein. **State Notices: New York:** You may contact the New York State Banking Department to obtain a comparative listing of credit card rates, fees and grace periods. **Ohio:** The Ohio laws against discrimination require that all creditors make credit equally available to all credit worthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

FOR WHOLESALE'S ("Sponsoring Member") USE ONLY:

This Company's Application is recommended by _____ (**"Sponsoring Member"**) under the provisions of the General Operating Rules and Membership Agreement, as amended from time to time, between Financial Management Services, Inc. and its members, including us.

We designate this a **Recourse** **Non-Recourse** **Shared Recourse Application.**

Authorized Signer for Sponsoring Member:

Print Signer's Name: _____ Title: _____ Date: _____



AGREEMENT FOR COMMERCIAL OPEN ACCOUNT

Seller: CFM Equipment Distributors, Inc.

Address: 1644 Main Avenue, Suite 1
Sacramento, CA 95838

Buyer: _____

Street Address: _____

City, State, Zip: _____

Seller and Buyer agree as follows:

1. CFM EQUIPMENT DISTRIBUTORS, INC. is executing this agreement to provide credit sales to Buyer based and in reliance upon CFM EQUIPMENT DISTRIBUTORS, INC.'s approval of an Application for Open Account submitted by Buyer who warrants the accuracy and truthfulness of the information set forth therein.
2. CFM EQUIPMENT DISTRIBUTORS, INC. agrees to establish an open account in the name of Buyer for purchases made by Buyer from CFM EQUIPMENT DISTRIBUTORS, INC. from time to time.
3. Unless otherwise agreed in writing, Buyer agrees to pay CFM EQUIPMENT DISTRIBUTORS, INC. the invoice amount of all purchases within thirty (30) days of the invoice date. Accounts remaining unpaid beyond our terms will be placed on credit hold pending satisfactory payments. Any customer not meeting his financial obligations will be considered delinquent and may be subject to the loss of open credit.
4. Buyer will be invoiced in the regular manner for all parts even though it may be an in-warranty transaction. Credit will be issued promptly on the return of the defective part, as long as it is returned within the prescribed time limit and has the required information necessary for us to issue credit under the terms of the In-Warranty Policy. Withholding payment of any invoice in anticipation of an in-warranty credit does not meet the conditions of our terms of sale.
5. All sales are F.O.B. Sacramento, California, with shipping costs payable by Buyer except to the extent of freight allowances given by CFM EQUIPMENT DISTRIBUTORS, INC. on current price sheets.
6. The parties agree that only manufacturer warranties are included in sales.
7. CFM EQUIPMENT DISTRIBUTORS, INC. shall have no obligation to make credit sales in the event of a delinquent open account.
8. Buyer agrees to pay CFM EQUIPMENT DISTRIBUTORS, INC. interest at ten percent (10%) per annum or the maximum legal interest rate, whichever is greater, on all past due accounts until paid.
9. Buyer agrees to pay all costs of collection, to include attorney's fees and court costs incurred by Seller, with respect to any and all collection efforts (which include collection agency fees) and legal proceedings taken by Seller to collect any past due account.
10. The parties agree that any legal proceeding brought to enforce the terms and provisions of this agreement, shall be filed in a court of competent jurisdiction at Sacramento, California.
11. Buyer represents that it is a sole proprietor, partnership, corporation, LLC, or other legal entity. **(Unless Buyer is a sole proprietor, the Guaranty on page 4 must be completed).**
12. For sales of product that take place in states outside of CFM EQUIPMENT DISTRIBUTORS, INC. shipping locations, at the customer's point of delivery, customer agrees to report and pay all applicable sales and use taxes in connection with sale and hold CFM EQUIPMENT DISTRIBUTORS, INC. harmless therefrom.

Dated: _____

Dated: _____

SELLER: _____

BUYER: _____

CFM EQUIPMENT DISTRIBUTORS, INC.

Company Name: _____

by: _____

by: _____

(CHESTER E. FLINT)

(Signature of Owner, Partner or Corporate Officer)

Title: _____ President _____

Title: _____



GUARANTY

SELLER: CFM EQUIPMENT DISTRIBUTORS, INC.
1644 Main Avenue, Suite 1
Sacramento, CA 95838
a corporation

BUYER: _____
Address: _____
Buyer is a: Corporation LLC General Partnership Limited Partnership

GUARANTOR: _____
(Print or type name of Individual)
Address: _____
(Residence address of Guarantor)

As an inducement to Seller CFM EQUIPMENT DISTRIBUTORS, INC. to sell HVAC equipment and materials on an open book account to the Buyer listed above, the undersigned Guarantor, for value received, hereby unconditionally guarantees to Seller and its assigns the prompt payment in full, at Sacramento, California, when due, of any and all indebtedness now, or at any time hereafter, owing to Seller by the Buyer to include attorney's fees and legal costs. Guarantor hereby waives the giving or extension of credit, or extension of time of payment, to the Buyer, and waives presentment, demand, notices of default, nonpayment or partial payments and protest, notice of protest, and all other notices or formalities to which the Buyer might otherwise be entitled, prosecution of collection or remedies against the Buyer or against the makers, endorsers or other persons liable on any commercial paper. This guaranty is absolute, unconditional and continuing, and payment of all sums for which the undersigned Guarantor becomes liable shall be paid to Seller on demand as the same become or are declared due. This guaranty shall continue until such time as Guarantor shall give written notice of termination to Seller by certified or registered mail. This guaranty shall inure to the benefit of Seller and its successors and assigns. This guaranty shall be binding on the successors, assigns and personal representatives of the Guarantor. Guarantor agrees to pay Seller attorney's fees and costs if suit is brought to enforce this guaranty.

Dated: _____ GUARANTOR: _____
(Signature)